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Securities code: 4092

June 7, 2024

Start date of measures for electronic provision: June 4, 2024

To Our Shareholders:

Hirota Tanahashi  
President  
**NIPPON CHEMICAL INDUSTRIAL Co., Ltd.**  
11-1, 9-chome, Kameido, Koto-ku, Tokyo

## Notice of the 166th Ordinary General Meeting of Shareholders

We are pleased to announce the 166th Ordinary General Meeting of Shareholders of NIPPON CHEMICAL INDUSTRIAL Co., Ltd. (the “Company”), which will be held as described below.

**When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.**

**The Company’s website:**

**<https://www.nippon-chem.co.jp/en.html>**

**(From the above website, select “Investor Relations,” and then “Shareholder-related Information” and “Shareholder Information.”)**

**In addition to the Company’s website, the Company also posts the matters subject to measures for electronic provision on the website of the Tokyo Stock Exchange (TSE). Please access the TSE website by using the internet address shown below to review the information.**

**TSE website (Listed Company Search):**

**<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>**

**(Access the TSE website by using the internet address shown above, enter “Nippon Chemical Industrial” in “Issue name (company name)” or the Company’s securities code “4092” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)**

**You may exercise your voting rights in writing or via the internet, etc. instead of attending the meeting in person. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Tuesday, June 25, 2024 (JST).**

1. **Date and Time:** Wednesday, June 26, 2024, at 10:00 a.m. (JST)
2. **Venue:** Memorial Hall, Research Building, Head Office of the Company  
11-1, 9-chome, Kameido, Koto-ku, Tokyo
3. **Meeting Agenda:**

**Matters to be reported:**

1. The Business Report, Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee for the 166th term (from April 1, 2023 to March 31, 2024)
2. Non-consolidated Financial Statements for the 166th term (from April 1, 2023 to March 31, 2024)

**Matters to be resolved:**

- Proposal No. 1**      Appropriation of Surplus
- Proposal No. 2**      Election of Two Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**Information Concerning the General Meeting of Shareholders**

1. If neither approval nor disapproval of a proposal is indicated on a voting rights exercise form submitted to exercise voting rights in writing (by mail), it shall be deemed a vote of approval.
2. If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's website and the TSE website.
3. The documents stating the matters subject to measures for electronic provision will also be delivered to shareholders who have requested paper-based documents. The following matters are excluded from these documents in accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation:
  - (i) Business Report: "Systems to Ensure the Appropriateness of Business Activities and the Operating Status Thereof," "Basic Policy Regarding Control of the Company" and "Basic Policy on Determination of Dividends of Surplus, Etc."
  - (ii) Consolidated Financial Statements: "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements"
  - (iii) Non-consolidated Financial Statements: "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements"

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in these paper-based documents are part of the documents audited by the Financial Auditor and the Audit and Supervisory Committee in creating a financial audit report and an audit report, respectively.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### **Proposal No. 1** Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

#### Year-end Dividends

The Company has given consideration to matters including the business performance of the fiscal year and future business development, and it proposes to pay year-end dividends as follows:

- (i) Type of Dividend Property  
To be paid in cash.
- (ii) Allotment of Dividend Property and Their Aggregate Amount  
The Company proposes to pay a dividend of ¥35 per common share of the Company.  
In this event, the total dividends will be ¥308,772,275.  
Accordingly, including the interim dividend of ¥35, the annual dividend for the fiscal year will total ¥70 per share.
- (iii) Effective Date of Dividends of Surplus  
The effective date of dividends will be June 27, 2024.

**Proposal No. 2** Election of Two Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all two Directors (excluding Directors who are Audit and Supervisory Committee members; applicable to the rest of this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of two Directors.

This proposal was decided by the Board of Directors as an agenda item for the general meeting of shareholders after deliberation by the Nomination & Compensation Committee, which comprises of the President and three Outside Directors (Audit and Supervisory Committee members who are independent officers). The Audit and Supervisory Committee discussed the matter and there was nothing particular to note.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company		Attendance at Board of Directors meetings
1	Hirota Tanahashi	President Chairperson of the Board of Directors, Chairperson of Corporate Management Committee	Reelection	100% (13/13)
2	Hiroyoshi Aikawa	Director, Managing Executive Officer and in charge of Production Engineering Division and R&D Division	Reelection	100% (13/13)

Reelection: candidate for Director to be reelected

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's common shares owned
1	Hirota Tanahashi (March 13, 1976) Reelection	<p>Apr. 2000      Joined Sumitomo 3M Limited (currently 3M Japan Limited)</p> <p>Feb. 2007      Joined the Company</p> <p>June 2008      General Manager attached to Organic Chemicals Division</p> <p>July 2009      Deputy Division Manager of Sales Division</p> <p>Apr. 2011      Executive Officer and Manager of Corporate Planning Office</p> <p>June 2012      Director, Managing Executive Officer and Division Manager of Sales Division</p> <p>Apr. 2014      Director, Senior Managing Director and in charge of Corporate Planning Office, Administration Division and Sales Division</p> <p>June 2015      Representative Director, Senior Managing Director and in charge of Corporate Planning Office, Administration Division and Sales Division</p> <p>Apr. 2017      President Chairperson of the Board of Directors, Chairperson of Corporate Management Committee (current position)</p> <p>Significant concurrent positions outside the Company Representative Director of Keiyo Chemical Co., Ltd.</p>	24,558
<p>Reasons for nomination as candidate for Director</p> <p>Hirota Tanahashi possesses extensive management experience and business experience in areas such as sales and corporate planning. In addition, he provides constructive opinions and proposals from the standpoint of overseeing management at various internal meetings. He is nominated as a candidate for Director because the Company wishes to continue having him supervise management based on his experience and other factors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's common shares owned
2	Hiroyoshi Aikawa (February 2, 1958) Reelection	<p>Apr. 1981      Joined the Company</p> <p>July 2009      General Manager of Tokuyama Factory</p> <p>July 2012      Deputy Division Manager of R&amp;D Division and General Manager of Chemical Products R&amp;D Department</p> <p>Apr. 2014      Executive Officer and Division Manager of R&amp;D Division and General Manager of Chemical Products R&amp;D Department</p> <p>July 2015      Executive Officer and Division Manager of R&amp;D Division</p> <p>Aug. 2016      Executive Officer and Division Manager of R&amp;D Division and General Manager of R&amp;D Administration Department</p> <p>Apr. 2017      Executive Officer and Division Manager of Production Engineering Division</p> <p>June 2017      Director, Executive Officer and Division Manager of Production Engineering Division</p> <p>June 2019      Director, Managing Executive Officer and Division Manager of Production Engineering Division</p> <p>Jan. 2020      Director, Managing Executive Officer and Division Manager of Production Engineering Division and General Manager of Production Engineering Department</p> <p>Apr. 2020      Director, Managing Executive Officer and Division Manager of Production Engineering Division</p> <p>Oct. 2021      Director, Managing Executive Officer and in charge of Production Engineering Division</p> <p>June 2022      Director, Managing Executive Officer and in charge of Production Engineering Division and in charge of R&amp;D Division (current position)</p> <p>Significant concurrent positions outside the Company None</p>	10,996
<p>Reasons for nomination as candidate for Director</p> <p>Hiroyoshi Aikawa possesses extensive business experience in areas such as the R&amp;D and production engineering. In addition, he provides constructive opinions and proposals particularly from the perspective of R&amp;D strategy and production engineering management at various internal meetings. He is nominated as a candidate for Director because the Company wishes to continue having him supervise management based on his experience and other factors.</p>			

- (Notes)
- Candidate Hirota Tanahashi's special interests  
He concurrently serves as Representative Director of Keiyo Chemical Co., Ltd., which operates in the same business category as the Company partially does. The Company both purchases products and raw materials from, and supplies raw materials to, Keiyo Chemical Co., Ltd.
  - There is no special interest between Hiroyoshi Aikawa and the Company.
  - The number of the Company's common shares owned by each candidate indicates the number of shares as of the end of the current fiscal year (March 31, 2024). In addition, it also includes the respective candidate's holdings in the Nippon Chemical Industrial Officer Shareholding Association.
  - The Company has concluded a directors and officers liability insurance policy with an insurer as stipulated in Article 430-3, paragraph (1) of the Companies Act. A summary of the terms and conditions of the aforementioned insurance policy is provided in "2. Corporate Officers, (2) Status of Corporate Officers, (iii) Summary of Contents of Directors and Officers Liability Insurance Policy, Etc." (in Japanese only). If the election of the candidates for Director is approved, they will continue to be covered as insured persons under the policy. The Company plans to renew the aforementioned insurance policy at the next renewal with the same terms and conditions.

(Reference)

The Company's Board of Directors is composed of Directors who are well-versed in R&D, sales, production engineering and administrative operations, and possess suitable knowledge, experience and skills in those areas, and independent Outside Director who possess expert knowledge and experience, as well as extensive insight relating to corporate legal affairs and auditing. Under the Articles of Incorporation, the Company shall have eight or less Directors who are not Audit and Supervisory Committee members and five or less Directors who are Audit and Supervisory Committee members. The Company's Board of Directors strives to collectively possess a balance of knowledge, experience and skills; diversity; and a size that is the most optimal from the viewpoint of the sustainable growth of the Company and its improvement in medium- to long-term corporate value. If Proposal No. 2 is approved as originally proposed, the composition of its members of its Board of Directors will be as follows.

Name	Position (planned)	Knowledge and experience particularly expected by the Company							Gender
		Management strategies	Sales	R&D	Production engineering	Internationality	Legal risk	Finance and accounting	
Hirota Tanahashi	President	○	○			○			Male
Hiroyoshi Aikawa	Director, Managing Executive Officer and in charge of Production Engineering Division and R&D Division			○	○	○			Male
Manabu Sato	Director (full-time Audit and Supervisory Committee member)							○	Male
Soichi Toyama	Outside Director (Audit and Supervisory Committee member)							○	Male
Tomoko Tada	Outside Director (Audit and Supervisory Committee member)						○		Female
Takeshi Kenmochi	Outside Director (Audit and Supervisory Committee member)	○						○	Male

(Reference) Policy on Cross-shareholdings

The Company will hold such shares as it deems necessary for such purposes as maintaining and strengthening business relationships, after examining their potential to contribute to the enhancement of the Company's corporate value over the medium- to long-term and other factors. Based on such examination, for those shares for which continued ownership is of limited significance, the Company's policy is to sell while taking into account such factors as the market impact and the business aspects of the sale.

Also, each year, the Board of Directors examines the appropriateness of holding individual cross-shareholdings by specifically examining factors such as whether the purpose of holding the shares is appropriate and whether the benefits and risks associated with holding the shares are commensurate with the cost of capital.

During the current fiscal year, the Company sold all or part of holdings of six firms.

Segment		FY2019	FY2020	FY2021	FY2022	FY2023
Number of issues (Issues)	Listed (including deemed shareholdings)	18	19	17	16	13
	Unlisted	17	17	17	17	17
Carrying amount (Millions of yen)	Listed	5,107	6,513	5,458	5,337	5,238
	Deemed shareholdings	1,122	1,561	1,797	2,089	3,131
	Unlisted	148	148	147	147	147
	Total	6,378	8,223	7,403	7,573	8,517

Criteria for the exercise of voting rights pertaining to cross-shareholdings

Regarding the exercise of voting rights pertaining to cross-shareholdings, the department responsible for managing such shares shall report in advance to the Officer responsible the details of the agenda for the investee company concerned. The Company will make decisions for or against each proposal by carefully examining it on a case-by-case basis from the perspective of whether or not the proposal will ultimately contribute to the enhancement of shareholder value, taking into consideration factors such as the business conditions for the investee company concerned and the relationship with the Company.