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(Securities Code 4471)
June 4, 2020

To Our Shareholders:

Takao Ando
President & CEO
SANYO CHEMICAL
INDUSTRIES, LTD.
11-1, Ikkyo Nomoto-cho, Higashiyama-ku,
Kyoto, Japan

**CONVOCAION NOTICE OF
THE 96TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to the 96th Ordinary General Meeting of Shareholders of SANYO CHEMICAL INDUSTRIES, LTD. (the “Company”). The meeting will be held for the purposes as described below.

While this year’s General Meeting of Shareholders will be held after taking appropriate infection prevention measures to prevent the spread of COVID-19, please consider exercising your voting rights in writing by submitting the Voting Rights Exercise Form, or via the Internet, etc., instead of attending the meeting in person.

Upon executing your voting rights in advance through writing or via the Internet, etc., after reviewing the attached Reference Documents for the General Meeting of Shareholders, please exercise your voting rights by 5:30 p.m. on Thursday, June 18, 2020, Japan time.

- 1. Date and Time:** Friday, June 19, 2020 at 10:00 a.m.
- 2. Place:** Kokin Jr. Ballroom on the fifth floor of HOTEL GRANVIA KYOTO
Kyoto Station Bldg., 901 Higashi Shiokoji-cho,
Shiokoji-sagaru, Karasuma-dori, Shimogyo-ku, Kyoto
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated and Non-consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2019 - March 31, 2020)
 2. Results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2019 - March 31, 2020)
 - Proposals to be resolved:**
 - Proposal 1:** Election of 10 Directors
 - Proposal 2:** Election of 2 Audit & Supervisory Board Members
 - Proposal 3:** Election of 1 Substitute Audit & Supervisory Board Member

Proposal 1: Election of 10 Directors

The terms of office of all 10 Directors, namely Messrs. Kan Ueno, Takao Ando, Akinori Higuchi, Kohei Maeda, Hideya Narutaki, Atsushi Ota, Hiroyuki Shimominami, Masaya Yamamoto, Shigenobu Aikyo and Ms. Aya Shirai will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. Accordingly, we propose the election of 10 Directors, including 3 Outside Directors.

The candidates are as follows:

No.	Name			Current position and responsibilities, etc. at the Company
1	Kan Ueno	Reelection	Outside Director Independent Director	Director, Chairman of the Board Meeting
2	Takao Ando	Reelection		President & CEO
3	Akinori Higuchi	Reelection		Director, Senior Managing Executive Officer, in charge of Corporate Strategy
4	Kohei Maeda	Reelection		Director, Senior Managing Executive Officer, in charge of Research & Development, General Manager of Research & Application No.1 Division, General Manager of Research Administration Division, Head of Head Office Research Laboratory
5	Hideya Narutaki	Reelection		Director, Managing Executive Officer, in charge of Sales & Marketing I, General Manager of Biotechnology & Medical Division, and Head of Tokyo Branch Office
6	Atsushi Ota	Reelection		Director, Managing Executive Officer, in charge of Production, Senior Vice President of SAN-PETROCHEMICALS CO., LTD.
7	Hiroyuki Shimominami	Reelection		Director, Executive Officer President, Representative Director of SDP Global Co., Ltd.
8	Masaya Yamamoto	Reelection		Director, Executive Officer, in charge of Corporate Ethics and General Affairs, and General Manager of Administrative Affairs Division
9	Shigenobu Aikyo	Reelection	Outside Director Independent Director	Director
10	Aya Shirai	Reelection	Outside Director Independent Director	Director

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Kan Ueno (August 27, 1947)	April 1970	Joined Nippon Petrochemicals Co., Ltd.	2,000
		April 2001	General Manager of General Affairs and Human Resources Department	
	[Reelection]	June 2002	Executive Officer, General Manager of General Affairs and Human Resources Department	
	[Outside Director]	June 2004	Managing Director and Executive Officer	
	[Independent Director]	June 2005	Director, Senior Vice President, and Executive Director of the Supply Division of Nippon Oil Corporation	
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	April 2006	Director, Senior Vice President, and Executive Director of the Chemicals Division	
	9 years	June 2008	Director, Senior Vice President, and Executive Director of the Chemicals Division of Nippon Oil Corporation Senior Vice President of SAN-PETROCHEMICALS CO., LTD. Outside Audit & Supervisory Board Member of the Company	
Attendance at Board Meetings during fiscal 2019:	July 2010	President, Representative Director of JX Nippon Information Technology Co., Ltd.		
17/17 (100%)	June 2011	Outside Director of the Company		
	June 2014	Outside Director, Chairman of the Board Meeting (to present)		
<p>[Reason for nomination as candidate for Outside Director]</p> <p>The Company has greatly benefitted from Mr. Kan Ueno's concise words of advice regarding management from an independent position, coming from his years of business and managerial experience in the chemical industry. Furthermore, he has shown fairness in leading the Board of Directors in his duties as Chairman of the Board Meeting of the Company. We believe that, with the above experience and knowledge, he is suited for the role in carrying out supervisory functions and providing advice to the Company's management, and thereby propose his re-election as an Outside Director.</p> <p>Furthermore, he was an executive (Director, Senior Vice President) of Nippon Oil Corporation (currently JXTG Holdings, Inc., which held 4.8% of the voting rights of the Company as of March 31, 2020) until June 2010. Although there are sales transactions such as the procurement of raw materials between the Company and JXTG Nippon Oil & Energy Corporation, which operates under JXTG Holdings, Inc. umbrella, the ratio of the amount of sales to said company as a component of the Company's consolidated net sales and the ratio of procurement by the Company as a component of said company's net sales are respectively less than 1%, and we thus believe that there are no issues with respect to independence.</p>				
2	Takao Ando (March 7, 1953)	April 1977	Joined the Company	11,300
		June 1998	Director, Deputy General Manager of Research & Development Division	
	[Reelection]	April 2001	Director, General Manager of Research & Development Division	
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	June 2003	Executive Officer, General Manager of Research & Development Division	
		June 2004	Executive Officer, General Manager of International Project Promotion Division	
		June 2007	Executive Officer	
		June 2008	Managing Executive Officer	
15 years	June 2010	Director, Senior Managing Executive Officer, and in charge of Sales & Marketing I		
Attendance at Board Meetings during fiscal 2019:	June 2011	President & CEO (to present)		
17/17 (100%)				
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takao Ando has served as President, Representative Director since 2011 and appropriately carried out his duties in supervising and executing the management operations of the Company. We believe that, with his wealth of experience and knowledge in overall management including research, sales and overseas business, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Akinori Higuchi (November 7, 1959)	April 1984	Joined the Company	1,300
	[Reelection]	October 1984	Transferred to SAN NOPCO LIMITED	
		October 2005	General Manager of Pulp & Paper Chemicals Marketing and Sales Department	
		June 2012	President, Representative Director, and General Manager of Sales & Marketing Division	
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	June 2014	Executive Officer of the Company	
	4 years	June 2015	Managing Executive Officer, General Manager of Petroleum & Environment Division	
	June 2016	Director, Managing Executive Officer, in charge of Sales & Marketing II, General Manager of Lubricating Oil Additives Division, and General Manager of Petroleum & Environment Division		
Attendance at Board Meetings during fiscal 2019:	June 2018	Director, Senior Managing Executive Officer, in charge of Corporate Planning and Sales & Marketing II, General Manager of Lubricating Oil Additives Division, and General Manager of Petroleum, Construction & Environment Division		
17/17 (100%)	May 2019	Director, Senior Managing Executive Officer, in charge of Corporate Strategy and Production		
	April 2020	Director, Senior Managing Executive Officer, in charge of Corporate Strategy (to present)		
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Akinori Higuchi has been involved in supervising and executing the management operations of the Company as an officer in charge of Sales & Marketing Division and has experience in supervising the overall operations in sales & marketing, research, and production as Chief Executive Officer of one of the Company's consolidated subsidiaries. In addition, he is making efforts as an officer in charge of corporate planning to promote the business strategy formulated in the Tenth Medium-Term Management Plan. We believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
4	Kohei Maeda (November 3, 1960)	April 1985	Joined the Company	3,300
	[Reelection]	April 1999	General Manager of New Technologies & Business Development Office	
		June 2005	General Manager of Research & Development Division and General Manager of Research Administration Division	
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	June 2010	Executive Officer, General Manager of Research & Application Division, and General Manager of Research Administration Division	
		October 2012	Executive Officer, General Manager of Research & Application Division, and Head of Head Office Research Laboratory	
		June 2014	Director, Executive Officer, General Manager of Research & Application Division, and Head of Head Office Research Laboratory	
	6 years	June 2015	Director, Managing Executive Officer, in charge of Research & Development, General Manager of Research & Application Division, and Head of Head Office Research Laboratory	
Attendance at Board Meetings during fiscal 2019:	June 2019	Director, Senior Managing Executive Officer, in charge of Sales & Marketing II, General Manager of Electronic Materials, Resins & Coloring Materials Division, and General Manager of Corporate Communications Division		
17/17 (100%)	April 2020	Director, Senior Managing Executive Officer, in charge of Research & Development, General Manager of Research & Application No.1 Division, General Manager of Research Administration Division, Head of Head Office Research Laboratory (to present)		
<p>[Reason for nomination as candidate for Director]</p> <p>In addition to years of experience as an officer responsible for, and in charge of Research & Development, Mr. Kohei Maeda has experience in supervising and executing the management operations of the Company as an officer in charge of Sales & Marketing. He also has been involved in strategic planning and promotion of public relations as General Manager of Corporate Communications Division. Since he is familiar with various technologies and businesses of the Company, we believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	Hideya Narutaki (September 22, 1958) [Reelection]	April 1984 November 2002 October 2008 February 2009 June 2010 January 2012	Joined the Company General Manager, Toiletry Department of Nihashi Division Deputy General Manager of Yasui Division General Manager of Narutaki Division Executive Officer, General Manager of Toiletry, Detergent & Textile Division Executive Officer, in charge of Sales & Marketing I, and General Manager of Toiletry, Detergent & Textile Division	2,100
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	June 2012 June 2015 April 2017	Director, Executive Officer, in charge of Sales & Marketing I, and General Manager of Toiletry, Detergent & Textile Division Director, Managing Executive Officer, in charge of Sales & Marketing I, and General Manager of Toiletry, Detergent & Textile Division Director, Managing Executive Officer, in charge of Sales & Marketing I, General Manager of Biotechnology & Medical Division, and Head of Tokyo Branch Office (to present)	
	8 years			
	Attendance at Board Meetings during fiscal 2019:			
	17/17 (100%)			
[Reason for nomination as candidate for Director] For many years, Mr. Hideya Narutaki has been involved in management as an officer responsible for the Sales & Marketing Division, and has experience in supervising and executing the management operations of the Company as an officer in charge of Sales & Marketing. Additionally, he is also responsible for the Biotechnology & Medical Division, which is an area that is expected to bring new business growth. Since he is familiar with the Company's wide range of products, we believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.				
6	Atsushi Ota (February 2, 1958) [Reelection]	April 1982 April 2001 April 2004 July 2007 June 2012 June 2016 June 2018 May 2019 April 2020	Joined the Company General Manager of Production Technology Department Head of Nagoya Factory and Kinuura Satellite Factory Deputy General Manager of Production Division, Head of Nagoya Factory and Kinuura Satellite Factory Executive Officer, General Manager of Personnel Division Director, Executive Officer, in charge of Production Director, Managing Executive Officer, in charge of Production, and General Manager of Production Division Director, Managing Executive Officer, in charge of Research & Development, General Manager of Research & Application No. 1 Division, General Manager of Research Administration Division, Head of Head Office Research Laboratory, and General Manager of Personnel Division Director, Managing Executive Officer, in charge of Production (to present)	2,100
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	(Significant concurrent position) Senior Vice President of SAN-PETROCHEMICALS CO., LTD.		
	4 years			
	Attendance at Board Meetings during fiscal 2019:			
	17/17 (100%)			
[Reason for nomination as candidate for Director] For many years, Mr. Atsushi Ota has been involved in management as an officer responsible for Factories, and has experience in executing the management operations of the Company as an officer in charge of Production. He also has experience as an officer in charge of Research & Development and Personnel. We believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
7	Hiroyuki Shimominami (January 22, 1960) [Reelection]	April 1983 October 2005 April 2009 June 2013 June 2016	Joined Tomen Corporation General Manager of Industrial Materials Department President of Toyota Tsusho (H.K.) Co., Ltd. Executive Officer of the Company Director, Executive Officer (to present)	1,200
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	(Significant concurrent position) President, Representative Director of SDP Global Co., Ltd.		
	4 years			
	Attendance at Board Meetings during fiscal 2019:			
	17/17 (100%)			
[Reason for nomination as candidate for Director] Mr. Hiroyuki Shimominami is Chief Executive Officer of one of the Company's consolidated subsidiaries in charge of production and sales of superabsorbent polymers, one of the main business of the Company. In addition, he holds managerial and marketing-related experience in the chemicals fields at a trading company. We believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.				
8	Masaya Yamamoto (July 7, 1958) [Reelection]	April 1982 October 2006 June 2009 August 2013 June 2014 June 2016	Joined Toray Industries, Inc. General Manager on Special Assignment of Internal Control Department Member of the Board of P.T. Toray Industries Indonesia General Manager on Special Assignment of Finance & Controller's Division (Finance Chief of the Indonesia Districts) of Toray Industries, Inc. Deputy General Manager of Sales & Marketing Administration Division of the Company Executive Officer, General Manager of Administrative Affairs Division Director, Executive Officer, in charge of Corporate Ethics and General Affairs, and General Manager of Administrative Affairs Division (to present)	800
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):			
	4 years			
	Attendance at Board Meetings during fiscal 2019:			
	17/17 (100%)			
[Reason for nomination as candidate for Director] Mr. Masaya Yamamoto has experience in executing and supervising the management operations of the Company as an officer in charge of General Affairs. In addition, he has been involved in activities related to finance and accounting divisions, internal control and overseas businesses at Toray Industries, Inc. We believe that, with the above experience and knowledge, he is suited for the role of ensuring the sustainable improvement of corporate value, and thereby propose his re-election as a Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
9	Shigenobu Aikyo (October 1, 1949)	April 1972	Joined the Sumitomo Bank, Limited	800
	[Reelection] [Outside Director] [Independent Director]	June 1999	Executive Officer, General Manager of Human Resources Department	
		April 2001	Executive Officer, General Manager of Planning Department of Sumitomo Mitsui Banking Corporation	
		April 2006	Senior Managing Director, Head of Investment Banking Unit of Sumitomo Mitsui Banking Corporation Senior Managing Director (Executive Officer), Head of Investment Banking Planning Department of Sumitomo Mitsui Financial Group, Inc.	
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):	April 2007	Director and Deputy President, Head of Middle Market Banking Unit of Sumitomo Mitsui Banking Corporation	
		April 2010	Chairman of the Board and Representative Director of Nikko Cordial Securities Inc.	
		April 2011	Chairman of the Board and Representative Director of SMBC Nikko Securities Inc.	
		April 2015	Advisor	
	4 years	June 2016	Outside Director of the Company (to present)	
Attendance at Board Meetings during fiscal 2019:	(Significant concurrent positions)			
17/17 (100%)	Outside Director of HASHIMOTO SOGYO HOLDINGS CO., Ltd. Outside Director of MODEC, INC. Outside Director of NICHICON CORPORATION Outside Auditor of Starts Corporation Inc.			
<p>[Reason for nomination as candidate for Outside Director]</p> <p>The Company has greatly benefitted from Mr. Shigenobu Aikyo's concise words of advice regarding management from an independent position, coming from his years of managerial experience in financial institutions. We believe that, with the above experience and knowledge, he is suited for the role in carrying out supervisory functions and providing advice to the Company's management, and thereby propose his re-election as an Outside Director.</p> <p>Furthermore, he was an executive (Chairman of the Board and Representative Director) of SMBC Nikko Securities Inc. until March 2015, but there are no transaction relationships between the Company and said company. Although he was an executive (Director and Deputy President) of Sumitomo Mitsui Banking Corporation, a main lender for the Company, until March 2010, as it has been over ten years since his retirement, we believe that there are no issues with respect to independence. Additionally, although there are sales transactions including sales of products between the Company and NICHICON CORPORATION, where he holds a concurrent position, the ratio of the amount of sales to said company as a component of the Company's consolidated net sales is less than 1%, and we thus believe that there are no issues with respect to independence. There are no transaction relationships between the Company and any of the other companies at which he holds concurrent positions.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Aya Shirai (May 23, 1960) [Reelection] [Outside Director] [Independent Director]	April 1979 Joined ALL NIPPON AIRWAYS CO., LTD. June 1993 Member of Amagasaki City Council December 2002 Mayor of Amagasaki City June 2018 Outside Director of the Company (to present) (Significant concurrent positions) Outside Director of PEGASUS SEWING MACHINE MFG. CO., LTD. Outside Director of BROTHER INDUSTRIES, LTD.	200
	Term of office as Director (at the conclusion of this year's Ordinary General Meeting of Shareholders):		
	2 years		
	Attendance at Board Meetings during fiscal 2019:		
	17/17 (100%)		
<p>[Reason for nomination as candidate for Outside Director] Ms. Aya Shirai has a wealth of experience and knowledge from her many years of involvement in municipal administration. Although she has not been directly involved in corporate management other than through experience as an Outside Director, we believe, with the above experience and knowledge, she is suited for the role in carrying out supervisory functions and providing advice to the Company's management from various aspects, and thereby propose her re-election as an Outside Director.</p> <p>Furthermore, there are no transaction relationships between the Company and companies at which she holds concurrent positions.</p>			

(Notes)

1. Mr. Atsushi Ota concurrently serves as Senior Vice President of SAN-PETROCHEMICALS CO., LTD., which has a transactional relationship with the Company in product supply. While Mr. Hiroyuki Shimominami concurrently serves as President, Representative Director of SDP Global Co., Ltd., which has a transactional relationship with the Company in product supply, no special interest exists as the said company has become a wholly owned subsidiary of the Company as of March 31, 2020. Otherwise, there are no special interests between each candidate for Director and the Company.
2. Messrs. Kan Ueno and Shigenobu Aikyo and Ms. Aya Shirai are candidates for Outside Director.
3. The Company has entered into a limited liability agreement with each of Messrs. Kan Ueno and Shigenobu Aikyo and Ms. Aya Shirai wherein the limit of their liability for damages under Article 423, Paragraph 1 of the Companies Act is the minimum liability amount as stipulated under Article 425, Paragraph 1 of the Companies Act, provided that they carried out their duties in good faith and without gross negligence. The Company will continue the agreement if the re-election of each of them is approved.
4. On January 2019, Sumitomo Precision Products Co., Ltd., for which Ms. Aya Shirai had served as an Outside Director, discovered that expenses concerning some defense equipment contracts with the Ministry of Defense had been overstated. Said company appointed an independent, highly specialized third-party special committee to conduct an investigation, and an investigation report has been submitted in January 2020. Ms. Aya Shirai has been regularly promoting awareness of compliance with laws and regulations at the Board Meetings, and after the fact was discovered, she has offered opinions at Board Meetings, etc., on matters such as thorough investigation to determine causes and measures to further enhance compliance systems to prevent recurrence.
5. The Company has designated Messrs. Kan Ueno and Shigenobu Aikyo and Ms. Aya Shirai as Independent Directors as stipulated by the Tokyo Stock Exchange. Additionally, if the re-election of each of the candidates is approved, the Company plans to designate these three persons as Independent Directors.

Proposal 2: Election of 2 Audit & Supervisory Board Members

The term of office of the Audit & Supervisory Board Members, namely Messrs. Toshio Ohshima, Takafumi Horiie, and Hiroyuki Sato, will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. Accordingly, we propose the election of 2 Audit & Supervisory Board Members.

If the proposal is approved, there will be 3 Audit & Supervisory Board Members, a reduction of one. Considering the present situation of the Company's audit system, including coordination with the Internal Audit Division, we believe that the effectiveness of audits will continue to be secured.

The candidates are as follows.

Please note that the Audit & Supervisory Board has already given its approval to this proposal.

No.	Name		Current position, etc. at the Company
1	Toshio Ohshima	Reelection	Outside Audit & Supervisory Board Member Independent Auditor Full-time Audit & Supervisory Board Member
2	Takafumi Horiie	Reelection	Full-time Audit & Supervisory Board Member

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions		Number of shares of the Company held
1	Toshio Ohshima (July 19, 1952)	April 1976	Joined Toray Industries, Inc.	200
		January 2001	General Manager of Films Trading Department	
		April 2005	General Manager of Information Materials Department	
	[Reelection]	March 2007	Director of Dow Corning Toray Co., Ltd.	
	[Outside Audit & Supervisory Board Member Director]	March 2009	President and Representative Director	
		June 2013	President of Toray Medical Co., Ltd.	
	[Independent Director]	June 2016	Audit & Supervisory Board Member of the Company (to present)	
	Term of office as Audit & Supervisory Board Member (at the conclusion of this year's Ordinary General Meeting of Shareholders):			
	4 years			
	Attendance at Board Meetings during fiscal 2019:			
	17/17 (100%)			
	Attendance at Audit & Supervisory Board Meetings during fiscal 2019:			
	12/12 (100%)			
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Mr. Toshio Ohshima has ample experience as a corporate manager. He has been taking initiative in Sanyo Chemical Group's auditing as a full-time Audit & Supervisory Board Member since June 2016, and appropriately fulfilling his role in audit of business execution and others, and thereby propose his re-election as an Audit & Supervisory Board Member. Furthermore, he was an executive (President) of Toray Medical Co., Ltd., a subsidiary of Toray Industries, Inc. (held 17.4% of the voting rights of the Company as of March 31, 2020), a major shareholder of the Company, until June 2016. Although there are sales transactions such as sales of products between the Company and Toray Industries, Inc., the ratio of the amount of sales to said company as a component of the Company's consolidated net sales and the ratio of procurement by the Company as a component of said company's net sales are respectively less than 1%, and we thus believe that there are no issues with respect to independence.				

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held	
2	Takafumi Horie (July 6, 1958) [Reelection]	April 1983 December 1998 July 2003 June 2005 June 2008 June 2010 June 2012 April 2014 January 2016 April 2018 June 2019	Joined the Company General Manager of Functional Resin Research Department Deputy General Manager of Research & Development Division, and General Manager of Environmental Chemicals Research Department General Manager of Research & Application Division Director, General Manager of Research & Development Control Division of SAN NOPCO LIMITED President, Representative Director and General Manager of Research & Development Control Division General Manager of Purchasing Division of the Company General Manager of Research Administration Division General Manager of Auditing Division and General Manager of Internal Control Department General Manager of Auditing Division and General Manager of Business Auditing Department Audit & Supervisory Board Member (to present)	200
	Term of office as Audit & Supervisory Board Member (at the conclusion of this year's Ordinary General Meeting of Shareholders):			
	1 year			
	Attendance at Board Meetings during fiscal 2019:			
	12/12 (100%)			
	Attendance at Audit & Supervisory Board Meetings during fiscal 2019:			
	10/10 (100%)			
[Reason for nomination as candidate for Audit & Supervisory Board Member] For many years, Mr. Takafumi Horie has been involved in management as an officer responsible for Research & Development, and has experience as Chief Executive Officer of one of the Company's consolidated subsidiaries and as an officer responsible for Purchasing and Auditing. With the above broad experience and knowledge, he has been appropriately fulfilling his role as a full-time Audit & Supervisory Board Member since June 2019, and thereby propose his re-election as an Audit & Supervisory Board Member.				

(Notes)

1. Mr. Toshio Ohshima is a candidate for Outside Audit & Supervisory Board Member.
2. The Company has entered into a limited liability agreement with Mr. Toshio Ohshima, wherein the limit of his liability for damages under Article 423, Paragraph 1 of the Companies Act is the minimum liability amount as stipulated under Article 425, Paragraph 1 of the Companies Act, provided that he carried out his duties in good faith and without gross negligence. The Company will continue the agreement if his re-election is approved.
3. The Company has designated Mr. Toshio Ohshima as an Independent Auditor as stipulated by the Tokyo Stock Exchange. Additionally, if his re-election is approved, the Company plans to designate him as an Independent Auditor.

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

To prepare for the shortage in the number of Audit & Supervisory Board Members stipulated by laws and regulations, we propose the election of 1 Substitute Audit & Supervisory Board Member in advance.

The candidate is as follows.

Please note that the Audit & Supervisory Board has already given its approval to this proposal.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
Yusuke Nakano (May 15, 1969) [New Candidate] [Outside Audit & Supervisory Board Member Director] [Independent Director]	April 2002 Registered as certified public accountant July 2005 Executive Senior Partner of Seiyu Audit Corporation (to present) September 2005 Registered as certified tax accountant January 2010 Head of NAKANO C.P.A OFFICE (to present) (Significant concurrent positions) Independent Audit and Supervisory Board Member of Nissha Co., Ltd. Outside Corporate Auditor of WATABE WEDDING CORPORATION Outside Director (Audit and Supervisory Committee Member) of SK-Electronics CO., LTD.	0
[Reason for nomination as candidate for substitute of Outside Audit & Supervisory Board Member] Mr. Yusuke Nakano has ample experience and in-depth knowledge in finance and accounting as a certified public accountant and certified tax accountant. Although he has not been directly involved in corporate management other than through experience as an Outside Director or an Outside Audit & Supervisory Board Member, we believe that he will reflect the above experience and knowledge in the Company's audit from an independent position, and thereby propose his election as a Substitute Outside Audit & Supervisory Board Member. There are no transaction relationships between the Company and any of the companies at which he holds concurrent positions.		

(Notes)

1. There are no special interests between Mr. Yusuke Nakano and the Company.
2. Mr. Yusuke Nakano is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. If Mr. Yusuke Nakano assumes the office of an Outside Audit & Supervisory Board Member, the Company intends to enter into a limited liability agreement with him wherein the limit of his liability for damages under Article 423, Paragraph 1 of the Companies Act is the minimum liability amount as stipulated under Article 425, Paragraph 1 of the Companies Act, provided that he carried out his duties in good faith and without gross negligence.
4. If Mr. Yusuke Nakano assumes the office of an Outside Audit & Supervisory Board Member, the Company plans to notify him as Independent Auditor as stipulated by the Tokyo Stock Exchange.

<Reference> Standards for Independence of Outside Directors and Outside Audit & Supervisory Board Members (hereinafter “Outside Officers”)

When selecting independent officers, the Company shall adopt the “Standards for Determining the Independence of Outside Officers,” as determined below.

“Standards for Determining the Independence of Outside Officers”

An outside officer shall be deemed independent if he or she does not fall under any of the following items.

1. A party whose major business partner is the Sanyo Chemical Group (*1, also hereinafter “the Group”) (*2) or an executive thereof (*3).
2. A major business partner of the Group (*4) or an executive thereof.
3. A major lender of the Group (*5) or an executive thereof.
4. A major shareholder of the Company or an executive thereof.
5. A person who belongs to an accounting firm serving as the Group’s accounting auditor.
6. A legal professional, accountant, or consultant, etc. who receives money or profit from other property benefits of a large amount (*6) from the Group, in a form other than compensation for officers.
7. A person or an executive, such as a director, of an organization such as a legal entity or a partnership, etc. who receives donations or subsidies of a large amount from the Group.
8. An executive director, executive officer (*shikkoyaku*), executive officer (*shikkoyakuin*) or an employee, such as a manager, of a company in which an executive director or a full-time audit & supervisory board member of the Group concurrently serves as an outside director or an outside audit & supervisory board member of the said company.
9. A person who fell under any of items 1 through 8 above within the past three years.
10. A spouse or a relative within the second degree of kinship of a person who falls under any of items 1 through 8 but is a person of importance (*7).

*1: “The Sanyo Chemical Group” pertains to the entire network consisting of the Company, its subsidiaries and affiliates.

*2: “A party whose major business partner is the Group” refers to a party who received payments from the Company in an amount that is equivalent to 2% or more of the said party’s consolidated net sales for the most recent fiscal year.

*3: “An executive” refers to a director (excluding outside directors), an executive officer (*shikkoyaku*), executive officer (*shikkoyakuin*), executive director or any other person or employee equivalent thereto of an organization such as a legal entity.

*4: “A major business partner of the Group” refers to a party from whom the Company received payments in an amount that is equivalent to 2% or more of the Company’s consolidated net sales for the most recent fiscal year.

*5: “A major lender of the Group” refers to a party that provides financing to the Company in an amount that is equivalent to 2% or more of the Company’s consolidated total assets for the most recent fiscal year.

*6: “A large amount” for an individual is equivalent to an average amount over the past three years equivalent to ¥10 million or more; for an organization such as a legal entity or a partnership, an average amount over the past three years exceeding 2% of the consolidated net sales or total revenues.

*7: “A person of importance” refers to a director (excluding outside directors), an audit & supervisory board member (excluding outside audit & supervisory board members), an executive officer or an employee who holds a managerial position above the general manager level.