

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 2004

June 2, 2022

To our shareholders

President and CEO Kazuhiko Niitsuma
Showa Sangyo Co., Ltd.
2-2-1, Uchikanda, Chiyoda-ku, Tokyo

Notice of the 121st Annual General Meeting of Shareholders

We would like to take this opportunity to express our sincere gratitude for your continued support of our Company.

Notice is hereby given that the 121st Annual General Meeting of Shareholders of Showa Sangyo Co., Ltd. (the “Company”) will be held as set forth below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, etc., so please review the reference documents for the General Meeting of Shareholders shown below and exercise your voting rights by 5:40 p.m. on June 23, 2022.

Information About Exercising Your Voting Rights

If you wish to exercise your voting rights in person at the General Meeting of Shareholders

You are kindly requested to exercise your voting rights by submitting the enclosed voting form to the reception desk at the meeting.

If you wish to exercise your voting rights in writing (by post)

Please indicate, on the enclosed voting form, your approval or disapproval of each proposal and return the completed form.

If you wish to exercise your voting rights via the Internet, etc.

Follow the instructions on page 4 and input your vote of approval or disapproval of each proposal.

1. Date and time: Friday, June 24, 2022, at 10:00 a.m. (registration starts at 9:00 a.m.)

2. Venue: Nikkei Building 3F Nikkei Hall

1-3-7, Otemachi, Chiyoda-ku, Tokyo

(Please refer to the Guide Map to the Venue for the Annual General Meeting of Shareholders attached at the end.) (available in Japanese only)

3. Purpose of the meeting

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 121st fiscal year (from April 1, 2021 to March 31, 2022) and audit results of the Consolidated Financial Statements by the financial auditor and the Audit and Supervisory Committee
2. Report on the non-consolidated financial statements for the 121st fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-------------------|---|
| Proposal 1 | Appropriation of Surplus |
| Proposal 2 | Amendment to the Articles of Incorporation |
| Proposal 3 | Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal 4 | Election of One Director Who is a Substitute Audit and Supervisory Committee Member |

4. Notice

(1) Exercise of voting rights by proxy

If you are unable to attend the General Meeting of Shareholders, you may appoint one other shareholder with voting rights to attend the General Meeting of Shareholders as your proxy. Please note, however, that you will be required to submit a written document certifying the proxy's authority.

(2) Regarding Internet Disclosure

The following matters are not included in this Notice of Convocation, as they are posted on the Company's website (<https://www.showa-sangyo.co.jp>) on the Internet in accordance with laws and regulations and Article 15 of the Company's Articles of Incorporation. Therefore, the documents attached to this Notice of Convocation are a part of the scope audited by the Audit and Supervisory Committee and the financial auditor in preparing the Audit Report.

- (i) "System for ensuring the appropriateness of business operations and status of operation" and "Basic Policy on Control of the Company" in the Business Report
- (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements
- (iii) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

Please note that if it becomes necessary to revise any of the items to be included in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements, the revised items will be posted on the Company's website (<https://www.showa-sangyo.co.jp>).

Request for your cooperation in preventing the spread of the COVID-19 infection

- **If attending the General Meeting of Shareholders in person, please check your own health condition and pay attention to the prevention of the spread of COVID-19 infection.**
- **There may be additional measures in place at the venue to prevent the spread of infection, and your cooperation with such measures is requested.**
- **You are kindly requested to exercise your voting rights in advance by mail or via the Internet.**

Information on Exercise of Voting Rights

Exercise of voting rights at the Company’s General Meeting of Shareholders is shareholders’ important right.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders below.

There are three methods to exercise your voting rights as indicated below.

Exercise of voting rights by attending the Annual General Meeting of Shareholders

You are kindly requested to exercise your voting rights by submitting the enclosed voting form to the reception desk at the meeting.

Date and time: **Friday, June 24, 2022, at 10:00 a.m.** (registration starts at **9:00 a.m.**)

Exercising voting rights by postal mail

Please indicate, on the enclosed voting form, your approval or disapproval of each proposal and return the completed form.

Deadline for exercise of voting rights **No later than Thursday, June 23, 2022, at 5:40 p.m. (JST)**

Exercise of voting rights via the Internet

Please indicate whether you approve or disapprove of each proposal following the instructions on the next page.

Deadline for exercise of voting rights **All data entry to be completed no later than Thursday, June 23, 2022, at 5:40 p.m. (JST)**

How to Fill Out Your Voting Form

Please indicate whether you approve or disapprove of each proposal.

Proposal 1, 2, and 4

- If you approve, **put a circle in the box marked 賛[Approve].**
- If you disapprove, **put a circle in the box marked 否[Disapprove].**

Proposal 3

- To mark your approval for all candidates, **put a circle in the box marked 賛[Approve].**
- To mark your disapproval for all candidates, **put a circle in the box marked 否[Disapprove].**
- To mark your disapproval for certain candidates, **put a circle in the box marked 賛[Approve] and write the number of the candidate(s) you wish to disapprove.**

Please note that your online vote will prevail should you exercise your voting rights both in writing (by post) and via the Internet, etc. If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.

Exercise of Voting Rights via the Internet, etc.

Method 1: Scanning the QR Code “Smart Vote”

You can simply log in to the website for exercising voting rights without entering your voting code and password.

1. Please scan QR Code provided at the bottom right of the voting form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

Please note that exercising voting rights by using the “Smart Vote®” method is available only once.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the voting form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR Code again.

Method 2: Entering the voting code and password

Voting website (Japanese only):
<https://www.web54.net>.

1. Please access the website for exercise of voting rights.
2. Please enter the voting code given on the voting form.
3. Please enter the password given on the voting form.
4. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

In case you need instructions for how to operate your personal computer or smartphone in order to exercise your voting rights via the Internet, etc., please contact:

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline

0120-652-031 (Toll Free)

(Business hours: 9:00 a.m. – 9:00 p.m. (JST))

Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company recognizes the return of profits to shareholders as one of its important management issues, along with growth investment and capital investment, which will be the source of corporate value in the future, and its basic policy is to stabilize the management base while aiming to maintain stable dividends over the long term.

The Company proposes a year-end dividend of ¥30 per share for the fiscal year, taking into comprehensive consideration the business results and financial conditions for the fiscal year and other factors, as follows. Accordingly, including the interim dividend of ¥30 per share, the annual dividend will total ¥60 per share, a decrease of ¥5 per share from the previous fiscal year.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥30 per common share of the Company
Total payment: ¥1,003,008,600
- (3) Effective date of dividends of surplus
June 27, 2022

Proposal 2 Amendment to the Articles of Incorporation

1. Reasons for the Amendment

(1) Introduction of a general meeting of shareholders without a designated location

As of June 16, 2021, the Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts (Act No. 70 of 2021) was enforced, allowing listed companies to hold a general meeting of shareholders without a designated location (so-called “virtual-only general meeting of shareholders”) by stipulating the provisions in their articles of incorporation. Article 12, paragraph 2 will be added so that a virtual-only general meeting of shareholders can be held.

The Company believes that the virtual-only general meeting of shareholders will make it easier for many shareholders, including those in remote areas, to attend the meeting, thereby revitalizing, streamlining, and smoothing the general meeting of shareholders, and will also contribute to preventing the spread of infectious diseases such as COVID-19.

In addition to the resolution at this Annual General Meeting of Shareholders, Article 12, paragraph 2 of the Articles of Incorporation shall become effective subject to the confirmation by the Minister of Economy, Trade and Industry as well as the Minister of Justice, pursuant to the Order of the Ministry of Economy, Trade and Industry and the Ministry of Justice Order, that the Company’s general meeting of shareholders without a designated location meets the requirements specified by the Order of the Ministry of Economy, Trade and Industry and the Ministry of Justice Order as a case that contributes to strengthening industrial competitiveness, while taking into consideration securing the interests of shareholders.

(2) Introduction of the system for electronic provision of reference documents for the general meeting of shareholders

Since the amended provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act “(Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following amendments in preparation for the introduction of the system for electronic provision of materials for the general meeting of shareholders.

(i) Article 15, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. electronically.

(ii) Article 15, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of matters to be stated in the paper-based documents to be delivered to shareholders who have requested it.

(iii) Since the provisions for Internet Disclosure and Deemed Provision System of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.

(iv) Accompanying the above establishment and deletion of the provisions, supplementary provisions regarding the effective date, etc. will be established.

(3) Reorganization of Directors with special titles

Article 22, paragraph 2 will be amended by reorganizing the Directors with special titles who can be selected.

2. Details of the Amendments

The details of the amendments are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>Article 12 (Convocation of General Meeting of Shareholders)</p> <p>An annual general meeting of shareholders shall be convened in June of each year, and an extraordinary general meeting of shareholders shall be convened as necessary.</p> <p style="text-align: center;">(Newly established)</p> <p>Article 15 (<u>Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.</u>)</p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>Article 12 (Convocation of General Meeting of Shareholders)</p> <p>1. An annual general meeting of shareholders shall be convened in June of each year, and an extraordinary general meeting of shareholders shall be convened as necessary.</p> <p>2. <u>The Company may appoint a general meeting of shareholders as a general meeting of shareholders without a designated location for the meeting.</u></p> <p style="text-align: center;">(Deleted)</p> <p>Article 15 (<u>Measures for Electronic Provision, Etc.</u>)</p> <p>1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. electronically.</u></p> <p>2. <u>Among the matters for which the measures for providing information electronically will be taken, the Company may exclude all or some of those matters stipulated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 22 (Representative Director and Directors with Special Titles)</p> <ol style="list-style-type: none"> 1. The Board of Directors shall select the Representative Director by its resolution. 2. The Board of Directors may, by its resolution, appoint one Director and Chairman and one Director and President, and a few <u>Director and Vice Presidents, Senior Managing Directors, and Managing Directors.</u> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 22 (Representative Director and Directors with Special Titles)</p> <ol style="list-style-type: none"> 1. The Board of Directors shall select the Representative Director by its resolution. 2. The Board of Directors may, by its resolution, appoint one Director and Chairman and one Director and President, and a few <u>other Directors with special titles.</u> <p style="text-align: center;"><u>Supplementary Provisions</u></p> <p><u>Article 1</u></p> <ol style="list-style-type: none"> 1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the new establishment of Article 15 (Measures for Electronic Provision, Etc.) of the proposed amendments shall take effect from September 1, 2022, which is the date of enforcement of the amended provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No.70 of 2019) (hereinafter referred to as the “Enforcement Date”).</u> 2. <u>Notwithstanding the previous paragraph, Article 15 of the current Articles of Incorporation shall remain valid for general meetings of shareholders held on a day that is within six months of the Enforcement Date.</u> 3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Effective Date or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal 3 Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this General Meeting of Shareholders, the terms of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply to this proposal), Kazuhiko Niitsuma, Toshiyuki Kaneko, Junji Kokuryo, Susumu Oyanagi, Tatsuya Yamaguchi, Hideyuki Tsukagoshi, Takashi Yanagiya, Naoko Mikami, will expire.

Therefore, the Company proposes the election of eight Directors.

With respect to the submission of this proposal, the Audit and Supervisory Committee of the Company has determined that all the candidates for Directors are appropriate in light of each candidate's business execution and performance during the current fiscal year.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibilities in the Company	Candidate attributes
1	Kazuhiko Niitsuma Reelection	President and CEO	
2	Junji Kokuryo Reelection	Director Senior Managing Officer In charge of Sales Division, Sales Planning Development Department, Overseas Business Department, Solution Sales Department, Animal Feed Department and Grain & Grain Silo Department	
3	Susumu Oyanagi Reelection	Director Managing Officer In charge of Administration Division	
4	Tatsuya Yamaguchi Reelection	Director Managing Officer In charge of Premix / Pasta Administration and Planning Department, Oils & Fats Department, Household Foods Department and Branch Offices	
5	Hideyuki Tsukagoshi Reelection	Director Managing Officer In charge of Sales Integration Department, Flour Milling Department, Starch & Sweetener Department	
6	Masashi Ohno New election	Managing Officer In charge of Research & Development Division and Quality Assurance Department	
7	Takashi Yanagiya Reelection	Outside Director	Outside Director Independent Officer
8	Naoko Mikami Reelection	Outside Director	Outside Director Independent Officer

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 shares owned
1	Kazuhiko Niitsuma (October 1, 1957) [Reelection]	Apr. 1981	Joined the Company	51,503 shares
		June 2001	General Manager, Sales Integration Department	
Nov. 2006	General Manager, Flour Milling Department			
June 2009	Officer			
June 2012	Managing Director			
June 2014	Senior Managing Director			
Apr. 2016	President and CEO			
Apr. 2020	President and CEO (current position)			
Reasons for nomination as candidate for Director The Company has nominated Kazuhiko Niitsuma as a candidate for Director because he has appropriately fulfilled his role as President and CEO of the Company, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				
2	Junji Kokuryo (May 17, 1960) [Reelection]	Apr. 1984	Joined the Company	16,515 shares
		May 2011	General Manager, Sales Integration Department	
June 2014	Officer			
Apr. 2018	Managing Officer			
June 2018	Director Managing Officer			
Apr. 2021	Director Senior Managing Officer (current position)			
Apr. 2021	In charge of Sales Division, Sales Planning Development Department, Overseas Business Department, Solution Sales Department, Animal Feed Department and Grain & Grain Silo Department (current position)			
Reasons for nomination as candidate for Director The Company has nominated Junji Kokuryo as a candidate for Director because he has appropriately fulfilled his role as Director Senior Managing Officer in charge of the Sales Division, etc., and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				
3	Susumu Oyanagi (April 25, 1959) [Reelection]	Apr. 1983	Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)	17,215 shares
		Apr. 2008	General Manager, Securities Department, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)	
Apr. 2010	General Manager, Credit Engineering Department			
Apr. 2012	General Manager, General Affairs Department of the Company			
June 2013	Officer			
Apr. 2016	Managing Officer			
Apr. 2018	In charge of Administration Division (current position)			
June 2018	Director Managing Officer (current position)			
Reasons for nomination as candidate for Director The Company has nominated Susumu Oyanagi as a candidate for Director because he has appropriately fulfilled his role as Director Managing Officer in charge of the Administration Division, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				

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 shares owned
4	Tatsuya Yamaguchi (May 30, 1960) [Reelection]	Apr. 1984	Joined the Company	20,357 shares
		Apr. 2007	General Manager, Sapporo Branch	
June 2009	General Manager, Household Foods Department			
June 2014	Officer			
Apr. 2018	Managing Officer			
June 2018	Director Managing Officer (current position)			
Apr. 2021	In charge of Premix / Pasta Administration and Planning Department, Oils & Fats Department, Household Foods Department and Branch Offices (current position)			
Reasons for nomination as candidate for Director The Company has nominated Tatsuya Yamaguchi as a candidate for Director because he has appropriately fulfilled his role as Director Managing Officer in charge of the Premix / Pasta Administration and Planning Department, Oils & Fats Department, Household Foods Department and Branch Offices, and the Company judges that he is a candidate who will continue to contribute to the sustainable growth and enhancement of the corporate value of the Company.				
5	Hideyuki Tsukagoshi (December 19, 1965) [Reelection]	Feb. 1992	Joined the Company	6,593 shares
		June 2013	General Manager, Fukuoka Branch	
Apr. 2015	General Manager, Management Planning Department			
Apr. 2018	Officer			
Apr. 2021	Managing Officer			
Apr. 2021	In charge of Sales Integration Department, Flour Milling Department, Starch & Sweetener Department (current position)			
June 2021	Director Managing Officer (current position)			
Reasons for nomination as candidate for Director The Company has nominated Hideyuki Tsukagoshi as a candidate for Director because he has appropriately fulfilled his role as Director Managing Officer in charge of Sales Integration Department, Flour Milling Department, Starch & Sweetener Department, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				
6	Masashi Ohno (November 2, 1964) [New election]	Apr. 1987	Joined the Company	2,400 shares
		Apr. 2016	General Manager, Funabashi Plant	
Apr. 2019	Officer			
Apr. 2022	Managing Officer (current position)			
Apr. 2022	In charge of Research & Development Division and Quality Assurance Department (current position)			
Reasons for nomination as candidate for Director The Company has nominated Masashi Ohno as a candidate for Director because he has appropriately fulfilled his role as Managing Officer in charge of the Research & Development Division, etc., and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				

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 shares owned
7	Takashi Yanagiya (November 13, 1951) [Reelection] [Outside]	<p>Oct. 2001 Managing Director, Nomura Securities Co., Ltd.</p> <p>Apr. 2002 Representative Director and Senior Managing Director</p> <p>June 2003 Representative Executive Officer and Senior Managing Executive Officer</p> <p>Apr. 2006 Representative Executive Officer and Vice President</p> <p>Apr. 2008 Executive Officer and Vice Chairman</p> <p>Oct. 2008 Executive Officer and Vice Chairman</p> <p>Apr. 2012 Standing Advisor</p> <p>Aug. 2012 Advisor</p> <p>June 2013 Outside Director, Alpha Systems, Inc. (current position)</p> <p>June 2014 Outside Director, Hearts United Group Co., Ltd. (currently DIGITAL HEARTS HOLDINGS Co., Ltd.) (current position)</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>May 2016 Chairman, Board of Trustees, Meiji University (current position)</p>	2,700 shares
<p>Reasons for nomination as candidate for Outside Director and outline of expected role</p> <p>Takashi Yanagiya has been nominated as a candidate for Outside Director because he has experience in corporate management and extensive knowledge of capital markets, and the Company expects him to continue to contribute to strengthening the decision-making function and supervisory function of the Board of Directors by utilizing his knowledge. If he is elected, he is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as the Chairperson of the Management Advisory Committee and the Remuneration Advisory Committee.</p>			
8	Naoko Mikami (March 12, 1961) [Reelection] [Outside]	<p>Apr. 1983 Joined Ajinomoto Co., Inc.</p> <p>Apr. 2007 Visiting Professor of Musashino University</p> <p>Jan. 2010 Joined C'BON COSMETICS Co., Ltd.</p> <p>June 2011 Executive Officer, in charge of Production Department</p> <p>June 2012 Director, in charge of Production Department</p> <p>Apr. 2017 In charge of Administration Division</p> <p>June 2017 Managing Director and Executive Officer</p> <p>June 2019 Representative Director, Vice President, and Executive Officer</p> <p>Jan. 2020 Representative Director, Vice President, in charge of Product Development Division</p> <p>June 2021 Senior Advisor of YA-MAN LTD. (current position)</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>Mar. 2022 Outside Director of Earth Corporation (current position)</p>	200 shares
<p>Reasons for nomination as candidate for Outside Director and outline of expected role</p> <p>Naoko Mikami has been nominated as a candidate for Outside Director because she has experience in corporate management and extensive knowledge, and the Company expects her to continue to contribute to strengthening the decision-making function and supervisory function of the Board of Directors by utilizing her knowledge. If she is elected, she is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Takashi Yanagiya and Naoko Mikami are candidates for Outside Directors and independent officers as stipulated by Tokyo Stock Exchange, Inc. because they are judged to ensure the soundness of management from an outside perspective that is not controlled or interfered with by management.
 3. At the conclusion of this meeting, Takashi Yanagiya's tenure as Outside Director of the Company will have been seven years. At the conclusion of this meeting, Naoko Mikami's tenure as Outside Director of the Company will have been one year.
 4. The Company has entered into limited liability agreements with Takashi Yanagiya and Naoko Mikami with respect to their liability in relation to Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of the Articles of Incorporation of the Company, which limits the amount of liability to the amount prescribed by laws and regulations. If their election is approved, the Company plans to continue the said limited liability agreement.
 5. The Company has entered into a liability insurance agreement with an insurance company for officers, etc., as provided for in Article 430-3, paragraph (1) of the Companies Act, which provides that the insured, including Directors of the Company, shall not be liable for any loss or damage that may be incurred as a result of being held liable for the execution of their duties or being subject to a claim for the pursuit of such liability (excluding, however, those that fall under the exemption grounds stipulated in the insurance policy).
The full amount of the insurance premiums for this insurance agreement is borne by the Company. In the event that each candidate is elected and assumes office as a Director, he or she will become an insured under this insurance agreement. The insurance agreement is scheduled to be renewed with the same terms and conditions upon resolution of the Board of Directors at the next renewal.

Proposal 4 Election of One Director Who is a Substitute Audit and Supervisory Committee Member

The Company proposes the election of one Director who is a Substitute Audit and Supervisory Committee Member to fill the vacancy in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations.

The validity of the election can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee Board has been obtained; provided, however, that it is only in a time before assuming office. In addition, the consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal. The candidate for the role of Director who is a Substitute Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Yoshiki Takahashi (April 13, 1959) [Outside]	Apr. 1993 Registered as a lawyer Sept. 2011 Established Daiju Law Office (current position)	0 shares

Reasons for nomination as candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member and outline of expected role

The Company has nominated Yoshiki Takahashi as a candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member because he has legal expertise and a high level of insight into corporate governance as a lawyer, and the Company expects him to contribute to the sound management of the Company and the maintenance and improvement of its social credibility. If he is elected as Outside Director who is an Audit and Supervisory Committee Member, he is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee.

- Notes:
1. There is a legal advisory agreement between the candidate and the Company.
 2. Based on the above "Reasons for nomination as candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member and outline of expected role," the Company has determined that Yoshiki Takahashi, if appointed as an Outside Director, will be able to appropriately perform his duties as an Outside Director who is an Audit and Supervisory Committee Member.
 3. In the event that Yoshiki Takahashi assumes the office of Outside Director who is an Audit and Supervisory Committee Member, the Company plans to enter into a limited liability agreement with him to limit his liability in relation to Article 423, paragraph (1) of the Companies Act to the amount prescribed by laws and regulations in accordance with the Company's Articles of Incorporation.
 4. The Company has entered into a liability insurance agreement with an insurance company for officers, etc., as provided for in Article 430-3, paragraph (1) of the Companies Act, which provides that the insured shall not be liable for any loss or damage that may be incurred as a result of being held liable for the execution of their duties or being subject to a claim for the pursuit of such liability (excluding, however, those that fall under the exemption grounds stipulated in the said insurance policy). The full amount of the insurance premiums for this insurance agreement is borne by the Company. In the event that Yoshiki Takahashi is elected and assumes office as a Director who is an Audit and Supervisory Committee Member, he will become an insured under this insurance agreement. The insurance agreement is scheduled to be renewed with the same terms and conditions upon resolution of the Board of Directors at the next renewal.

(Reference) Management structure after Proposal 3 is approved (Skill matrix)

Based on the Group’s corporate philosophy of “Contributing to healthy, rich, and varied meals,” the Group, as a “Grain Solution Company,” has formulated its long-term vision “SHOWA Next Stage for 2025,” with fiscal 2025 as the final year, and is currently implementing a three-year Medium-term Management Plan in a three-stage. Through the achievement of these goals, the Group is working to achieve sustainable growth and enhance the corporate value in order to respond to the mandate of all stakeholders.

The Company believes that the Company’s Directors have the necessary knowledge, experience, etc. and can be expected to demonstrate their expertise in pursuing this initiative. The skill matrix is as follows.

All of the Directors have the skills to promote ESG management, which aims to enhance corporate value, while the Group achieves solutions to social issues through its business from the perspective of CSV strategy. In addition, all Directors who are Audit and Supervisory Committee Members have auditing skills, and all Independent Outside Directors have experience in corporate management.

However, the following skill matrix does not represent all of the knowledge, experience, etc. of the Company’s Directors.

Name	Position and responsibilities in the Company	Attributes
<input type="checkbox"/> Male Kazuhiko Niitsuma	President and CEO	
<input type="checkbox"/> Male Junji Kokuryo	Director Senior Managing Officer In charge of Sales Division, Sales Planning Development Department, Overseas Business Department, Solution Sales Department, Animal Feed Department and Grain & Grain Silo Department	
<input type="checkbox"/> Male Susumu Oyanagi	Director Managing Officer In charge of Administration Division	
<input type="checkbox"/> Male Tatsuya Yamaguchi	Director Managing Officer In charge of Premix / Pasta Administration and Planning Department, Oils & Fats Department, Household Foods Department and Branch Offices	
<input type="checkbox"/> Male Hideyuki Tsukagoshi	Director Managing Officer In charge of Sales Integration Department, Flour Milling Department, Starch & Sweetener Department	
<input type="checkbox"/> Male Masashi Ohno	Director Managing Officer In charge of Research & Development Division and Quality Assurance Department	
<input type="checkbox"/> Male Takashi Yanagiya	Outside Director	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent Officer
<input type="checkbox"/> Female Naoko Mikami	Outside Director	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent Officer
<input type="checkbox"/> Male Norio Saito	Director (Standing Audit and Supervisory Committee Member)	
<input type="checkbox"/> Male Yukihiro Yoshida	Outside Director (Audit and Supervisory Committee Member)	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent Officer
<input type="checkbox"/> Male Hidenori Hanada	Outside Director (Audit and Supervisory Committee Member)	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent Officer

[Skill Matrix Items]

Skill item	Expected knowledge and experience
Corporate management	The Company expects Internal Directors to serve or have served as directors in management positions, including those of the Company's group companies, or to have knowledge of such positions, and to demonstrate their expertise as Directors of the Company. On the other hand, the Company expects Outside Directors to have the knowledge and experience of having served as directors in management positions at other companies and to demonstrate their expertise as Directors of the Company.
Business strategy	The Company, as a "Grain Solution Company," procures grain materials from overseas to support the Japanese diet and contributes to society through its business. In addition to its familiarity with overseas grain material conditions and knowledge and experience in close collaboration with national organizations and related organizations, the Company expects Directors to have the knowledge and experience in building relationships with various stakeholders while grasping market trends in the food industry in order for the Company to implement its management strategies, and to demonstrate their expertise as Directors of the Company.
Overseas business	The Company expects Directors to have the knowledge and experience in negotiating on behalf of a company with an overseas company to enter into a contract for business alliances, etc., and to demonstrate their expertise as Directors of the Company.
Research and development	In order for the Group to implement its management strategies and achieve sustainable growth and increase corporate value, the Company expects Directors not only to be well versed in the relevant fields but also to have the knowledge and experience to properly manage and supervise the Company, and to demonstrate their expertise as Directors of the Company.
Production technology and logistics	
Accounting & finance	
Governance and risk management	
IT & information	

*In particular, the skills that are expected to demonstrate their expertise are listed.

Expected knowledge and experience								
	Corporate management	Business strategy	Overseas business	Research and development	Production technology and logistics	Accounting & finance	Governance and risk management	IT & information
Kazuhiko Niitsuma	●	●	●				●	
Junji Kokuryo	●	●	●					
Susumu Oyanagi	●					●	●	●
Tatsuya Yamaguchi	●	●						
Hideyuki Tsukagoshi	●	●						
Masashi Ohno	●			●	●			
Takashi Yanagiya	●		●			●		
Naoko Mikami	●			●	●			
Norio Saito	●	●					●	
Yukihiro Yoshida	●					●		●
Hidenori Hanada	●					●	●	