

March 12, 2015

Company Name: Eiken Chemical Co., Ltd.
Representative: Morifumi Wada, President & CEO
Securities code: 4549 (TSE 1st Section)

Notice regarding the Adoption of Standards for Independence of Outside Directors

Eiken Chemical Co., Ltd. (Head office in Taito-ku, Tokyo), hereinafter “the Company”, hereby notifies that it has determined to adopt the “Standards for Independence of Outside Directors”, as briefly explained below, at its Nomination Committee meeting held today. The purpose of adopting these standards is to ensure the independence and neutrality of outside directors for establishment of the best corporate governance, and further display of supervisory functions.

Details

An outside director shall be considered independent from the Company, provided that none of the following circumstances apply.

1. The Outside Director does not meet the legal requirements.
2. The Outside Director is a party for whom the Company represents a major business partner (a party to which the Company has paid the greater of 100 million yen, or 2% or more of the consolidated net sales of said party, in the last three fiscal years).
3. The Outside Director is a major business partner for the Company (from which the Company has received payments equal to 2% or more of the Company's consolidated net sales from transactions, or 2% or more of its consolidated total assets in borrowings, in the last three fiscal years).
4. The Outside Director is a consultant, an accounting professional such as a certified public accountant, a legal expert such as an attorney, or a specialist in any other field who has received financial benefits exceeding certain amount¹, or any other asset from the Company, other than the compensation for director.
5. The Outside Director has received donations or financial aids exceeding certain amount¹ from the Company.
6. The Outside Director is a large shareholder of the Company (owns directly or indirectly 10% or more of the total voting rights in the Company).
7. The Outside Director belongs to the auditing firm for the Company.
8. The Outside Director is an executing person² of the Company who is currently serving also as an outside officer of another company, or if he used to serve as one, any current executing person² of such other company.

9. The Outside Director is an executing person² belonging to a corporation, an association or any other organization which falls under the description of any preceding paragraphs 2 through 6.
10. The Outside Director is a person described by any of the preceding paragraphs 2 through 9, within the past three years.
11. The Outside Director is a spouse or a relative within two degrees of kinship of the person described by any of the preceding paragraphs 2 through 10, unless the said person is not a key person³.

Notes:

¹ The certain amount is an annual compensation of 10 million yen.

² An executing person is a person responsible for operations such as a partner, including a director (other than an outside director), corporate executive, or executive officer, as a board member (other than an outside board member), or as any officer and employee executing similar operations.

³ A key person is a director, corporate executive, executive officer, or any other employee with an important position.