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Securities Code: 4021

June 4, 2019

To Those Shareholders with Voting Rights

Kojiro Kinoshita
Representative Director,
President & CEO
Nissan Chemical Corporation
5-1, Nihonbashi 2-chome, Chuo-ku,
Tokyo, JAPAN

NOTICE OF THE CONVOCATION OF THE 149th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 149th Ordinary General Meeting of Shareholders of Nissan Chemical Corporation (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the following means. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights.

Exercise of Voting Rights in Writing (or by Post)

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it to the Company, ensuring that the form reaches us by 5:40 p.m., Tuesday, June 25, 2019 (Japan Time).

Exercise of Voting Rights via the Internet, etc.

Please access the website for exercising voting rights as indicated in the enclosed Voting Rights Exercise Form and exercise your voting rights by 5:40 p.m., Tuesday, June 25, 2019 (Japan Time).

1. Date and Time: Wednesday, June 26, 2019 at 10:00 a.m. (Reception starts at 9:15 a.m.)

2. Place: Josui Kaikan, 2F, Star Hall
1-1, Hitotsubashi 2-chome, Chiyoda-ku, Tokyo, Japan

3. Agenda of the Meeting:

- Matters to be reported:**
1. The Business Report and the Consolidated Financial Statements for the 149th fiscal year (from April 1, 2018 to March 31, 2019) and results of audits by the Accounting Auditors and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. The Non-Consolidated Financial Statements for the 149th fiscal year (from April 1, 2018 to March 31, 2019)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Nine (9) Directors
Proposal No. 3: Election of One (1) Corporate Auditor
Proposal No. 4: Determination of Amount and Other Details of Performance-Linked Stock Compensation for Directors, etc.

- * For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.
- * Included in the documents that should be provided by the Company when providing the notice of convocation for this Ordinary General Meeting of Shareholders are the notes to Consolidated Financial Statements and the notes to Non-Consolidated Financial Statements. As provided for by the relevant laws and regulations and Article 19 of the Company's Articles of Incorporation, these documents are posted on the Company's website (<https://www.nissanchem.co.jp/>) and are not included in the accompanying material to this document. In addition to the accompanying material to the notice of convocation for this Ordinary General Meeting of Shareholders, the materials audited by the Corporate Auditors and the Accounting Auditors include the notes to Consolidated Financial Statements and the notes to Non-Consolidated Financial Statements that will be posted on the Company's website indicated above.
- * When it is necessary to modify the matters stated in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements, please understand that any matters if modified will be shown on the Company's website (<https://www.nissanchem.co.jp/>).
- * The Company participates in the Electronic Voting Rights Exercise Platform for institutional investors operated by ICJ Inc.

The Company's website (<https://www.nissanchem.co.jp/>)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company upholds the basic policy of working to improve corporate value from a medium-to long-term viewpoint and providing return of its profits to the shareholders.

After taking into consideration such factors as operating performance, business environment and preparation for future business development, the Company proposes the year-end dividend for the current fiscal year as follows.

(1) Type of dividend property

Cash

(2) Matters related to distribution of dividend property and the total amount

The Company proposes to pay ¥42 per common share of the Company.

Under this proposal, the total amount of dividends paid is ¥6,206,849,376.

As the Company paid an interim dividend of ¥40, the annual dividend for the current fiscal year is ¥82 per share.

(3) Effective date of the distribution of surplus

June 27, 2019

Proposal No. 2: Election of Nine (9) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, we would like to increase one (1) Director to further strengthen the management structure, and the election of nine (9) Directors, including three (3) Outside Directors, is proposed.

The candidates for Directors are as follows:

Candidate No.	Name	Position/responsibilities in the Company	Attribute		
1	Kojiro Kinoshita	Representative Director, President & CEO	Reelection		
2	Junichi Miyazaki	Director, Senior Executive Vice President Head of Finance & Accounting Department Corporate Strategy & Coordination CFO Internal Audit Department, and Environment, Safety & Quality Assurance Department	Reelection		
3	Hiroyoshi Fukuro	Director, Senior Executive Vice President R&D Chemicals Division, Pharmaceuticals Division, Research Planning Department, Intellectual Property Department, and Personnel Department	Reelection		
4	Katsuaki Miyaji	Director, Managing Executive Officer Head of Corporate Planning Department CRO	Reelection		
5	Takashi Honda	Director, Managing Executive Officer Head of Agricultural Chemicals Division Purchasing Department	Reelection		
6	Hitoshi Suzuki	Director, Managing Executive Officer Head of Performance Materials Division	Reelection		
7	Tisato Kajiyama	Outside Director	Reelection	Outside Director	Independent Officer
8	Tadashi Ohe	Outside Director	Reelection	Outside Director	Independent Officer
9	Hidehito Obayashi		New Candidate	Outside Director	Independent Officer

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
1	 <p data-bbox="225 555 443 622">Kojiro Kinoshita (April 19, 1948)</p> <p data-bbox="280 663 387 696">Reelection</p> <p data-bbox="225 734 443 869">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 868 327">Apr. 1977 Joined the Company</p> <p data-bbox="475 331 1235 398">Jun. 2002 Director, Head of Corporate Planning Department of the Company</p> <p data-bbox="475 405 1043 439">Jun. 2006 Managing Director of the Company</p> <p data-bbox="475 443 1187 510">Jun. 2008 Representative Director, President & CEO of the Company (to the present)</p> <p data-bbox="475 517 1002 551">(Position and responsibilities in the Company)</p> <p data-bbox="475 555 959 589">Representative Director, President & CEO</p>	94,300
<p data-bbox="220 880 847 913">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 918 1426 1137">Mr. Kojiro Kinoshita served as General Manager of the Business Strategy Department, Chemicals General Headquarters and also as Head of the Corporate Planning Department. In addition, as Representative Director and President & CEO of the Company since June 2008, he has been promoting strategies to enhance the corporate value of the Company Group. Considering his wide-ranging experience, achievements, and insights, the Company judges that Mr. Kinoshita remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
2	 <p data-bbox="233 779 435 846">Junichi Miyazaki (October 9, 1951)</p> <p data-bbox="280 887 387 913"><u>Reelection</u></p> <p data-bbox="233 958 435 1093">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 1267 353">Apr. 1974 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 365 1230 454">Jun. 2000 General Manager, International Department of The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 465 1214 533">Jun. 2003 Corporate Auditor of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 544 1254 633">Apr. 2005 Managing Executive Officer of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p data-bbox="475 645 1225 712">Jul. 2005 Managing Director of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p data-bbox="475 723 916 752">Apr. 2006 Advisor of the Company</p> <p data-bbox="475 763 919 792">Jun. 2006 Director of the Company</p> <p data-bbox="475 804 1129 871">Apr. 2007 Director, Head of Corporate Administration Department of the Company</p> <p data-bbox="475 882 1038 911">Jun. 2008 Managing Director of the Company</p> <p data-bbox="475 922 1118 952">Jun. 2011 Senior Managing Director of the Company</p> <p data-bbox="475 963 1182 1030">Apr. 2013 Director, Senior Executive Vice President of the Company (to the present)</p> <p data-bbox="475 1041 999 1070">(Position and responsibilities in the Company)</p> <p data-bbox="475 1081 948 1111">Director, Senior Executive Vice President</p> <p data-bbox="475 1122 970 1151">Head of Finance & Accounting Department</p> <p data-bbox="475 1162 874 1191">Corporate Strategy & Coordination</p> <p data-bbox="475 1202 533 1232">CFO</p> <p data-bbox="475 1243 1190 1272">Internal Audit Department, and Environment, Safety & Quality Assurance Department</p>	31,800
<p data-bbox="217 1290 847 1319">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 1330 1430 1541">Mr. Junichi Miyazaki has strived to improve the financial structure of the Company and contributed to the Company Group's growth from a variety of perspectives as the person in charge of Corporate Strategy & Coordination since his assumption of office as Director in June 2006, utilizing his wide-ranging knowledge cultivated through his experience in a financial institution. Considering his wide-ranging experience, achievements, and insights, the Company judges that Mr. Miyazaki remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
3	 <p data-bbox="233 595 435 663">Hiroyoshi Fukuro (April 18, 1952)</p> <p data-bbox="280 703 387 734"><u>Reelection</u></p> <p data-bbox="233 775 435 898">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="477 293 868 324">Apr. 1979 Joined the Company</p> <p data-bbox="477 333 1182 394">Jun. 2004 Director, Head of Electronic Materials Research Laboratories of the Company</p> <p data-bbox="477 409 1038 441">Jun. 2011 Managing Director of the Company</p> <p data-bbox="477 450 1118 481">Apr. 2013 Senior Managing Director of the Company</p> <p data-bbox="477 490 1219 551">Apr. 2014 Director, Senior Managing Executive Officer of the Company</p> <p data-bbox="477 566 1182 627">Apr. 2018 Director, Senior Executive Vice President of the Company (to the present)</p> <p data-bbox="477 636 999 667">(Position and responsibilities in the Company)</p> <p data-bbox="477 676 948 707">Director, Senior Executive Vice President</p> <p data-bbox="477 716 539 748">R&D</p> <p data-bbox="477 757 1230 840">Chemicals Division, Pharmaceuticals Division, Research Planning Department, Intellectual Property Department, and Personnel Department</p>	26,200
<p data-bbox="217 920 847 952">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 960 1437 1144">Mr. Hiroyoshi Fukuro has been engaged in research of electronic materials for many years, and contributed to business expansion in the performance materials field, as Head of Performance Materials Division and as the person in charge of R&D of material science since his assumption of office as Director in June 2004. Considering his wealth of experience, achievements, and knowledge, the Company judges that Mr. Fukuro remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
4	 <p data-bbox="225 645 443 719">Katsuaki Miyaji (January 27, 1961)</p> <p data-bbox="280 757 387 786">Reelection</p> <p data-bbox="233 831 435 958">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 1267 869"> Apr. 1985 Joined the Company Jun. 2010 Director, Head of Chemical Research Laboratories of the Company Jun. 2011 Director, Head of Advanced Materials & Planning Department of the Company Apr. 2014 Director, Executive Officer, Head of Electronic Materials Research Laboratories of the Company Jun. 2014 Executive Officer, Head of Electronic Materials Research Laboratories of the Company Oct. 2014 Executive Officer, Head of Materials Research Laboratories of the Company Apr. 2016 Managing Executive Officer, Head of Corporate Planning Department of the Company Jun. 2016 Director, Managing Executive Officer, Head of Corporate Planning Department of the Company (to the present) </p> <p data-bbox="475 880 1002 1010"> (Position and responsibilities in the Company) Director, Managing Executive Officer Head of Corporate Planning Department CRO </p>	11,800
<p data-bbox="217 1025 847 1055">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 1066 1449 1283">Mr. Katsuaki Miyaji has been engaged in research for many years, and has undertaken tasks related to materials research as well as the creation of new products, which is the driving force for the Company Group's growth. Since April 2016, he has been focusing on understanding the status of business operations in each division and achieving goals across the entire Company Group as Head of Corporate Planning Department. The Company judges that Mr. Miyaji remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
5	 <p data-bbox="240 701 427 768">Takashi Honda (March 8, 1959)</p> <p data-bbox="280 808 387 837"><u>Reelection</u></p> <p data-bbox="233 882 435 1010">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 868 322">Apr. 1981 Joined the Company</p> <p data-bbox="475 333 1203 362">Feb. 1997 Vice President of Nissan Chemical Europe GmbH</p> <p data-bbox="475 374 1222 472">Jun. 2012 General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p data-bbox="475 483 1238 622">Apr. 2014 Executive Officer, Deputy Head of Agricultural Chemicals Division, General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p data-bbox="475 633 1203 696">Apr. 2017 Managing Executive Officer, Head of Agricultural Chemicals Division of the Company</p> <p data-bbox="475 707 1230 801">Jun. 2017 Director, Managing Executive Officer, Head of Agricultural Chemicals Division of the Company (to the present)</p> <p data-bbox="475 813 999 842">(Position and responsibilities in the Company)</p> <p data-bbox="475 853 906 882">Director, Managing Executive Officer</p> <p data-bbox="475 893 940 922">Head of Agricultural Chemicals Division</p> <p data-bbox="475 934 743 963">Purchasing Department</p> <p data-bbox="475 974 922 1003">(Significant position concurrently held)</p> <p data-bbox="475 1014 951 1043">President of Hokkaido Sun Agro Co., Ltd.</p> <p data-bbox="475 1055 1142 1084">Representative Director of Nissan Chemical Europe S.A.S.</p> <p data-bbox="475 1095 1166 1124">Representative Director of Nissan Chemical Agro Korea Ltd.</p> <p data-bbox="475 1135 1078 1164">Chairman of Nissan Agro Tech India Private Limited</p>	5,100
<p data-bbox="217 1135 847 1164">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 1176 1430 1357">Mr. Takashi Honda has been engaged in the agricultural chemicals business focused on development of agricultural chemicals and licensing for many years. As the General Manager of the Planning & Development Department since June 2012, and as Head of the Agricultural Chemicals Division since April 2017, he has been managing the agricultural chemicals business. The Company judges that Mr. Honda remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
6	 <p data-bbox="248 824 419 920">Hitoshi Suzuki (December 11, 1961)</p> <p data-bbox="280 965 387 994"><u>Reelection</u></p> <p data-bbox="233 1039 435 1160">Attendance at meetings of the Board of Directors 10/10</p>	<p data-bbox="475 293 871 322">Apr. 1985 Joined the Company</p> <p data-bbox="475 333 1190 427">Apr. 2007 General Manager of Semiconductor Materials Department, Electronic Materials Division of the Company</p> <p data-bbox="475 439 1267 533">Jun. 2010 General Manager of Semiconductor Materials Research Department, Electronic Materials Research Laboratories of the Company</p> <p data-bbox="475 544 1219 638">Jun. 2012 General Manager of Semiconductor Materials Department, Performance Materials Division of the Company</p> <p data-bbox="475 649 1259 712">Apr. 2013 Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 723 1190 786">Jun. 2013 Director, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 797 1187 860">Apr. 2014 Director, Executive Officer, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 871 1184 934">Jun. 2014 Executive Officer, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 945 1166 1008">Apr. 2016 Executive Officer, Head of Materials Research Laboratories of the Company</p> <p data-bbox="475 1019 1214 1081">Apr. 2018 Managing Executive Officer, Head of Performance Materials Division of the Company</p> <p data-bbox="475 1093 1267 1187">Jun. 2018 Director, Managing Executive Officer, Head of Performance Materials Division of the Company (to the present)</p> <p data-bbox="475 1198 999 1227">(Position and responsibilities in the Company)</p> <p data-bbox="475 1238 906 1267">Director, Managing Executive Officer</p> <p data-bbox="475 1279 935 1308">Head of Performance Materials Division</p> <p data-bbox="475 1319 922 1348">(Significant position concurrently held)</p> <p data-bbox="475 1359 1062 1388">Chairman of Nissan Chemical America Corporation</p> <p data-bbox="475 1400 948 1429">Representative Director of NCK Co., Ltd.</p>	8,000
<p data-bbox="217 1417 847 1447">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 1458 1449 1637">Mr. Hitoshi Suzuki has been engaged in research of electronic materials centering on semiconductor materials for many years. As the Head of the Materials Research Laboratories since April 2016, and as Head of the Performance Materials Division since April 2018, he has contributed to business expansion in the performance materials field. The Company judges that Mr. Suzuki qualifies to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
7	 <p>Tisato Kajiyama (May 13, 1940)</p> <p><u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u></p> <p>Attendance at meetings of the Board of Directors 12/12</p>	<p>Jun. 1969 Post Doctor Course of The University of Massachusetts Amherst, USA</p> <p>Nov. 1984 Professor of Faculty of Engineering at Kyushu University (currently National University Corporation Kyushu University)</p> <p>Nov. 2001 President of Kyushu University</p> <p>Nov. 2008 President of Independent Administrative Institution Japan Student Services Organization</p> <p>Jun. 2010 Outside Corporate Auditor of the Company</p> <p>Apr. 2011 Chairman, Board of Trustees and President of Public University Corporation Fukuoka Women's University (to the present)</p> <p>Jun. 2014 Outside Director of the Company (to the present)</p> <p>(Position and responsibilities in the Company)</p> <p>Outside Director (Significant position concurrently held)</p> <p>Chairman, Board of Trustees and President of Public University Corporation Fukuoka Women's University</p>	15,200
<p>Reason for the nomination of the candidate for Outside Director</p> <p>Mr. Tisato Kajiyama currently serves as Outside Director of the Company, and the Company proposes his reelection so that his expertise as a Doctor of Engineering and his wide-ranging knowledge and experience gained as the President of Kyushu University, President of Japan Student Services Organization, and Chairman, Board of Trustees of Fukuoka Women's University will continue to be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Although Mr. Kajiyama has no experience of involvement in corporate management other than having served in the past as Outside Officer, the Company judges that Mr. Kajiyama will continue to appropriately perform his duties as Outside Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
8	 <p>Tadashi Ohe (May 20, 1944)</p> <p><u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u></p> <p>Attendance at meetings of the Board of Directors 12/12</p>	<p>Apr. 1969 Qualified for attorney-at-law</p> <p>Apr. 1989 Instructor for the Legal Training and Research Institute of Japan (court representation in civil proceedings)</p> <p>Mar. 1994 Outside Corporate Auditor of Canon Inc.</p> <p>Jun. 2004 Outside Corporate Auditor of Marui Group Co., Ltd. (to the present)</p> <p>Jun. 2006 Outside Corporate Auditor of Kao Corporation</p> <p>Jun. 2011 Outside Director of JECO Co., Ltd. (to the present)</p> <p>Jun. 2015 Outside Director of the Company (to the present)</p> <p>(Position and responsibilities in the Company)</p> <p>Outside Director (Significant position concurrently held)</p> <p>Attorney-at-law at Tadashi Ohe & Yutaka Tanaka Law Office, Outside Corporate Auditor of Marui Group Co., Ltd., and Outside Director of JECO Co., Ltd.</p>	3,000
<p>Reason for the nomination of the candidate for Outside Director</p> <p>Mr. Tadashi Ohe currently serves as Outside Director of the Company, and the Company proposes his reelection so that his abundant experience and specialist knowledge as an attorney-at-law will continue to be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Though Mr. Ohe does not have a past experience being involved in corporate management other than becoming an Outside Officer, up until the present, he has experience being involved in the corporate management of multiple companies as Outside Officer. Therefore, the Company judges that Mr. Ohe will continue to appropriately perform his duties as Outside Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
9	 <p>Hidehito Obayashi (April 22, 1944)</p> <p><u>New Candidate</u> <u>Outside Director</u> <u>Independent Officer</u></p>	<p>Apr. 1969 Joined Hitachi, Ltd.</p> <p>Oct. 2001 Director of Hitachi High-Technologies Corporation</p> <p>Jun. 2003 Vice President and Executive Officer of Hitachi High-Technologies Corporation</p> <p>Apr. 2006 Representative Executive Officer, Senior Vice President and Executive Officer of Hitachi High-Technologies Corporation</p> <p>Apr. 2007 Director, Representative Executive Officer, President and Chief Executive Officer of Hitachi High-Technologies Corporation</p> <p>Jun. 2011 Chairman of the Board of Hitachi High-Technologies Corporation</p> <p>Jun. 2013 Chairman Emeritus of Hitachi High-Technologies Corporation (to the present)</p> <p>(Significant positions concurrently held)</p> <p>Chairman Emeritus of Hitachi High-Technologies Corporation</p>	0
<p>Reason for the nomination of the candidate for Outside Director</p> <p>Mr. Hidehito Obayashi served as Chairman of the Board of Hitachi High-Technologies Corporation and after that he has been serving as Chairman Emeritus of the company. Accordingly, he has abundant experience and wide-ranging insight as an experienced manager of a corporate group active in diverse sectors of global business. In order to reflect these in the Company's management from an outside perspective and from an objective and neutral standpoint, the Company has nominated him as a candidate for Outside Director.</p>			

- Notes: 1. Mr. Hitoshi Suzuki serves as the Representative Director of NCK Co., Ltd. The Company has a trading relationship with NCK Co., Ltd. that includes the sale of products. No conflicts of interest exist between any of the other candidates and the Company.
2. Messrs. Tisato Kajiyama, Tadashi Ohe and Hidehito Obayashi are candidates for Outside Director.
3. Mr. Tisato Kajiyama's term of office as Outside Corporate Auditor of the Company aggregated to four years and term of office as Outside Director of the Company will aggregate to five years as of the conclusion of this Ordinary General Meeting of Shareholders. Mr. Tadashi Ohe's term of office as Outside Director of the Company will aggregate to four years as of the conclusion of this Ordinary General Meeting of Shareholders.
4. The Company entered into agreements with Messrs. Tisato Kajiyama and Tadashi Ohe respectively that limit their liability when they perform their duties concerning the responsibilities under Paragraph 1, Article 423 of the Companies Act in good faith with no serious negligence to the minimum liability provided for by the relevant laws and regulations. If their reelection is approved, the Company plans to renew the same limited liability agreement with them. Likewise, if Mr. Hidehito Obayashi's election is approved, the Company plans to enter into the same limited liability agreement with him.
5. Mr. Hidehito Obayashi serves as the Chairman Emeritus of Hitachi High-Technologies Corporation. The Company has transactions with Hitachi High-Technologies Corporation that includes purchase of analytical instruments. However, the amount paid by the Company as consideration for those transactions with Hitachi High-Technologies Corporation is deemed insignificant given that when averaged over the past three fiscal years, the payments amounted to less than 0.1% of annual consolidated revenues of Hitachi High-Technologies Corporation.
6. The Company has notified the Tokyo Stock Exchange of status of Messrs. Tisato Kajiyama and Tadashi Ohe as independent officers. If their reelection is approved, the Company plans to notify the stock exchange of status of Messrs. Kajiyama and Ohe as independent officers again. Likewise, if Mr. Hidehito Obayashi's election is approved, the Company plans to notify the stock exchange of Mr. Obayashi's status as an independent officer.

Proposal No. 3: Election of One (1) Corporate Auditor

The term of office of Corporate Auditor, Mr. Yasuyuki Nakajima will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, election of one (1) Corporate Auditor is proposed.

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

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Career summary	Number of the Company's shares held
 <p>Hiroshi Onitsuka (February 19, 1958)</p> <p><u>New Candidate</u></p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2001 General Manager of Toxicology & Environmental Science Department, Biological Research Laboratories of the Company</p> <p>Dec. 2007 General Manager of Analysis Research Department, Chemical Research Laboratories of the Company</p> <p>Jun. 2011 Head of Biological Research Laboratories of the Company</p> <p>Jun. 2013 Director, Head of Biological Research Laboratories of the Company</p> <p>Apr. 2014 Director, Executive Officer, Head of Research Planning Department of the Company</p> <p>Jun. 2014 Executive Officer, Head of Research Planning Department of the Company</p> <p>Apr. 2016 Executive Officer, Head of Chemical Research Laboratories of the Company (to the present)</p> <p>(Position and responsibilities in the Company) Executive Officer Head of Chemical Research Laboratories</p>	<p>6,700</p>
<p>Reason for the nomination of the candidate for Corporate Auditor</p> <p>Mr. Hiroshi Onitsuka has engaged in research for many years, with a focus on agricultural chemicals. From June 2011, he served as Head of Biological Research Laboratories, and from April 2016, as Head of Chemical Research Laboratories, contributing to the continued growth of the Company Group primarily in the life sciences sector. Considering his abundant work experience and specialized knowledge, the Company has determined that he is suited to serve as a Corporate Auditor with responsibility for ensuring the appropriateness of Directors' execution of duties, and has nominated him as a candidate for Corporate Auditor.</p>		

Note: No special conflicts of interest exist between the Corporate Auditor candidate Mr. Hiroshi Onitsuka and the Company.

(Reference) The Company's stance towards independency for Outside Directors and Outside Corporate Auditors

The Company's independence standards for Outside Officers are as follows.

The Company's independent Outside Officers (Directors and Corporate Auditors) and independent Outside Officer candidates fulfill the Companies Act's requirements for Outside Officers, as well as the following independence standards.

- (1) Not being an executive (a person who executes business; hereinafter, the same) of the Company or its subsidiaries, nor having been an executive of the Company or its subsidiaries for the past 10 years (if however, a non-executive director or corporate auditor of the Company or its subsidiaries at some point in the past 10 years, the 10 years prior to being appointed to that role).
- (2) Not being one of the Company's major shareholders (a shareholder with 10% or more of voting rights) or an executive thereof.
- (3) Not being an executive of a corporation of which the Company is a major shareholder (a shareholder with 10% or more of voting rights).
- (4) Not being a major client or supplier (a client or supplier from whom the value of average payments for transactions to the Company or its subsidiaries over the past 3 fiscal years exceeds 2% of the average annual consolidated net sales of the Company over the past 3 fiscal years) of the Company or its subsidiaries or an executive thereof.
- (5) Not being a party whose major client or supplier is the Company or its subsidiaries (a party to whom the value of average payments for transactions by the Company or its subsidiaries over the past 3 fiscal years exceeds 2% of the average annual consolidated net sales of that party over the past 3 fiscal years), or an executive thereof.
- (6) Not being an executive of a major financial institution with which the Company has borrowings (a financial institution from whom the average amount of the Company's consolidated fiscal-year-end balance of borrowings over the past 3 fiscal years exceeds 2% of the Company's average annual consolidated fiscal-year-end total assets over the past 3 fiscal years) nor having been an executive thereof for the past 3 years.
- (7) Not being an attorney, certified public accountant, certified public tax accountant, other consultant, researcher or educator in receipt from the Company of a large amount of monetary consideration or other property (an average annual amount over the past 3 fiscal years of over ¥10 million for individuals or, in the event the recipient is a corporation or other organization that said individual is affiliated with or retained by, of an amount in excess of 2% of that organization's average annual total revenues over the past 3 fiscal years) other than Director or Corporate Auditor remuneration.
- (8) Not being a close relative (spouse, person within the second degree of kinship or relative living together) of an executive (limited to key personnel) of the Company or its subsidiaries.
- (9) In addition to items (1) through (8) above, being such person as the Board of Directors determines to be a person whose independence as an independent Outside Officer is unquestionable and for whom there is no rationally determined risk of a conflict of interest with the general shareholders of the Company.

Proposal No. 4: Determination of Amount and Other Details of Performance-Linked Stock Compensation for Directors, etc.

1. Reasons for the proposal

This proposal is to request the introduction of a Board Benefit Trust (BBT) as a new performance-linked stock compensation plan (the “Plan”) for Directors (excluding Outside Directors; the same applies hereinafter unless otherwise specified) and Executive Officers and Associate Executive Officers (collectively, the “Directors, etc.”) of the Company.

The proposal is intended to increase awareness about improving earnings over the medium-to long-term and contributing to improve corporate value by clarifying the relationship between the compensation of Directors, etc. and the Company’s performance and the stock price, and by having Directors, etc. share with the shareholders not only the benefits of increases in the stock price, but also the risk of decreases in the stock price. In light of this purpose, the Company considers the content of the proposal to be appropriate.

The proposal requests approval for the amount of compensation, etc. to be paid as new stock compensation to be provided to the Directors of the Company, separately from the amount of compensation of Directors approved at the 139th Ordinary General Meeting of Shareholders held on June 25, 2009 (within ¥45 million per month, not including employee salary). The Company intends to leave determination of details of the system to the Board of Directors, within the framework given in 2. below.

In addition, if Proposal 2 “Election of Nine (9) Directors” is approved without change, the number of Directors subject to the system will be six.

2. Amount and details of remuneration under the Plan, etc.

(1) Outline of the Plan

The Plan is a performance-linked stock compensation plan under which money contributed by the Company is used as funds to acquire the Company’s shares through a trust (hereinafter the trust set up under the Plan is referred to as the “Trust”) and the Company’s shares and the cash equivalent to the market price of the Company’s shares (the “Company’s Shares, etc.”) are provided through the Trust to Directors, etc. in accordance with director stock benefit rules established by the Company. The Directors, etc. will receive benefit of the Company’s Shares etc. as of the date of their retirement from office, as a rule.

(2) Individuals subject to the Plan

Directors (Outside Directors are not subject to the Plan), Executive Officers and Associate Executive Officers

(3) Period of trust

From August 2019 (tentative) until the Trust ends. (With respect to the period of the Trust, the Trust shall continue without a specific ending period, continuing for as long as the Plan continues. The Plan shall end if the Company’s shares are delisted, the director stock benefit rules are discontinued, or similar grounds arise.)

(4) Money left in the Trust (Amount of compensation)

On the condition that this proposal is approved, the Company shall introduce the Plan targeting the three business years from the business year ending March 31, 2020 to the business year ending March 31, 2022 (hereinafter the period of the three business years concerned is referred to as the “Initial Covered Period” and the Initial Covered Period and each three-business year period that begins after the Initial Covered Period has elapsed are referred to as the “Covered Period” respectively) and, in order to distribute the Company’s Shares, etc. to Directors, etc., the Company will provide the money described below to the Trust as funds to acquire the Company’s shares via the Trust.

Firstly, at the time of setting up the Trust (August 2019 (Scheduled)), the Company will contribute to the Trust funds up to an upper limit of ¥800 million (of which ¥300 million is for Directors) as the necessary funds corresponding to the Initial Covered Period.

Furthermore, even after the Initial Covered Period has elapsed, until such time as the Plan ends, the Company shall for each Covered Period additionally contribute to the Trust funds up to an upper limit of ¥800 million (of which ¥300 million is for Directors), as a rule. However, in the case where such an

additional contribution is made, if the Company's shares (excluding the Company's shares equivalent to the number of points that have been granted to Directors, etc. in relation to any preceding Covered Period and that have yet to be distributed to the Directors, etc.) and money (hereinafter referred to collectively as the "Remaining Shares, etc.") remain in the Trust assets, the sum total of the value of the Remaining Shares, etc. (the book value of the Company's shares on the last day of the previous Covered Period) and the additionally contributed money shall be not exceed ¥800 million (of which ¥300 million is for Directors).

Throughout the Covered Period, including the Initial Covered Period, the Company may make multiple contributions of funds to the Trust until such time as the aggregate amount of contributions during the Covered Period concerned reaches the upper limits set out above. The Company will disclose its decision to make additional contributions in a timely and appropriate manner.

(5) Acquisition method of the Company's shares and number of shares to be acquired

The Trust shall acquire the Company's shares through the stock market or by underwriting the disposition of the Company's treasury stock, using the funds contributed in accordance with (4) above to finance the acquisitions and no new shares shall be issued.

As a reference, based on the assumption of the acquisition of the Company's shares at the closing price on March 25, 2019, the maximum number of shares that will be acquired using up to an upper limit of ¥800 million in funds contributed by the Company to finance the acquisition of the Company's shares to be distributed to Directors, etc. in relation to the Initial Covered Period will be 160,000 shares. The Company will disclose details of acquisitions of the Company's shares via the Trust in a timely and appropriate manner.

(6) Calculation method for the number of the Company's Shares, etc. to be distributed to Directors, etc.

For each business year, the Company shall provide Directors, etc. with points, the number of which is determined in light of factors such as their rank and level of performance in accordance with the director stock benefit rules.

Points granted to Directors, etc. shall be converted at a ratio of one share of common stock per point when providing the Company's Shares, etc. as described in (7) below. (However, in the event of a stock split, an allotment of shares without contribution, a stock consolidation or similar following the approval of this proposal, the number of points already granted or the conversion ratio will undergo a rational adjustment according to the ratio of the stock split, allotment of shares without contribution, stock consolidation or similar.)

The number of points that will serve as the basis for distribution of the Company's Shares, etc. described in (7) below shall, as a rule, be the number of points distributed to the Directors, etc. by the time of their retirement (hereinafter, the number of points calculated in this manner is referred to as the "Final Number of Points").

(7) Distribution of the Company's Shares, etc.

In the case where Directors, etc. have retired from office and satisfy the beneficiary requirements set out in the director stock benefit rules and the trust agreement of the Trust, the Directors, etc. concerned will, after retiring from office, receive distribution of the Company's shares from the Trust in a number according to the Final Number of Points as determined in accordance with the description in (6) above, as a rule, after taking prescribed procedure for determining beneficiaries.

However, in the case where Directors, etc. meet the requirements stipulated in the director stock benefit rules, they shall receive in respect of a certain percentage of the points granted to them an amount of cash equivalent to the market price of the Company's shares in place of distribution of the Company's shares. The Trust may sell the Company's shares in order to provide the cash.

(8) Exercise of voting rights

In accordance with instructions from the trust administrator, the voting rights represented by the Company's shares held in the Trust's account shall not be exercised without any exception. Adoption of this approach is intended to ensure neutrality in the management of the Company with respect to the exercise of voting rights represented by the Company's shares held in the Trust's account.

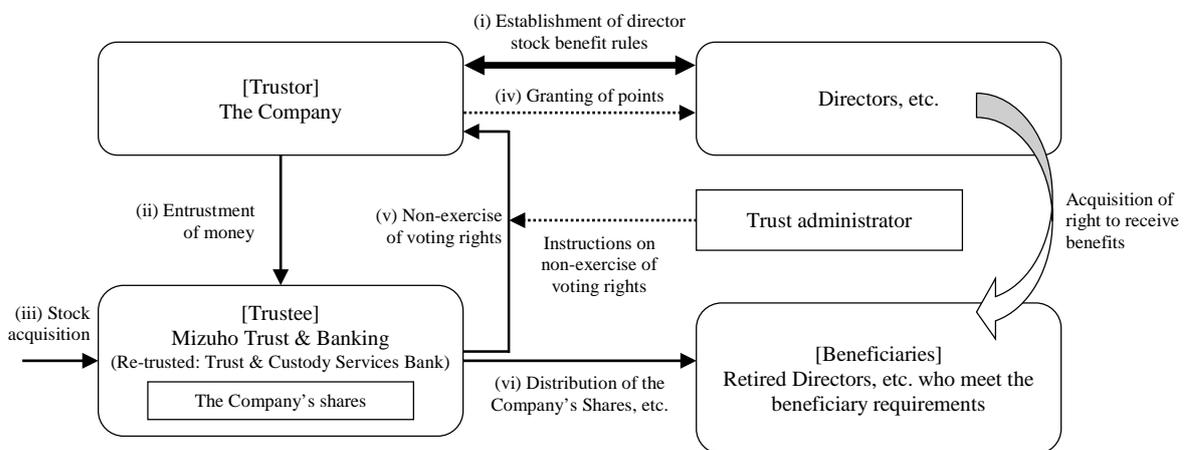
(9) Treatment of dividends

The Trust shall receive dividends from the Company's shares held in the Trust's account and shall use them for payment to acquire the Company's shares and for trust fees, etc. for the trustee of the Trust. In addition, in the case where the Trust is terminated, dividends remaining in the Trust shall be distributed to Directors, etc. in office at that time, according to the number of points held by each on a pro rata basis, in accordance with the provisions of the director stock benefit rules.

(10) Treatment upon termination of the Trust

The Trust shall terminate in the case where grounds such as a delisting of the Company's shares or the termination of the director stock benefit rules have arisen. The Company plans to acquire without consideration all the Company's shares included in the remaining assets of the Trust upon termination of the Trust and to then cancel them by a resolution of the Board of Directors. As for the cash included in the remaining assets of the Trust upon termination of the Trust, the balance after deduction of the cash distributed to Directors, etc. in accordance with (9) above shall be distributed to the Company.

<Reference: Framework of the Plan>



- (i) The Company establishes director stock benefit rules within the framework of approval of this proposal.
- (ii) The Company entrusts the money within the amount approved at this proposal.
- (iii) The Trust acquires the Company's shares through the stock market or by underwriting the disposition of the Company's treasury stock using the money entrusted in (ii) as funds.
- (iv) The Company grants points to the Directors, etc. based on the director stock benefit rules.
- (v) In accordance with instructions from the trust administrator, who is independent from the Company, the Trust shall not exercise voting rights concerning the Company's shares in the Trust account.
- (vi) The Trust distributes to those among the retired Directors, etc. who meet the beneficiary requirements stipulated in the director stock benefit rules and the trust agreement of the Trust (hereinafter referred to as the "Beneficiaries") the Company's shares based on the number of points granted to the Beneficiaries. However, in the case where Directors, etc. meet the requirements stipulated in the director stock benefit rules, they shall receive in respect of a certain percentage of the points granted to them an amount of cash equivalent to the market price of the Company's shares.