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Stock Exchange Code: 4997
June 5, 2020

To Shareholders with Voting Rights:

Yosuke Tomoi
Representative Director, President
NIHON NOHYAKU CO., LTD.
19-8, Kyobashi 1-Chome, Chuo-ku,
Tokyo, Japan

**NOTICE OF
THE 121ST ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

The 121st Ordinary General Meeting of Shareholders of NIHON NOHYAKU CO., LTD. (hereinafter referred to as the “Company”) will be held for the purposes as described below.

The novel coronavirus disease (COVID-19) has given rise to a state in which people are strongly requested to refrain from going out by the Japanese government as well as prefectural governors for the prevention of further spread, as the Japanese government has come to declare a state of emergency while the Tokyo Metropolitan Government also has adopted the state of emergency measures. Under such circumstance, we carefully reviewed the situation and decided to hold this General Meeting with appropriate infection control measures in place.

We hereby would, with a view to preventing further spread of the infection, kindly but firmly ask shareholders to appreciate the present situation in which people are strongly requested to stay home, and exercise your voting rights in writing or via the Internet wherever possible, rather than to attend the General Meeting, regardless of health condition.

Please review the attached Reference Documents for the General Meeting of Shareholders and, following the instruction hereinafter described, exercise your voting rights by 5:25 p.m. on Thursday, June 25, 2020, Japan time.

1. Date and Time: Friday, June 26, 2020 at 10:00 a.m. Japan time

Please note that the Company has changed its account closing date from September 30 to March 31 from the 121st Fiscal Year, moving forward the date of this General Meeting from the originally anticipated schedule corresponding to the date of the previous Ordinary General Meeting of Shareholders (December 20, 2019).

2. Place: Banquet hall Shinonome on the 2nd floor of Royal Park Hotel
located at 1-1, Nihonbashi-Kakigara-cho 2-Chome, Chuo-ku, Tokyo, Japan

Please note that the venue is different from the previous year.

As part of the infection control measures against the novel coronavirus, we will arrange wider distance between seats, resulting in far fewer seats this year than normally available in ordinary years. As such, some of shareholders may not be accommodated in the venue, for which your kind understanding would be appreciated.

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 121st Fiscal Year (October 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 121st Fiscal Year (October 1, 2019 - March 31, 2020)

With respect to the handling of the matters to be reported, please refer to "Holding of Adjourned Meeting of the 121st Ordinary General Meeting of Shareholders" in the following page.

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendment to the Articles of Incorporation
- Proposal 3:** Election of 10 Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)
- Proposal 4:** Election of 5 Directors Serving as the Audit & Supervisory Committee Members
- Proposal 5:** Election of 1 Substitute Director Serving as the Audit & Supervisory Committee Member
- Proposal 6:** Determination of Amount of Remuneration for Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)
- Proposal 7:** Determination of Amount of Remuneration for Directors Serving as the Audit & Supervisory Committee Members
- Proposal 8:** Determination of Amount and Details of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)

Holding of Adjourned Meeting of the 121st Ordinary General Meeting of Shareholders

The Company was scheduled to report to shareholders at the 121st Ordinary General Meeting of Shareholders to be held on June 26, 2020 (hereinafter “this General Meeting”), on part of the Meeting Agenda of this General Meeting, namely the matters to be reported “1. The Business Report, the Consolidated Financial Statements for the Company’s 121st Fiscal Year (October 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements” and “2. Non-consolidated Financial Statements for the Company’s 121st Fiscal Year (October 1, 2019 - March 31, 2020)” (hereinafter collectively the “Matters to be Reported for the 121st Fiscal Year”), after completing the required procedures such as account closing procedure and the procedure for receiving the audit report from the Accounting Auditor (hereinafter the “Closing-related Procedures”). However, as announced by the “Notice on the Delay of the Announcement of the Financial Results for the Fiscal Year Ended March 31, 2020” dated April 20, 2020, closing procedure is delayed at the Company’s consolidated subsidiary in India, due to the spread of the COVID-19. A nationwide 21-day lockdown from March 25, 2020 to April 14, 2020 was extended up to May 31, 2020, as announced by the Indian government. Under such circumstance, account closing procedure has yet to be completed in the subsidiary. As a result, the Company is planning to make a proposal to shareholders at this General Meeting on the holding of an adjourned meeting of this General Meeting (hereinafter the “Adjourned Meeting”), immediately after the completion of the required procedures including the receipt of the audit report from the Accounting Auditor, at which report shall be made on the Matters to be Reported for the 121st Fiscal Year, and on leaving the decision on the time/date and place of the Adjourned Meeting up to the chair (hereinafter collectively the “Proposals”). The Company shall, upon the approval of the Proposals, send shareholders notice of the Adjourned Meeting in accordance with the progress in the Closing-related Procedures, and hold the Adjourned Meeting.

Subject to the resolution for the approval of Proposal 2 “Partial Amendment to the Articles of Incorporation” as originally proposed, the matters to be reported 1. shall be “The Business Report, the Consolidated Financial Statements for the Company’s 121st Fiscal Year (October 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements.”

The Company’s dividend payment is governed by its basic policy to “distribute stable and continuous dividend of profits to shareholders through enhancing the corporate value by expanding the business revenue and strengthening financial standing from the long-term perspective.” Since no change has been made at this point to the consolidated performance forecast for the fiscal year ended March 31, 2020 announced on March 17, 2020, while the spread of COVID-19 is likely to have insignificant impact on the Company’s consolidated performance in the fiscal year, the Company decided that it would be appropriate to submit the proposals for resolution at this General Meeting on the matters including the appropriation of surplus based on the dividend forecast announced on March 17, 2020, without changing the record date for the purpose of the year-end dividend, which shall, at a later date, be followed up by the Adjourned Meeting whereby the Company shall report on the Matters to be Reported for the 121st Fiscal Year.

The Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements for the Company’s 121st Fiscal Year, and the audit report by the Accounting Auditor, and audit report by the Audit & Supervisory Board (Audit & Supervisory Committee, subject to the approval of Proposal 2 “Partial Amendment to the Articles of Incorporation” as originally proposed) (hereinafter collectively the “Ancillary Documents”) shall be provided to shareholders as attachment to the notice of the Adjourned Meeting. Thus, the Ancillary Documents are not attached to the notice of this General Meeting, for which shareholders’ understanding would be appreciated.

Since the Adjourned Meeting shall constitute a part of this General Meeting technically, shareholders entitled to attend the Adjourned Meeting shall be the same as those entitled to exercise voting rights at this General Meeting.

We sincerely regret causing our shareholders great deal of troubles and concerns on this issue.

4. Instruction for Exercising Voting Rights:

If you are attending the General Meeting of Shareholders

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

Date and Time of the Meeting	Friday, June 26, 2020 at 10:00 a.m. Japan time
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If you are not attending the General Meeting of Shareholders, please exercise your voting rights either via postal mail or the Internet.

Exercise of voting rights by postal mail

Please indicate your approval or disapproval of the proposals on the attached Voting Rights Exercise Form and return it by the deadline.

Deadline of Exercise	Thursday, June 25, 2020 at 5:25 p.m. Japan time
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Exercise of voting rights via the Internet

Please access the Company's designated voting rights exercise website (<https://www.web54.net>) and use the "voting rights exercise code" and "password" indicated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to enter your vote for or against the proposals by the deadline.

For details, please refer to page 6.

Deadline of Exercise	Thursday, June 25, 2020 at 5:25 p.m. Japan time
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If you exercise your voting rights using a smartphone, please use "Smart Voting."

* Please refer to the enclosed flier for details.

If your voting rights are exercised in duplicate both in writing and via the Internet, etc., the vote via the Internet, etc. shall be deemed valid. When voting rights are exercised multiple times via the Internet, etc., or in duplicate using a PC or smartphone, the last vote shall be deemed valid.

<Requests to our shareholders>

- The aforementioned procedures may be changed depending on the latest development concerning the COVID-19 pandemic, or on the announcement by the government and other authorities. Shareholders would be asked to check the latest information posted on the Company's website (<https://www.nichino.co.jp/>) (Japanese only).
- Exercise of voting rights through Voting Rights Exercise Form should involve infection risk in the processes including returning by post and aggregation at the Company. Therefore, we would ask you to exercise your voting rights via the Internet, etc. wherever possible, if you opt for voting in advance.
- Hand sanitizers shall be placed for shareholders at the entrance to the venue.
- Shareholders attending the meeting are kindly asked to bring and wear a face mask.
- We will be checking your body temperatures at the entrance to the venue. Shareholders found to have a fever of 37.5 degrees Celsius or higher, those not feeling well, and those having returned from overseas in the past 14 days may be asked not to enter the venue and go home. Shareholders having returned from overseas in the past 14 days would be requested to report to the reception.
- Staff at the venue for organizing the General Meeting will be checked for their body temperature and physical condition in advance and will be wearing a face mask.
- With a view to reducing the time of the meeting thereby minimizing the risk of infection, we decided not to present detailed explanation about the proposals for the General Meeting. As such, shareholders attending the General Meeting in person would be asked to go through this notice in advance.

- ◎ If you are exercising your voting rights by proxy, you can delegate the exercise of your voting rights to another shareholder, who also owns voting rights. In such a case, please have your proxy submit a written power of attorney.
- ◎ Should the Reference Documents for the General Meeting of Shareholders in this convocation notice require revisions, the revised versions will be posted on the Company's website (<https://www.nichino.co.jp/>) (Japanese only).

Instruction for Exercising Voting Rights via the Internet, etc.

Please access the Company's designated website for exercising voting rights by one of the following methods, and follow the instructions on the screen to enter your vote for or against the proposals.

Deadline of Exercise: Thursday, June 25, 2020 at 5:25 p.m. Japan time

(Please exercise your voting rights as early as possible to facilitate the counting of the voting results.)

Method of exercising voting rights by smartphone

By scanning the "smartphone voting rights exercise website login QR code[®]" indicated on the enclosed Voting Rights Exercise Form, you can log in without entering the "voting rights exercise code" and "password." You can exercise your voting rights only once via smartphone.

* QR code is a registered trademark of DENSO WAVE INCORPORATED.

Please refer to the enclosed flier for details.

Method of entering the voting rights exercise code and password

Website for exercising voting rights: <https://www.web54.net>

- (1) Access the website.
- (2) Log in and enter the voting rights exercise code.
- (3) Enter the password.
- (4) Follow the instructions on the screen to enter your approval or disapproval.

- Depending on the shareholder's Internet access environment, service subscriptions, and device model, the website for exercising voting rights may not be available.
- Shareholders shall bear service provider connection fees and telecommunications carrier service fees (telephone fees, etc.) when using the website for exercising voting rights.

Inquiries: For inquiries as to the use of personal computers and smartphones

If you have any questions on the use of personal computers and smartphones in exercising the voting rights at this website, please contact the following:

Stock Transfer Agency Website Support Help Desk, Sumitomo Mitsui Trust Bank, Limited.

Phone: 0120-652-031

Operating Hours: 9:00 a.m. to 9:00 p.m. (Available in Japanese only)

For other inquiries regarding shares, please contact the following:

Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited

Phone: 0120-782-031

Operating Hours: 9:00 a.m. to 5:00 p.m., excluding Saturdays, Sundays, and holidays (Available in Japanese only)

Institutional investors may use the "electronic voting rights exercise platform" operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy is to distribute stable and continuous dividend of profits to shareholders through enhancing the corporate value by expanding the business revenue and strengthening financial standing from the long-term perspective.

Taking into account the above policy and performance during the current fiscal year, the appropriation of surplus for the 121st fiscal year is proposed as follows.

Matters concerning the year-end dividend:

- (1) Matters concerning the allotment of dividend property to shareholders and total amount thereof:
4 yen per share of the Company's common stock, in a total amount of 315,099,000yen
- (2) The effective date of the dividend of surplus
Monday, June 29, 2020

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for the amendment

- (1) As the Company intends to shift to a Company with an Audit & Supervisory Committee from a Company with an Audit & Supervisory Board, with a view to strengthening the supervisory function of the Board of Directors through the board restructuring to include members of Audit & Supervisory Committee responsible for the audit of Directors’ business execution, while further enhancing corporate governance through the reinforcement of the monitoring structure, it is proposed to newly establish provisions regarding Directors serving as the Audit & Supervisory Committee Members and the Audit & Supervisory Committee as required in the process of the aforementioned shift, along with the deletion of provisions regarding the Audit & Supervisory Board and its members.
- (2) In addition, the Company shall make revisions including those to the wordings following the aforementioned changes.

2. Details of the amendment

Details of the amendment are as follows. This proposal shall take effect at the recess of this General Meeting (at the conclusion of the deliberation on June 26, 2020).

(Amended parts are underlined)

Current	Proposed amendment
<p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1. to 3. (Omitted)</p> <p>(Structure of corporate organs)</p> <p>Article 4. The Company shall have the following organs, apart from the General Meeting of Shareholders and Directors.</p> <p>(1) Board of Directors</p> <p>(2) <u>Audit & Supervisory Board Members</u></p> <p>(3) <u>Audit & Supervisory Board</u></p> <p>(4) Accounting Auditor</p> <p>Article 5. to 17. (Omitted)</p>	<p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1. to 3. (Unchanged)</p> <p>(Structure of corporate organs)</p> <p>Article 4. The Company shall have the following organs, apart from the General Meeting of Shareholders and Directors.</p> <p>(1) Board of Directors</p> <p>(2) <u>Audit & Supervisory Committee</u></p> <p>(Deleted)</p> <p>(3) Accounting Auditor</p> <p>Article 5. to 17. (Unchanged)</p>
<p style="text-align: center;">Chapter 4 Directors and the Board of Directors</p> <p>(Number of Directors)</p> <p>Article 18. The Company shall have not more than 18 Directors.</p> <p>(Newly established)</p> <p>(Election of Directors)</p> <p>Article 19. Directors shall be elected by the resolution of the General Meeting of Shareholders.</p> <p>2. to 3. (Omitted)</p>	<p style="text-align: center;">Chapter 4 Directors and the Board of Directors</p> <p>(Number of Directors)</p> <p>Article 18. The Company shall have not more than 18 Directors <u>(excluding Directors serving as the Audit & Supervisory Committee Members)</u>.</p> <p><u>2. The Company shall have not more than 5 Directors serving as the Audit & Supervisory Committee Members.</u></p> <p>(Election of Directors)</p> <p>Article 19. Directors shall be elected by the resolution of the General Meeting of Shareholders <u>into two separate categories namely Directors serving as the Audit & Supervisory Committee Members and other Directors.</u></p> <p>2. to 3. (Unchanged)</p>

Current	Proposed amendment
<p>(Term of office of Directors) Article 20. Term of office of Directors shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending within one year after their election.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Term of office of Directors) Article 20. Term of office of Directors <u>(excluding Directors serving as the Audit & Supervisory Committee Members)</u> shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending within one year after their election.</p> <p><u>2. Term of office of Directors serving as the Audit & Supervisory Committee Members shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year ending within two years after their election.</u></p> <p><u>3. Term of office of a Director serving as the Audit & Supervisory Committee Member elected as substitute for a Director serving as the Audit & Supervisory Committee Member who retired prior to the expiration of his/her term of office shall expire at the expiration of the original term of office of the substituted Director serving as Audit & Supervisory Committee Member who retired.</u></p> <p><u>4. The resolution for electing Substitute Director serving as the Audit & Supervisory Committee Member elected pursuant to Article 329, Paragraph 3 of the Companies Act shall remain effective until the beginning of the Ordinary General Meeting of Shareholders for the final fiscal year ending within two years after his/her election.</u></p> <p><u>5. Term of office of the Substitute Director serving as the Audit & Supervisory Committee Member as described in the preceding paragraph shall, upon his/her appointment, expire at the expiration of the original term of office of the substituted Director serving as the Audit & Supervisory Committee Member who retired, or at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year ending within two years after his/her election, whichever earlier.</u></p>
<p>(The Board of Directors) Article 21. (Omitted) 2. Notice on calling of the Board of Directors meeting shall be sent to each Director <u>and the Audit & Supervisory Board Member</u> at least two days prior</p>	<p>(The Board of Directors) Article 21. (Unchanged) 2. Notice on calling of the Board of Directors meeting shall be sent to each Director at least two days prior to the scheduled date of the meeting,</p>

Current	Proposed amendment
<p>to the scheduled date of the meeting, provided, however, that such notice may be shortened when urgency is required. Subject to the unanimous agreement of Directors <u>and the Audit & Supervisory Board Members</u>, the Board of Directors meeting may be held without the process of calling.</p>	<p>provided, however, that such notice may be shortened when urgency is required. Subject to the unanimous agreement of Directors, the Board of Directors meeting may be held without the process of calling.</p>
<p>3. to 6. (Omitted)</p> <p>Article 22. to 23. (Omitted)</p> <p>(Remuneration, etc. of Directors)</p> <p>Article 24. Remuneration, bonuses and other economic benefits awarded to Directors by the Company in consideration for their execution of duties (<u>hereinafter the "Remuneration, etc."</u>) shall be determined by the resolution of the General Meeting of Shareholders.</p> <p>(Newly established)</p> <p>(Exemption of Directors from liability)</p> <p>Article <u>25</u>. (Omitted)</p> <p><u>Chapter 5 Audit & Supervisory Board Members and the Audit & Supervisory Board</u></p> <p>(<u>Number of the Audit & Supervisory Board Members</u>)</p> <p>Article 26. The Company shall have not more than <u>4 Audit & Supervisory Board Members</u>.</p> <p>(<u>Election of the Audit & Supervisory Board Members</u>)</p> <p>Article 27. <u>Audit & Supervisory Board Members shall be elected by the resolution of the General Meeting of Shareholders.</u></p> <p><u>2. Resolution on the election of an Audit & Supervisory Board Member shall be adopted by a majority of the votes of the shareholders present at the meeting</u></p>	<p>3. to 6. (Unchanged)</p> <p>Article 22. to 23. (Unchanged)</p> <p>(Remuneration, etc. of Directors)</p> <p>Article 24. Remuneration, bonuses and other economic benefits awarded to Directors by the Company in consideration for their execution of duties shall be determined by the resolution of the General Meeting of Shareholders, <u>separately for respective categories of Directors serving as the Audit & Supervisory Committee Members and other Directors.</u></p> <p>(<u>Delegation of decision-making authority on important business execution</u>)</p> <p>Article 25. <u>The Company may, pursuant to the provision of Article 399-13, Paragraph 6 of the Companies Act, delegate to Directors all or part of decision-making authority on important business execution (excluding the matters set out in the items of Article 399-13, Paragraph 5 of the same Act) by the resolution of the Board of Directors.</u></p> <p>(Exemption of Directors from liability)</p> <p>Article <u>26</u>. (Unchanged)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current	Proposed amendment
<p><u>attended by the shareholders holding at least one third of the voting rights of the shareholders entitled to exercise their votes.</u></p>	
<p><u>(Term of office of the Audit & Supervisory Board Members)</u> <u>Article 28. Term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year ending within four years after his/her election.</u> <u>2. Term of office of an Audit & Supervisory Board Member elected as substitute for an Audit & Supervisory Board Member who retired prior to the expiration of his/her term of office shall expire at the expiration of the original term of office of the substituted Audit & Supervisory Board Member who retired.</u> <u>3. The resolution for electing a Substitute Audit & Supervisory Board Member elected pursuant to Article 329, Paragraph 3 of the Companies Act shall remain effective until the beginning of the Ordinary General Meeting of Shareholders for the final fiscal year ending within four years after his/her election.</u> <u>4. Term of office of the Substitute Audit & Supervisory Board Member as described in the preceding paragraph shall, upon his/her appointment, expire at the expiration of the original term of office of the substituted Audit & Supervisory Board Member who retired, or at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year ending within four years after his/her election, whichever earlier.</u></p>	<p>(Deleted)</p>
<p><u>(Audit & Supervisory Board)</u> <u>Article 29. The Audit & Supervisory Board shall consist of the Audit & Supervisory Board Members.</u> <u>2. Notice on the calling of the Audit & Supervisory Board meeting shall be sent to each Audit & Supervisory Board Member at least two days prior to the scheduled date of the meeting, provided, however, that such notice may be shortened when urgency is required. Subject to the unanimous agreement of the Audit & Supervisory</u></p>	<p>(Deleted)</p>

Current	Proposed amendment
<p><u>Board Members, the Audit & Supervisory Board meeting may be held without the process of calling.</u></p>	
<p><u>3. Matters related to the Audit & Supervisory Board shall be governed by laws and regulations as well as these Articles of Incorporation and the Rules on the Audit & Supervisory Board.</u></p>	
<p>(Full-time Audit & Supervisory Board Member) <u>Article 30. The Audit & Supervisory Board shall elect Full-time Audit & Supervisory Board Members, by its resolution.</u></p>	(Deleted)
<p>(Remuneration, etc. of the Audit & Supervisory Board Members) <u>Article 31. The Remuneration, etc. of Audit & Supervisory Board Members shall be determined by the resolution of the General Meeting of Shareholders.</u></p>	(Deleted)
<p>(Exemption of the Audit & Supervisory Board Members from liability) <u>Article 32. The Company may, by the resolution of the Board of Directors, exempt the Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by laws and regulations, insofar as the Audit & Supervisory Board Members act in good faith without involving gross negligence.</u></p> <p><u>2. The Company may enter into an agreement with the Audit & Supervisory Board Members to limit their liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by laws and regulations, insofar as the Audit & Supervisory Board Members act in good faith without involving gross negligence.</u></p>	(Deleted)
<p>(Newly established)</p> <p>(Newly established)</p>	<p><u>Chapter 5 Audit & Supervisory Committee</u></p> <p><u>(Audit & Supervisory Committee)</u> <u>Article 27. Audit & Supervisory Committee shall consist of Directors serving as the Audit & Supervisory Committee Members.</u></p> <p><u>2. Notice on the calling of the Audit & Supervisory Committee meeting shall be sent to each Audit & Supervisory Committee Member at least two days prior to the scheduled date of the</u></p>

Current	Proposed amendment
	<p><u>meeting, provided, however, that such notice may be shortened when urgency is required. Subject to the unanimous agreement of the Audit & Supervisory Committee Members, the Audit & Supervisory Committee meeting may be held without the process of calling.</u></p>
<p>(Newly established)</p> <p>Article <u>33</u>. to <u>38</u>. (Omitted)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p><u>3. Matters related to the Audit & Supervisory Committee shall be governed by laws and regulations as well as these Articles of Incorporation and the Rules on the Audit & Supervisory Committee.</u></p> <p><u>(Full-time Audit & Supervisory Committee Members)</u></p> <p><u>Article 28. The Audit & Supervisory Committee may elect Full-time Audit & Supervisory Committee Members, by its resolution.</u></p> <p>Article <u>29</u>. to <u>34</u>. (Unchanged)</p> <p><u>Supplementary provisions</u></p> <p><u>(Transitional measure regarding the exemption of the Audit & Supervisory Board Members from liability)</u></p> <p><u>The Company may, by the resolution of the Board of Directors, exempt the Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by laws and regulations, insofar as such liability arises out of their conduct before the Partial Amendment to the Articles of Incorporation takes effect as resolved at the Ordinary General Meeting of Shareholders for the 121st fiscal year held on June 26, 2020.</u></p>

Proposal 3: Election of 10 Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)

The Company shall shift to a Company with an Audit & Supervisory Committee, subject to the approval of Proposal 2 “Partial Amendment to the Articles of Incorporation” as originally proposed, whereby term of office of all 11 incumbent Directors shall expire at the point in time when such amendment takes effect.

Accordingly, the Company proposes the election of the following 10 Directors (excluding Directors serving as the Audit & Supervisory Committee Members; hereinafter the same).

This proposal shall take effect subject to the amendment to the Articles of Incorporation becoming effective as proposed in Proposal 2 “Partial Amendment to the Articles of Incorporation.”

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities	Attributes			Attendance rate at Board of Directors meetings
1	Yosuke Tomoi	Representative Director, President	Re-election			100% (9 out of 9 meetings)
2	Koji Shishido	Representative Director and Senior Managing Executive Officer, and Division Manager of Production Division	Re-election			100% (9 out of 9 meetings)
3	Hirofumi Tomita	Director and Managing Executive Officer, in charge of Corporate Planning Division, in charge of Research Division, and responsible for Environment Safety Dept.	Re-election			100% (9 out of 9 meetings)
4	Hirohisa Yano	Director and Senior Executive Officer, and Division Manager of Market Development Division	Re-election			100% (9 out of 9 meetings)
5	Hiroshi Yamanoi	Director and Senior Executive Officer, Division Manager of Industrial & Pharmaceuticals Sales Division and General Manager of Pharmaceuticals Dept., Industrial & Pharmaceuticals Sales Division	Re-election			100% (9 out of 9 meetings)
6	Hideo Yamamoto	Director and Senior Executive Officer, and Division Manager of Domestic Sales Division	Re-election			100% (9 out of 9 meetings)
7	Hiroyuki Iwata	Director and Senior Executive Officer, and Division Manager of Overseas Division	Re-election			100% (9 out of 9 meetings)
8	Akio Kohri	Director	Re-election			100% (9 out of 9 meetings)
9	Yasunori Matsui	Director	Re-election	Outside	Independent	100% (9 out of 9 meetings)
10	Kazuyoshi Tachibana	—	New election	Outside	Independent	—

New election	New election Director candidate	Re-election	Reelection Director candidate	Outside	Outside Director candidate	Independent	Independent officer stipulated by stock exchanges, etc.
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No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Yosuke Tomoi (January 12, 1956) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	<p>April 1980 Joined the Company</p> <p>December 2006 Executive Officer and General Manager of Corporate Planning Dept., Corporate Office Division</p> <p>December 2007 Director and Executive Officer, General Manager of Corporate Office Division, General Manager of Corporate Planning Dept., Corporate Office Division, and General Manager of Legal & Auditorial Dept., Corporate Office Division of the Company</p> <p>December 2008 Director and Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., and General Manager of Secretarial Dept.</p> <p>December 2009 Director and Executive Officer, and Deputy Division Manager of Sales Division</p> <p>August 2010 Director and Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Sales Dept. 2, Sales Division</p> <p>December 2011 Director and Managing Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., and General Manager of Secretarial Dept.</p> <p>December 2014 Director and Senior Managing Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., in charge of Administration Division, and General Manager of Secretarial Dept.</p> <p>December 2015 Representative Director, President (current position)</p>	31,377
[Reason for election as a candidate for Director] Mr. Yosuke Tomoi assumed the office of Representative Director, President of the Company in 2015 after having served as Director of the Company from 2007. He has designed the Nichino Group vision and implemented growth strategies to realize that vision. The Company expects him to continuously steer the ongoing group management of the Company as a business administrator by drawing on these experiences and achievements.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Yosuke Tomoi and the Company.			
2	Koji Shishido (December 20, 1959) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	<p>April 1983 Joined Asahi Denka Co., Ltd. (current ADEKA Corporation)</p> <p>June 2004 General Manager of Food Production Dept., Kashima Plant, Asahi Denka Co., Ltd.</p> <p>June 2010 Plant Manager of Kashima Plant, ADEKA Corporation</p> <p>June 2014 General Manager of Production Management Dept., ADEKA Corporation</p> <p>June 2016 Operating Officer and General Manager of Environmental Protection Division, General Manager of Environmental Safety & Quality Assurance Dept., ADEKA Corporation</p> <p>April 2017 Operating Officer and General Manager of Environmental Protection Division, ADEKA Corporation</p> <p>December 2018 Representative Director and Senior Managing Executive Officer, and Division Manager of Production Division (current position)</p>	14,277
[Reason for election as a candidate for Director] Mr. Koji Shishido has engaged in the management of ADEKA Corporation, the Company's parent company, as its Operating Officer. In addition, he has a wealth of experience serving many years as head of the production and environmental protection segments and broad insight. He assumed the office of Representative Director of the Company in 2018, and is currently engaged in strengthening the Group's production structure as Division Manager of the Production Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.			
[Special notes regarding the candidate for Director] For the past 5 years, Mr. Koji Shishido served as an executive of ADEKA Corporation, the Company's parent company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Hirofumi Tomita (October 15, 1955) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	<p>April 1984 Joined Mitsubishi Kasei Corporation (current Mitsubishi Chemical Corporation)</p> <p>October 2002 Joined the Company</p> <p>December 2009 Research Center General Manager of Research & Development Strategy Dept., Research & Development Division</p> <p>December 2012 Executive Officer and General Manager of Development Dept., Research & Development Division</p> <p>December 2014 Executive Officer, Deputy Division Manager of Research & Development Division, General Manager of Development Dept., Research & Development Division, and Product Development Manager of Research Center, Research & Development Division</p> <p>August 2015 Executive Officer, Deputy Division Manager of Research & Development Division and General Manager of Development Dept., Research & Development Division</p> <p>December 2015 Senior Executive Officer, Deputy Division Manager of Research & Development Division, and General Manager of Development Dept., Research & Development Division</p> <p>December 2016 Director and Senior Executive Officer, Division Manager of Research Division, and responsible for Environment Safety Dept.</p> <p>December 2018 Director and Managing Executive Officer, in charge of Corporate Planning Division, in charge of Research Division, and responsible for Environment Safety Dept. (current position)</p>	8,151
[Reason for election as a candidate for Director] Mr. Hirofumi Tomita assumed the office of Director of the Company in 2016 and has worked to enhance drug discovering capability and accelerate its development as head of the research and development segment. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hirofumi Tomita and the Company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Hirohisa Yano (July 16, 1958) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	<p>April 1982 Joined the Company</p> <p>August 2007 General Manager of Secretarial Dept.</p> <p>December 2008 General Manager of Marketing Dept., Sales Division</p> <p>December 2011 Executive Officer, Deputy Division Manager of Sales Division, General Manager of Marketing Dept., Sales Division, and General Manager of Sales Dept. 2, Sales Division</p> <p>August 2013 Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Marketing Dept., Sales Division</p> <p>December 2015 Director and Senior Executive Officer, and Division Manager of Sales Division</p> <p>August 2017 Director and Senior Executive Officer, and Division Manager of Domestic Sales Division</p> <p>December 2018 Director and Senior Executive Officer, and Division Manager of Market Development Division (current position)</p>	8,074
[Reason for election as a candidate for Director] Mr. Hirohisa Yano has broad experience and knowledge gained by serving in the Company's sales segment and others. He assumed the office of Director of the Company in 2015 and is currently engaged in promotion of the Company's growth strategies, while pursuing the development and cultivation of new markets as Division Manager of the Market Development Division. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hirohisa Yano and the Company.			
5	Hiroshi Yamanoi (January 22, 1958) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	<p>April 1981 Joined Adeka Argus Chemical Co., Ltd. (current ADEKA Corporation)</p> <p>June 2007 General Manager of Additives Solution Dept., Polymer Additives R&D Laboratory, ADEKA Corporation</p> <p>October 2010 General Manager of Additives Solution Dept., Polymer Additives R&D Laboratory, ADEKA Corporation</p> <p>May 2011 General Manager of Overseas Business Promotion Office, Corporate Planning Dept., ADEKA Corporation</p> <p>June 2014 General Manager of Affiliated Companies Support Office, Corporate Planning Dept., ADEKA Corporation</p> <p>October 2016 Joined the Company</p> <p>Executive Adviser of Chemical Products Division</p> <p>December 2016 Director and Senior Executive Officer, and Division Manager of Chemical Products Division</p> <p>December 2018 Director and Senior Executive Officer, and responsible for Pharmaceuticals Dept.</p> <p>August 2019 Director and Senior Executive Officer, and Division Manager of Industrial & Pharmaceuticals Sales Division</p> <p>April 2020 Director and Senior Executive Officer, Division Manager of Industrial & Pharmaceuticals Sales Division and General Manager of Pharmaceuticals Department, Industrial & Pharmaceuticals Sales Division (current position)</p>	7,324
[Reason for election as a candidate for Director] Mr. Hiroshi Yamanoi has worked to promote and support overseas businesses in the corporate planning department of ADEKA Corporation, in addition to having engaged in research and development of additives solution at that company. He assumed the office of Director of the Company in 2016, and is currently engaged in strengthening the industrial and pharmaceuticals sales business including agrochemicals as Division Manager of the Industrial & Pharmaceuticals Sales Division. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.			
[Special notes regarding the candidate for Director] In the past, Mr. Hiroshi Yamanoi served for 5 years as an executive of ADEKA Corporation, the Company's parent company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
6	Hideo Yamamoto (August 10, 1962) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	April 1985	Joined the Company	5,599
		August 2006	General Manager of Sales Dept. 1, Sales Division	
		December 2013	General Manager of Accounting and System Dept., Administration Division	
		December 2015	Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Marketing Dept., Sales Division	
		December 2016	Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Technical Service & Promotion Dept., Sales Division	
		December 2017	Executive Officer, Deputy Division Manager of Domestic Sales Division, General Manager of Technical Service & Promotion Dept., Domestic Sales Division, and General Manager of Sales Dept. 1, Domestic Sales Division	
		August 2018	Executive Officer and Deputy Division Manager of Domestic Sales Division	
		December 2018	Director and Senior Executive Officer, and Division Manager of Domestic Sales Division (current position)	
[Reason for election as a candidate for Director] Mr. Hideo Yamamoto has broad experience and knowledge gained by serving in the domestic sales and administration segments of the Company. He assumed the office of Director of the Company in 2018, and is engaged in strengthening the domestic businesses as Division Manager of the Domestic Sales Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hideo Yamamoto and the Company.				
7	Hiroyuki Iwata (November 3, 1963) Reelection Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	April 1986	Joined the Company	8,448
		December 2013	General Manager of Sales Dept. 1, Sales Division	
		August 2016	General Manager attached to Division Manager of Overseas Division	
		December 2016	Executive Officer, Deputy Division Manager of Overseas Division, and General Manager of Sales Dept. Asia, Overseas Division	
		December 2017	Executive Officer and Division Manager of Overseas Division	
		December 2018	Director and Senior Executive Officer, and Division Manager of Overseas Division (current position)	
[Reason for election as a candidate for Director] Mr. Hiroyuki Iwata has broad experience and knowledge gained by serving in the domestic and overseas sales segments of the Company. He assumed the office of Director of the Company in 2018, and is engaged in strengthening the overseas businesses as Division Manager of the Overseas Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hiroyuki Iwata and the Company.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	<p>Akio Kohri (December 21, 1948)</p> <p>Reelection</p> <p>Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)</p>	<p>April 1971 Joined Asahi Denka Co., Ltd. (current ADEKA Corporation)</p> <p>June 2008 Director and Operating Officer, Division Manager of Food Division, and General Manager of China Food Business Promotion Dept., ADEKA Corporation</p> <p>June 2010 Director and Managing Operating Officer, General Manager of Corporate Planning Dept., responsible for New Business Promotion Office, and Chairman of Facility Investment Committee, ADEKA Corporation</p> <p>June 2012 President of ADEKA Corporation</p> <p>December 2013 Director of the Company (current position)</p> <p>June 2018 Chairman and Chief Executive Officer of ADEKA Corporation (current position)</p> <p>(Significant concurrent positions)</p> <p>Chairman and Chief Executive Officer of ADEKA Corporation</p> <p>Outside Audit & Supervisory Board Member of Zeon Corporation</p>	—
<p>[Reason for election as a candidate for Director] Mr. Akio Kohri serves as Chairman and Chief Executive Officer of ADEKA Corporation, the Company's parent company. He has engaged in business administration in the manufacturing industry for many years and has a wealth of experience and broad insight. The Company has continuously selected him as a candidate for Director, because the Company believes that he is adequate to serve as Director.</p>			
<p>[Liability limitation agreement] The Company has entered into an agreement with Mr. Akio Kohri to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.</p>			
<p>[Special notes regarding the candidate for Director] For the past 5 years to the present, Mr. Akio Kohri has been serving as an executive of ADEKA Corporation, the Company's parent company.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Yasunori Matsui (March 3, 1956) Reelection Outside Independent Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	April 1984 Full-time lecturer of Department of Commerce, Faculty of Commerce at Takachiho University of Commerce (current Takachiho University) April 1987 Associate professor of Department of Commerce, Faculty of Commerce, Takachiho University of Commerce April 1990 Visiting researcher of the University of Exeter, U.K. April 1994 Associate professor of Business Department, College of Economics, Rikkyo University April 1995 Professor of Business Department, College of Economics, Rikkyo University April 2006 Professor of Global Business Department, College of Business, Rikkyo University March 2007 PhD (Accounting) (Rikkyo University) April 2008 President of Graduate School of Business Administration (MBA), Rikkyo University April 2012 Dean, College of Business, Rikkyo University December 2014 Director of the Company (current position) April 2016 Professor of Department of Business, College of Business, Rikkyo University (current position) (Significant concurrent positions) Professor of Department of Business, College of Business, Rikkyo University	—
[Reason for election as a candidate for Outside Director] Mr. Yasunori Matsui has broad knowledge and insight in business administration gained through many years of experience as a university professor (in accounting and business administration), and has provided the Company with opinions and advice on the Company's overall management from an objective perspective. Although he has no experience in being involved in corporate management except as an outside officer, the Company has continuously selected him as a candidate for Outside Director, because, in addition to the reasons mentioned above, the Company believes that he is capable of adequately executing duties relevant to the position based on his solid track record of fulfilling the responsibilities as Outside Director of the Company. He will have served as Outside Director for 5 years and 6 months at the recess of this Ordinary General Meeting of Shareholders.			
[Matters concerning independence] Mr. Yasunori Matsui satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated him as an independent officer and notified the Exchange to that effect. Subject to the approval of his election as Outside Director, the Company will notify the Exchange of his ongoing designation as an independent officer.			
[Liability limitation agreement] The Company has entered into an agreement with Mr. Yasunori Matsui to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Yasunori Matsui and the Company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Kazuyoshi Tachibana (January 21, 1956) New election Outside Independent	April 1978 Joined Kyowa Hakko Kogyo Co., Ltd. (current Kyowa Kirin Co., Ltd.) July 2002 President of Kyowa Pharmaceuticals Inc. April 2005 General Manager of Pharmaceutical Strategic Planning Division and Pharmaceutical Manufacturing Strategy Department, Kyowa Hakko Kogyo Co., Ltd. June 2005 Executive Officer of Kyowa Hakko Kogyo Co., Ltd. October 2008 Executive Officer of Kyowa Hakko Kirin Co., Ltd. (current Kyowa Kirin Co., Ltd) April 2009 Managing Executive Officer of Kyowa Hakko Kirin Co., Ltd. June 2009 Director of the Board and Managing Executive Officer of Kyowa Hakko Kirin Co., Ltd. March 2018 Retired from the office of Director of the Board and Managing Executive Officer of Kyowa Hakko Kirin Co., Ltd. (Significant concurrent positions) —	2,000
[Reason for election as a candidate for Outside Director]			
Mr. Kazuyoshi Tachibana has a wealth of experience and broad-based insight as operating officer of a listed company as well as manager of an overseas business entity. The Company has selected Mr. Kazuyoshi Tachibana as a candidate for Outside Director, because the Company believes he is capable of adequately executing duties relevant to the position.			
[Matters concerning independence]			
Mr. Kazuyoshi Tachibana satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company intends to designate him as an independent officer and notify the Exchange to that effect.			
[Liability limitation agreement]			
Subject to the approval of his election as Director, the Company intends to enter into an agreement to limit his liability to the amount stipulated by laws and regulations.			
[Special notes regarding the candidate for Director]			
There are no special interests between Mr. Kazuyoshi Tachibana and the Company.			

Proposal 4: Election of 5 Directors Serving as the Audit & Supervisory Committee Members

The Company shall shift to a Company with an Audit & Supervisory Committee, subject to the approval of Proposal 2 “Partial Amendment to the Articles of Incorporation” as originally proposed.

Accordingly, the Company proposes the election of 5 Directors serving as the Audit & Supervisory Committee Members as follows.

The Audit & Supervisory Board has given its approval to this proposal.

This proposal shall take effect subject to the amendment to the Articles of Incorporation becoming effective, as proposed in Proposal 2 “Partial Amendment to the Articles of Incorporation.”

The candidates for Directors serving as the Audit & Supervisory Committee Members are as follows:

No.	Name	Current positions and responsibilities	Attributes			Attendance rate at Board of Directors meetings	Attendance rate at Audit & Supervisory Board meetings
1	Yoshiaki Higashino	Director and Senior Executive Officer, and Division Manager of Administration Division, responsible for Osaka Plant and General Manager of Osaka Plant, and responsible for special missions	New election			100% (9 out of 9 meetings)	—
2	Haruhiko Tomiyasu	Audit & Supervisory Board Member	New election			100% (9 out of 9 meetings)	100% (5 out of 5 meetings)
3	Iwao Toigawa	Director	New election	Outside	Independent	100% (9 out of 9 meetings)	—
4	Chizuko Nakata	Audit & Supervisory Board Member	New election	Outside	Independent	89% (8 out of 9 meetings)	80% (4 out of 5 meetings)
5	Yoshiko Oshima	Audit & Supervisory Board Member	New election	Outside	Independent	100% (9 out of 9 meetings)	100% (5 out of 5 meetings)

New election	New election Director candidate	Outside	Outside Director candidate	Independent	Independent officer stipulated by stock exchanges, etc.
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No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Yoshiaki Higashino (May 12, 1958) New election Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	April 1984 Joined Mitsubishi Kasei Corporation (current Mitsubishi Chemical Corporation) October 2002 Joined the Company December 2008 General Manager of Corporate Planning Dept., Corporate Office Division December 2013 Executive Officer and General Manager of Corporate Planning Dept., Corporate Office Division December 2015 Senior Executive Officer, Division Manager of Corporate Planning Division, General Manager of Corporate Planning Dept., Corporate Planning Division, and responsible for Secretarial Dept. December 2016 Director and Senior Executive Officer, and Division Manager of Market Development Division December 2018 Director and Senior Executive Officer, and Division Manager of Administration Division, responsible for Osaka Plant and General Manager of Osaka Plant, and responsible for special missions (current position)	8,792
[Reason for election as a candidate for Director serving as the Audit & Supervisory Committee Member] Mr. Yoshiaki Higashino has broad knowledge and experience gained by serving in the corporate planning and market development segments of the Company. He has also experience as management of the Company as Director since 2016, along with expertise in finance and accounting gained through his career as Division Manager of Administration Division since 2018. The Company has selected Mr. Higashino as a candidate for Director, because the Company believes that he is adequate to serve as Director serving as the Audit & Supervisory Committee Member.			
[Special notes regarding the candidate for Director serving as the Audit & Supervisory Committee Member] There are no special interests between Mr. Yoshiaki Higashino and the Company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	<p>Haruhiko Tomiyasu (July 7, 1956)</p> <p>New election</p> <p>Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)</p> <p>Attendance rate at Audit & Supervisory Board meetings 100% (5 out of 5 meetings)</p>	<p>April 1979 Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)</p> <p>July 2005 General Manager of Administration Division, Mizuho Bank, Ltd.</p> <p>June 2007 Full-time Audit and Supervisory Board Member, ADEKA Corporation</p> <p>June 2009 Director and Operating Officer, responsible for Legal & Public Relations Dept. and Financial & Accounting Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>December 2009 Audit & Supervisory Board Member of the Company (current position)</p> <p>June 2010 Director and Operating Officer, responsible for Information Systems Dept., ADEKA Corporation</p> <p>June 2012 Director and Operating Officer, responsible for Human Resources Dept., Financial & Accounting Dept. and Information Systems Dept., ADEKA Corporation</p> <p>June 2014 Director and Managing Operating Officer, responsible for Human Resources Dept., Financial & Accounting Dept. and Information Systems Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>June 2015 Director and Managing Operating Officer, responsible for Human Resources Dept., Financial & Accounting Dept. and Procurement & Logistics Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>June 2018 Director and Senior Managing Operating Officer, Assistant to President, responsible for Secretarial Dept., Human Resources Dept., and Procurement & Logistics Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation (current position)</p> <p>(Significant concurrent position) Director and Senior Managing Operating Officer, ADEKA Corporation</p>	—
<p>[Reason for election as a candidate for Director serving as the Audit & Supervisory Committee Member] Mr. Haruhiko Tomiyasu is a Director and Senior Managing Operating Officer of ADEKA Corporation, the Company's parent company. The Company has selected him as a candidate for Director because the Company believes that he is adequate to serve as Director serving as the Audit & Supervisory Committee Member based on his wealth of experience and broad insight gained as an executive officer of a listed company.</p>			
<p>[Liability limitation agreement] The Company has entered into an agreement with Mr. Haruhiko Tomiyasu to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director serving as the Audit & Supervisory Committee Member, the Company intends to enter into an agreement to limit his liability to the amount stipulated by laws and regulations.</p>			
<p>[Special notes regarding the candidate for Director serving as the Audit & Supervisory Committee Member] For the past 5 years to the present, Mr. Haruhiko Tomiyasu has been serving as an executive of ADEKA Corporation, the Company's parent company.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Iwao Toigawa (August 22, 1953)	April 1991 Registered as attorney-at-law (Tokyo Bar Association) and joined Watanabe Kijuro Law Office	—
	New election	July 2001 Established Toigawa Law Office April 2005 Part-time lecturer, Graduate School of Law (Law School) of Keio University	
	Outside	May 2006 Established Hibiya T&Y Law Office (current position)	
	Independent	December 2011 Audit & Supervisory Board Member of the Company December 2015 Director of the Company (current position)	
	Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)	(Significant concurrent positions) Attorney-at-law Outside Director of KOSÉ Corporation	
	[Reason for election as a candidate for Outside Director serving as the Audit & Supervisory Committee Member] Mr. Iwao Toigawa has expertise as an attorney-at-law, and a wealth of experience and broad insight in corporate legal affairs. Although he has no experience in being involved in corporate management except as an outside officer, the Company has selected him as a candidate for Outside Director serving as the Audit & Supervisory Committee Member because, in addition to the reasons mentioned above, the Company believes that he is capable of adequately executing duties relevant to the position based on his solid track record of fulfilling the responsibilities as Outside Director of the Company. He will have served as Outside Director for 4 years and 6 months at the recess of this Ordinary General Meeting of Shareholders.		
	[Matters concerning independence] Mr. Iwao Toigawa satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated him as an independent officer and notified the Exchange to that effect. Subject to the approval of his election as Outside Director serving as the Audit & Supervisory Committee Member, the Company will notify the Exchange of his ongoing designation as an independent officer.		
	[Liability limitation agreement] The Company has entered into an agreement with Mr. Iwao Toigawa to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director serving as the Audit & Supervisory Committee Member, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.		
	[Special notes regarding the candidate for Director serving as the Audit & Supervisory Committee Member] There are no special interests between Mr. Iwao Toigawa and the Company.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	<p>Chizuko Nakata (September 29, 1956)</p> <p>New election</p> <p>Outside</p> <p>Independent</p> <p>Attendance rate at Board of Directors meetings 89% (8 out of 9 meetings)</p> <p>Attendance rate at Audit & Supervisory Board meetings 80% (4 out of 5 meetings)</p>	<p>November 1981 Joined Coopers & Lybrand Accounting Office</p> <p>March 1984 Established Nakata Certified Public Accountant Office (current position)</p> <p>May 1988 Joined Nagata-cho Audit Corporation</p> <p>July 1996 Established Nakata Business Consulting LPC (current Nakata Business Consulting Co., Ltd.) as Representative Director (current position)</p> <p>December 2015 Audit & Supervisory Board Member of the Company (current position)</p> <p>(Significant concurrent positions)</p> <p>Certified public accountant</p> <p>Certified public tax accountant</p> <p>Representative Director of Nakata Business Consulting Co., Ltd.</p> <p>Supervisory Director of Daiwa Securities Living Investment Corporation</p>	—
<p>[Reason for election as a candidate for Outside Director serving as the Audit & Supervisory Committee Member]</p> <p>Ms. Chizuko Nakata has broad-based knowledge and insight in corporate management gained through her years of experience as certified public accountant. The Company has selected her as a candidate for Outside Audit & Supervisory Committee Member, because the Company believes that she is capable of adequately executing duties relevant to the position. She will have served as Outside Audit & Supervisory Board Member for 4 years and 6 months at the recess of this Ordinary General Meeting of Shareholders.</p>			
<p>[Matters concerning independence]</p> <p>Ms. Chizuko Nakata satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated her as an independent officer and notified the Exchange to that effect. Subject to the approval of her election as Outside Director serving as the Audit & Supervisory Committee Member, the Company will notify the Exchange of her ongoing designation as an independent officer.</p>			
<p>[Liability limitation agreement]</p> <p>The Company has entered into an agreement with Ms. Chizuko Nakata to limit her liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of her election as Director serving as the Audit & Supervisory Committee Member, the Company intends to enter into an agreement to limit her liability to the amount stipulated by laws and regulations.</p>			
<p>[Special notes regarding the candidate for Director serving as the Audit & Supervisory Committee Member]</p> <p>There are no special interests between Ms. Chizuko Nakata and the Company.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	<p>Yoshiko Oshima (November 10, 1956)</p> <p>New election</p> <p>Outside</p> <p>Independent</p> <p>Attendance rate at Board of Directors meetings 100% (9 out of 9 meetings)</p> <p>Attendance rate at Audit & Supervisory Board meetings 100% (5 out of 5 meetings)</p>	<p>April 1988 Registered as attorney-at-law (Dai-Ichi Tokyo Bar Association) and joined Nishimura & Sanada (current Nishimura & Asahi)</p> <p>May 1989 Joined Legal Affairs Department, Esso Sekiyu K.K. (current JXTG Nippon Oil & Energy Corporation)</p> <p>July 1991 Joined Blakemore & Mitsuki</p> <p>August 1994 Joined Atsumi & Usui (current Atsumi & Sakai)</p> <p>July 1995 Joined Coudert Brothers LLP (New York)</p> <p>May 1997 Established Oshima Law Office (current position)</p> <p>July 2013 Started practice as a certified public tax accountant (current position)</p> <p>September 2018 Audit & Supervisory Board Member of the Company (current position)</p> <p>(Significant concurrent positions) Attorney-at-law Certified public tax accountant</p>	<p>—</p>
5		<p>[Reason for election as a candidate for Outside Director serving as the Audit & Supervisory Committee Member] Ms. Yoshiko Oshima has expertise as an attorney-at-law and a certified public tax accountant, along with the legal knowledge and experience developed over the years through her professional career. Although she has no experience in being involved in corporate management except as an outside officer, the Company has selected her as a candidate for Outside Director serving as the Audit & Supervisory Committee Member because, in addition to the reasons mentioned above, the Company believes that she is capable of adequately executing duties relevant to the position based on her solid track record of fulfilling the responsibilities as Outside Audit & Supervisory Board Member of the Company. She will have served as Outside Audit & Supervisory Board Member for 1 year and 9 months at the recess of this Ordinary General Meeting of Shareholders.</p> <p>[Matters concerning independence] Ms. Yoshiko Oshima satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated her as an independent officer and notified the Exchange to that effect. Subject to the approval of her election as Outside Director serving as the Audit & Supervisory Committee Member, the Company will notify the Exchange of her ongoing designation as an independent officer.</p> <p>[Liability limitation agreement] The Company has entered into an agreement with Ms. Yoshiko Oshima to limit her liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of her election as Director serving as the Audit & Supervisory Committee Member, the Company intends to enter into an agreement to limit her liability to the amount stipulated by laws and regulations.</p> <p>[Special notes regarding the candidate for Director serving as the Audit & Supervisory Committee Member] There are no special interests between Ms. Yoshiko Oshima and the Company.</p>	

Proposal 5: Election of 1 Substitute Director Serving as the Audit & Supervisory Committee Member

The Company shall shift to a Company with an Audit & Supervisory Committee, subject to the approval of Proposal 2 “Partial Amendment to the Articles of Incorporation” as originally proposed.

Accordingly, the Company proposes the election of 1 substitute Director serving as the Audit & Supervisory Committee Member to fill in the gap where such gap arises between the statutorily required number and actual number of Directors serving the Audit & Supervisory Committee Members.

Effectiveness of the resolution for election may, subject to the consent of the Audit & Supervisory Committee, be withdrawn by the resolution of the Board of Directors, insofar as such procedure of withdrawal takes place prior to the appointment of the Audit & Supervisory Committee Member concerned.

The Audit & Supervisory Board has given its approval to this proposal.

This proposal shall take effect subject to the amendments to the Articles of Incorporation becoming effective as proposed in Proposal 2 “Partial Amendment to the Articles of Incorporation.”

The candidate for substitute Director serving as the Audit & Supervisory Committee Member is as follows.

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
<p style="text-align: center;">Isao Murakami (November 23, 1956)</p> <p style="text-align: center;">Outside Independent</p>	<p>April 1979 Joined Mitsubishi Corporation</p> <p>October 1993 EVP and Treasurer, Mitsubishi Foods (MC), Inc.</p> <p>March 1996 CFO, MC Machinery Systems, Inc.</p> <p>April 2000 Team Leader of Infrastructure and Business Development Team, Machinery Management Department, Mitsubishi Corporation</p> <p>July 2004 Deputy General Manager of Audit & Supervisory Board Members Office, Mitsubishi Corporation</p> <p>March 2010 Senior Vice President, vice in charge of Corporate Planning and Skill Development, Mitsubishi Corporation Technos</p> <p>April 2010 Member of the Board, Senior Vice President, in charge of Corporate Planning and Skill Development, and Chief Compliance Officer, Mitsubishi Corporation Technos</p> <p>April 2011 Member of the Board, Executive Vice President, in charge of Corporate Planning and Skill Development, and Chief Compliance Officer, Mitsubishi Corporation Technos</p> <p>June 2016 Member of the Board, Executive Vice President, in charge of Skill Development, and Chief Compliance Officer, Mitsubishi Corporation Technos</p> <p>June 2017 Full-time Corporate Auditor, Mitsubishi Corporation Technos</p> <p>June 2019 Retired from the office of Full-time Corporate Auditor, Mitsubishi Corporation Technos</p> <p>(Significant concurrent positions)</p> <p style="text-align: center;">—</p>	<p>—</p>

[Reason for election as a candidate for substitute Outside Director serving as the Audit & Supervisory Committee Member]
Mr. Isao Murakami has a wealth of experience and insight in corporate management. The Company has selected him as a candidate for substitute Outside Director serving as the Audit & Supervisory Committee Member, because the Company believes that he is capable of carrying out audit of the Company by capitalizing on such experience and insight.

[Matters concerning independence]
Mr. Isao Murakami satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company intends, subject to his election as originally proposed followed by his appointment as Outside Director serving as the Audit & Supervisory Committee Member, to designate him as an independent officer and notify the Exchange to that effect.

[Liability limitation agreement]
Subject to his election as originally proposed followed by his appointment as Director serving as the Audit & Supervisory Committee Member, the Company intends to enter into an agreement with Mr. Isao Murakami to limit his liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act, to the extent stipulated by laws and regulations.

[Special notes regarding the candidate for substitute Director serving as the Audit & Supervisory Committee Member]
There are no special interests between Mr. Isao Murakami and the Company.

Proposal 6: Determination of Amount of Remuneration for Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)

While the maximum annual aggregate amount of remuneration for Directors was approved at 300 million yen (excluding the portion of employees' salary) at the Ordinary General Meeting of Shareholders held on December 19, 1991, the Company proposes, subject to the approval of Proposal 2 "Partial Amendment to the Articles of Incorporation" as originally proposed, to determine the maximum annual aggregate amount of remuneration for Directors (excluding Directors serving as the Audit & Supervisory Committee Members; hereinafter the same) at 330 million yen (including the maximum annual aggregate amount of remuneration for Outside Directors at 30 million yen), subsequent to the shift to a Company with an Audit & Supervisory Committees, in view of the current circumstances including the economic situation. The Company also proposes the decision on specific amount of remuneration for each Director as well as the timing of its payment be left to the resolution of the Board of Directors.

The remuneration proposed above shall not include the employee salary portion for the Directors concurrently serving as employees.

The number of Directors of the Company is 11 at present, which shall become 10 (including 2 Outside Directors), subject to the approval of Proposal 2 "Partial Amendment to the Articles of Incorporation" and Proposal 3 "Election of 10 Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)" as originally proposed.

This proposal shall take effect subject to the amendment to the Articles of Incorporation becoming effective as proposed in Proposal 2 "Partial Amendment to the Articles of Incorporation."

Proposal 7: Determination of Amount of Remuneration for Directors Serving as the Audit & Supervisory Committee Members

The Company proposes, subject to the approval of Proposal 2 "Partial Amendment to the Articles of Incorporation" as originally proposed, to determine the maximum annual aggregate amount of remuneration for Directors serving as the Audit & Supervisory Committee Members at 60 million yen, subsequent to the shift to a Company with an Audit & Supervisory Committees, in view of the current circumstances including the economic situation. The Company also proposes the decision on specific amount of remuneration for each Director serving as the Audit & Supervisory Committee Member as well as the timing of its payment be left to deliberation by Directors serving as the Audit & Supervisory Committee Members.

There shall be five Directors serving as the Audit & Supervisory Committee Members, subject to the approval of Proposal 2 "Partial Amendment to the Articles of Incorporation" and Proposal 4 "Election of 5 Directors Serving as the Audit & Supervisory Committee Members" as originally proposed.

This proposal shall take effect subject to the amendment to the Articles of Incorporation becoming effective as proposed in Proposal 2 "Partial Amendment to the Articles of Incorporation."

Proposal 8: Determination of Amount and Details of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)

1. Reasons for proposal and reasons that the remuneration system is deemed reasonable

While the Company obtained shareholders' approval on the introduction of the Performance-linked Stock-based Remuneration System (hereinafter the "the System") for Directors (excluding Outside Directors as well as non-executive Directors) at the 120th Ordinary General Meeting of Shareholders held on December 20, 2019, the Company proposes, subject to the approval of Proposal 2 "Partial Amendment to the Articles of Incorporation" as originally proposed, to redetermine the maximum annual aggregate amount of remuneration for Directors (excluding Directors serving as the Audit & Supervisory Committee Members, Outside Directors, and non-executive Directors) under the System, in view of the shift to a Company with an Audit & Supervisory Committees.

The aforementioned maximum aggregate amount of remuneration shall, similar to that under the System at present, be established separately from the maximum aggregate amount of remuneration proposed under Proposal 6 "Determination of Amount of Remuneration for Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)."

Since this proposal is for the purpose of technical procedure associated with the shift to a Company with an Audit & Supervisory Committee, and the remuneration itself shall remain substantially the same as that approved at the 120th Ordinary General Meeting of Shareholders held on December 20, 2019, it is believed to be a reasonable proposition.

Eight Directors are eligible under the System at present, whereas seven Directors (excluding Directors serving as the Audit & Supervisory Committee Members, Outside Directors, and non-executive Directors) (hereinafter the "Directors") shall become eligible, subject to the approval of Proposal 3 "Election of 10 Directors (Excluding Directors Serving as the Audit & Supervisory Committee Members)" as originally proposed.

Resolution for this proposal shall take effect subject to the amendment to the Articles of Incorporation becoming effective, as proposed in Proposal 2 "Partial Amendment to the Articles of Incorporation."

2. Amount and content of remuneration, etc., under the System

(1) Overview of the System

The System is a stock-based remuneration system in which a trust established and funded by the Company (hereinafter, “the Trust”) acquires shares of the Company, and the Company grants each Director the number of shares of the Company equivalent to the number of points it has awarded each Director, through the Trust.

In principle, Directors are granted shares of the Company at the time of their retirement from office.

1. Persons eligible for the System	The Company’s Directors (excluding Directors serving as the Audit & Supervisory Committee Members, Outside Directors, and non-executive Directors)
2. Applicable Period	From the fiscal year ended March 31, 2020 to the fiscal year ending March 31, 2021 (18 months)
3. Maximum amount of money contributed by the Company as necessary funds for the Trust to acquire shares of the Company to be granted to the persons eligible for the System in 1. during the Applicable Period in 2.	75 million yen in total
4. Methods of acquisition of the shares of Company	Disposition of treasury stock or acquisition from the stock market (including in after-hours trading)
5. Maximum number of points awarded to the persons eligible for the System in 1.	250,000 points during the two fiscal years of the Applicable Period (18 months) in 2.
6. Criteria for awarding of points	Points are awarded according to the position and achievement level of performance targets
7. Period during which shares of the Company are granted to the persons eligible for the System in 1.	In principle, upon retirement

(2) Maximum amount of money contributed to the Trust by the Company

The initial trust period for the Trust is approximately one year and two months. (While the trust period of the Trust was originally scheduled to be approximately one year and seven months at the time of the resolution at the 120th Ordinary General Meeting of Shareholders held on December 20, 2019, it is scheduled to be approximately one year and two months at this moment, as the establishment of the Trust is behind the original schedule.) The Company will contribute an amount of money not exceeding 75 million yen as funds necessary for the acquisition of shares of the Company to be granted to Directors during the Applicable Period as remuneration for eligible Directors in office during the Applicable Period in accordance with the System, and establish the Trust, with Directors who fulfill certain requirements being designated as beneficiaries. The Trust acquires shares of the Company from the stock market (including in after-hours trading) using funds entrusted by the Company.

Note: The monetary amount to be actually entrusted to the Trust by the Company shall include estimated necessary expenses such as trust fees and compensation for the trust administrator, etc., in addition to the funds required to acquire shares of the Company as stated above.

In addition, a similar stock-based remuneration system has been introduced for executive officers who have entered into an engagement agreement with the Company, and the funds required to acquire shares of the Company to be granted to executive officers in accordance with the System shall also be entrusted to the Trust.

Each time the Applicable Period expires, the Company may continue the System by a resolution of the Company’s Board of Directors by extending the Applicable Period in increments of three fiscal years and by extending the trust period of the Trust accordingly (including by effective extension of the trust period by transferring the trust assets of the Trust to another trust established by the Company for the same purpose as the Trust; hereinafter the same shall apply). In this event, during the extended Applicable Period, the Company shall contribute an additional amount not exceeding 150 million yen to the Trust as additional funds for acquiring shares of the Company necessary to be granted to Directors under the System for each extended Applicable Period, and will continue to award points as described in (3) below and grant shares of the Company.

In addition, even if the Applicable Period is not extended and the System is not continued as described above, when there are Directors who have accumulated points but not yet retired from office as at the

expiration of the trust period, the Company may extend the trust period of the Trust until such Directors retire from office and the granting of shares of the Company from the Trust is completed.

(3) Methods for calculating the number of shares of the Company to be granted to Directors and the upper limit

(i) Method for awarding points to Directors

In accordance with the Share Grant Regulations established by the Company's Board of Directors, the Company awards each Director points based on their position and achievement level of performance targets on the point-award date during the trust period stipulated in the Share Grant Regulations.

However, the total number of points to be awarded to all Directors by the Company during the two fiscal years (18 months) of the Applicable Period shall not exceed 250,000 (after the extension of the Applicable Period, 500,000 points for each extended Applicable Period of 3 fiscal years).

(ii) Granting of shares of the Company in accordance with points to be awarded

Directors receive grants of shares of the Company in accordance with their accumulated number of points awarded as described in (i) above, following the procedures in (iii) below.

One point is equivalent to one share of the Company. However, reasonable adjustment may be made to the shares of the Company, if there has been a share split, share consolidation, or other change of circumstances where it is deemed reasonable to adjust the number of shares of the Company to be granted, in accordance with the ratio of the share split or share consolidation.

(iii) Granting of shares of the Company to Directors

Granting of shares of the Company in (ii) above to each Director shall be conducted by the Trust upon the performance of the prescribed beneficiary determination procedure at the time of the retirement of each Director.

Nevertheless, in order for the Company to withhold tax payment funds, such as withholding income tax, a certain proportion of the shares of the Company may be sold by the Trust and converted into cash and granted to Directors in lieu of the shares of the Company. Also, in the event where the shares of the Company in the Trust have been converted to cash due to a settlement following circumstances such as subscription to tender offer of shares of the Company held in the Trust, the Trust may conduct the granting in the form of cash in lieu of shares of the Company.

(iv) Exercise of voting rights

Voting rights associated with the shares of the Company held in the Trust shall not be exercised at all, in accordance with instructions from the trust administrator, who is independent of the Company and the Company's officers, in order to ensure neutrality towards the management of the Company with respect to the exercise of voting rights relating to shares of the Company held in the Trust.

(vi) Handling of dividends

Dividends relating to the shares of the Company held in the Trust shall be received by the Trust to be used to acquire shares of the Company and for trust fees to be paid to the trustee relating to the Trust.

(Reference)

Independence Standards for Appointment of Independent Officers

1. In order to serve as an independent officer of the Company, he/she shall not fall under any of the following categories of persons.
 - (1) A person who is an executive director, executive officer, manager, or other employee (hereinafter collectively referred to as an “Executive Director, etc.”) of the Company or any of its subsidiaries, or a person who was an Executive Director, etc., of the Company during the past 10 years prior to assuming the office of independent officer (if the person has, at any time during those past 10 years, served as a non-executive director [meaning a director who does not fall under the criteria of an executive director; hereinafter the same shall apply], audit & supervisory board member or accounting advisor of the Company or any of its subsidiaries, during the past 10 years prior to assuming the office of such position).
 - (2) A major shareholder of the Company (meaning a shareholder holding 10% or more of the voting rights; hereinafter the same shall apply). If such major shareholder is a corporation, a person who is an executive director, executive officer, corporate officer, manager or other employee of such corporation, or the parent company or any of the major subsidiaries of such corporation (hereinafter collectively referred to as an “Executive Person”), or an Executive Person thereof during the last three years.
 - (3) A person whose major business partner is the Company or any of its subsidiaries (meaning a person who received payment equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year from the Company or any of its subsidiaries; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
 - (4) A major business partner of the Company (meaning a person who made payments equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year to the Company; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
 - (5) A person who is a director (limited to those who are responsible for the business execution) of an organization (for example, public interest incorporated foundation, public interest incorporated association, non-profit corporation, etc.), which received donations or grants exceeding ¥10 million per year on average over the past three fiscal years, from the Company or any of its subsidiaries, or a person who is an officer, corporate member or employee who executes business of such organization.
 - (6) A person who is an Executive Person of a corporation which has accepted director(s) (either full-time or part-time) from the Company or any of its subsidiaries, or of the parent company or any of the subsidiaries of such corporation.
 - (7) A person who is an Executive Person, or has been an Executive Person in the last three years, of a financial institution or other major creditor (hereinafter referred to as a “Major creditor, etc.”) that is essential to the Company’s financing and is relied upon by the Company to the extent that there is no substitute, or the parent company or any of major subsidiaries of such major creditor, etc.
 - (8) A person who is currently an accounting auditor, certified public accountant (or tax accountant) who serves as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) for the Company or any of its subsidiaries.

- (9) A person who has been an accounting auditor, certified public accountant (or tax accountant) who served as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) who has actually engaged in the auditing operations (excluding assisting involvement) for the Company or any of its subsidiaries over the last three years (including those who are currently retired from or have left the relevant organization).
 - (10) A person who is an attorney-at-law, certified public accountant, tax accountant or any other consultant that does not fall under items (8) or (9) above, and has received monetary or any other financial benefits of ¥10 million or more per year on average over the past three years, in addition to directors' remuneration, from the Company or any of its subsidiaries.
 - (11) A person who is a member, partner, associate or employee of a law firm, audit firm, tax accountant office, consulting firm or any other professional advisory firm which does not fall under items (8) or (9) above, and has received payment of ¥10 million or more per year on average over the past three years, from the Company or any of its subsidiaries.
 - (12) Any person who was an Executive Person, non-executive director or audit & supervisory board member of the parent of the Company in the period of 10 years prior to his/her appointment.
 - (13) Any person who is, or was in the last 10 years, an Executive Person in a sister company of the Company (a company that has the same parent as the Company).
 - (14) A spouse, a relative within the second degree, or a relative living in the same household of the person listed hereunder.
 - A. Person listed above
 - B. Executive Person, non-executive director, accounting advisor or audit & supervisory board member of the parent of the Company
2. In order to serve as an independent officer of the Company, it is required that he/she be free from risk of developing a substantive conflict of interest on a constant basis with the Company's general shareholders for reasons other than those covered by Paragraph 1 above.
 3. Even if he/she falls under any of the categories set forth in Paragraph 1 above, when the Company believes that the individual is appropriate to be appointed as an independent officer of the Company based upon his/her personal quality and insight, it may appoint such individual as an independent officer on the condition that it explains to the public that he/she satisfies the requirements for outside director or outside audit & supervisory board member set forth by the Companies Act, and provides reasons why it considers he/she be appropriate for its independent officer.