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(Stock Exchange Code 4617)  
June 3, 2021

**To Shareholders with Voting Rights:**

Masataka Uetake  
President and CEO  
Chugoku Marine Paints, Ltd.  
1-7, Meiji-Shinkai, Otake-Shi,  
Hiroshima

**NOTICE OF  
THE 124TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially notified of the 124th Annual General Meeting of Shareholders of Chugoku Marine Paints, Ltd. (the "Company"). The meeting will be held for the purposes as described below.

Instead of attending the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders, follow the instructions on page 3, and exercise your voting rights by 5:00 p.m. on Wednesday, June 23, 2021, Japan time.

- 1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. Japan time
- 2. Place:** 3F main conference room of the Company's Hiroshima Office located at 1-7, Meiji-Shinkai, Otake-Shi, Hiroshima, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company's 124th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company's 124th Fiscal Year (April 1, 2020 - March 31, 2021)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendments to the Articles of Incorporation
    - Proposal 3:** Election of 6 Directors
    - Proposal 4:** Election of 1 Substitute Corporate Auditor

- ◎ Of the documents to be included with this Notice of Convocation of the Annual General Meeting of Shareholders, the “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and the “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.cmp.co.jp/>) in accordance with laws and regulations and the Company’s Articles of Incorporation, and are not included in the attached documents to this Notice of Convocation of the Annual General Meeting of Shareholders.
- ◎ The above “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and the “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are also subject to audits by the Accounting Auditor and Corporate Auditors, alongside the attached documents to this Notice of Convocation.
- ◎ Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website.
- ◎ The contents of the resolutions in this General Meeting of Shareholders will be posted on the Company’s website listed above, after the conclusion of this General Meeting of Shareholders, in substitution of being dispatched in writing.

**Measures taken to prevent the novel coronavirus infection**

<Measures taken by the Company>

- At the venue of the meeting, we will take measures to prevent the novel coronavirus infection responding to the situation on the day of the meeting, such as providing alcohol disinfectant and having our officers and administrative staff wearing a mask.

<Actions the Company requests shareholders to take>

- For the purpose of reducing the risk of the infection, we recommend that you refrain from visiting the venue on the day of the meeting this fiscal year, and exercise your voting rights in writing or via the Internet before the day of the meeting. Please refer to page 3 and 4 for the details on how to exercise your voting rights.
- If you will visit the venue on the day of the meeting, please check your physical conditions and take measures to prevent the infection including wearing a mask. At the reception, our administrative staff may talk to you if you look unwell, and ask you to refrain from entering the venue. We appreciate your understanding of and cooperation with our measures to prevent the infection.

## Guidance on Exercise of Voting Rights

### <If You Are Going to Attend the Meeting>



**Date and Time** Thursday, June 24, 2021 at 10:00 a.m. Japan time

Please bring the enclosed the Voting Rights Exercise Form with you and submit it at the reception at the venue. (The reception starts at 9:00 a.m. Japan time)

#### <Exercise of Voting Rights via Proxy>

You may designate one (1) other shareholder with the Company's voting rights to act as your proxy and exercise the voting rights. Please be advised that the proxy must submit a documentation proving power of attorney (a letter of attorney, etc.) at the reception.

### <If You Are Unable to Attend the Meeting>



#### By Mail

**Exercise Deadline** Wednesday, June 23, 2021 at 5:00 p.m. Japan time

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the aforementioned exercise deadline.

A "Registration Protection Sticker" is enclosed in order to protect the shareholders' personal information. Please use it when returning the Voting Rights Exercise Form.



#### Via the Internet

**Exercise Deadline** Wednesday, June 23, 2021 at 5:00 p.m. Japan time

Voting Rights Exercise Website Designated by the Company

<https://evote.tr.mufg.jp/>

Please enter your vote for or against each proposal by the exercise deadline above.

Please refer to the next page for details.

In the event that there is no indication of being for or against each proposal in the Voting Rights Exercise Form, it will be handled as an indication of support.

### **If you have exercised your voting rights multiple times**

- (1) In the event that voting rights are exercised multiple times both in writing (Voting Rights Exercise Form) and via electromagnetic means (the Internet), the vote via electromagnetic means (the Internet) will be deemed valid, regardless of the date and time of the receipt.
- (2) In the event that voting rights are exercised multiple times via electromagnetic means (the Internet), the most recent vote will be deemed valid.

#### **Information for Institutional Investors**

Institutional shareholders may use the "Electronic Voting Platform for Foreign and Institutional Investors" operated by ICJ, Inc. as a method for exercising voting rights at the General Meeting of Shareholders of the Company.

Procedures for Exercise of Voting Rights via the Internet

If you exercise your voting rights via electromagnetic means (the Internet), please see the explanations below and exercise your voting rights. Please call the Help Desk (as mentioned below) with any inquiries or questions. **If you will attend the meeting, it is not necessary to exercise your voting rights by mail (Voting Rights Exercise Form) or via the Internet.**

Using your smartphone  
Method by scanning the QR Code

Now you can exercise your voting rights on your smartphone without entering the “Login ID” and the “Temporary Password!”

You can log in by scanning the “Login QR Code” provided on the stub of the enclosed Voting Rights Exercise Form (the right side).

\*You can exercise your voting rights by the above method only once.

After the first login...

Please log in following the instructions provided below.

\* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

Method by entering the Login ID and the Temporary Password

How to use the Exercise of Voting Rights Website

- 1) Please access the Exercise of Voting Rights Website.
- 2) Please enter the “Login ID” and the “Temporary Password” provided at the lower right of your Voting Rights Exercise Form.
- 3) Please enter both “New Password,” and “New Password (for confirmation).”

Afterwards, please follow the on-screen instructions to enter your approval or disapproval.

**Notes**

- (1) You can exercise your voting rights via the Internet only by accessing the Exercise of Voting Rights Website designated by the Company (<https://evote.tr.mufg.jp/>) from personal computers, smartphones, or cell phones.  
(Please note that this service is unavailable every day between 2:00 a.m. and 5:00 a.m.)
- (2) Votes will be accepted via the Internet by 5:00 p.m., Wednesday, June 23, 2021, Japan time; however, you are cordially requested to exercise your voting rights earlier, and call the Help Desk (as mentioned below) with any inquiries or questions.
- (3) Non-uniform Exercise of Voting Rights  
Please notify the Company’s shareholder registry administrator in writing to this effect, together with the reason therefor by three days prior to the General Meeting of Shareholders.

For inquiries concerning systems, etc.  
(Help Desk)

Securities Business Division, Mitsubishi UFJ Trust and Banking Corporation

0120-173-027 (Toll Free) (Available from 9 a.m. to 9 p.m.)

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

It is proposed that surplus to be appropriated as follows.

#### Matters related to year-end dividends

While placing emphasis on the return of profits to shareholders, the Company's basic policy is to stably distribute results over the long term, comprehensively taking into account factors such as business results and capital efficiency. In the Medium-term Management Plan that began in April 2018, the Company will appropriate dividends with a consolidated dividend on equity (DOE) ratio of 3% and a consolidated dividend payout ratio of not less than 30%.

With regard to the year-end dividend for the fiscal year under review, based on the above policy and to place emphasis on stable dividend payouts, the Company proposes an annual dividend of ¥34 per share, the same as the previous fiscal year, and after deduction of the ¥17 per share implemented as an interim dividend on December 2, 2020, the value is proposed to be ¥17 per share.

If the year-end dividend is paid as proposed above, the consolidated dividend on equity (DOE) ratio for the fiscal year under review will be 3.3 % (the same as the previous fiscal year).

1	Type of dividend assets	Cash
2	Items relating to the allocation of dividend assets to shareholders and its total amount	¥17 per share of common stock Total: ¥928,879,609 (As a result, ¥34 per annum adding paid interim dividend)
3	Effective date of payment of dividend from surplus	June 25, 2021

**Proposal 2: Partial Amendments to the Articles of Incorporation**

1. Reasons for the proposal

With the intent of allowing flexibility in the operation of General Meeting of Shareholders and Board of Directors meetings, the Company proposes changing the convenor and the chairperson to the Director determined by the Board of Directors in advance.

2. Content of the amendments

The content of the amendments is as follows:

(Underlines indicate amended portions)

Current Articles of Incorporation	Proposed Amendments
<p>(Convenor and Chairperson)            Article 14 Unless otherwise provided for in laws and regulations, a General Meeting of Shareholders is called and chaired by <u>President and Director, based on a resolution of the Board of Directors</u>. If the <u>President and Director</u> is unable to attend to his/her duties, another Director shall, in the order determined by the Board of Directors in advance, call and chair the General Meeting of Shareholders.</p>	<p>(Convenor and Chairperson)            Article 14 Unless otherwise provided for in laws and regulations, a General Meeting of Shareholders is called and chaired by <u>the Director determined by the Board of Directors in advance</u>. If the <u>said Director</u> is unable to attend to his/her duties, another Director shall, in the order determined by the Board of Directors in advance, call and chair the General Meeting of Shareholders.</p>
<p>(Calling of Board of Directors Meeting)            Article 24 (1) Unless otherwise provided for in laws and regulations, a Board of Directors meeting is called and chaired by <u>President and Director</u>.</p> <p>(2) If the <u>position of President and Director is vacant or he/she is</u> unable to attend to his/her duties, another Director shall, in the order determined by the Board of Directors in advance, call and chair the meeting.</p> <p>(Omitted)</p>	<p>(Calling of Board of Directors Meeting)            Article 24 (1) Unless otherwise provided for in laws and regulations, a Board of Directors meeting is called and chaired by <u>the Director determined by the Board of Directors in advance</u>.</p> <p>(2) If the <u>Director under the preceding paragraph</u> is unable to attend to his/her duties, another Director shall, in the order determined by the Board of Directors in advance, call and chair the meeting.</p> <p>(Omitted)</p>

**Proposal 3:** Election of 6 Directors

The terms of office of all 6 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 6 Directors is proposed.

The candidates for Directors are as follows. Furthermore, to increase the independence and objectivity of the selection process, the selection of candidates for Director is determined by the Board of Directors based on reports by the “Nomination Advisory Committee,” a body chaired by an Independent Director comprised of committee members of which the majority are Independent Directors.

No.	Name	Position	Attendance at Board of Directors meetings
1	Masataka Uetake Reappointment	President and CEO	10/10
2	Kenshi Date New appointment	Senior Executive Officer; Chief, Sales Headquarter	–
3	Junji Tomochika Reappointment	Managing Director; Chief, Administration Headquarter	10/10
4	Hideyuki Tanaka Reappointment	Director; Chief, Technical Headquarter	10/10
5	Koji Ueda Reappointment Outside Independent	Outside Director	10/10
6	Motoyoshi Nishikawa Reappointment Outside Independent	Outside Director	10/10

- (Notes)
1. There are no special interests between each candidate and the Company.
  2. Mr. Koji Ueda and Mr. Motoyoshi Nishikawa are candidates for Outside Director prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
  3. Mr. Koji Ueda and Mr. Motoyoshi Nishikawa are candidates for Independent Director required under the rules of Tokyo Stock Exchange.
  4. The term of office of Mr. Koji Ueda as Outside Director of the Company will be six years at the conclusion of this Annual General Meeting of Shareholders, and the term of office of Mr. Motoyoshi Nishikawa as Outside Director of the Company will be five years at the conclusion of this Annual General Meeting of Shareholders.
  5. Pursuant to the Articles of Incorporation, the Company has concluded liability limitation agreements with Mr. Koji Ueda and Mr. Motoyoshi Nishikawa, and an overview of the contents of said agreement are provided in “3-(2) Overview of content of liability limitation agreements” on page 24 of this Notice of Convocation of the Annual General Meeting of Shareholders (Japanese version only). If the reelection of both persons is approved, the Company plans to continue with said liability limitation agreements.
  6. The Company has entered into a directors and officers liability insurance contract with an insurance company, and an overview of the contents of said insurance contract is provided in “3-(3) Overview of content of directors and officers liability insurance contract” on page 24 of this Notice of Convocation of the Annual General Meeting of Shareholders (Japanese version only). If the candidates for Directors assume office, they will become insured persons under the insurance policy, and no premiums will be borne by them. The Company plans to renew the insurance policy with the similar contents at the time of next renewal.

<b>No. 1</b>	<b>Masataka Uetake</b>	<u>Reappointment</u>
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Date of birth: January 12, 1945 / Male      Number of shares of the Company held: 232,300  
Significant concurrent positions: Not applicable.      Attendance at Board of Directors meetings: 10/10

Past experience, positions and responsibilities at the Company

April 1968	Joined the Company	July 2006	Managing Director; Supervisor of Sales Section and overseas subsidiaries
April 1997	Counselor; Chief, Marine Coatings Headquarter	January 2007	Executive Director
June 1997	Director; Chief, Marine Coatings Headquarter	April 2010	President and CEO (present)
June 2003	Managing Director; President, Marine Coatings Div.		

[Reasons for selection as a candidate for Director]

Through a wealth of operational experience at the Company, he is well versed in the Company's overall operations, and as the Company has judged that these achievements, abilities, and wealth of experience will continue to be an integral part of the Company's management, he has been designated a candidate for Director.

<b>No. 2</b>	<b>Kenshi Date</b>	<u>New appointment</u>
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Date of birth: November 21, 1970 / Male      Number of shares of the Company held: 8,570  
Significant concurrent positions: Not applicable.      Attendance at Board of Directors meetings: - (\*)

Past experience, positions and responsibilities at the Company

April 1995	Joined the Company	April 2018	Chief, Sales Headquarter
March 2012	Managing Director, Chugoku Paints B.V.	July 2018	Executive Officer; Chief, Sales Headquarter
June 2017	Deputy Chief, Sales Headquarter	July 2020	Senior Executive Officer; Chief, Sales Headquarter (present)

[Reasons for selection as a candidate for Director]

After having served as the leader of a major overseas sales location of the Company, he has been overseeing the entire Sales Section since 2018 as Executive Officer and Chief of Sales Headquarter. With this wealth of knowledge and experience regarding the Company's business and organizational management, the Company has judged that he is well suited to be a Director of the Company, and he has been designated as a candidate for Director.

(\*) Executive Officers of the Company attend Board of Directors meetings to report on operations in charge. Mr. Kenshi Date attended all Board of Directors meetings held in the fiscal year under review.



<b>No. 3</b>	<b>Junji Tomochika</b>	<b>Reappointment</b>
Date of birth: January 20, 1956 / Male		Number of shares of the Company held: 38,900
Significant concurrent positions: Not applicable.		Attendance at Board of Directors meetings: 10/10
Past experience, positions and responsibilities at the Company		
September 1980	Joined the Company	July 2012 Executive Officer, the Company;
April 1997	Managing Director, TOA-Chugoku Paints Co., Ltd.	Managing Director, Chugoku Marine Paints (Singapore) Pte. Ltd.; and
April 2002	Manager, Fukuoka Sales Office, Kyushu Branch, Sales Management Dept., Marine Coatings Div.	Managing Director, Chugoku Paints (Malaysia) Sdn. Bhd.
October 2007	Managing Director, Chugoku Marine Paints (Singapore) Pte. Ltd.; and	April 2013 Executive Officer; Chief, Sales Headquarter, the Company
	Managing Director, Chugoku Paints (Malaysia) Sdn. Bhd.	June 2013 Director; Chief, Sales Headquarter
		April 2015 Director; Chief, Administration Headquarter
		April 2016 Managing Director; Chief, Administration Headquarter (present)

[Reasons for selection as a candidate for Director]

Through a wealth of operational experience at the Company, he is well versed in the Company's overall operations, and as the Company has judged that these achievements, abilities, and wealth of experience will continue to be an integral part of the Company's management, he has been designated a candidate for Director.

<b>No. 4</b>	<b>Hideyuki Tanaka</b>	<b>Reappointment</b>
Date of birth: August 7, 1965 / Male		Number of shares of the Company held: 15,600
Significant concurrent positions: Not applicable.		Attendance at Board of Directors meetings: 10/10
Past experience, positions and responsibilities at the Company		
April 1988	Joined the Company	July 2015 Executive Officer; Deputy Chief, Technical & Production Headquarter; and
April 2008	Leader, Marine Specialty Coating Products Group, Anti Fouling Tech. Dept., Technical Center, Marine Coatings Headquarter; and Leader, Group-3, R&D Center, R&D Headquarter	April 2017 Executive Officer; Chief, Technical & Production Headquarter; and General Manager, R&D No. 2 Dept.
April 2011	Leader, R&D Group-2, R&D Dept., Technical Headquarter	June 2017 Director; Chief, Technical & Production Headquarter
		April 2018 Director; Chief, Technical Headquarter (present)

[Reasons for selection as a candidate for Director]

With many years of involvement in R&D operations in technical divisions, the Company has judged that these achievements, abilities, and wealth of experience will continue to be an integral part of the Company's management, and he has been designated a candidate for Director.

<b>No. 5</b>	<b>Koji Ueda</b>	<u>Reappointment</u>	<u>Outside</u>	<u>Independent</u>
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Date of birth: March 8, 1962 / Male

Number of shares of the Company held: 3,200

Attendance at Board of Directors meetings: 10/10

Significant concurrent positions: Professor, Institute of Business and Accounting, Professional Graduate School, Kwansei Gakuin University; Representative Partner, Nexus Audit Corporation; Outside Corporate Auditor, YUKE'S Co., Ltd.

Past experience, positions and responsibilities at the Company

April 1996	Registered as Certified Public Accountant	April 2010	Professor, Institute of Business and Accounting, Professional Graduate School, Kwansei Gakuin University (present)
July 2006	Representative Partner, Nexus Audit Corporation (present)		
April 2007	Outside Corporate Auditor, YUKE'S Co., Ltd. (present)	June 2015	Outside Director, the Company (present)

[Reasons for selection as a candidate for Outside Director and expected roles]

He possesses a wealth of experience and advanced insights as a university professor and certified public accountant, and as the Company expects him to provide supervision from an academic and accounting point of view based on the experience and insights, as well as effective advice from an independent standpoint, he has been designated a candidate for Outside Director.

[About independence of candidate for Outside Director]

There are no transactional relationships between the Group and him or his place of employment, and the Company has judged that there are no conflicts of interest with ordinary shareholders.

<b>No. 6</b>	<b>Motoyoshi Nishikawa</b>	<u>Reappointment</u>	<u>Outside</u>	<u>Independent</u>
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Date of birth: January 1, 1946 / Male

Number of shares of the Company held: 7,600

Significant concurrent positions:

Attendance at Board of Directors meetings: 10/10

Visiting Counsel, Nomura & Partners

Past experience, positions and responsibilities at the Company

April 1968	Joined Yawata Iron & Steel Co., Ltd. (currently NIPPON STEEL CORPORATION)	April 2010	Outside Audit & Supervisory Board Member, NKSJ Holdings, Inc. (currently Sompo Holdings, Inc.)
June 1997	Director, NIPPON STEEL CORPORATION	July 2011	Admitted to the bar Visiting Counsel, Nomura & Partners (present)
April 2001	Managing Director, the above company		
June 2003	Senior Advisor (Chief Legal Counsel), the above company	April 2012	Outside Director, OLYMPUS CORPORATION
July 2007	Advisor, the above company	June 2016	Outside Director, the Company (present)
June 2009	Audit & Supervisory Board Member, NITTETSU ELEX Co., Ltd. (currently NIPPON STEEL TEXENG. CO., LTD.)		

[Reasons for selection as a candidate for Outside Director and expected roles]

He possesses a wealth of experience and advanced insights as an attorney, corporate manager, and Outside Director, and as the Company expects him to provide supervision from a managerial perspective and a legal point of view based on the experience and insights, as well as effective advice from an independent standpoint, he has been designated a candidate for Outside Director.

[About independence of candidate for Outside Director]

There are no transactional relationships between the Group and him or his place of employment, and the Company has judged that there are no conflicts of interest with ordinary shareholders.

#### Proposal 4: Election of 1 Substitute Corporate Auditor

The effectiveness of the current Substitute Corporate Auditor's appointment will expire at the opening of this Annual General Meeting of Shareholders. In order to prepare for the contingency of the number of Corporate Auditors falling below the current number, the election of 1 Substitute Corporate Auditor is proposed.

The candidate for Substitute Corporate Auditor is as follows.

The Board of Corporate Auditors has previously given its approval to this proposal.

<b>Tetsuji Nakamura</b>		<b>Reappointment</b>	
Date of birth: February 20, 1957 / Male		Number of shares of the Company held: 0	
Significant concurrent positions: Licensed tax accountant			
Past experience and positions at the Company			
April 1975	Joined Hiroshima Regional Taxation Bureau	July 2016	District Director, Hiroshima-higashi Tax Office
July 2012	District Director, Kaita Tax Office	July 2017	Retired from the above office
July 2013	Director, Health and Welfare Division, Management and Co-ordination Department, Hiroshima Regional Taxation Bureau	August 2017	Registered as Certified Licensed Tax Accountant (present)
July 2014	Deputy Assistant Regional Commissioner (Management and Co-ordination), Hiroshima Regional Taxation Bureau		

- (Notes)
1. There are no special interests between the candidate and the Company.
  2. Mr. Tetsuji Nakamura is a candidate for Substitute Corporate Auditor who would be an Outside Corporate Auditor prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act. He meets the requirements for Independent Auditor stipulated by the Tokyo Stock Exchange. If he assumes the office of Outside Corporate Auditor, the Company is scheduled to register him as Independent Auditor with the said exchange. He does not have any previous experience of participation in corporate management, but he possesses a wide range of knowledge and business experience in finance and accounting. Therefore, the Company believes that he is capable of auditing the execution of Directors' duties from an objective and fair standpoint, and thus nominates him as a candidate.
  3. If Mr. Tetsuji Nakamura assumes the office of Corporate Auditor, the Company is scheduled to enter into an agreement with him that limits the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same act.
  4. The Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may result from the insured persons being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. If Mr. Tetsuji Nakamura assumes the office of Corporate Auditor, he will become an insured person under the insurance policy.

End