

*(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.*

Securities Code: 4917

June 4, 2021

To our shareholders:

Ken Nishimura

President Executive Officer

**MANDOM CORPORATION**

5-12 Juniken-cho, Chuo-ku, Osaka

## **NOTICE OF THE 104TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce the 104th Ordinary General Meeting of Shareholders of MANDOM CORPORATION (the “Company”), which will be held as described below.

If you are not attending the meeting, you may exercise your voting rights by postal mail or via the internet. You are requested to exercise your voting rights by 5:35 p.m., Wednesday, June 23, 2021 (Japan Standard Time), after examining the Reference Documents for the General Meeting of Shareholders, set out below.

**1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (Japan Standard Time)  
(Reception will start at 9:00 a.m.)

**2. Venue:** Empire Room, 3rd Floor, IMPERIAL HOTEL, OSAKA  
8-50, Temmabashi 1-chome, Kita-ku, Osaka

**3. Purposes:**

**Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 104th Term (from April 1, 2020 to March 31, 2021), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the 104th Term (from April 1, 2020 to March 31, 2021)

**Items to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors
- Proposal 4:** Election of Two (2) Audit & Supervisory Board Members

#### **4. Method for Exercise of Voting Rights**

##### **(1) Exercise of voting rights via postal mail**

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:35 p.m. on Wednesday, June 23, 2021.

##### **(2) Exercise of voting rights via the internet**

When exercising voting rights via the internet, please refer to the instructions (available in Japanese only) and exercise your rights by 5:35 p.m. on Wednesday, June 23, 2021.

#### **5. Other Items Concerning This Notice**

Among the paperwork that should be submitted with this Notice of the Ordinary General Meeting of Shareholders, the following items are posted on the Company's website (<https://www.mandom.co.jp/ir/meeting.html>) as stipulated by laws and regulations, as well as Article 16 of the Company's Articles of Incorporation so they are not included in the attached documents to this Notice.

- (1) "System to ensure appropriate business operations and summary of the operating status of the relevant system" in the Business Report
- (2) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- (3) "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Because of this, the material included with this Notice of the Ordinary General Meeting of Shareholders is part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements used by Audit & Supervisory Board Members and Accounting Auditors to make the Auditor's Report.

## **Reference Documents for the General Meeting of Shareholders**

### **Proposals and Reference Matters:**

#### **Proposal 1: Appropriation of Surplus**

Regarding the appropriation of surplus for the 104th Term, in addition to the basic policy of preferentially returning surplus to shareholders with a dividend, and giving consideration to internal reserves for future development and corporate risk, we declare the following appropriation.

Matters related to year-end dividends

- (1) Type of dividend property

Cash

- (2) Allocation of dividend property to shareholders and total amount thereof

16 yen per common share of the Company

Total amount of dividends: 717,856,768 yen

(Since we paid an interim dividend of 16 yen per share on December 1, 2020, the annual dividend for the 104th Term will be 32 yen per share.)

- (3) Effective date of distribution of dividends of surplus

June 25, 2021

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

1. Reason for Proposal

To provide flexibility to the operation of the Board of Directors, the Company proposes changing the convener and chairperson of the Board of Directors stipulated in Article 26 of the current Articles of Incorporation, to a Director predetermined by the Board of Directors.

2. Details of Amendments

Details of the amendments are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 26. (Convener and Chairperson of Board of Directors) Unless otherwise provided by laws or regulations, the <u>Representative Director who concurrently serves as the President Executive Officer</u> shall convene the Board of Directors meetings and shall act as the chairperson thereof. <u>When the Representative Director who concurrently serves as the President Executive Officer is absent or unable to act, another Director shall take his/her place in accordance with the order predetermined by the Board of Directors.</u> (New)	Article 26. (Convener and Chairperson of Board of Directors) <u>1. Unless otherwise provided by laws or regulations, the Director predetermined by the Board of Directors shall convene the Board of Directors meetings and shall act as the chairperson thereof.</u>  <u>2. When the person specified in the preceding paragraph is absent or unable to act, another Director shall take his/her place in accordance with the order predetermined by the Board of Directors.</u>


### Proposal 3: Election of Seven (7) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this meeting. The Company has decided to decrease the number of Directors by one (1) with the aim of conducting flexible decision-making and efficient business operations and requests the election of seven (7) Directors.

Please refer to page 17 for the Company's policy on the selection of the principle members of the managerial team and the nomination of candidates for Directors and Audit & Supervisory Board Members by the Board of Directors.


The candidates for Directors are as follows:

No.	Name	Position in the Company	Number and rate of attendance at the Board of Directors meetings
1	[Reelection] Motonobu Nishimura [Male]	Representative Director & Chairman	13 / 13 (100%)
2	[Reelection] Ken Nishimura [Male]	Representative Director & President Executive Officer	13 / 13 (100%)
3	[Reelection] Yasuaki Kameda [Male]	Director & Senior Vice President Executive Officer	13 / 13 (100%)
4	[Reelection] Shinichiro Koshiba [Male]	Director & Senior Managing Executive Officer	13 / 13 (100%)
5	[Reelection] Reiko Nakayama [External] [Independent] [Female]	External Director	13 / 13 (100%)
6	[Reelection] Shigeki Suzuki [External] [Independent] [Male]	External Director	10 / 10 (100%) *After assumption of office in June 2020
7	[Reelection] Hitoshi Tanii [External] [Independent] [Male]	External Director	10 / 10 (100%) *After assumption of office in June 2020


No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
1	<p>[Reelection] [Male] Motonobu Nishimura (January 9, 1951)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 13 / 13 (100%)</p>	<p>Apr. 1977    Joined the Company</p> <p>Apr. 1983    General Manager, the East Japan Sales Div.</p> <p>Jun. 1984    Director (current position)</p> <p>Jun. 1987    Managing Director</p> <p>Jun. 1990    Representative Director (current position) Senior Vice President</p> <p>Jun. 1995    President Director</p> <p>May 2000    Audit &amp; Supervisory Board Member, PT Mandom Indonesia Tbk</p> <p>Jun. 2004    President Executive Officer</p> <p>Apr. 2008    In charge of the Internal Control Promotion Div. (now the Internal Audit Div.) (until June 2015)</p> <p>Apr. 2019    In charge of the Internal Audit Div.</p> <p>Apr. 2021    Chairman (current position)</p>	1,422,000
<p>[Reasons for nomination as candidate for Director] Since assuming the position of President Director in 1995, Motonobu Nishimura has been at the head of the Group's management team, sufficiently fulfilling his work responsibility by appropriately performing his duties and reliably getting results. Going forward, the Company has decided that he can be expected to contribute to the Group's continued growth and development as the Representative Director &amp; Chairman. Therefore, the Company has once again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
2	<p>[Reelection] [Male]</p> <p>Ken Nishimura (May 12, 1982)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 13 / 13 (100%)</p>	<p>Apr. 2008    Joined the Company</p> <p>Jan. 2011    Assistant Manager, Mandom Corporation (Singapore) Pte. Ltd.</p> <p>Apr. 2013    The Human Resources Div.</p> <p>Jul. 2015    The Human Resources Div., stationed at Europe IESE Business School (Spain)</p> <p>May 2017    Graduated from IESE Business School (MBA)</p> <p>Jul. 2017    Executive Officer General Manager, the Corporate Strategy Div.</p> <p>Apr. 2018    Managing Executive Officer In charge of the Marketing Units</p> <p>Jun. 2019    Director (current position)</p> <p>Apr. 2021    Representative Director (current position) President Executive Officer (current position)</p> <p>May 2021    Audit &amp; Supervisory Board Member, PT Mandom Indonesia Tbk (current position)</p> <p>[Significant concurrent positions outside the Company] Audit &amp; Supervisory Board Member, PT Mandom Indonesia Tbk</p>	43,390
<p>[Reasons for nomination as candidate for Director]</p> <p>Ken Nishimura has held positions of responsibility in the Company's corporate strategy planning and marketing areas, as well, he has generated steady results, and sufficiently fulfilled his work responsibility by appropriately performing his duties in each of areas he is responsible for. Going forward, the Company has decided that by using his experience he can be expected to contribute to the Group's continued growth and development as the Chief Executive Officer (Representative Director &amp; President Executive Officer). Therefore, the Company has once again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
3	<p>[Reelection] [Male]</p> <p>Yasuaki Kameda (November 1, 1961)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 13 / 13 (100%)</p>	<p>Apr. 1984    Joined the Company</p> <p>Apr. 2008    General Manager, the Product Development Dept. Sec. 1 (now the Brand Marketing Div. 1)</p> <p>Apr. 2009    Executive Officer</p> <p>Apr. 2012    In charge of the Chainstore Sales Div. 1, the Chainstore Sales Div. 2 and the Distribution Channel Development Div.; General Manager, the Chainstore Sales Div. 2</p> <p>Apr. 2014    In charge of the Corporate Planning Div. (now the Corporate Administration Div.) and the Corporate Communications &amp; Investor Relations Div. (now the Investor Relations Div.); General Manager, the Corporate Planning Div.</p> <p>Apr. 2015    Managing Executive Officer In charge of the Corporate Planning Units</p> <p>Apr. 2017    In charge of the Corporate Planning &amp; the Financial Units and the Human Resources &amp; the General Resources Units (current position)</p> <p>Jun. 2017    Director (current position)</p> <p>Apr. 2018    Senior Managing Executive Officer</p> <p>Apr. 2021    Senior Vice President Executive Officer (current position) Supervising of Japan Business Management (current position)</p>	3,200
<p>[Reasons for nomination as candidate for Director]</p> <p>Yasuaki Kameda has held positions of responsibility in the Company's sales and marketing department. He has generated steady results, and sufficiently fulfilled his work responsibility by appropriately performing his duties in each of areas he was responsible for at the Company. Going forward, the Company has decided that by using his experience he can be expected to contribute to the Group's continued growth and development as the Senior Vice President Executive Officer. Therefore, the Company has once again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
4	<p>[Reelection] [Male]</p> <p>Shinichiro Koshiba (December 24, 1963)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 13 / 13 (100%)</p>	<p>Apr. 1987    Joined the Company</p> <p>Jul. 1993    Senior Managing Director, Sunwa Marketing Co., Ltd.</p> <p>May 1997    General Manager, Zhongshan City Rida Fine Chemical Co., Ltd. (now Zhongshan City Rida Cosmetics Co., Ltd.)</p> <p>Apr. 2002    General Manager, the Sales Planning Div.</p> <p>Jun. 2008    Executive Officer</p> <p>Apr. 2013    Managing Executive Officer In charge of the Marketing Units</p> <p>Jun. 2016    Director (current position)</p> <p>Apr. 2018    Senior Managing Executive Officer (current position) In charge of the International Business Operation Units (current position) Audit &amp; Supervisory Board Member, Chairman, PT Mandom Indonesia Tbk (current position)</p> <p>Apr. 2021    Supervising of International Business Management (current position)</p> <p>[Significant concurrent positions outside the Company] Audit &amp; Supervisory Board Member, Chairman, PT Mandom Indonesia Tbk</p>	3,762
<p>[Reasons for nomination as candidate for Director]</p> <p>After having managed overseas Group companies, Shinichiro Koshiba has sufficiently fulfilled his work responsibility by appropriately performing his duties and reliably getting results over many years in the sales and marketing areas he was responsible for at the Company. Going forward, as well, the Company has decided that by using his experience he can be expected to contribute to the Group's continued growth and development as an Operational Executive Director. Therefore, the Company has once again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
5	<div> <div> [Reelection] [External] [Independent] [Female]  Reiko Nakayama (April 2, 1959) </div>  </div>	<div> Apr. 1983    Joined Japan Associated Finance Co., Ltd.  (now JAFECO Co., Ltd.)  Jan. 1997    Joined Marusan Securities Co., Ltd.  Mar. 2000    General Manager, Investment information  Department, Marusan Securities Co., Ltd.  Oct. 2004    General Manager, Underwriting Department,  Marusan Securities Co., Ltd.  Oct. 2008    Director, LivTech, Inc.  Feb. 2009    Director, Head of Administrative H.Q.,  Division, LivTech, Inc.  Mar. 2015    External Director, LUCKLAND CO., LTD.  Mar. 2016    External Director (Audit and Supervisory  Committee Member), LUCKLAND CO., LTD.  (current position)  Mar. 2017    Audit &amp; Supervisory Board Member,  UcarPAC Co. LTD. (current position)  Jun. 2018    External Director, YUSHIN PRECISION  EQUIPMENT CO., LTD. (current position)  Jun. 2019    External Director of the Company (current  position) </div>	3,000
	Number and rate of attendance at the Board of Directors meetings (104th Term): 13 / 13 (100%)	[Significant concurrent positions outside the Company] External Director (Audit and Supervisory Committee Member), LUCKLAND CO., LTD. Audit & Supervisory Board Member, UcarPAC Co. LTD. External Director, YUSHIN PRECISION EQUIPMENT CO., LTD.	
	[Reasons for nomination as candidate for External Director and overview of the expected roles] Reiko Nakayama has held important positions as the General Manager of the Underwriting Department at a securities company, the Director and Head of Administrative H.Q. at an operating company, and as an External Director. As such, the Company has nominated her as a candidate for External Director because it expects that, by using her broad knowledge and superior discernment, she will supervise and advise once again the execution of duties by Directors from an independent standpoint as well as be engaged, as a member of the Nominating and Compensation Committees, in selecting candidates for officers and determining officers' compensation from an objective and neutral standpoint.		

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
6	<p>[Reelection] [External] [Independent] [Male]</p> <p>Shigeki Suzuki (January 2, 1953)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 10 / 10 (100%) *After assumption of office in June 2020</p>	<p>Apr. 1975    Joined Toyota Motor Co., Ltd.                   (now Toyota Motor Corporation)</p> <p>Jan. 1999    Project General Manager, Material                   Engineering Div. No. 2 (High Polymer                   Materials), Toyota Motor Corporation</p> <p>Jan. 2001    Project General Manager, Material                   Engineering Div. No. 3 (Advanced Materials                   Technology Research), Toyota Motor                   Corporation</p> <p>Jan. 2003    Project General Manager, Material                   Engineering Div. No. 1 (Metal/Inorganic                   Materials), Toyota Motor Corporation</p> <p>Jun. 2007    Managing Officer, (Material Technology Field,                   Intellectual Property Div. Environmental                   Affairs Div. and Future Project Div.), Toyota                   Motor Corporation</p> <p>Apr. 2013    Advisor, Primearth EV Energy Co., Ltd.</p> <p>Jun. 2013    Representative Director and Vice President,                   Primearth EV Energy Co., Ltd.</p> <p>Jun. 2014    Representative Director and President,                   Primearth EV Energy Co., Ltd.</p> <p>Jun. 2020    External Director of the Company (current                   position)</p>	2,000
<p>[Reasons for nomination as candidate for External Director and overview of the expected roles] Shigeki Suzuki has been holding important positions of a globally operating corporation over many years and successively engaged in corporate management. As such, the Company has nominated him as a candidate for External Director because it expects that, by using his broad knowledge and superior discernment, he will supervise and advise once again the execution of duties by Directors from an independent standpoint as well as be engaged, as a member of the Nominating and Compensation Committees, in selecting candidates for officers and determining officers' compensation from an objective and neutral standpoint.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company	Number of the Company's shares owned
7	<p>[Reelection] [External] [Independent] [Male]</p> <p>Hitoshi Tanii (June 2, 1972)</p>  <p>Number and rate of attendance at the Board of Directors meetings (104th Term): 10 / 10 (100%) *After assumption of office in June 2020</p>	<p>Apr. 1996 Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>Sep. 1997 Established Digital Network Service Limited Partnership Company Representative Partner</p> <p>Jan. 2000 Established Infocast, Inc. Representative Director</p> <p>Sep. 2000 Established Index Digital Co., Ltd. Representative Director and President</p> <p>Jun. 2005 Established Synergy Marketing, Inc. Representative Director</p> <p>Sep. 2016 External Director, Market Enterprise Co., Ltd. (current position)</p> <p>Feb. 2017 Representative Director, Pay-forward Inc. (current position)</p> <p>Mar. 2017 External Director, adish Co., Ltd.</p> <p>Jan. 2019 External Director, Space Engine Co., Ltd. (current position)</p> <p>Jul. 2019 Chairperson of the Board, Synergy Marketing, Inc. (current position)</p> <p>Aug. 2019 External Director, any Carry Co., Ltd. (current position)</p> <p>Dec. 2019 External Director, ONDECK Co., Ltd. (current position)</p> <p>Jan. 2020 Established Happy PR Co., Ltd. Representative Director (current position)</p> <p>Jun. 2020 External Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] External Director, Market Enterprise Co., Ltd. Representative Director, Pay-forward Inc. External Director, Space Engine Co., Ltd. Chairperson of the Board, Synergy Marketing, Inc. External Director, any Carry Co., Ltd. External Director, ONDECK Co., Ltd. Representative Director, Happy PR Co., Ltd.</p>	0
<p>[Reasons for nomination as candidate for External Director and overview of the expected roles] Hitoshi Tanii has been engaged in corporate management at several companies. As such, the Company has nominated him as a candidate for External Director because it expects that, by using his broad knowledge and superior discernment, he will supervise and advise once again the execution of duties by Directors from an independent standpoint as well as be engaged, as a member of the Nominating and Compensation Committees, in selecting candidates for officers and determining officers' compensation from an objective and neutral standpoint.</p>			

Notes:

1. There are no special interests between the candidates and the Company.
2. Reiko Nakayama, Shigeki Suzuki and Hitoshi Tanii are candidates for External Director.  
The Company has designated Reiko Nakayama, Shigeki Suzuki and Hitoshi Tanii as Independent Officers according to Securities Listing Regulations of the Tokyo Stock Exchange and has registered them with the same Exchange and, if their election is approved, intends to continue their appointment as Independent Officers. Reiko Nakayama's term as an External Director will be two (2) years at the conclusion of this meeting. The terms of Shigeki Suzuki and Hitoshi Tanii as External Directors will be one (1) year at the conclusion of this meeting.
3. The Company has concluded a limited liability agreement with Reiko Nakayama, Shigeki Suzuki and Hitoshi Tanii limiting their liability to the Company as specified in Article 423, Paragraph 1 of the Companies Act, based on Article 427, Paragraph 1 of the Companies Act and Article 24, Paragraph 2 of the Articles of Incorporation. The limit of liability of the concerned liability agreement is the higher of either ten (10) million yen or the minimum liability specified in Article 425, Paragraph 1 of the Companies Act. If their election is approved, the Company intends to continue this agreement.
4. The Company has entered into a Directors and officers liability insurance with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to cover damages including legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to duties performed by the insured. If the election of each candidate is approved, each of them will be included as an insured in the insurance policy. The Company plans to renew the insurance policy with the same details at the time of next renewal.
5. Reiko Nakayama, Shigeki Suzuki and Hitoshi Tanii, candidates for External Director, meet the Company's "Standards for Independence of Independent External Officers" (Please refer to pages 18 and 19).


**Proposal 4: Election of Two (2) Audit & Supervisory Board Members**


The terms of office of two (2) Audit & Supervisory Board Members, Hiroo Mizuno and Yukihiro Tsujimura, will expire at the conclusion of this meeting. In that regard, the Company requests the election of two (2) Audit & Supervisory Board Members.

This proposal has received the approval of the Audit & Supervisory Board.

Please refer to page 17 for the Company's policy on the selection of the principle members of the managerial team and the nomination of candidates for Directors and Audit & Supervisory Board Members by the Board of Directors.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary and positions in the Company	Number of the Company's shares owned
1	<p>[New election] [Male]</p> <p>Takeshi Hibi (April 16, 1960)</p> 	<p>Apr. 1984    Joined the Company</p> <p>Apr. 1999    Director and President, Mandom (Malaysia) Sdn. Bhd.</p> <p>Apr. 2008    Managing Director, PT Mandom Indonesia Tbk</p> <p>Apr. 2011    Representative Director and President, PT Mandom Indonesia Tbk</p> <p>Apr. 2014    Executive Officer</p> <p>Apr. 2015    Managing Executive Officer</p> <p>Apr. 2016    In charge of the Sales Units</p> <p>Jun. 2016    Director (current position)</p> <p>Apr. 2017    Supervising the Domestic Sales Units</p>	4,154
<p>[Reasons for nomination as candidate for Audit &amp; Supervisory Board Member]</p> <p>After having managed overseas Group companies, Takeshi Hibi has sufficiently fulfilled his work responsibility by appropriately performing his duties and reliably getting results in the sales area he was responsible for at the Company. The Company has decided that by using these experiences, he can be expected to sufficiently carry out the work and responsibilities as an Audit &amp; Supervisory Board member. Therefore, the Company has nominated him as a new candidate for full time Audit &amp; Supervisory Board Member.</p>			

No.	Name (Date of birth)	Career summary and positions	Number of the Company's shares owned
2	<div> <div> [New election]  [External]  [Independent]  [Male]    Mikiharu Mori  (December 14, 1976) </div>  </div>	<div> Oct. 2004    Joined law firm Nagashima Ohno &amp; Tsunematsu (until Dec. 2015)  Sep. 2011    Joined Shearman &amp; Sterling LLP (until July 2012)  Jan. 2016    Joined law firm Hibiya-Nakata (until Mar. 2019)  Jul. 2017    Assumed Partner at law firm Hibiya-Nakata  Apr. 2019    Established Tokyo International Law Office  Co-partner/Principal Partner, Tokyo International Law Office (current position) </div> <div> [Significant concurrent positions outside the Company]  Co-partner, Tokyo International Law Office </div>	0
[Reasons for nomination as candidate for External Audit & Supervisory Board Member] Mikiharu Mori has been nominated as a candidate for External Audit & Supervisory Board Member because the Company feels that having his expert legal knowledge and experience as a lawyer reflected in the Company's management can be expected to not only strengthen corporate governance but also help raise the quality of the Group management overall.			

Notes:

1. There are no special interests between the candidates and the Company.
2. Takeshi Hibi is a new candidate for Audit & Supervisory Board Member.
3. Mikiharu Mori is a new candidate for External Audit & Supervisory Board Member.  
While he does not have direct corporate management experience, he is well-versed in corporate legal affairs and has great insight into corporate management. Therefore the Company feels he can sufficiently carry out the duties of External Audit & Supervisory Board Member.  
If his election is approved, the Company intends to designate the candidate as an Independent Director according to Securities Listing Regulations of Tokyo Stock Exchange, Inc. and register him with the same Exchange.
4. If Mikiharu Mori assumes as an External Audit & Supervisory Board member, the Company intends to conclude a limited liability agreement with him, limiting his liability to the Company as specified in Article 423, Paragraph 1 of the Companies Act, based on Article 427, Paragraph 1 of the Companies Act and Article 32, Paragraph 2 of the Articles of Incorporation. The limit of liability of the concerned liability agreement is the higher of either ten (10) million yen or the minimum liability specified in Article 425, Paragraph 1 of the Companies Act.
5. The Company has entered into a Directors and officers liability insurance with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to cover damages including legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to duties performed by the insured. If the election of each candidate is approved, each of them will be included as an insured in the insurance policy. The Company plans to renew the insurance policy with the same details at the time of next renewal.
6. Mikiharu Mori, a candidate for External Audit & Supervisory Board Member, meets the Company's "Standards for Independence of Independent External Officers" (Please refer to pages 18 and 19).

<Reference>

## **Mandom Group Corporate Governance**

### **Corporate Governance Policy**

The Mandom Group's mission is co-existence, mutual growth and mutual creation with global society. Consequently, to realize our core philosophy, we are dedicated to generating stable profits by pursuing efficiency, while ensuring soundness and transparency. As a result, we look to achieve sustainable, steady growth together with consumers, society and other stakeholders.

### **Corporate Governance Guidelines (Excerpts)**

(Reference URL: [https://www.mandom.co.jp/company/src/g\\_guideline.pdf](https://www.mandom.co.jp/company/src/g_guideline.pdf); in Japanese only)

[Principle 3-1(iv)]

Policy and procedure on the selection and dismissal of the principle members of the managerial team and the nomination of candidates for Directors and Audit & Supervisory Board Members by the Board of Directors

As a basic policy, the Company selects and nominates candidates for Directors from among those who, regardless of nationality, age and gender, have a strong sense of ethics, work in accordance with the core philosophy of the Company, accept diverse values, demonstrate outstanding personality and insight, and who are able to fulfill the role expected of them when conducting global-scale business. Specific details of the policy are given below.

#### **(1) Supervisory Executive Officer**

Policy of selecting candidates who have not only organizational management capabilities and operational execution capabilities based on experience and achievements, but also a healthy appetite for taking on challenges and the ability to respond to changes in the business environment

#### **(2) Operational Executive Director**

Policy of nominating candidates with capability of conducting mutual check-and-oversight and supervising required as a member of the Board of Directors, who are able to participate in and conduct decision making with a perspective of Group-wide optimization, in addition to the above policy concerning Supervisory Executive Officer

#### **(3) External Director**

Policy of nominating candidates with a wealth of experience of corporate management or theory and knowledge of corporate management, who are able to take on the role of monitoring with objectivity and a shareholder viewpoint, and who are expected to effectively play an advisory role from a global standpoint, in addition to satisfying the Company's Standards for Independence of Independent External Officers

#### **(4) Audit & Supervisory Board Member**

Policy of nominating candidates who, in addition to having experience of corporate management and organizational management or knowledge related to the areas of corporate financing and legal affairs, are capable of taking a role of auditing corporate governance with a firm fair and unbiased stance to the corporate management team (Satisfying the Standards for Independence of Independent External Officers is the prerequisite for External Audit & Supervisory Board Members.)

<Reference>

## Standards for Independence of Independent External Officers

The Company has formulated the following standards related to independence with respect to its selection of candidates as Independent External Officers (External Directors and External Audit & Supervisory Board Members designated by the Company as Independent External Officers).

Candidates must satisfy various conditions for External Directors and External Audit & Supervisory Board Members based on the Companies Act. Individuals to whom additionally none of the following apply are considered to satisfy the Company's independence standards.

- 1 A person executing the business<sup>(\*)2)</sup> of the Company or an affiliated company<sup>(\*)1)</sup> of the Company (hereinafter, referred to collectively as the "Mandom Group")
- 2 An entity that is a major supplier of the Mandom Group<sup>(\*)3)</sup> or a person executing the business<sup>(\*)2)</sup> of such an entity
- 3 A major customer of the Mandom Group<sup>(\*)4)</sup> or a person executing the business<sup>(\*)2)</sup> of such a partner
- 4 A major shareholder that holds 10% or more of the total voting rights of the Company, either directly or indirectly, or a person executing the business<sup>(\*)2)</sup> of such a shareholder
- 5 An entity in which the Mandom Group holds 10% or more of the total voting rights, either directly or indirectly, or a person executing the business<sup>(\*)2)</sup> of such an entity
- 6 An entity that has received annual donations of ten (10) million yen or more from the Mandom Group in the most recent business year or an entity that belongs to such a corporation or other organization
- 7 A consultant, accountant or legal professional who receives a large amount of monetary consideration or other property<sup>(\*)5)</sup> other than officers' compensation from the Mandom Group (or, if the party receiving such property is a corporation or other organization, a person who belongs to that organization)
- 8 A person who belongs to the audit firm that is Accounting Auditor for the Mandom Group
- 9 If a person executing the business<sup>(\*)2)</sup> of the Mandom Group serves as an external officer of another company, a person executing the business<sup>(\*)2)</sup> of that company
- 10 A person to whom item 1 above has applied in the past
- 11 A person to whom any of items 2 to 9 has applied in the past year
- 12 The spouse, second-degree or closer relative, cohabiting relative or person who shares the livelihood of any of those below
  - (1) A Director, Audit & Supervisory Board Member or important person executing the business<sup>(\*)6)</sup> of a company in the Mandom Group
  - (2) A person to whom the above items 2 to 5 or 9 apply (if said person is a person executing the business, this only applies to important persons executing the business<sup>(\*)6)</sup>)
  - (3) An individual or, if a person who belongs to a company or other organization, an important person executing the business<sup>(\*)6)</sup>, to whom the above item 6 applies
  - (4) An individual or, if a person who belongs to a company or other organization, a qualified person or an important person executing the business<sup>(\*)6)</sup>, to whom the above item 7 applies

(5) A certified public accountant and important person executing the business<sup>(\*6)</sup> belonging to an audit firm to which the above item 8 applies

- (\*1) Affiliated company: An affiliated company as provided in Article 2, Paragraph 3, Item 22 of the Ordinance on Company Accounting
- (\*2) Person executing the business: A Director (excluding External Director), trustee (excluding external trustee), operating officer, corporate operating officer or employee executing operations for a company or other organization
- (\*3) Entity that is a major supplier of the Mandom Group:
  - (i) A business partner group (business partner or its affiliated company<sup>(\*1)</sup>; hereinafter the same) that provides products or services to the Mandom Group, and whose annual amount for the provision of products or services that said business partner group provided to the Mandom Group in the most recent business year or the current business year accounts for more than 2% of that business partner group's consolidated net sales in the most recent business year
  - (ii) A business partner group whose financing provided to the Mandom Group as of the close of the most recent business year of the Company exceeds 2% of consolidated total assets of the business partner group as of the end of its most recent business year
- (\*4) Major customer of the Mandom Group:
  - (i) A business partner group to which the Mandom Group provides products or services and for which the products or services provided by the Mandom Group account for more than 2% of consolidated net sales of the Mandom Group in the most recent business year or the current business year
  - (ii) A business partner group to which the Mandom Group provides financing that exceeds 2% of consolidated total assets of the Mandom Group as of the close of the most recent business year
- (\*5) Large amount of monetary consideration or other property:

For an individual, monetary consideration or other property corresponding to ten (10) million yen or more per year; if a company or other organization, monetary consideration or other property corresponding to 2% or more of that organization's total annual revenue
- (\*6) Important person executing the business:

Persons executing the business in item<sup>(\*2)</sup> who are senior executives (general manager class) or higher