

## Together with Our Shareholders and Investors

The Nippon Soda Group discloses information in a timely and appropriate manner in order to enhance management transparency and to meet the expectations of and honor the trust that we receive from our stakeholders. We strive to hold constructive dialogue with the aim of realizing continuous growth and improving corporate value.

### Basic Policy

- Maintaining constructive dialogue with our shareholders and investors is essential to achieving continuous growth and improving corporate value over a medium- to long-term period. As such, the President and responsible directors and executive officers engage in dialogue as necessary.
- Information is disclosed in a timely manner, with importance placed on fairness and accuracy, in accordance with the Timely Disclosure Rules of the Tokyo Stock Exchange.
- Requests and comments received from our shareholders and investors through dialogue are communicated at Board meetings as necessary so that we can reflect them in management.

## Communication

### Dialogue with Our Shareholders

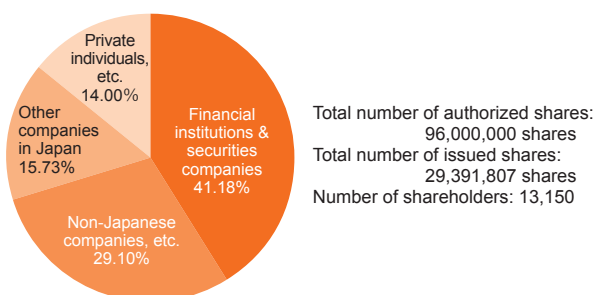
The Nippon Soda Group holds an ordinary general meeting of shareholders in June every year, viewing it as an important opportunity to engage in direct conversation with shareholders.

We strive to deliver the notice of convocation of the General Meeting of Shareholders at an early date so that our shareholders may acquire a good understanding of the issues that will be reported and the matters for resolution at the shareholders' meeting. We also provide pre-delivery disclosure of information on Nippon Soda's website and at the Tokyo Stock Exchange website, before the notice of convocation of the General Meeting of Shareholders is sent out.

Voting rights may be exercised not only in writing but also via the Internet.

We issue our business reports (annual report and interim report) twice a year in order to inform our shareholders of the Company's current situation. In addition, these business reports (in Japanese only) are posted on the Nippon Soda website to make them widely available to those other than our shareholders.

### Share distribution by type of shareholder (As of March 31, 2021)



\* Figures have been rounded off to the nearest second decimal point  
 \* Treasury shares are included in "Private individuals, etc."

### Dialogue with Investors and Analysts

The Nippon Soda Group actively engages in dialogue with investors and analysts to help deepen their understanding of business details and our business performance.

We hold financial results briefings twice a year for institutional investors and securities analysts, and also answer their requests for individual interviews. Our President and responsible directors explain in person the performance of the Nippon Soda Group and the growth scenario.

In addition to providing a summary of our financial results in English for institutional investors outside Japan, we send them a copy of our English-language integrated report every year. The director responsible for investor relations visits Europe and Asia to give explanations individually to institutional investors in those regions. (There were no visitations in FY 2021 due to measures to prevent the spread of the COVID-19 pandemic.)

The questions and comments received through dialogue with investors and securities analysts are logged into our in-house database and reflected in the management of our Group where appropriate.

Together with Our Shareholders

Basic Policy on Shareholder Returns

The Nippon Soda Group makes decisions on profit distribution based on revenue trends and by comprehensively considering such issues as providing stable dividends, enhancing shareholders' equity, and improving our financial standing. Our basic policy is to provide dividends twice a year, at the middle and end of the fiscal year.

Retained earnings are used for improving corporate value, such as by advancing the development and achieving early market launches of new products, and for allotment to growth investment such as M&As and business partnerships, as well as for maintenance and upgrade investments to support stable and continuous growth.

As for return of profits to our shareholders, we strive to provide stable and continuous dividends with the target of realizing a dividend payout ratio of 40% (however, with a lower limit to the per share annual dividend of 80 yen) based on the shareholders' return policy stated in the medium-term business plan "Brilliance through Chemistry Stage I" for FY 2021 to FY 2023.

We will also adopt a flexible stance on repurchasing treasury shares as a shareholder return measure to complement dividends.

Shareholder returns

