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Stock Exchange Code 5393
June 8, 2020

To Shareholders with Voting Rights:

Toshiyuki Takei
President and Chief Executive Officer
NICHIAS Corporation
6-1, Hatchobori 1-chome, Chuo-ku,
Tokyo, Japan

**NOTICE OF
THE 204TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially notified that the 204th Annual General Meeting of Shareholders of NICHIAS Corporation (the “Company”) will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing, or via electromagnetic means (the Internet, etc.). Please review the hereinafter attached “Reference Documents for the General Meeting of Shareholders,” and exercise your Voting Rights by 5:30 p.m. on Thursday, June 25, 2020, Japan time.

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

2. Place: Banquet room “Ariake” on the second floor of The Royal Park Hotel located at 1-1, Kakigara-cho 2-chome, Nihonbashi, Chuo-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 204th Fiscal Year (April 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 204th Fiscal Year (April 1, 2019 - March 31, 2020)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of 11 Directors
Proposal 3: Election of 3 Audit & Supervisory Board Members

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

- If you exercise your voting rights by proxy, you may delegate your voting rights to a proxy who is a shareholder with voting rights of the Company. In such a case, a document needs to be submitted to prove such appointment of proxy.
- Of the documents to be provided together with the convocation notice of this Annual General Meeting of Shareholders, “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website (<https://www.nichias.co.jp/>) in accordance with the laws and regulations as well as the Articles of Incorporation of the Company. Therefore, they are not included in the documents attached to the convocation notice of this Annual General Meeting of Shareholders. The documents attached to the convocation notice of this Annual General Meeting of Shareholders and the documents posted on the above website have been audited by Audit & Supervisory Board Members in preparing audit reports, and by Accounting Auditor in preparing accounting audit report.
- Should the Reference Documents for the General Meeting of Shareholders, as well as the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<https://www.nichias.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

In addition to strengthening the management base in order to enhance earnings power, the basic policy of the Company Group (the “Group”) with respect to the distribution of profits is to strive for the long-term and appropriate return of profits to shareholders by expanding the level of such profits available as dividends and increasing shareholder value, while retaining sufficient reserves for reinvestment.

Based on this policy and in consideration of business results for the fiscal year under review and future business expansion, etc., the year-end dividends for the fiscal year under review is proposed as following.

- (1) Type of dividend property
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof
38 yen per share of common stock of the Company, for a total amount of 2,520,732,926 yen
- (3) Effective date of distribution of surplus
June 29, 2020

Proposal 2: Election of 11 Directors

The terms of office of all 11 Directors elected at the Annual General Meeting of Shareholders last year will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 11 Directors is proposed.

The candidates are as follows. The matters concerning each candidate for Director are as stated in the pages 6 through 15.

No.	Name		Current positions and responsibilities at the Company	Attending status to Board of Directors' meetings
1	Toshiyuki Takei	Reelection	President & Chief Executive Officer	100% (14 meetings out of 14 meetings)
2	Kiminori Nakata	Reelection	Representative Director & Senior Managing Executive Officer in charge of Internal Control, Compliance, CSR and Accounting	100% (14 meetings out of 14 meetings)
3	Shoichi Yonezawa	Reelection	Director & Senior Managing Executive Officer in charge of Safety and Health, Environment and Quality Assurance	100% (14 meetings out of 14 meetings)
4	Yujiro Sato	Reelection	Director & Managing Executive Officer Division Director of Advanced Products Division	100% (14 meetings out of 14 meetings)
5	Katsumi Kametsu	Reelection	Director & Managing Executive Officer Division Director of Energy and Industrial Plants Division	100% (14 meetings out of 14 meetings)
6	Takahiro Niwa	Reelection	Director & Executive Officer Division Director of Industrial Products Division	100% (14 meetings out of 14 meetings)
7	Toshiaki Saito	Reelection	Director & Executive Officer Division Director of Building Materials Division	100% (14 meetings out of 14 meetings)
8	Satoshi Tanabe	Reelection	Director & Executive Officer Division Director of Technical Division	100% (10 meetings out of 10 meetings) (after assuming the position in June 2019)
9	Youichi Etou	Reelection Outside Independent	Outside Director	100% (14 meetings out of 14 meetings)
10	Yoshito Hirabayashi	Reelection Outside Independent	Outside Director	100% (14 meetings out of 14 meetings)
11	Yoko Wachi	Reelection Outside Independent	Outside Director	100% (10 meetings out of 10 meetings) (after assuming the position in June 2019)

(Notes) 1. There are no special interests between each candidate and the Company.

2. As an Audit & Supervisory Board Member, Ms. Yoko Wachi attended all 4 Board of Directors' meetings held

until her assumption of office as a Director on June 27, 2019.

Reelection: candidate for reelected Director

New election: candidate for newly elected Director

Outside: candidate for Outside Director

Independent: candidate for Independent Director

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
1	Toshiyuki Takei (October 17, 1957)	March 1982 June 2007 April 2009	Joined the Company Factory General Manager of Fukuroi Factory of the Company General Manager of Technical Department, Technical Division of the Company	49,100
	Reelection Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)	March 2010 April 2010 June 2012 June 2012 April 2014 April 2014 June 2014	Division Director of Technical Division of the Company Executive Officer of the Company Director & Executive Officer of the Company Division Director of Building Materials Division of the Company Director & Senior Managing Executive Officer of the Company In charge of Corporate Strategic Planning of the Company President & Chief Executive Officer of the Company (current position) Significant concurrent positions: -	
[Reason for nomination as candidate for Director] Mr. Toshiyuki Takei has primarily engaged in the technological field and has served as Division Director of Technical Division and Division Director of Building Materials Division. After assuming the position of President & Chief Executive Officer of the Company in 2014, he has been exercising strong leadership and steadily accumulated results toward achieving our mid-term management plan announced in 2016, revised upward in May 2017. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company’s management, he will contribute to the continuous improvement of the Company’s corporate value, and requests his continued election as Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
2	<p>Kiminori Nakata (May 29, 1959)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>March 1983 Joined the Company</p> <p>June 2007 Deputy General Manager of Personnel Department, Corporate Administration Division of the Company</p> <p>October 2007 Deputy General Manager of General Affairs Department, Corporate Administration Division of the Company</p> <p>January 2008 General Manager of General Affairs Department, Corporate Administration Division of the Company</p> <p>June 2010 President of Nippon Rockwool Corporation</p> <p>June 2011 Executive Officer of the Company</p> <p>July 2011 Deputy Division Director of Corporate Administration Division of the Company</p> <p>April 2013 Division Director of Industrial Products Division of the Company</p> <p>June 2013 Director & Executive Officer of the Company</p> <p>April 2016 Division Director of Corporate Administration Division of the Company</p> <p>June 2016 Director & Managing Executive Officer of the Company</p> <p>June 2018 Representative Director & Senior Managing Executive Officer of the Company (current position)</p> <p>June 2018 In charge of Internal Control, Compliance, CSR and Accounting of the Company (current position)</p> <p>Significant concurrent positions: -</p>	18,400
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Kiminori Nakata has primarily engaged in corporate administration, and has served as President of one of the Company's subsidiaries, Division Director of Industrial Products Division as well as Division Director of Corporate Administration Division. Thus, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
3	<p>Shoichi Yonezawa (November 21, 1957)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>February 1989 May 2004</p> <p>January 2007</p> <p>November 2007</p> <p>March 2008</p> <p>June 2009</p> <p>March 2010</p> <p>May 2011</p> <p>June 2012</p> <p>June 2012</p> <p>June 2016</p> <p>June 2018</p> <p>June 2018</p> <p>Significant concurrent positions: -</p>	<p>Joined the Company General Manager of Tokyo Sales Group 2, Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company</p> <p>General Manager of Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company</p> <p>General Manager of Inorganic Thermal Insulation Materials Department, Industrial Products Division of the Company</p> <p>General Manager of Advanced Products Department, Industrial Products Division of the Company</p> <p>Executive Officer of the Company</p> <p>Division Director of Advanced Products Division of the Company</p> <p>Division Director of Advanced Products Division and Division Director of Research & Development Division of the Company</p> <p>Director & Executive Officer of the Company</p> <p>Division Director of Research & Development Division of the Company</p> <p>Director & Managing Executive Officer of the Company</p> <p>Director & Senior Managing Executive Officer of the Company (current position)</p> <p>In charge of Safety and Health, Environment and Quality Assurance of the Company (current position)</p>	20,200
[Reason for nomination as candidate for Director]		<p>Mr. Shoichi Yonezawa has primarily engaged in business fields including the industrial products and advanced products, and has served as Division Director of Advanced Products Division as well as Division Director of Research & Development Division. Thus, he has high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
4	Yujiro Sato (May 2, 1956) Reelection Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)	March 1980	Joined the Company	13,400
		March 2004	President of Tokyo Materials Corporation	
		October 2006	General Manager of Tokyo Sales Group 2, Fire-Resistant and Thermal Insulation Materials Department, Industrial Products Division of the Company	
		November 2007	General Manager of Tokyo Sales Group 2, Inorganic Thermal Insulation Materials Department, Industrial Products Division of the Company	
		March 2008	General Manager of East Japan Sales Group, Advanced Products Department, Industrial Products Division of the Company	
		October 2008	Executive Manager of Advanced Products Department, Industrial Products Division of the Company	
		October 2009	Executive Manager of Sales Group, Advanced Products Department, Industrial Products Division of the Company	
		March 2010	Executive Manager of Sales Group, Advanced Products Division of the Company	
		April 2011	Deputy Division Director of Advanced Products Division and Executive Manager of Sales Group, Advanced Products Division of the Company	
		June 2011	Executive Officer of the Company	
		June 2012	Division Director of Advanced Products Division of the Company (current position)	
		June 2014	Director & Executive Officer of the Company	
		June 2018	Director & Managing Executive Officer of the Company (current position)	
		Significant concurrent positions: -		
[Reason for nomination as candidate for Director] Mr. Yujiro Sato has primarily engaged in business fields including the industrial products and advanced products, and served as President of one of the Company’s subsidiaries. Having been involved in business operations as Head of Advanced Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company’s management, he will contribute to the continuous improvement of the Company’s corporate value, and requests his continued election as Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
5	<p>Katsumi Kametsu (July 28, 1962)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>March 1985 April 2007</p> <p>March 2008</p> <p>April 2009</p> <p>March 2010</p> <p>April 2011</p> <p>April 2013</p> <p>June 2013 March 2014 April 2016</p> <p>June 2016 June 2019</p> <p>Significant concurrent positions: -</p>	<p>Joined the Company</p> <p>General Manager of Tokyo Sales Group, Advanced Polymer Products Department, Industrial Products Division of the Company</p> <p>General Manager of East Japan Sales Group 3, Industrial Products Department, Industrial Products Division of the Company</p> <p>General Manager of International Marketing and Sales Group, Industrial Products Department, Industrial Products Division of the Company</p> <p>General Manager of International Marketing and Sales Group, Industrial Products Division of the Company</p> <p>Executive Manager of Sales Group, Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company</p> <p>Deputy Division Director of Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company</p> <p>Executive Officer of the Company</p> <p>President of INOCRETE CO., LTD.</p> <p>Division Director of Energy and Industrial Plants Division of the Company (current position)</p> <p>Director & Executive Officer of the Company</p> <p>Director & Managing Executive Officer of the Company (current position)</p>	16,100
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Katsumi Kametsu has primarily engaged in business fields including the industrial products and advanced products, and served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Energy and Industrial Plants Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>				
6	<p>Takahiro Niwa (October 18, 1957)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>March 1982 April 2006</p> <p>March 2008</p> <p>June 2012</p> <p>June 2014 June 2014</p> <p>April 2016</p> <p>June 2018</p> <p>Significant concurrent positions: -</p>	<p>Joined the Company</p> <p>Senior Manager of Technical Development Department, Autoparts Division of the Company</p> <p>General Manager of Technical Development Department, Autoparts Division of the Company</p> <p>Executive Manager of Technical Group, Industrial Products Division of the Company</p> <p>Executive Officer of the Company</p> <p>Deputy Division Director of Industrial Products Division of the Company</p> <p>Division Director of Industrial Products Division of the Company (current position)</p> <p>Director & Executive Officer of the Company (current position)</p>	14,300
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takahiro Niwa has primarily engaged in the technological development of autoparts. Having been involved in business operations as Head of Industrial Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
7	<p>Toshiaki Saito (October 10, 1962)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>March 1986 Joined the Company</p> <p>July 2007 President of NICHIAS Cemcrete Corporation</p> <p>April 2008 General Manager of Renovation Technology Group, Renovation Measures Department, Building Materials Division of the Company</p> <p>January 2009 General Manager of Renovation Measures Department, Building Materials Division of the Company</p> <p>September 2009 General Manager of Tokyo Construction Sales Department, Building Materials Division of the Company</p> <p>March 2010 Executive Manager of Sales Group, Building Materials Division of the Company</p> <p>April 2013 Executive Manager of Building Materials Division of the Company</p> <p>January 2014 Executive Manager of Sales Group, Industrial Products Division of the Company</p> <p>April 2015 Deputy Division Director of Building Materials Division of the Company</p> <p>June 2015 Executive Officer of the Company</p> <p>June 2015 Division Director of Building Materials Division of the Company (current position)</p> <p>June 2018 Director & Executive Officer of the Company (current position)</p> <p>Significant concurrent positions: -</p>		9,100
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Toshiaki Saito has primarily engaged in business fields including the building materials and industrial products, and has served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Building Materials Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company		Number of shares of the Company held
8	<p>Satoshi Tanabe (May 23, 1960)</p> <p>Reelection</p> <p>Attending status to Board of Directors' meetings: 100% (10 meetings out of 10 meetings) (after assuming the position in June 2019)</p>	<p>April 1989 Joined the Company</p> <p>April 2006 General Manager of Advanced Polymer Products Manufacturing Department, Tsurumi Factory of the Company</p> <p>April 2007 Factory General Manager of Tsurumi Factory of the Company</p> <p>August 2009 General Manager of Corporate Strategic Planning Department of the Company</p> <p>April 2012 Executive Manager of Technology Production, Advanced Products Division and General Manager of Polymer Technology Development Department, Advanced Products Division of the Company</p> <p>April 2013 Deputy Division Director of Advanced Products Division of the Company</p> <p>June 2013 Executive Officer of the Company</p> <p>April 2014 Division Director of Technical Division (current position)</p> <p>June 2019 Director & Executive Officer of the Company (current position)</p> <p>Significant concurrent positions: -</p>		7,000
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Satoshi Tanabe has primarily engaged in technology field. Having experienced as Factory General Manager of Tsurumi Factory, General Manager of Corporate Strategic Planning Department and Deputy Division Director of Advanced Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
9	<p>Youichi Etou (August 11, 1950)</p> <p>Reelection Outside Independent</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>April 1978 Registered as lawyer (current position)</p> <p>April 2003 Vice president of Daiichi Tokyo Bar Association</p> <p>April 2005 Vice President of Kanto Federation of Bar Associations</p> <p>July 2006 Outside Auditor of TSUNEISHI SHIPBUILDING Co., Ltd.</p> <p>April 2010 President of Daiichi Tokyo Bar Association and Vice President of the Japan Federation of Bar Associations</p> <p>June 2011 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2012 Outside Auditor of Japan Display Inc. (current position)</p> <p>June 2014 Executive Board Member of Center for Housing Renovation and Dispute Settlement Support (current position)</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>April 2016 President of Kanto Federation of Bar Associations</p> <p>Significant concurrent positions:</p> <p>Lawyer</p> <p>Auditor (Part-time) of Japan Display Inc.</p> <p>Executive Board Member of Center for Housing Renovation and Dispute Settlement Support</p>	0
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Youichi Etou has an extensive insight and broad knowledge as a lawyer, and a wealth of experience in legal community. The Company requests his continued election as Outside Director with the expectation of supervision on the overall management and valuable advice.</p> <p>Although he has no direct experience in corporate management, he has achieved remarkable track record in corporate legal affairs in which he has been engaged as a lawyer for over the years. Based on his professional career, he has broad insight into corporate management. Therefore, the Company believes that he will execute his duties as Outside Director appropriately.</p>			

(Notes) Mr. Youichi Etou is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) Japan Display Inc., for which Mr. Youichi Etou currently serves as an Outside Auditor, released results of the third party committee investigation of improper accounting treatment and the revised prior year financial reports on April 13, 2020. Although he was not aware of the improper accounting treatment before it was revealed, he had always checked Japan Display's internal control system and specific compliance measures and expressed his opinions about them. After the above fact came to light, he has appropriately checked and made proposals on how to develop and enhance a compliance structure to prevent the reoccurrence.
- (2) The Company has designated him as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent director.
- (3) He is currently serving as Outside Director of the Company and will have served for a period of five years as of the conclusion of this General Meeting of Shareholders.
- (4) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in "(2) Outline of liability limitation agreement" on page 34 of this convocation notice (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
10	<p>Yoshito Hirabayashi (October 22, 1944)</p> <p>Reelection Outside Independent</p> <p>Attending status to Board of Directors' meetings: 100% (14 meetings out of 14 meetings)</p>	<p>April 1968 Joined Seiko Epson Corporation</p> <p>April 1987 Director & General Manager of Factory in U.K. of Seiko Epson Corporation</p> <p>November 1993 President and Representative Director of Technofer Ltd.</p> <p>April 1995 Advisor of Japan Electrical Testing Laboratories</p> <p>April 2000 Councilor of Japan Accreditation Board</p> <p>May 2001 ISO/TC176/SC2 Japanese representative expert</p> <p>April 2002 Part-time lecturer, Graduate School of Frontier Sciences, The University of Tokyo</p> <p>April 2002 Member of Japanese Industrial Standards Committee, Ministry of Economy, Trade and Industry</p> <p>April 2004 Member of Japanese Industrial Standards Mark System Committee, Ministry of Economy, Trade and Industry</p> <p>April 2008 Co-researcher of The Department of Chemical System Engineering at the University of Tokyo</p> <p>June 2008 Outside Audit & Supervisory Board Member of the Company</p> <p>April 2013 Chairman & Director of Technofer Ltd. (current position)</p> <p>June 2016 Outside Director of the Company (current position)</p> <p>Significant concurrent positions: Chairman & Director of Technofer Ltd.</p>	0
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yoshito Hirabayashi has a wealth of experience and insight as a corporate manager and professional expertise and broad knowledge of quality management that he accumulated through his work experience as an ISO Japanese representative expert, a lecturer at a university and a member of administrative committees, etc. The Company requests his continued election as Outside Director with the expectation of supervision on the overall management and valuable advice again.</p>			

(Notes) Mr. Yoshito Hirabayashi is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) The Company has designated him as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent director.
- (2) He is currently serving as Outside Director of the Company and will have served for a period of four years as of the conclusion of this General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 34 of this convocation notice (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
11	Yoko Wachi (April 29, 1960) Reelection Outside Independent Attending status to Board of Directors’ meetings: 100% (4 meetings out of 4 meetings as Outside Audit & Supervisory Board Member) (10 meetings out of 10 meetings) (after assuming the position as Outside Director)	April 1989 Registered as lawyer (current position) April 1989 Joined Kajitani Law Offices (current position) June 2015 Outside Audit & Supervisory Board Member of the Company March 2016 Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd. (current position) June 2019 Outside Director of the Company (current position) Significant concurrent positions: Lawyer Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd.	0
	[Reason for nomination as candidate for Director] Ms. Yoko Wachi has an extensive insight and broad knowledge as well as abundant experience as a lawyer. The Company requests her continued election as Outside Director with the expectation of supervision on the overall management and valuable advice. Although she has no direct experience in corporate management, she has broad knowledge and experiences in corporate legal affairs as well as broad insight into corporate management. Therefore, the Company believes that she will execute her duties as Outside Director appropriately.		

(Notes) Ms. Yoko Wachi is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) The Company has designated her as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of her reappointment, she will be continuously designated as an independent director.
- (2) She is currently serving as Outside Director of the Company and will have served for a period of one year as of the conclusion of this General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with her pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 34 of this convocation notice (Japanese version only). Subject to the approval of her reappointment, the Company plans to continue such liability limitation agreement with her.

Proposal 3: Election of 3 Audit & Supervisory Board Members

The terms of office of Standing Audit & Supervisory Board Member, Mr. Keizo Kamiya and Audit & Supervisory Board Members, Mr. Tatsumi Jonoo and Mr. Isao Iwabuchi will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 3 Audit & Supervisory Board Members is proposed.

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

The candidates are as follows. The matters concerning each candidate for Audit & Supervisory Board Member are as stated in the pages 17 through 19.

No.	Name		Current positions and responsibilities at the Company	Attending status to Board of Directors' meetings	Attending status to Audit & Supervisory Board meetings
1	Hiroaki Seki	New election	Executive Officer Division Director of Corporate Administration Division	-	-
2	Isao Iwabuchi	Reelection Outside Independent	Outside Audit & Supervisory Board Member	100% (14 meetings out of 14 meetings)	100% (14 meetings out of 14 meetings)
3	Nobuhiko Takano	New election Outside Independent	-	-	-

(Note) There are no special interests between each candidate and the Company.

Reelection: candidate for reelected Audit & Supervisory Board Member

New election: candidate for newly elected Audit & Supervisory Board Member

Outside: candidate for Outside Audit & Supervisory Board Member

Independent: candidate for Independent Audit & Supervisory Board Member

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Hiroaki Seki (August 27, 1957)</p> <p>New election</p> <p>Attending status to Board of Directors' meetings: -</p> <p>Attending status to Audit & Supervisory Board meetings: -</p>	<p>March 1980 Joined the Company</p> <p>May 2004 Section Manager of Corporate Strategic Planning Section of the Company</p> <p>June 2007 Section Manager of Audit Section of the Company</p> <p>July 2009 Section Manager of Internal Control & Internal Audit Section of the Company</p> <p>September 2010 General Manager of Accounting Department, Corporate Administration Division of the Company</p> <p>February 2015 Outside Auditor of ASKA CORPORATION</p> <p>June 2015 Executive Officer of the Company. (current position)</p> <p>February 2016 Outside Director (Audit & Supervisory Committee Member) of ASKA CORPORATION</p> <p>April 2016 Deputy Division Director of Corporate Administration Division of the Company</p> <p>April 2018 Division Director of Corporate Administration Division of the Company (current position)</p> <p>Significant concurrent positions: -</p> <p>[Reason for nomination as candidate for Audit & Supervisory Board Member]</p> <p>Mr. Hiroaki Seki has served as, among other positions, Section Manager of Corporate Strategic Planning Section, General Manager of Accounting Department, Corporate Administration Division as well as Division Director of Corporate Administration Division of the Company. Thus, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in auditing of the Company's management, he will contribute to the enhancement of the audit system of the Company, and requests his election as Audit & Supervisory Board Member.</p>	34,100

(Note) Subject to the approval of his appointment, pursuant to the stipulation in the Articles of Incorporation of the Company, the Company plans to enter into a liability limitation agreement with him. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 34 of this convocation notice (Japanese version only).

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
2	<p>Isao Iwabuchi (March 22, 1945)</p> <p>Reelection Outside Independent</p> <p>Attending status to Board of Directors’ meetings: 100% (14 meetings out of 14 meetings)</p> <p>Attending status to Audit & Supervisory Board meetings: 100% (14 meetings out of 14 meetings)</p>	<p>April 1968 Joined Yawata Iron & Steel Co., Ltd. (currently NIPPON STEEL CORPORATION)</p> <p>July 1992 General Manager of Labor Department, Kimitsu Works, NIPPON STEEL CORPORATION (currently NIPPON STEEL CORPORATION)</p> <p>July 1992 Member of Chiba Prefecture Local Labor Relations Commission</p> <p>June 1994 General Manager of Environment Management Department, NIPPON STEEL CORPORATION (currently NIPPON STEEL CORPORATION)</p> <p>March 1998 Advisor of SKY Aluminum Co., Ltd. (currently UACJ Corporation)</p> <p>April 1998 Managing Executive Officer of SKY Aluminum Co., Ltd. (currently UACJ Corporation)</p> <p>April 2003 Lecturer of Faculty of Law, Kokugakuin University (Environmental laws)</p> <p>October 2003 Managing Executive Officer of Furukawa-Sky Aluminum Corp. (currently UACJ Corporation)</p> <p>June 2004 Senior Managing Executive Officer of Furukawa-Sky Aluminum Corp. (currently UACJ Corporation)</p> <p>June 2005 Representative Director, Senior Managing Executive Officer of Furukawa-Sky Aluminum Corp. (currently UACJ Corporation)</p> <p>April 2006 Representative Director, Vice President of Furukawa-Sky Aluminum Corp. (currently UACJ Corporation)</p> <p>June 2009 Special Advisor of Furukawa-Sky Aluminum Corp. (currently UACJ Corporation)</p> <p>July 2015 Representative Director of The Gideons International in Japan</p> <p>June 2016 Outside Audit & Supervisory Board Member of the Company (current position)</p> <p>Significant concurrent positions: -</p> <p>[Reason for nomination as candidate for Audit & Supervisory Board Member] Mr. Isao Iwabuchi has a wealth of experience and insight as a corporate manager and professional expertise and broad knowledge in environmental issues and other areas, which he gained through the experience as a university lecturer, etc. The Company expects him to utilize his knowledge and experience for audits of the Company and requests his continued election as Outside Audit & Supervisory Board Member.</p>	0

(Notes) Mr. Isao Iwabuchi is a candidate for Outside Audit & Supervisory Board Member. Matters concerning the candidate for Outside Audit & Supervisory Board Member are as follows:

- (1) The Company has designated him as an independent auditor pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent auditor.
- (2) He is currently serving as Outside Audit & Supervisory Board Member of the Company and will have served for a period of four years as of the conclusion of this General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 34 of this convocation notice (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company	Number of shares of the Company held
3	<div>Nobuhiko Takano (October 8, 1956)</div> <div>New election Outside Independent</div> <div>Attending status to Board of Directors’ meetings: -</div> <div>Attending status to Audit & Supervisory Board meetings: -</div>	<div>April 1975 Joined Fukuoka Regional Taxation Bureau</div> <div>July 2006 District Director, Moji Tax Office, Fukuoka Regional Taxation Bureau</div> <div>July 2007 Chief Investigator, Criminal Investigation Department, Tokyo Regional Taxation Bureau</div> <div>July 2009 Chief Examiner, First Taxation Department, Tokyo Regional Taxation Bureau</div> <div>July 2010 Director, Second Personnel Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau</div> <div>July 2012 Director, First Personnel Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau</div> <div>July 2014 Director (Health and Welfare), Commissioner's Secretariat, National Tax Agency</div> <div>July 2015 Chief Internal Inspector, Commissioner's Secretariat, National Tax Agency</div> <div>July 2016 Regional Commissioner, Kumamoto Regional Taxation Bureau</div> <div>August 2017 Registered as certified public tax accountant (current position)</div> <div>March 2018 Outside Director (Audit & Supervisory Committee Member) of Toagosei Co., Ltd. (current position)</div> <div>Significant concurrent positions: Certified public tax accountant Outside Director (Audit & Supervisory Committee member) of Toagosei Co., Ltd.</div>	0
[Reason for nomination as candidate for Audit & Supervisory Board Member] Mr. Nobuhiko Takano has professional expertise gained through the experience as a certified public tax accountant and wealth of experience in tax and accounting practices. The Company expects him to utilize his knowledge and experience for audits of the Company and requests his election as Outside Audit & Supervisory Board Member. Although he has no direct experience in corporate management, he has broad insight into audits of companies gained through his career such as an inspector at the National Tax Agency. Therefore, the Company believes that he will appropriately execute his duties as Outside Audit & Supervisory Board Member.			

(Notes) Mr. Nobuhiko Takano is a candidate for Outside Audit & Supervisory Board Member. Matters concerning the candidate for Outside Audit & Supervisory Board Member are as follows:

- (1) Subject to the approval of his appointment, he will be designated as an independent auditor pursuant to the rules stipulated by the Tokyo Stock Exchange.
- (2) Subject to the approval of his appointment, pursuant to the stipulation in the Articles of Incorporation of the Company, the Company plans to enter into a liability limitation agreement with him. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 34 of this convocation notice (Japanese version only).

(Reference) Independence Standards for Independent Outside Officers

The Company deems that an Outside Officer who does not fall under any of the items below is an Independent Outside Officer.

1. A person who is currently or was in the past an Executive Director, Executive Officer or Employee of the Group (Note 1)
2. Currently or in the five years prior to their appointment, a person who falls under any of the items below:
 - (1) A person for which the Group is a major client (Note 2), or an Executive Director, Executive Officer or Employee of such a client
 - (2) A major client which places orders with the Group (Note 3), or an Executive Director, Executive Officer or Employee of such a client
 - (3) A major shareholder of the Company (Note 4), or an Executive Director, Executive Officer or Employee of such a shareholder
 - (4) An Executive Director, Executive Officer or Employee of a company in which the Group is a major shareholder (Note 5)
 - (5) A legal professional, certified public accountant, licensed tax accountant, or consultant, etc. who receives monetary or other property benefits over a certain amount from the Group (Note 6), other than executive compensation (if the recipient is a corporation, partnership or any other organization, this item applies to any person belonging to the said organization.)
 - (6) A person who receives donations or assistance over a certain amount from the Group (Note 7), or a council member or another executive of such a person
 - (7) A spouse or relative within the second degree of kinship of an Executive Director, Executive Officer or senior manager of the Group with a position higher than General Manager.
3. A person who is subject to circumstances reasonably deemed unable to fulfill their duties as an Independent Outside Officer.

(Notes) 1. "The Group" refers to "the Company and its consolidated subsidiaries."

2. "A person for which the Group is a major client" refers to "a person who receives from the Company the payment of 2% or more of their consolidated annual sales."
3. "A major client which places orders with the Group" refers to "a person who pays the Group 2% or more of its consolidated annual sales" or "a person who lends the Group 2% or more of its consolidated total assets at the end of the fiscal year."
4. "A major shareholder of the Company" refers to "a person who holds directly or indirectly 10% or more of its total voting rights."
5. "A company in which the Group is a major shareholder" refers to "a person of which the Group directly or indirectly holds 10% or more of total voting rights."
6. "Monetary or other property benefits over a certain amount" refers to "¥10 million or more in a fiscal year" in cases where the recipient is an individual. In cases where the recipient is an organization, it refers to "¥100 million or more, or 2% or more of consolidated annual sales of the said organization, whichever is larger."
7. "Donations or assistance over a certain amount" refers to "¥10 million or more per year."