

This document has partly 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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities Code: 4021

June 3, 2020

To Those Shareholders with Voting Rights

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

NOTICE OF THE CONVOCAION OF THE 150th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 150th Ordinary General Meeting of Shareholders of Nissan Chemical Corporation (the “Company”). The meeting will be held as described below.

Instead of attending the meeting in person, 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., Wednesday, June 24, 2020 (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., Wednesday, June 24, 2020 (Japan Time).

- 1. Date and Time:** Thursday, June 25, 2020 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 150th fiscal year (from April 1, 2019 to March 31, 2020) 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 150th fiscal year (from April 1, 2019 to March 31, 2020)

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) Audit & Supervisory Board Member

- * For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.
- * 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 ¥48 per common share of the Company.

Under this proposal, the total amount of dividends paid is ¥6,990,893,856.

As the Company paid an interim dividend of ¥42, the annual dividend for the current fiscal year is ¥90 per share.

(3) Effective date of the distribution of surplus

June 26, 2020

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

The terms of office of all nine (9) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of nine (9) Directors, including three (3) Outside Directors, is proposed.

The selection of Director candidates is made based on the report of the Nomination and Remuneration Advisory Committee, a majority of whose members are independent Outside Directors.

The candidates for Directors are as follows:

Candidate No.	Name	Position/responsibilities in the Company	Attribute		
1	KINOSHITA Kojiro	Representative Director, President & CEO	Reelection		
2	MIYAZAKI Junichi	Director, Senior Executive Vice President Corporate Strategy & Coordination CFO Internal Audit Department, Finance & Accounting Department, and Environment, Safety & Quality Assurance Department	Reelection		
3	YAGI Shinsuke	Senior Managing Executive Officer Production Technology Head of Production Technology Department Chemicals Division	New Candidate		
4	MIYAJI Katsuaki	Director, Managing Executive Officer Head of Corporate Planning Department CRO	Reelection		
5	HONDA Takashi	Director, Managing Executive Officer Head of Agricultural Chemicals Division Purchasing Department	Reelection		
6	SUZUKI Hitoshi	Director, Managing Executive Officer Research & Development Head of Planning and Development Division Pharmaceuticals Division, Intellectual Property Department	Reelection		
7	OHE Tadashi	Outside Director	Reelection	Outside Director	Independent Officer
8	OBAYASHI Hidehito	Outside Director	Reelection	Outside Director	Independent Officer
9	KATAOKA Kazunori		New Candidate	Outside Director	Independent Officer

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
1	 KINOSHITA Kojiro (April 19, 1948) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Reelection</div> Attendance at meetings of the Board of Directors 12/12	Apr. 1977 Joined the Company Jun. 2002 Director, Head of Corporate Planning Department of the Company Jun. 2006 Managing Director of the Company Jun. 2008 Representative Director, President & CEO of the Company (to the present) (Position and responsibilities in the Company) Representative Director, President & CEO	95,400
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. KINOSHITA Kojiro 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="233 712 435 808">MIYAZAKI Junichi (October 9, 1951)</p> <p data-bbox="280 853 387 882"><u>Reelection</u></p> <p data-bbox="233 927 435 1055">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 1268 353">Apr. 1974 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 365 1214 425">Jun. 2000 General Manager, International Department of The Industrial Bank of Japan, Limited</p> <p data-bbox="475 436 1214 497">Jun. 2003 Corporate Auditor of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 508 1252 607">Apr. 2005 Managing Executive Officer of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p data-bbox="475 618 1198 647">Jul. 2005 Managing Director of Kowa Real Estate Co., Ltd.</p> <p data-bbox="475 658 916 687">Apr. 2006 Advisor of the Company</p> <p data-bbox="475 698 920 728">Jun. 2006 Director of the Company</p> <p data-bbox="475 739 1134 799">Apr. 2007 Director, Head of Corporate Administration Department of the Company</p> <p data-bbox="475 810 1042 840">Jun. 2008 Managing Director of the Company</p> <p data-bbox="475 851 1123 880">Jun. 2011 Senior Managing Director of the Company</p> <p data-bbox="475 891 1182 952">Apr. 2013 Director, Senior Executive Vice President of the Company (to the present)</p> <p data-bbox="475 963 1002 992">(Position and responsibilities in the Company)</p> <p data-bbox="475 1003 949 1032">Director, Senior Executive Vice President</p> <p data-bbox="475 1043 877 1072">Corporate Strategy & Coordination</p> <p data-bbox="475 1084 533 1113">CFO</p> <p data-bbox="475 1124 1241 1184">Internal Audit Department, Finance & Accounting Department, and Environment, Safety & Quality Assurance Department</p>	32,700
<p data-bbox="220 1189 847 1218">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 1229 1417 1442">Mr. MIYAZAKI Junichi 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 operational experience, overseas 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="244 645 424 712">YAGI Shinsuke (June 13, 1962)</p> <p data-bbox="256 752 411 786">New Candidate</p>	<p data-bbox="475 293 1273 618"> Apr. 1985 Joined the Company Apr. 2013 Deputy Plant Manager of Onoda Plant of the Company Apr. 2016 Executive Officer, Plant Manager of Sodegaura Plant of the Company Apr. 2018 Managing Executive Officer, Head of Production Technology Department of the Company Apr. 2020 Senior Managing Executive Officer, Head of Production Technology Department of the Company (to the present) </p> <p data-bbox="475 629 1002 875"> (Position and responsibilities in the Company) Senior Managing Executive Officer Production Technology Head of Production Technology Department Chemicals Division (Significant position concurrently held) President of Nissan Engineering Corporation </p>	8,400
<p data-bbox="217 887 847 913">Reason for the nomination of the candidate for Director</p> <p data-bbox="217 920 1414 1140"> Mr. YAGI Shinsuke has been engaged in production technology in the chemicals, pharmaceuticals, and performance materials fields for many years, and has been engaged in safe and stable facility operation as the Deputy Plant Manager of the Onoda Plant and the Plant Manager of the Sodegaura Plant. Since becoming the Head of Production Technology Department in April 2018, he has been contributing to the improvement of production systems for the Company Group's products and to their stable supply. The Company judges that Mr. YAGI is qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and 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="229 651 443 719">MIYAJI Katsuaki (January 27, 1961)</p> <p data-bbox="280 763 389 790">Reelection</p> <p data-bbox="233 835 437 965">Attendance at meetings of the Board of Directors 12/12</p>	<p data-bbox="475 293 1270 864"> 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>	12,600
<p data-bbox="220 1025 847 1055">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 1061 1430 1279">Mr. MIYAJI Katsuaki 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>HONDA Takashi (March 8, 1959)</p> <p><u>Reelection</u></p> <p>Attendance at meetings of the Board of Directors 12/12</p>	<p>Apr. 1981 Joined the Company</p> <p>Feb. 1997 Vice President of Nissan Chemical Europe GmbH</p> <p>Jun. 2012 General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p>Apr. 2014 Executive Officer, Deputy Head of Agricultural Chemicals Division, General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p>Apr. 2017 Managing Executive Officer, Head of Agricultural Chemicals Division of the Company</p> <p>Jun. 2017 Director, Managing Executive Officer, Head of Agricultural Chemicals Division of the Company (to the present)</p> <p>(Position and responsibilities in the Company)</p> <p>Director, Managing Executive Officer Head of Agricultural Chemicals Division Purchasing Department</p> <p>(Significant position concurrently held)</p> <p>President of NC Agro Hakodate Corporation Representative Director of Nissan Chemical Europe S.A.S. Representative Director of Nissan Chemical Agro Korea Ltd. Chairman of Nissan Agro Tech India Private Limited Chairman of Nissan Bharat Rasayan Private Limited</p>	5,800
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. HONDA Takashi 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="236 842 434 943">SUZUKI Hitoshi (December 11, 1961)</p> <p data-bbox="280 981 389 1010"><u>Reelection</u></p> <p data-bbox="233 1055 437 1182">Attendance at meetings of the Board of Directors 11/12</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 1187 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 1187 1155">Jun. 2018 Director, Managing Executive Officer, Head of Performance Materials Division of the Company</p> <p data-bbox="475 1167 1238 1261">Apr. 2020 Director, Managing Executive Officer, Head of Planning and Development Division of the Company (to the present)</p> <p data-bbox="475 1272 1002 1301">(Position and responsibilities in the Company)</p> <p data-bbox="475 1312 906 1341">Director, Managing Executive Officer</p> <p data-bbox="475 1352 772 1382">Research & Development</p> <p data-bbox="475 1393 986 1422">Head of Planning and Development Division</p> <p data-bbox="475 1433 1155 1462">Pharmaceuticals Division, Intellectual Property Department</p>	8,500
<p data-bbox="220 1453 847 1482">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 1494 1445 1675">Mr. SUZUKI Hitoshi 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>OHE Tadashi (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</p> <p>Outside Corporate Auditor of Marui Group Co., Ltd.</p> <p>Outside Director of JECO Co., Ltd.</p>	3,000
<p>Reason for the nomination of the candidate for Outside Director</p> <p>Mr. OHE Tadashi 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
8	 <p data-bbox="236 595 424 689">OBAYASHI Hidehito (April 22, 1944)</p> <p data-bbox="236 725 432 824"> Reelection Outside Director Independent Officer </p> <p data-bbox="236 869 437 999"> Attendance at meetings of the Board of Directors 10/10 </p>	<p data-bbox="475 293 863 322">Apr. 1969 Joined Hitachi, Ltd.</p> <p data-bbox="475 333 1219 398">Oct. 2001 Director of Hitachi High-Technologies Corporation (currently Hitachi High-Tech Corporation)</p> <p data-bbox="475 405 1251 468">Jun. 2003 Vice President and Executive Officer of Hitachi High-Technologies Corporation</p> <p data-bbox="475 474 1272 571">Apr. 2006 Representative Executive Officer, Senior Vice President and Executive Officer of Hitachi High-Technologies Corporation</p> <p data-bbox="475 577 1240 674">Apr. 2007 Director, Representative Executive Officer, President and Chief Executive Officer of Hitachi High-Technologies Corporation</p> <p data-bbox="475 680 1240 745">Jun. 2011 Chairman of the Board of Hitachi High-Technologies Corporation</p> <p data-bbox="475 752 1201 817">Jun. 2013 Chairman Emeritus of Hitachi High-Technologies Corporation (to the present)</p> <p data-bbox="475 824 1192 853">Jun. 2019 Outside Director of the Company (to the present)</p> <p data-bbox="475 860 1002 896">(Position and responsibilities in the Company)</p> <p data-bbox="475 902 668 931">Outside Director</p> <p data-bbox="475 938 935 967">(Significant positions concurrently held)</p> <p data-bbox="475 974 1091 1003">Chairman Emeritus of Hitachi High-Tech Corporation</p>	0
<p data-bbox="217 1014 943 1043">Reason for the nomination of the candidate for Outside Director</p> <p data-bbox="217 1050 1437 1205">Mr. OBAYASHI Hidehito served as Chairman of the Board of Hitachi High-Tech 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 again nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
9	 <p>KATAOKA Kazunori (November 27, 1950)</p> <p><u>New Candidate</u> <u>Outside Director</u> <u>Independent Officer</u></p>	<p>Apr. 1979 Assistant Professor of Institute of Biomedical Engineering at Tokyo Women's Medical University</p> <p>Aug. 1988 Associate Professor of Institute of Biomedical Engineering at Tokyo Women's Medical University</p> <p>Oct. 1994 Professor of Faculty of Industrial Science and Technology at Tokyo University of Science</p> <p>Apr. 1998 Professor of Graduate School of Engineering at The University of Tokyo</p> <p>Jul. 2004 Professor of Graduate School of Medicine at The University of Tokyo</p> <p>Jul. 2015 Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion (to the present)</p> <p>Jun. 2016 Professor Emeritus and Project Professor at The University of Tokyo (to the present)</p> <p>Jul. 2016 Deputy Chairman of Kawasaki Institute of Industrial Promotion (to the present)</p> <p>(Significant positions concurrently held) Deputy Chairman of Kawasaki Institute of Industrial Promotion Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion Professor Emeritus and Project Professor at The University of Tokyo</p>	0
<p>Reason for the nomination of the candidate for Outside Director</p> <p>Mr. KATAOKA Kazunori has been engaged in research involving the application of nanotechnologies in the fields of biomedical engineering and biomaterial engineering for many years and is currently serving as the Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion. The Company has nominated him as a candidate for Outside Director so that his expertise as doctor of engineering, abundant experience, and wide-ranging knowledge will be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Though Mr. KATAOKA does not have a past experience being involved in corporate management, for the above-mentioned reasons, the Company judges that Mr. KATAOKA will appropriately perform his duties as Outside Director.</p>			

- Notes: 1. No conflicts of interest exist between any of the candidates and the Company.
2. Messrs. OHE Tadashi, OBAYASHI Hidehito and KATAOKA Kazunori are candidates for Outside Director.
3. Mr. OHE Tadashi's 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. OBAYASHI Hidehito's term of office as Outside Director of the Company will aggregate to one year as of the conclusion of this Ordinary General Meeting of Shareholders.
4. The Company entered into agreements with Messrs. OHE Tadashi and OBAYASHI Hidehito 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 respectively. Likewise, if Mr. KATAOKA Kazunori's election is approved, the Company plans to enter into the same limited liability agreement with him.
5. Mr. OBAYASHI Hidehito serves as the Chairman Emeritus of Hitachi High-Tech Corporation. The Company has transactions with Hitachi High-Tech Corporation that includes purchase of analytical instruments. However, the amount paid by the Company as consideration for those transactions with Hitachi High-Tech 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-Tech Corporation.

6. Mr. KATAOKA Kazunori serves as the Professor Emeritus and Project Professor at The University of Tokyo. The Company has transactions with The University of Tokyo, such as contracted testing. However, the amount paid by the Company as consideration for those transactions with The University of Tokyo is deemed insignificant given that when averaged over the past three fiscal years, the payments amounted to less than 0.1% of annual ordinary revenue of The University of Tokyo.
7. Mr. OHE Tadashi is scheduled to retire as an Outside Corporate Auditor of Marui Group Co., Ltd. at the end of its 84th Ordinary General Meeting of Shareholders, which is scheduled to be held in 2020.
8. Mr. KATAOKA Kazunori is scheduled to be appointed as a Director of NanoCarrier Co., Ltd. at its 24th Ordinary General Meeting of Shareholders, which is scheduled to be held in 2020.
9. The Company has notified the Tokyo Stock Exchange of status of Messrs. OHE Tadashi and OBAYASHI Hidehito as independent officers. If their reelection is approved, the Company plans to notify the stock exchange of status of Messrs. OHE and OBAYASHI as independent officers again. Likewise, if Mr. KATAOKA Kazunori's election is approved, the Company plans to notify the stock exchange of Mr. KATAOKA's status as an independent officer.

Proposal No. 3: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Mr. SUZUKI Norihiro will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, election of one (1) Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has already given its approval to this proposal based on the report of the Nomination and Remuneration Advisory Committee, a majority of whose members are independent Outside Directors.

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

Name (Date of birth)	Career summary	Number of the Company's shares held
 <p>SUZUKI Norihiro (June 4, 1960)</p> <p>Reelection</p> <p>Outside Audit & Supervisory Board Member</p> <p>Independent Officer</p> <p>Attendance at meetings of the Board of Directors 12/12</p> <p>Attendance at meetings of the Audit & Supervisory Board 12/12</p>	<p>Apr. 1983 Joined The Norinchukin Bank</p> <p>Feb. 2003 General Manager of Naha Branch of The Norinchukin Bank</p> <p>Jul. 2008 General Manager of Cooperative Finance & Administration (Kanto Area) Div. of The Norinchukin Bank</p> <p>Jun. 2010 Seconded to Eiraku Co., Ltd. as President (currently Norinchukin Facilities Co., Ltd.)</p> <p>Jun. 2012 Managing Director of The Norinchukin Bank</p> <p>Jun. 2014 Director of Nochu Business Support Co., Ltd., and Director of Nochu Information System Co., Ltd.</p> <p>Jun. 2016 Outside Audit & Supervisory Board Member of the Company (to the present)</p> <p>(Position in the Company) Outside Audit & Supervisory Board Member</p>	<p>2,300</p>
<p>Reason for the nomination of the candidate for Outside Audit & Supervisory Board Member</p> <p>Mr. SUZUKI Norihiro possesses abundant experience and extensive knowledge including advanced expertise in finance developed through his long-time career in a financial institution. The Company judges Mr. SUZUKI can appropriately perform his duties as Outside Audit & Supervisory Board Member by reflecting such experience and knowledge in the Company's audits from an outside perspective and from an objective and neutral standpoint, and again nominated him as a candidate for Outside Audit & Supervisory Board Member.</p>		

- Notes:
1. No special conflicts of interest exist between Mr. SUZUKI Norihiro and the Company.
 2. Mr. SUZUKI Norihiro is a candidate for Outside Audit & Supervisory Board Member.
 3. Mr. SUZUKI Norihiro's term of office as Audit & Supervisory Board Member of the Company will aggregate to four years as of the conclusion of this Ordinary General Meeting of Shareholders.
 4. Although Mr. SUZUKI Norihiro once worked for a major financial institution with which the Company has borrowings, he is not and has not recently been a business executive at the institution and many years have passed since he left the institution (four years have passed as of the date of the

current Ordinary General Meeting of Shareholders). For this reason, the Company deems that he fulfills its independence standards for Outside Officers and that there is no possibility of a conflict of interest arising with general shareholders.

5. The Company has notified the Tokyo Stock Exchange of status of Mr. SUZUKI Norihiro as an independent officer. If his reelection is approved, the Company plans to notify the stock exchange of status of Mr. SUZUKI as an independent officer again.

(Reference) The Company's stance towards independency for Outside Directors and Outside Audit & Supervisory Board Members

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

The Company's independent Outside Officers (Directors and Audit & Supervisory Board Members) 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 audit & supervisory board member 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 Audit & Supervisory Board Member 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.

(Reference) Nomination and Remuneration Advisory Committee

On April 1, 2019, the Company established its Nomination and Remuneration Advisory Committee, which acts as an advisory body under the Board of Directors with the aims of strengthening the Board of Directors' independence, objectivity and accountability in relation to matters such as the nomination and remuneration of the Directors, and further enhancing corporate governance. In response to consultation by the Board of Directors, the committee deliberates on matters that include nomination of Director and Audit & Supervisory Board Member candidates, appointment of senior management, senior management succession planning, and remuneration of Directors. The committee then reports details of such deliberations to the Board of Directors.

A majority of the committee's members are independent Outside Directors, with no fewer than three of its members selected by resolution of the Board of Directors. The following individuals shall be named committee chair and committee members in the event that Proposal 2 "Election of Nine (9) Directors" is approved without change.

Committee chair: KINOSHITA Kojiro (President & CEO)

Committee member: OHE Tadashi (independent Outside Director)

Committee member: OBAYASHI Hidehito (independent Outside Director)

Committee member: KATAOKA Kazunori (independent Outside Director)

[End of Document]