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Securities Code 4151  
March 3, 2020

Dear Shareholders,

Masashi Miyamoto  
Executive Director of the Board,  
President and Chief Executive Officer  
Kyowa Kirin Co., Ltd.  
1-9-2 Otemachi, Chiyoda-ku, Tokyo

### **Notice of Convocation of the 97th Ordinary General Meeting of Shareholders**

Please be advised that the 97th Ordinary General Meeting of Shareholders (the “**Meeting**”) of Kyowa Kirin Co., Ltd. (the “**Company**”) will be held as set forth below. You are cordially requested to attend the Meeting.

You may exercise your voting rights in either of the following methods. Please review the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights.

#### **Guidance for the Exercise of Voting Rights**

##### If attending the Meeting

Please bring the enclosed Voting Form and present it at the reception of the meeting venue. In addition, please bring this “Notice of Convocation” with you.

##### If exercising voting rights by postal mail

Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Form and return it to reach us by 5:40 p.m. on Wednesday, March 18, 2020 (JST), the day before the Meeting.

##### If exercising voting rights via the Internet, etc.

Please access the voting website (<https://www.web54.net>; in Japanese only) and indicate your approval or disapproval of each of the proposals via the Internet, etc., by 5:40 p.m. on Wednesday, March 18, 2020 (JST), the day before the Meeting.

## **Details of the Meeting**

### **1. Date and Time:**

March 19, 2020 (Thursday), at 10:00 a.m. (JST)

### **2. Venue:**

“Aoi,” 2F, PALACE HOTEL TOKYO  
1-1-1 Marunouchi, Chiyoda-ku, Tokyo

### **3. Agenda:**

Matters to be reported:

1. Business Report, Consolidated Financial Statements, as well as the audit reports of the Accounting Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements, for the 97th fiscal year (from January 1, 2019 to December 31, 2019)
2. Non-consolidated Financial Statements for the 97th fiscal year (from January 1, 2019 to December 31, 2019)

Matters to be resolved:

- Proposal No. 1: Appropriation of surplus
- Proposal No. 2: Partial amendment to the Articles of Incorporation
- Proposal No. 3: Election of seven (7) Directors of the Board
- Proposal No. 4: Election of one (1) Audit & Supervisory Board Member
- Proposal No. 5: Determination of remuneration amount for allotting restricted shares to Directors of the Board

### **4. Other Decisions on the Convocation of the Meeting:**

In the case that voting rights are exercised in duplicate, via both postal mail and the Internet, etc., the vote via the Internet, etc. shall be deemed valid.

In the case that multiple votes are received via the Internet, etc., the last vote shall be deemed valid.

End

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- If attending the Meeting in person, please present the enclosed Voting Form at the reception of the meeting venue. In addition, please bring this “Notice of Convocation” with you to conserve paper. We would appreciate it if you could arrive ahead of time to avoid congestion at the reception.
  - Of the documents to be provided to shareholders with this convocation notice, matters to be stated or presented in the notes to the Consolidated Financial Statements and the notes to the Non-consolidated Financial Statements are deemed to have been provided to shareholders in writing by means of posting on the website of the Company, pursuant to the provisions of relevant laws and regulations and the Company’s Articles of Incorporation. The Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Audit & Supervisory Board Members and the Accounting Auditor consist of the documents stated in the documents attached to the Notice of Convocation of the Ordinary General Meeting of Shareholders, as well as the notes to the Consolidated Financial Statements and the notes to the Non-consolidated Financial Statements posted on the Company’s website.
  - If any changes are required in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements, the changes will be posted on the Company’s website.

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The Company’s website: <https://ir.kyowakirin.com/en/>

## Reference Documents for the General Meeting of Shareholders

### Proposals and References:

#### **Proposal No. 1:**      Appropriation of surplus

The basis of the Company's policy regarding the distribution of profits is to pay dividends stably in light of a comprehensive consideration of factors including consolidated results and dividend payout ratio for each fiscal year, while also increasing its retained earnings for future business development and other purposes. As the dividend policy, the Company sets its target consolidated dividend payout ratio at 40% in the FY2016-2020 Medium-term Business Plan. The Company intends to ensure stable and continuous increase in the level of dividend payment in line with growth in profits.

Based on this policy, the Company intends to pay a year-end dividend of ¥22 per share for the 97th fiscal year, as described below. Combined with the interim dividend of ¥20 per share, this will result in an annual dividend of ¥42 per share, an increase of ¥7 compared to the annual dividend for the previous fiscal year.

#### Year-end dividend

- (1) Type of dividend property:  
Cash
- (2) Allocation of dividend property and total amount thereof:  
¥22 per share of the Company's ordinary shares  
Total amount: ¥11,812,826,630
- (3) Effective date of dividends of surplus:  
March 23, 2020

**Proposal No. 2:** Partial amendment to the Articles of Incorporation

1. Reason for amendment

The Company shall appoint the Convener and Chairman of a meeting of the Board of Directors by resolution of the Board of Directors in order to further enhance the effectiveness of the Board of Directors by conducting flexible management and nominations.

2. Details of amendment

The details of the proposed amendment are as follows. This amendment shall take effect at the conclusion of this Meeting.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendment
Article 23. ( <u>Convener and Chairman</u> of a meeting of the Board of Directors) <u>A meeting of the Board of Directors shall, unless otherwise provided for in laws and regulations, be convened by the Chairman of the Board, who shall assume chairmanship. In cases where the office of the Chairman of the Board is vacant or in cases where the Chairman of the Board is unable to so act, the person who shall take his or her place to convene a meeting of the Board of Directors and assume the chairmanship thereof shall be the President, or in cases where the President is unable to so act, another Director of the Board in the order previously determined by the Board of Directors.</u>	Article 23. ( <u>Chairman</u> of a meeting of the Board of Directors) The Board of Directors shall, <u>by resolution of the same, appoint from among the Directors of the Board one (1) Chairman.</u> In cases where the <u>Director of the Board</u> is unable to so act, another Director of the Board <u>shall take his or her place</u> in the order previously determined by the Board of Directors.

(Note) Some underlining does not coincide with the Japanese version because of translation adjustments.

**Proposal No. 3:** Election of seven (7) Directors of the Board

As of the conclusion of the Meeting, the terms of office of all eight (8) Directors of the Board will expire. In that regard, based on the report from the Nomination & Remuneration Consultative Committee, which is chaired by an outside Director of the Board and made up of four (4) members selected from the outside Directors of the Board and Audit & Supervisory Board Members and three (3) members selected from the internal Directors of the Board and Audit & Supervisory Board Members, and in the interest of enhancing the flexibility of decision making, shareholders are requested to elect seven (7) Directors of the Board including three (3) outside Directors of the Board.

The candidates for the positions of Directors of the Board are as follows:

Candidate No.	Name	Current position and areas of responsibility in the Company	Board of Directors Meeting Attendance
1	Masashi Miyamoto <div>Candidate for Director to be reelected</div>	*Executive Director of the Board, President and Chief Executive Officer	100% (13/13)
2	Yutaka Osawa <div>Candidate for Director to be reelected</div>	*Executive Director of the Board, Executive Vice President Quality Management Department Regulatory Affairs Department	100% (13/13)
3	Toshifumi Mikayama <div>Candidate for Director to be reelected</div>	Director of the Board, Senior Managing Executive Officer Supervising Overseas Business	100% (13/13)
4	Noriya Yokota <div>Candidate for Director to be reelected</div>	Director of the Board	84.6% (11/13)
5	Kentaro Uryu <div>Candidate for Director to be reelected</div> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	Outside Director of the Board	100% (13/13)
6	Akira Morita <div>Candidate for Director to be reelected</div> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	Outside Director of the Board	100% (9/9)
7	Yuko Haga <div>Candidate for Director to be reelected</div> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	Outside Director of the Board	100% (9/9)

(Note) Executive Director of the Board above \* concurrently serves as Executive Officer.

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
1.	<div>Candidate for Director to be reelected</div> <p>Masashi Miyamoto (Jul. 16, 1959)</p>	<p>Apr. 1985: Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)</p> <p>Apr. 2011: Director, Regulatory Affairs Department of Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)</p> <p>Mar. 2012: Executive Officer, Director, Regulatory Affairs Department of Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Jul. 2014: Executive Officer, Director, Strategic Product Portfolio Department and Regulatory Affairs Department of Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2015: Executive Officer, Director, Strategic Product Portfolio Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2017: Director of the Board, Managing Executive Officer, Director, Strategic Product Portfolio Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2017: Director of the Board, Managing Executive Officer, Director, Corporate Strategy &amp; Planning Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2018: Executive Director of the Board, President and Chief Operating Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2019: Executive Director of the Board, President and Chief Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <div>Reasons for appointing him as a candidate for Director of the Board:</div> <p>Mr. Masashi Miyamoto was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of decision making on material matters of management and supervising the execution of operations as Executive Director of the Board, using his extensive experience and high level of insight regarding overall business management, to push forward various measures for CSV management* and for making a leap forward to become a global specialty pharmaceutical company with his strong leadership, and to promote sustainable growth and enhanced corporate value of the Group.</p>	21,200 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
		*CSV management: Management that seeks corporate growth through providing solutions to challenging issues in society. (CSV: Creating Shared Value)	



No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
2.	<div>Candidate for Director to be reelected</div> <p>Yutaka Osawa (Oct. 17, 1959)</p>	<p>Apr. 1984: Joined Kyowa Hakko Kogyo Co., Ltd.</p> <p>Apr. 2007: Director, Pharmaceutical Production Development Department, Kyowa Hakko Kogyo Co., Ltd.</p> <p>Oct. 2008: Director, CMC Development Department, Development Division, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)</p> <p>Apr. 2009: Director, Production Planning Department, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2013: Executive Officer, Director, Production Planning Department, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Apr. 2014: Executive Officer, Vice President Head, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2017: Managing Executive Officer, Vice President Head, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2018: Director of the Board, Managing Executive Officer, Vice President Head, Production Division, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2019: Executive Director of the Board, Executive Vice President, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <div>Position and areas of responsibility:</div> <p>Quality Management Department Regulatory Affairs Department</p> <div>Reasons for appointing him as a candidate for Director of the Board:</div> <p>Mr. Yutaka Osawa was selected as a candidate for Director of the Board because the Company has judged that he has profound knowledge and high level of insights gained through his extensive experience regarding research and development, overseas development and manufacturing and is the right person to fully perform the role of decision making on material matters of management and supervising the execution of operations as Executive Director of the Board, and to steadily deliver the important mission of ensuring stable supply of high quality products as a pharmaceutical company.</p>	20,900 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
3.	<div>Candidate for Director to be reelected</div> <p>Toshifumi Mikayama (Jul. 18, 1957)</p>	<p>Apr. 1983: Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)</p> <p>Mar. 2004: General Manager, Planning Division of Pharmaceutical Division, Kirin Brewery Company, Limited</p> <p>Jul. 2007: Director, Executive Officer, Head, Research Division, Kirin Pharma Company, Limited</p> <p>Oct. 2008: Executive Officer, Head, Research Division, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)</p> <p>Apr. 2010: Executive Officer, Director, Corporate Strategy &amp; Planning Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2012: Managing Executive Officer, Director, Overseas Business Department, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2014: Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2018: Director of the Board, Senior Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <p><b>Position and areas of responsibility:</b> Supervising Overseas Business</p> <p><b>Reasons for appointing him as a candidate for Director of the Board:</b> Mr. Toshifumi Mikayama was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of decision making on material matters of management and supervising the execution of operations as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to promote the growth of overseas business continuously, driving the Company forward to a global specialty pharmaceutical company.</p>	31,500 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
4.	<div>Candidate for Director to be reelected</div> <p>Noriya Yokota (Feb. 3, 1961)</p>	<p>Apr. 1984: Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)</p> <p>Mar. 2006: Managing Director, Kirin Australia Pty. Ltd.</p> <p>Mar. 2011: General Manager, Sendai Plant, Production Division, Kirin Brewery Company, Limited</p> <p>Mar. 2014: General Manager, Production Department of Production Division, Kirin Brewery Company, Limited</p> <p>Apr. 2015: Director of Group Personnel &amp; General Affairs, Kirin Holdings Company, Limited Executive Officer, General Manager of Personnel &amp; General Affairs Department, Kirin Company, Limited (presently Kirin Holdings Company, Limited)</p> <p>Mar. 2017: Senior Executive Officer, Director, Corporate Strategy, Kirin Holdings Company, Limited Director of the Board, Senior Executive Officer, Kirin Company, Limited Director of the Board, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.) (to present)</p> <p>Mar. 2018: Director of the Board, Senior Executive Officer &amp; CFO, Kirin Holdings Company, Limited (to present) Senior Executive Officer, Kirin Company, Limited</p> <div>Reasons for appointing him as a candidate for Director of the Board:</div> <p>Mr. Noriya Yokota was selected as a candidate for Director of the Board because the Company has judged that he is the right person to perform the role of decision making on material matters of management and supervising the execution of operations as Director of the Board, using his extensive experience and high level of insight regarding overall business management, and to promote tight-knit cooperation with Kirin Group companies which have various business bases aimed at facilitating contribution to health and well-being of people by providing solutions responding to various medical needs, through making use of our various business bases.</p>	0 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
5.	<div>Candidate for Director to be reelected</div> <p>Kentaro Uryu (Jan. 2, 1965)</p> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	<p>Apr. 1995: Admitted to Tokyo Bar Association Joined Tsunematsu Yanase &amp; Sekine Law Firm (presently Nagashima Ohno &amp; Tsunematsu Law Firm)</p> <p>Jan. 1996: Joined Matsuo &amp; Kosugi Law Firm</p> <p>Feb. 1999: Joined Salomon Smith Barney (presently Citigroup Global Markets Japan Inc.)</p> <p>Apr. 2000: Long term expert, Japan International Cooperation Agency</p> <p>Aug. 2002: Attorney-at-Law, Managing Partner, Uryu &amp; Itoga Law Firm (to present)</p> <p>Aug. 2008: CEO, U&amp;I Advisory Service Co., Ltd. (to present)</p> <p>Mar. 2015: Outside Audit &amp; Supervisory Board Member, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)</p> <p>Jun. 2015: Outside Audit &amp; Supervisory Board Member, ITOCHU Corporation (to present)</p> <p>Mar. 2018: Outside Director of the Board, Kyowa Hakko Kirin Co., Ltd. (to present)</p> <div>Reasons for appointing him as a candidate for outside Director of the Board:</div> <p>Mr. Kentaro Uryu was selected as a candidate for outside Director of the Board because the Company has judged that he has applied his professional views as attorney-at-law and extensive experience to business management of the Company since his assumption of office as outside Audit &amp; Supervisory Board Member in March 2015 and as outside Director of the Board in March 2018, and is the right person to fully perform the role of decision making on material matters of management and supervising the execution of operations. The Company has judged that he will continue to utilize his experience and high level of insight as legal professional in the management of the Company.</p>	2,800 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
6.	<div>Candidate for Director to be reelected</div> <p>Akira Morita (Apr. 22, 1951)</p> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	<p>Oct. 1993: Professor, Faculty of Law and Economics, Chiba University</p> <p>Apr. 1994: Professor, The University of Tokyo Graduate Schools for Law and Politics</p> <p>Apr. 2004: Dean, Professor, Graduate School of Public Policy, The University of Tokyo</p> <p>Jul. 2008: Director, Policy Alternatives Research Institute, The University of Tokyo</p> <p>Apr. 2011: Chairman, Central Social Insurance Medical Council, Ministry of Health, Labour and Welfare</p> <p>Apr. 2012: Professor, Department of Political Studies, Faculty of Law, Gakushuin University</p> <p>Jun. 2012: Emeritus Professor, The University of Tokyo (to present)</p> <p>Apr. 2014: Director-General, National Institute of Population and Social Security Research</p> <p>Aug. 2014: Adjunct Professor, National Graduate Institute for Policy Studies (to present)</p> <p>Apr. 2017: Professor, Department of Policy Studies, Tsuda University (to present) Visiting Professor, Mie University Graduate School of Medicine (to present)</p> <p>Apr. 2018: Director-General, Research Institute of Science and Technology for Society, Japan Science &amp; Technology Agency (to present)</p> <p>Mar. 2019: Outside Director of the Board, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.) (to present)</p> <div>Reasons for appointing him as a candidate for outside Director of the Board:</div> <p>Mr. Akira Morita was selected as a candidate for outside Director of the Board because the Company has judged he will contribute toward reinforcing the Company's governance function and in other ways by supervising the execution of operations from an independent standpoint and reflecting in the Company's management a perspective of protecting the rights of the general shareholders. The Company has judged that he will continue to utilize his academic experience and extensive knowledge as a researcher in the field of policy studies as well as his experience serving on deliberating committees for national and local government in the management of the Company.</p>	300 shares

No.	Name (Date of birth)	Career summary and position and areas of responsibility in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
7.	<div>Candidate for Director to be reelected</div> <p>Yuko Haga (Dec. 8, 1955)</p> <div>Candidate for outside Director of the Board</div> <div>Candidate for Independent Director</div>	<p>Apr. 1989: Senior Consultant, Tokyo Office, Price Waterhouse Consultants</p> <p>Apr. 1991: Representative, Haga Management Consulting Office (to present)</p> <p>Apr. 2008: Executive Officer, Sompo Japan Healthcare Services Inc.</p> <p>Feb. 2010: Director, Social Welfare Corporation Fujikenikukai (to present)</p> <p>Apr. 2010: Visiting Professor, Department of Policy Management, Faculty of Policy Management, Shobi University</p> <p>Apr. 2017: Associate Professor, Graduate School of Management, NUCB Business School (to present)</p> <p>Jun. 2017: Board Member, Non Profit Organization Japan Abilities Association (to present)</p> <p>Mar. 2019: Outside Director of the Board, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.) (to present)</p> <div>Reasons for appointing her as a candidate for outside Director of the Board:</div> <p>Ms. Yuko Haga was selected as a candidate for outside Director of the Board because the Company has judged she will contribute toward reinforcing the Company's governance function and in other ways by supervising the execution of operations from an independent standpoint and reflecting in the Company's management a perspective of protecting the rights of the general shareholders. The Company has judged that she will continue to utilize her wealth of experience in the fields of medical treatment, nursing care, and healthcare, gained from her wide-ranging activities as a management consultant, as well as her insight as a researcher in corporate strategy in the management of the Company.</p>	700 shares

- (Notes)
1. No special interests exist between the Company and each candidate.
  2. Kirin Holdings Company, Limited, which holds 53.49% of the Company's total number of issued shares (as of December 31, 2019), is the Company's parent.
  3. Kirin Company, Limited was merged, by absorption-type merger, into Kirin Holdings Company, Limited, the Company's parent, on July 1, 2019.
  4. Kirin Australia Pty. Ltd. was a subsidiary of Kirin Brewery Company, Limited. However, all of its shares were transferred to GrainCorp Limited's subsidiary Barrett Burston Malting Co. Pty. Ltd. in April 2011.
  5. Of the candidates for Directors of the Board, Mr. Kentaro Uryu, Mr. Akira Morita and Ms. Yuko Haga are candidates for outside Directors of the Board.
  6. Although Mr. Akira Morita has not been directly engaged in corporate management, the Company has judged from his experience as professor of a university, a director of a public research institute, and the head of a government advisory body and other qualities

that he can appropriately perform his duties as an outside Director of the Board.

7. Mr. Kentaro Uryu, Mr. Akira Morita and Ms. Yuko Haga are outside Directors of the Board of the Company. As of the conclusion of the Meeting, their terms of office as outside Directors of the Board are as follows: two (2) years for Mr. Kentaro Uryu and one (1) year for Mr. Akira Morita and Ms. Yuko Haga.
8. Pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company has entered into agreements with each of Mr. Noriya Yokota, Mr. Kentaro Uryu, Mr. Akira Morita and Ms. Yuko Haga to limit their liability for damages stipulated in Article 423, Paragraph (1) of the same Act. The said agreements limit their liability for damages to the higher of ¥5 million or the minimum liability amount stipulated in Article 425, Paragraph (1) of the same Act. If this proposal is approved as proposed at the Meeting, the Company intends to continue the same liability limitation agreements with each of them.
9. The Company has notified the Tokyo Stock Exchange of the status of outside Directors of the Board, Mr. Kentaro Uryu, Mr. Akira Morita and Ms. Yuko Haga as independent directors under Tokyo Stock Exchange regulations. The Company intends to designate them again if their election as outside Directors of the Board is approved as proposed. Mr. Kentaro Uryu, Mr. Akira Morita and Ms. Yuko Haga meet the “Criteria for the Independence of Outside Directors and Outside Audit & Supervisory Board Members” established by the Company (on pages 18 and 19).

**Proposal No. 4:** Election of one (1) Audit & Supervisory Board Member

As of the conclusion of the Meeting, the term of office of Audit & Supervisory Board Member Mr. Akira Shimizu will expire. Accordingly, based on the report from the Nomination & Remuneration Consultative Committee, which is chaired by an outside Director of the Board and made up of four (4) members out of outside Directors of the Board and Audit & Supervisory Board Members and three (3) internal Directors of the Board and Audit & Supervisory Board Members, shareholders are requested to elect one (1) new Audit & Supervisory Board Member.

The Audit & Supervisory Board has consented to this proposal.

The candidate for the position of Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company, and significant positions concurrently held at other organizations	Number of shares of the Company held by the candidate
<div>Candidate for outside Audit &amp; Supervisory Board Member to be newly elected</div> Masaki Ueno (May 20, 1961)	<p>Apr. 1998: Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)</p> <p>Mar. 2012: General Manager, Legal Department, Kirin Holdings Company, Limited</p> <p>Jan. 2013: General Manager, Legal Department, Kirin Company, Limited (presently Kirin Holdings Company, Limited) Director of Group Legal, Kirin Holdings Company, Limited</p> <p>Apr. 2015: Executive Officer, General Manager, Legal Department, Kirin Company, Limited Executive Officer, Director of Group Legal, Kirin Holdings Company, Limited</p> <p>Apr. 2019: Executive Officer, General Manager, Legal Department, Kirin Holdings Company, Limited (to present) (Scheduled to retire on March 18, 2020)</p> <div>Reasons for appointing him as a candidate for outside Audit &amp; Supervisory Board Member: Mr. Masaki Ueno was newly selected as a candidate for outside Audit &amp; Supervisory Board Member because the Company has judged that, having long served in legal departments in the Kirin Group, he has a high level of insight and experience regarding corporate legal affairs including global M&amp;A; and thus, together with his experience in the Corporate Strategy &amp; Planning Department of Kirin Holdings Company, Limited, that he is a suitably qualified person with the ability of providing broad supervision of the Group and giving audit opinions based thereon.</div>	0 shares

- (Notes)
1. No special interests exist between the Company and the candidate.
  2. Kirin Holdings Company, Limited, which holds 53.49% of the Company's total number of issued shares (as of December 31, 2019), is the Company's parent.  
Mr. Masaki Ueno has been a person who executes business at Kirin Holdings Company, Limited for the past five years, and he currently holds this position.
  3. Kirin Company, Limited was merged, by absorption-type merger, into Kirin Holdings Company, Limited, the Company's parent, on July 1, 2019.



4. Mr. Masaki Ueno is a candidate for outside Audit & Supervisory Board Member.
5. Pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company intends to newly enter into an agreement with Mr. Masaki Ueno to limit his liability for damages stipulated in Article 423, Paragraph (1) of the same Act, if this proposal is approved as proposed at the Meeting. The said agreement limits his liability for damages to the higher of ¥5 million or the minimum liability amount stipulated in Article 425, Paragraph (1) of the same Act.

(Reference) “Criteria for the Independence of Outside Directors and Outside Audit & Supervisory Board Members”

In order for outside Directors of the Board and outside Audit & Supervisory Board Members of the Company to be judged as being independent, such outside Directors of the Board and outside Audit & Supervisory Board Members must not fall under any of the following items:

1. Director (*torishimariyaku*), audit & supervisory board member (*kansayaku*), executive officer (*shikkoyakuin*), manager (*shihainin*) or other employee of a parent company or fellow subsidiary of the Company  
“Fellow subsidiary” refers to another company that has the same parent company as the Company.
2. Director, audit & supervisory board member, corporate officer (*shikkoyaku*), executive officer, manager or other employee of a major shareholder of the Company (excluding a parent company of the Company)  
“Major shareholder” refers to a shareholder who holds 10% or more of voting rights.
3. Director, audit & supervisory board member, accounting advisor (*kaikeisanyo*), corporate officer, executive officer, manager or other employee of a company of which the Company is a major shareholder (excluding a subsidiary of the Company)
4. Person whose major business counterparty is the Company or a subsidiary of the Company  
“Person whose major business counterparty is the Company or a subsidiary of the Company” refers to a person who receives or makes payments from or to the Company or a subsidiary of the Company of 2% or more of that person’s annual total net sales in the most recent fiscal year.
5. Executive director (*gyomushikko torishimariyaku*), corporate officer, executive officer, manager or other employee of a company whose major business counterparty is the Company or a subsidiary of the Company  
“Company whose major business counterparty is the Company or a subsidiary of the Company” refers to a company which receives or makes payments from or to the Company or a subsidiary of the Company of 2% or more of that company’s annual consolidated net sales in the most recent fiscal year.
6. Major business counterparty of the Company  
“Major business counterparty of the Company” refers to a person who receives or makes payments from or to the Company of 2% or more of the Company’s annual consolidated net sales in the most recent fiscal year.
7. Executive director, corporate officer, executive officer, manager or other employee of a company that is a major business counterparty of the Company  
“A company that is a major business counterparty of the Company” refers to a company which receives or makes payments from or to the Company of 2% or more of the Company’s annual consolidated net sales in the most recent fiscal year.
8. Certified public accountant (or certified public tax accountant), or member, partner or employee of audit corporation (or tax accounting firm), that is the accounting auditor or accounting advisor of the Company or a subsidiary of the Company
9. Attorney-at-law, certified public accountant, certified public tax accountant or consultant, etc. who, excluding the remuneration received as a director or audit & supervisory board member, receives 10 million yen or more per year on average during the past three years of monetary consideration or other property benefits from the Company or a subsidiary of the Company

10. Member, partner or employee of a corporation, association, or other organization such as law firm, audit corporation, tax accounting firm, or consulting firm that receives monetary consideration or other property benefits of more than a certain amount from the Company or a subsidiary of the Company  
In this item, a corporation, association, or other organization above receives “more than a certain amount” when such organization, etc. receives 2% or more on average of the total net sales (total revenue) of the organization, etc. per year during the past three years.
11. Director, audit & supervisory board member, accounting advisor, corporate officer, executive officer, manager or other employee of a financial institution or other large creditor that is essential to the Company’s financing and that the Company is dependent on to a degree that there is no substitute
12. Director or other person who executes business in a corporation, association or other organization which receives donations or subsidies from the Company or a subsidiary of the Company more than a certain amount  
In this item, a corporation, association or other organization receives “more than a certain amount” when such organization, etc. receives, during the past three years, more than (i) 10 million yen per year on average or (ii) 30% on average of the annual total expenses of the organization, etc., whichever is higher.
13. Director, audit & supervisory board member, accounting advisor, corporate officer, or executive officer of a company or its subsidiary that has accepted a person from the Company or a subsidiary of the Company as a director (serving at that company on either a full-time or part-time basis)
14. Person who has come under a category listed in either of items 1 and 2 in the past five years
15. Person who has come under a category listed in any of items 4 through 8, and item 11 in the past three years
16. Spouse or first- to second-degree relative, or other relative sharing same residence of any person who has come under a category listed in any of items 1 through 15; provided, however, that any mention of “manager or other employee” shall be deemed to be replaced with “manager or other important employee.”
17. Spouse, first- to second-degree relative, or other relative sharing same residence of Director of the Board, Executive Officer, manager or other important employee of the Company
18. Spouse, first- to second-degree relative, or other relative sharing same residence of executive director, executive officer, manager or other important employee of a subsidiary of the Company
19. Spouse, first- to second-degree relative, or other relative sharing same residence of executive director or executive officer of the Company or a subsidiary of the Company in the past five years

**Proposal No. 5:** Determination of remuneration amount for allotting restricted shares to Directors of the Board

The remuneration amount for Directors of the Board of the Company, as it currently stands since approval at the 94th Ordinary General Meeting of Shareholders held on March 23, 2017, has a maximum monetary remuneration set at 500 million yen per year (of which, the portion for outside Directors of the Board is set at 50 million yen or less per year), and a maximum amount for share remuneration-type stock options set at 155 million yen per year, separate from monetary remuneration.

In this proposal, the Company proposes to allot, in lieu of share remuneration-type stock options, ordinary shares of the Company that are subject to a certain transfer restriction period and the Company's right to call without compensation under certain conditions (the "**Restricted Shares**") to Directors of the Board of the Company (limited to executive Directors of the Board of the Company; the same shall apply hereinafter in this proposal) as follows, with the objective of having Directors of the Board of the Company share in the benefits and risks of share price fluctuations with the shareholders, and providing greater incentive to the Directors of the Board of the Company to elevate the share price and boost corporate value.

As such, the Company hereby asks shareholders for approval to abolish the provisions concerning the amount of remuneration, etc. relating to the aforementioned share remuneration-type stock options, and with the comprehensive considerations of various factors including the contributions made by the Directors of the Board of the Company, to set 155 million yen per year as the maximum amount for monetary remuneration receivables to be provided to the Directors of the Board of the Company as remuneration, etc. linked to the Restricted Shares, which is separate from the aforementioned amount of monetary remuneration of the Directors of the Board.

The Company deems the details of the allotment of the Restricted Shares to be appropriate, which have been decided with the comprehensive considerations of various factors including the contributions made by the Directors of the Board of the Company.

If this proposal is approved and adopted, the Company will abolish the existing share remuneration-type stock option plan for Directors of the Board of the Company and thereafter discontinue the granting, to the Directors of the Board of the Company, of the share remuneration-type stock options pursuant to that plan.

If Proposal No. 3 is approved as proposed, the number of Directors of the Board eligible to receive the allotment of Restricted Shares will be three (3) persons.

## **Details and maximum number of the Restricted Shares for Directors of the Board of the Company**

### **1. Allotment of and payment for the Restricted Shares**

The Company will provide monetary remuneration receivables to Directors of the Board of the Company in an amount not exceeding the aforementioned annual amount as remuneration linked to the Restricted Shares in accordance with the resolution of the Board of Directors of the Company. Each Director of the Board will then receive allotments of the Restricted Shares upon providing all such monetary remuneration receivables in the form of contribution in kind.

The amount to be paid as a consideration for the Restricted Shares shall be determined, within the extent that it will not be particularly advantageous to the Directors of the Board who subscribe for such Restricted Shares, by the Board of Directors of the Company based on the closing price of the Company's ordinary shares on the Tokyo Stock Exchange on the business day immediately before the date of resolution by the Board of Directors of the Company regarding the issuance or disposition of the Restricted Shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

Such monetary remuneration receivables shall be provided to a Director of the Board of the Company on condition that the Director agrees to the aforementioned contribution in kind and enters into an agreement on allotment of the Restricted Shares which contains the terms and conditions specified in 3. below.

### **2. Total number of the Restricted Shares**

The maximum total number of the Restricted Shares allotted to Directors of the Board of the Company in each fiscal year shall be 200,000 shares.

However, if, on or after the day on which this proposal is approved, the Company performs a share split (including allotment of ordinary shares of the Company without compensation) or a consolidation of its ordinary shares, or any other reason arises necessitating an adjustment to the total number of the Restricted Shares allotted in such cases, the Company may make adjustments to such total number of the Restricted Shares in a reasonable manner.

### **3. Terms and conditions of an agreement on allotment of the Restricted Shares**

Set forth below are the terms and conditions to be provided in an agreement on allotment of the Restricted Shares that shall, at the time of the allotment of the Restricted Shares, be entered into between the Company and a Director of the Board eligible for the allotment of the Restricted Shares in accordance with the resolution of the Board of Directors of the Company.

#### **(1) Restrictions on transfer of shares**

Any Director of the Board who has received an allotment of the Restricted Shares may not transfer, create a pledge, create a transfer security interest, make a gift inter vivos, bequeath or otherwise do any act of disposing of such Restricted Shares allotted to that Director of the Board (the "**Allotted Shares**") to a third party (such restrictions hereinafter "**Transfer Restrictions**") for a period, determined by the Board of Directors of the Company in advance, that is not shorter than three (3) years and not longer than five (5) years from the allotment date (the "**Restriction Period Commencement Date**"; such period hereinafter "**Restriction Period**").

#### **(2) Acquisition of the Restricted Shares without compensation**

If any Director of the Board who has received an allotment of the Restricted Shares retires from all of the positions of Director of the Board and Executive Officer of the Company and its subsidiaries during the period between the Restriction Period Commencement Date and the day before the Ordinary General Meeting of Shareholders of the Company first held thereafter, the Company shall automatically acquire the Allotted Shares without compensation, unless there is a reason the Board of Directors of the Company deems justifiable.

(3) Lifting of Transfer Restrictions

On the condition that the Director of the Board who has received an allotment of the Restricted Shares has remained in the position of Director of the Board or Executive Officer of the Company or one of its subsidiaries during the period between the Restriction Period Commencement Date and the day of the Ordinary General Meeting of Shareholders of the Company first held thereafter, the Company shall lift the Transfer Restrictions for all of the Allotted Shares allotted to such Director of the Board upon expiration of the Restriction Period.

However, if such Director of the Board retires from all of the positions of Director of the Board and Executive Officer of the Company and its subsidiaries before the expiration of the Restriction Period due to a reason the Board of Directors of the Company deems justifiable, the Company shall reasonably adjust, as needed, the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of the lifting of Transfer Restrictions.

(4) Treatment in the event of reorganization, etc.

If, during the Restriction Period, proposals relating to a merger agreement in which the Company is the dissolving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall, by resolution of the Board of Directors of the Company and prior to the date on which the reorganization, etc. becomes effective, lift the Transfer Restrictions on the Allotted Shares with the number of shares that is reasonably determined by considering the period from the Restriction Period Commencement Date to the date of approval of the reorganization, etc.

In such case, the Company shall automatically acquire, without compensation, any Allotted Shares which still remain subject to the Transfer Restrictions as of the time immediately after the Transfer Restrictions have been lifted pursuant to the preceding sentence.

(Reference)

Following the conclusion of the Meeting, the Company intends to allot restricted shares similar to the aforementioned Restricted Shares to the Company's Executive Officers.

End