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Stock Exchange Code 4202  
June 2, 2020

**To Shareholders with Voting Rights:**

Misao Fudaba  
Chairman of Board of Directors  
Daicel Corporation  
3-1, Ofuka-cho, Kita-ku,  
Osaka, Japan

**NOTICE OF  
THE 154TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We would like to express our deepest condolences to those infected or otherwise in the difficult living environment due to the spread of the coronavirus disease (COVID-19) infection.

You are hereby notified that the 154th Annual General Meeting of Shareholders of Daicel Corporation (the “Company”) will be held for the purposes described below.

In order to prevent the spread of COVID-19, the Japanese government and prefectural governors are currently strongly recommending all persons to stay at home. In response to this situation, as a result of careful consideration, we will be holding the General Meeting of Shareholders upon conducting appropriate infection preventive measures.

Under the situation of strong recommendation to stay at home, we would like to ask all our shareholders to exercise your voting rights in advance in writing or via the Internet, etc. as much as possible instead of attending the General Meeting of Shareholders from the perspective of preventing the spread of COVID-19.

Please review the hereinafter attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights in writing or via the Internet, etc. by 5:00 p.m. on Thursday, June 18, 2020, Japan time.

- 1. Date and Time:** Friday, June 19, 2020 at 10:00 a.m. Japan time  
(Reception begins at 9:00 a.m.)
- 2. Place:** HINOKI, 2F, InterContinental Osaka, North Tower C, GRAND FRONT  
OSAKA, located at 3-60 Ofuka-cho, Kita-ku, Osaka, Japan
- 3. Meeting Agenda:**  
**Proposals to be resolved:**
  - Proposal 1:** Appropriation of Surplus
  - Proposal 2:** Election of 10 Directors
  - Proposal 3:** Election of 2 Audit & Supervisory Board Members

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please bring this convocation notice to the meeting with you to help save resources.
- Should the Reference Documents for the General Meeting of Shareholders and the Appendix require revisions, the revised versions will be posted on the Company's website (<https://www.daicel.com>).
- To help conserve electricity, the air conditioning at the venue will be partially turned down. We would appreciate it if you could come to the meeting wearing light clothing.
- Please note that our officers and staff will be in light clothing ("cool biz") at the meeting.

<Notes to shareholders>

- We may update the above measures upon the situation of the spread of the disease and announcements made by the government until the day of the General Meeting of Shareholders. Please check the Company's website (<https://www.daicel.com>) on the Internet for the transmission of information.
- Attending shareholders are requested to bring and wear a face mask. We will set alcohol hand sanitizer for you to use near the reception desk at the meeting.
- We will take your temperature near the venue. Shareholders with fever, those that seem to be in a poor health condition, and those that came back to Japan from overseas within 14 days may be asked not to enter the venue. Please notify the receptionist if you came back to Japan and 14 days have not yet passed.
- Our officers and operation staff of the General Meeting of Shareholders will likewise take their temperatures and confirm their health conditions and wear a face mask.
- From the viewpoint of shortening the meeting in order to prevent the spread of COVID-19, we are considering of implementing measures for smooth operation compared to the previous years. We would like to ask you to read through the Notice in advance.

## **Regarding Matters to Be Reported for the 154th Fiscal Year**

We would like to offer an explanation regarding the “Business Report, Consolidated Financial Statements for the Company’s 154th Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements,” and the “Non-consolidated Financial Statements for the Company’s 154th Fiscal Year (April 1, 2019 - March 31, 2020)” (hereinafter referred to collectively as “Matters to Be Reported for the 154th Fiscal Year”), which were scheduled to be reported at the 154th Annual General Meeting of Shareholders to be held on June 19, 2020 (hereinafter “this General Meeting”).

The Company had planned to report the Matters to Be Reported for the 154th Fiscal Year to shareholders at this General Meeting, after the financial statements were prepared and other necessary procedures including the receipt of the audit report from the Accounting Auditor (hereinafter the “Financial Reporting Related Procedures”) were completed.

However, due to the impact of self-imposed restrictions required by countries around the world in response to the global spread of COVID-19, the preparation of consolidated financial statements and the accounting audit have been delayed, and the Financial Reporting Related Procedures have not yet been completed at present.

As a result, the Company has determined that it will be unable to report the Matters to Be Reported for the 154th Fiscal Year at this General Meeting.

The Company plans to report the Matters to Be Reported for the 154th Fiscal Year at an extraordinary General Meeting of Shareholders (hereinafter the “Extraordinary General Meeting”) held for this purpose, for which a record date will be decided later. Shareholders will be notified as soon as the date for the Extraordinary General Meeting is set. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 154th Fiscal Year, and the audit report by the Accounting Auditor and the audit report by the Audit & Supervisory Board, will be provided to shareholders as an attachment to the Notice of the Extraordinary General Meeting. Please understand that these documents have not been attached to the Notice of this General Meeting, for the reasons described above.

We sincerely apologize to all shareholders for the disruption and concern caused.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

Concerning the appropriation of surplus, the Company proposes as follows:  
Matters concerning the year-end dividends

The Company's basic dividend policy is to distribute profits in a balanced manner, taking into comprehensive consideration a shareholder return that is in line with the Company's consolidated financial results in each fiscal year, as well as enhancement of internal reserves to improve medium-to long-term shareholder value based on a more robust revenue base. The Company will also facilitate acquisition of its treasury stocks as a shareholder return measure to complement dividend payments in a flexible manner.

Internal reserves will be applied to investment in business expansion and reinforcement of highly-profitable business structures, such as R&D for new business development and strengthening of existing businesses, new construction and extension of facilities, and efficiency improvement measures. Through future business development, we will ensure a growing benefit to our shareholders.

During the 3-year 3D-III mid-term plan, which started in FY2017, we targeted a dividend payout ratio of 30%, and also flexibly conduct purchases of the Company's own shares.

Based on the policy mentioned above, the year-end dividend for the fiscal year under review will be 16 yen per share.

In addition, as the Company celebrated its 100th anniversary of foundation on September 8, 2019, the Company would like to pay a commemorative dividend of 2 yen per share to express our appreciation to all our shareholders for their long years of support for the Company.

Accordingly, the year-end dividend for the fiscal year under review would be 18 yen per share, including 16 yen per share for the ordinary dividend and 2 yen per share for the commemorative dividend as stated above.

- (1) Type of dividend property  
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof  
18 yen per share of common stock of the Company (16 yen per share for ordinary dividend and 2 yen per share for commemorative dividend for the 100th anniversary)  
Total amount: 5,594,070,888 yen  
(Note) The annual dividends for the fiscal year under review will be 34 yen per share including the interim dividends.
- (3) Effective date of distribution of surplus  
June 22, 2020

**Proposal 2: Election of 10 Directors**

The terms of office of all 10 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 10 Directors is proposed.

The candidates for Directors are as follows:

No.	Name	Current Positions and Responsibilities at the Company	
1	Misao Fudaba	Chairman of Board of Directors, Member of the Nomination and Compensation Committee	Reappointment
2	Yoshimi Ogawa	President and CEO, President, Member of the Nomination and Compensation Committee and Chairman of the Management Advisory Committee	Reappointment
3	Kotaro Sugimoto	Representative Director, Managing Executive Officer, Member of the Nomination and Compensation Committee, Member of the Management Advisory Committee, General Manager of Corporate Support Headquarters and Responsible for Corporate Compliance Program	Reappointment
4	Yasuhiro Sakaki	Senior Managing Executive Officer, Member of the Management Advisory Committee, General Manager of Strategic Planning Headquarters, Responsible for Safety SBU, Responsible for Healthcare SBU and Chairman of Daicel Safety Systems Americas, Inc.	New appointment
5	Akihisa Takabe	Director, Executive Officer, Member of the Management Advisory Committee, General Manager of Innovation and Business Development Headquarters, Responsible for Intellectual Property Center and Responsible for Quality Management Division	Reappointment
6	Masafumi Nogimori	Director and Chairman of the Nomination and Compensation Committee	Reappointment Outside Independent
7	Teisuke Kitayama	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent
8	Sonoko Hacchoji	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent
9	Toshio Asano	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent
10	Takeshi Furuichi	–	New appointment Outside Independent

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Misao Fudaba (February 23, 1956)  <u>Reappointment</u>	<p>April 1979      Joined the Company</p> <p>June 2006      Executive Officer of the Company Deputy Head of Corporate Support Center of the Company</p> <p>June 2008      Head of Raw Material Purchasing Center of the Company</p> <p>June 2010      President of the Company President and CEO of the Company</p> <p>June 2019      Chairman of Board of Directors of the Company</p> <p>(Positions and responsibilities) Chairman of Board of Directors and Member of the Nomination and Compensation Committee</p> <p>[Reasons for selection as a candidate for Director] Mr. Misao Fudaba has served as President and CEO of the Company from 2010 to 2019, and since he assumed his role as Chairman of Board of Directors, he has achievements in contributing to the improvement of corporate value as the Chairman. Based on his wealth of experience, achievements and insights in overall management of the Company, the Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.</p>	126,752
2	Yoshimi Ogawa (January 8, 1960)  <u>Reappointment</u>	<p>April 1983      Joined the Company</p> <p>June 2000      Head of Production Innovation Center, Production Technology Headquarters of the Company</p> <p>April 2002      Head of Business Process Innovation of the Company</p> <p>June 2006      Executive Officer of the Company Vice President of Aerospace &amp; Defense Systems/Safety Systems Company of the Company General Manager of Harima Plant, Aerospace &amp; Defense Systems/Safety Systems Company of the Company</p> <p>June 2009      Head of Production Technology of the Company Responsible for Responsible Care of the Company Responsible for Engineering Center of the Company</p> <p>June 2011      Director of the Company</p> <p>June 2013      Managing Executive Officer of the Company</p> <p>April 2014      General Manager of Production Technology Headquarters of the Company</p> <p>April 2015      Responsible for Quality Management Division of the Company</p> <p>June 2016      Responsible for Organic Chemical Products Company of the Company Responsible for Aerospace &amp; Defense Systems/Safety Systems Company of the Company</p> <p>June 2017      Senior Managing Executive Officer of the Company</p> <p>June 2019      President and CEO of the Company President of the Company</p> <p>(Positions and responsibilities) President and CEO, President, Member of the Nomination and Compensation Committee and Chairman of the Management Advisory Committee</p> <p>[Reasons for selection as a candidate for Director] Mr. Yoshimi Ogawa has served as President and CEO of the Company since June 2019, and has achievements in leading the Group toward improving corporate value through his strong leadership. Based on his wealth of experience, achievements and insights in overall management of the Company, the Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.</p>	70,909

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Kotaro Sugimoto (October 10, 1960)  <div>Reappointment</div>	April 1984	Joined the Company	26,413
		June 2011	Head of Raw Material Purchasing Center of the Company	
		June 2014	Executive Officer of the Company Representative Director and President of Daicel Logistics Service Co., Ltd.	
		June 2017	Managing Executive Officer of the Company Responsible for Business Process Innovation of the Company	
		June 2019	Representative Director of the Company General Manager of Corporate Support Center of the Company Responsible for Corporate Compliance Program of the Company Responsible for Corporate Sustainability of the Company	
		October 2019	General Manager of Corporate Support Headquarters of the Company	
			(Positions and responsibilities) Representative Director, Managing Executive Officer, Member of the Nomination and Compensation Committee, Member of the Management Advisory Committee, General Manager of Corporate Support Headquarters and Responsible for Corporate Compliance Program	
		[Reasons for selection as a candidate for Director] Mr. Kotaro Sugimoto has served as the responsible person for administrative divisions including finance and accounting and compliance, as well as the responsible person for the Raw Material Purchasing Center of the Company, and has a wealth of experience, achievements and insights in the management of the Company. The Company has determined that he is an appropriate person to promote the Company’s group management and global business management, and thus requests his election as Director.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Yasuhiro Sakaki (March 17, 1962)  <u>New appointment</u>	<p>April 1984      Joined the Company</p> <p>June 2012      President of Organic Chemical Products Company of the Company</p> <p>June 2014      Executive Officer of the Company</p> <p>June 2016      President of Aerospace &amp; Defense Systems/Safety Systems Company of the Company</p> <p>June 2017      President of Daicel Safety Systems (Jiangsu) Co., Ltd. Managing Executive Officer of the Company President &amp; CEO of Daicel Safety Systems America Holdings, Inc. President &amp; CEO of Daicel Safety Systems America Arizona, Inc. President &amp; CEO of Special Devices, Inc.</p> <p>April 2019      Chairman of Daicel Safety Systems Americas, Inc.</p> <p>June 2019      Senior Managing Executive Officer of the Company Responsible for Aerospace &amp; Defense Systems/Safety Systems Company of the Company</p> <p>October 2019    General Manager of Strategic Planning Headquarters of the Company</p> <p>April 2020      Responsible for Safety SBU of the Company Responsible for Healthcare SBU of the Company</p> <p>(Positions and responsibilities) Senior Managing Executive Officer, Member of the Management Advisory Committee, General Manager of Strategic Planning Headquarters, Responsible for Safety SBU, Responsible for Healthcare SBU and Chairman of Daicel Safety Systems Americas, Inc.</p> <p>[Reasons for selection as a candidate for Director] Mr. Yasuhiro Sakaki has served as the responsible person for pyrotechnic devices of the Company, President of overseas subsidiaries, as well as the responsible person for division involving strategic planning of the Company, and has a wealth of experience, achievements and insights in the management of the Company. The Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.</p>	24,505



No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Akihisa Takabe (January 20, 1960)  <u>Reappointment</u>	<p>April 1984      Joined the Company</p> <p>June 2008      Representative Director and President of Daicel Safety Systems Inc.</p> <p>April 2014      Head of Central Research Center of the Company Head of Corporate Research Center of R&amp;D Headquarters of the Company</p> <p>February 2015      Deputy General Manager of R&amp;D Headquarters of the Company</p> <p>June 2015      Executive Officer of the Company</p> <p>June 2019      Director of the Company General Manager of R&amp;D Headquarters of the Company Responsible for New Business Development of the Company Responsible for Intellectual Property Center of the Company Responsible for Quality Management Division of the Company</p> <p>October 2019      General Manager of Innovation and Business Development Headquarters of the Company</p> <p>(Significant concurrent positions) Director, Executive Officer, Member of the Management Advisory Committee, General Manager of Innovation and Business Development Headquarters, Responsible for Intellectual Property Center and Responsible for Quality Management Division</p> <p>[Reasons for selection as a candidate for Director] Mr. Akihisa Takabe has served as the responsible person for the Company's fundamental technologies and research and development divisions in various areas including product development, as well as divisions involved in new business development, and has a wealth of experience, achievements and insights in the new product planning and development of the Group. The Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.</p>	18,436

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Masafumi Nogimori (December 21, 1947)  Reappointment Outside Independent	<p>April 2005      Executive Vice President and Representative Director of Astellas Pharma Inc.</p> <p>June 2006      President &amp; CEO and Representative Director of Astellas Pharma Inc.</p> <p>June 2011      Chairman and Representative Director of Astellas Pharma Inc.</p> <p>June 2016      Retired from Chairman and Representative Director of Astellas Pharma Inc.</p> <p>June 2017      Director of the Company</p> <p>(Positions and responsibilities) Director and Chairman of the Nomination and Compensation Committee</p> <p>(Significant concurrent positions) Outside Director of Mitsui Fudosan Co., Ltd. Outside Director of Linical Co., Ltd.</p> <p>[Reasons for selection as a candidate for Outside Director] Mr. Masafumi Nogimori has a wealth of insights and experience, etc., fostered as a manager of a company that produces and sells medical products, and to have him utilize these in the management of the Company, the Company requests his election as Outside Director.</p> <p>[Matters specifically noted regarding the candidate for Outside Director]</p> <ul style="list-style-type: none"> <li>• Mr. Masafumi Nogimori will have served as Outside Director for a period of three years as of the conclusion of this General Meeting of Shareholders.</li> <li>• Mr. Masafumi Nogimori attended all 14 Board of Directors' meetings that were held during the 154th Fiscal Year.</li> <li>• Mr. Masafumi Nogimori has taken on roles such as Representative Director and President at Astellas Pharma Inc., a business partner of the Company. Since he retired from the position of Representative Director and Chairman of Astellas Pharma Inc. in June 2016, he has not been involved in its business execution. The Group has business transactions with Astellas group, and the Group's sales to said group are less than 1% of the Group's consolidated sales. Therefore, this will not have an effect on the independency of Mr. Masafumi Nogimori as Outside Director.</li> </ul> <p>The Company has registered him as an independent director with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If his election is approved, the Company plans to continue registering him as independent director. Additionally, he satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents.</p>	2,276

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Teisuke Kitayama (October 26, 1946)  Reappointment Outside Independent	<p>June 2005 Director President (Representative Director) of Sumitomo Mitsui Financial Group, Inc. Chairman of the Board (Representative Director) of Sumitomo Mitsui Banking Corporation</p> <p>April 2011 Retired from Director of Sumitomo Mitsui Financial Group, Inc. Chairman of the Board of Sumitomo Mitsui Banking Corporation</p> <p>April 2017 Director of Sumitomo Mitsui Banking Corporation</p> <p>June 2017 Advisor of Sumitomo Mitsui Banking Corporation</p> <p>June 2018 Director of the Company</p> <p>October 2018 Honorary Advisor of Sumitomo Mitsui Banking Corporation</p> <p>(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p>(Significant concurrent positions) Honorary Advisor of Sumitomo Mitsui Banking Corporation Outside Auditor of TOKYO BROADCASTING SYSTEM HOLDINGS, INC.</p> <p>[Reasons for selection as a candidate for Outside Director] Mr. Teisuke Kitayama has a wealth of insights and experience, etc., fostered as a manager of financial institutions, and to have him utilize these in the management of the Company, the Company requests his election as Outside Director.</p> <p>[Matters specifically noted regarding the candidate for Outside Director]</p> <ul style="list-style-type: none"> <li>• Mr. Teisuke Kitayama will have served as Outside Director for a period of two years as of the conclusion of this General Meeting of Shareholders.</li> <li>• Mr. Teisuke Kitayama attended all 14 Board of Directors' meetings that were held during the 154th Fiscal Year.</li> <li>• Since June 2017, Mr. Teisuke Kitayama has served as a non-executive officer (Director) of Sumitomo Mitsui Banking Corporation, which is a Specified Associated Service Provider of the Company.</li> <li>• Mr. Teisuke Kitayama has taken on roles such as Chairman of the Board (Representative Director) of Sumitomo Mitsui Banking Corporation, a lender of the Company. Since he retired from the position of Representative Director of Sumitomo Mitsui Banking Corporation in April 2011, he has not been involved in said bank's business execution. The Group's amount of borrowings from said bank is equivalent to approximately 2.7% of the Group's consolidated total assets. Approximately nine years have passed since he was no longer involved in the business execution of said bank or Sumitomo Mitsui Financial Group, Inc. Therefore, this will not have an effect on the independency of Mr. Teisuke Kitayama as Outside Director.</li> </ul> <p>The Company has registered him as an independent director with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If his election is approved, the Company plans to continue registering him as independent director. Additionally, he satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	Sonoko Hacchoji (January 15, 1950)  <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>November 1993 Director and Vice President of IBJ International Plc., U.K. securities subsidiary of The Industrial Bank of Japan, Limited</p> <p>March 2002 Executive Officer of IBJ Leasing Company, Limited</p> <p>January 2006 Director (General Manager of Administration Division) of Yuki Management &amp; Research Co., Ltd.</p> <p>March 2011 Managing Director and Managing Executive Officer of FUJITA KANKO INC. (Chief of Planning Group and Deputy Chief of Business Operations Division)</p> <p>April 2017 Special Advisor to the President (Chief Strategy Officer) of Tsuda University</p> <p>June 2019 Director of the Company</p> <p>April 2020 Special Advisor to the President of Tsuda University</p> <p>(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p>(Significant concurrent positions) Outside Director of Japan Airlines Co., Ltd. Outside Director of Maruha Nichiro Corporation</p> <p>[Reasons for selection as a candidate for Outside Director] Ms. Sonoko Hacchoji has a wealth of insights and experience, etc., fostered as a member of a management team at financial institutions and a hotel management company, and to have her utilize these in the management of the Company, the Company requests her election as Outside Director.</p> <p>[Matters specifically noted regarding the candidate for Outside Director]  <ul style="list-style-type: none"> <li>Ms. Sonoko Hacchoji will have served as Outside Director for a period of one year as of the conclusion of this General Meeting of Shareholders.</li> </ul> Ms. Sonoko Hacchoji attended all 12 Board of Directors' meetings that were held during the 154th Fiscal Year after her appointment as director. <ul style="list-style-type: none"> <li>Japan Airlines Co., Ltd., at which Ms. Sonoko Hacchoji serves as Outside Director, received a business improvement order with regard to ensuring air transportation safety from the Ministry of Land, Infrastructure and Transport ("MLIT") on December 21, 2018 as MLIT found serious violations that had effects on air safety, such as alcohol intake issues caused by flight crew members and decisions related to modifying crew operating structures. On January 11, 2019, said company also received a business improvement recommendation with regard to ensuring air transportation safety from MLIT due to a case of alcohol intake by a cabin crew member. While she did not recognize these problems until the facts caused these issues were revealed, she has made suggestions on a regular basis in the Board of Directors and other meetings from the standpoint of legal and regulatory compliance. In addition, after these issues came to light, she fulfilled her roles through issuing instructions for thorough investigations of these cases and preparation of preventive measures.</li> </ul> The Company has registered her as an independent director with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If her election is approved, the Company plans to continue registering her as independent director. Additionally, she satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Toshio Asano (December 4, 1952)  <div>Reappointment Outside Independent</div>	<p>April 2010 President &amp; Representative Director, Presidential Executive Officer of Asahi Kasei Pharma Corp.</p> <p>April 2014 Presidential Executive Officer of Asahi Kasei Corp.</p> <p>June 2014 President &amp; Representative Director, Presidential Executive Officer of Asahi Kasei Corp.</p> <p>April 2016 Director and Standing Advisor of Asahi Kasei Corp.</p> <p>June 2016 Standing Advisor of Asahi Kasei Corp.</p> <p>June 2019 Director of the Company</p> <p>(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p>(Significant concurrent positions) Standing Advisor of Asahi Kasei Corp. Outside Director of MEDIPAL HOLDINGS CORPORATION Outside Director of Tokyo Century Corporation</p> <p>[Reasons for selection as a candidate for Outside Director] Mr. Toshio Asano has a wealth of insights and experience, etc., fostered in operating companies that manufacture and sell chemical goods, and to have him utilize these in the management of the Company, the Company requests his election as Outside Director.</p> <p>[Matters specifically noted regarding the candidate for Outside Director]  <ul style="list-style-type: none"> <li>Mr. Toshio Asano will have served as Outside Director for a period of one year as of the conclusion of this General Meeting of Shareholders.</li> </ul> Mr. Toshio Asano attended all 12 Board of Directors' meetings that were held during the 154th Fiscal Year after his appointment as director. <ul style="list-style-type: none"> <li>In October 2015, while Mr. Toshio Asano served as President &amp; Representative Director of Asahi Kasei Corp., it was publicized that Asahi Kasei Construction Materials Corp., a subsidiary of Asahi Kasei Corp., diverted data on installation of foundation piles. In January 2016, Asahi Kasei Construction Materials Corp. received supervisory dispositions in accordance with the Construction Business Act. Although the installation had been performed before he was appointed as an executive of Asahi Kasei Corp., he took the issue with the utmost gravity, established internal and Outside investigation committees as the parent company's president, and formulated measures to probe the cause and prevent recurrence.</li> <li>Mr. Toshio Asano has taken on roles such as President &amp; Representative Director of Asahi Kasei Corp., a business partner of the Company. Since he retired from the position of President &amp; Representative Director of Asahi Kasei Corp. in April 2016, he has not been involved in its business execution. The Group has business transactions with Asahi Kasei group, and the Group's sales to said group is less than 1% of the Group's consolidated sales, while purchase amounts from said group is less than 1% of said group's consolidated sales. Therefore, we believe that this will not have an effect on the independency of Mr. Toshio Asano as Outside Director.</li> </ul> The Company has registered him as an independent director with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If his election is approved, the Company plans to continue registering him as independent director. Additionally, he satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Takeshi Furuichi (August 21, 1954)  New appointment Outside Independent	<p>March 2010 Representative Director and Senior Managing Director of Nippon Life Insurance Company</p> <p>March 2012 Representative Director and Executive Vice President of Nippon Life Insurance Company</p> <p>July 2016 Representative Director and Vice Chairman of Nippon Life Insurance Company</p> <p>(Significant concurrent positions) Representative Director and Vice Chairman of Nippon Life Insurance Company Outside Director of Aioi Nissay Dowa Insurance Co., Ltd. Outside Director of Keio Corporation</p> <p>[Reasons for selection as a candidate for Outside Director] Mr. Takeshi Furuichi has a wealth of insights and experience, etc., fostered as a manager of a financial institution, and to have him utilize these in the management of the Company, the Company requests his election as Outside Director.</p> <p>[Matters specifically noted regarding the candidate for Outside Director]  <ul style="list-style-type: none"> <li>Mr. Takeshi Furuichi has taken on roles such as Representative Director and Executive Vice President of Nippon Life Insurance Company, a lender of the Company. The Group's amount of borrowings from said company's group is less than 1% of the Group's consolidated total assets, and insurance premiums which the Group paid to said company's group is less than 1% of the said company group's premiums and other income. Therefore, this will not have an effect on the independency of Mr. Takeshi Furuichi as Outside Director.</li> </ul> The Company plans to register him as an independent director with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. Additionally, he satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents.</p>	0

(Notes)

- Mr. Takeshi Furuichi is Representative Director and Vice Chairman of Nippon Life Insurance Company, and the Company has borrowing of funds and insurance transactions with the said company. There are no special interests between each of other candidates for Director and the Company.
- Mr. Masafumi Nogimori, Mr. Teisuke Kitayama, Ms. Sonoko Hacchoji, Mr. Toshio Asano and Mr. Takeshi Furuichi are candidates for Outside Directors.
- Liability limitation agreements with the candidate for Outside Director
  - The Company has entered into a liability limitation agreement with Mr. Masafumi Nogimori, Mr. Teisuke Kitayama, Ms. Sonoko Hacchoji and Mr. Toshio Asano that the limit of his/her liability for damages stipulated in Article 423 Paragraph 1 of the Companies Act shall be ¥15 million or the minimum liability amount set forth in Article 425 Paragraph 1 of the Companies Act, whichever is higher, only in cases where they have performed their duties which caused liabilities in good faith and without gross negligence. Subject to the approval of the election of Mr. Masafumi Nogimori, Mr. Teisuke Kitayama, Ms. Sonoko Hacchoji and Mr. Toshio Asano, the Company plans to continue said liability limitation agreement with them.
  - If the election of candidate for Outside Director Mr. Takeshi Furuichi is approved, the Company plans to enter into a liability limitation agreement with him that the limit of his liability for damages stipulated in Article 423 Paragraph 1 of the Companies Act shall be ¥15 million or the minimum liability amount set forth in Article 425 Paragraph 1 of the Companies Act, whichever is higher, only in cases where he has performed his duties which caused liabilities in good faith and without gross negligence.

**Proposal 3: Election of 2 Audit & Supervisory Board Members**

The term of office of Audit & Supervisory Board Members Mr. Yuji Iguchi and Mr. Toshio Takano will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 2 Audit & Supervisory Board Members is proposed.

The Board of Audit & Supervisory Board Members has given its consent to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Hisanori Imanaka (January 12, 1960)  <u>New appointment</u>	<div>April 1982      Joined the Company</div> <div>June 2012      President of Cellulose Company of the Company</div> <div>June 2014      Executive Officer of the Company</div> <div>                    Head of Raw Material Purchasing Center of the Company</div> <div>June 2017      Managing Executive Officer of the Company</div> <div>                    Responsible for Corporate Planning of the Company</div> <div>June 2019      Director of the Company</div> <div>                    Responsible for Raw Material Purchasing Center of the Company</div> <div>October 2019   Responsible for Corporate Sustainability of the Company</div> <div> (Positions and responsibilities)</div> <div>Director, Managing Executive Officer and Member of the Management Advisory Committee</div> <div> [Reasons for selection as a candidate for Audit &amp; Supervisory Board Member]</div> <div>Mr. Hisanori Imanaka has served as the responsible person for divisions involved in management planning and sustainable management. Based on the achievements that he has controlled the management companywide, the Company has determined that he can conduct audits from a neutral and objective viewpoint and that he is an appropriate person to ensure the soundness of management as Audit &amp; Supervisory Board Member, and requests his election as Audit &amp; Supervisory Board Member.</div>	30,676

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	Hideo Makuta (February 6, 1953)  New appointment Outside Independent	<p>April 1978      Public Prosecutor of Tokyo District Public Prosecutors Office December 2006      Chief Prosecutor of Niigata District Public Prosecutors Office October 2008      Public Prosecutor of Supreme Public Prosecutors Office July 2009      Chief Prosecutor of Utsunomiya District Public Prosecutors Office April 2010      Chief Prosecutor of Chiba District Public Prosecutors Office August 2011      Director, Criminal Affairs Department of Supreme Public Prosecutors Office July 2012      Commissioner, Japan Fair Trade Commission September 2017      Registered as attorney (Dai-ichi Tokyo Bar Association) Advisor of Nagashima Ohno &amp; Tsunematsu</p> <p>(Positions and responsibilities) Advisor of Nagashima Ohno &amp; Tsunematsu Outside Director of MAEDA CORPORATION</p> <p>[Reasons for selection as a candidate for Outside Audit &amp; Supervisory Board Member] Although Mr. Hideo Makuta has not been directly involved in corporate management, he has advanced specialized knowledge and wide insights as an attorney. As he has served as Public Prosecutor of Supreme Public Prosecutors Office and Commissioner of Japan Fair Trade Commission, etc. and also has experience, etc., as an Outside director/ Audit &amp; Supervisory Board Member of a company, the Company has determined that he is an appropriate person as Outside Audit &amp; Supervisory Board Member, and requests his election.</p> <p>[Matters specifically noted regarding the candidate for Outside Audit &amp; Supervisory Board Member]  <ul style="list-style-type: none"> <li>Mr. Hideo Makuta belongs to Nagashima Ohno &amp; Tsunematsu, and the Company has transactions with the said law firm. The Group's payment to the said law firm is less than 1% of the said law firm's net sales. Therefore, this will not have an effect on the independency of Mr. Takeshi Hideo Makuta as Outside Audit &amp; Supervisory Board Member.</li> </ul> The Company plans to register him as an independent Audit &amp; Supervisory Board Member with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. Additionally, he satisfies the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" as defined by the Company. Regarding the "Standards for Independence of Outside Directors / Outside Audit &amp; Supervisory Board Members" defined by the Company, please refer to the standard which is attached on the last portion of the Reference Documents. <ul style="list-style-type: none"> <li>Mr. Hideo Makuta is planned to assume office as Outside Audit &amp; Supervisory Board Member of FUJITSU LIMITED effective as of June 22, 2020.</li> </ul> </p>	0

(Notes)

- There are no special interests between each of the candidates for Audit & Supervisory Board Member and the Company.
- Mr. Hideo Makuta is a candidate for Outside Audit & Supervisory Board Member.
- Liability limitation agreements with a candidate for Outside Audit & Supervisory Board Member  
If the election of candidate for Outside Audit & Supervisory Board Member Mr. Hideo Makuta is approved, the Company plans to enter into a liability limitation agreement with him that the limit of his liability for damages stipulated in Article 423 Paragraph 1 of the Companies Act shall be ¥15 million or the minimum liability amount set forth in Article 425 Paragraph 1 of the Companies Act, whichever is higher, only in cases where he has performed his duties which caused liabilities in good faith and without gross negligence.



The independence of Outside Directors/Audit & Supervisory Board Members of the Company refers to such a person being independent from the Company's management without falling under any of the following:

1. A person executing the business, etc. ("Executing Person") of the Company (\*1) and its affiliates (hereinafter, "the Group") and their relatives, etc. (\*2);
2. A party for which the Group is a principal business partner (\*3) or an Executing Person thereof;
3. A principal business partner of the Group (\*4) or an Executing Person thereof;
4. A major shareholder of the Company (\*5) or an Executing Person thereof;
5. A director and other Executing Person of an organization (\*6) that has received a certain amount or more of donations or subsidies from the Group;
6. A consultant, certified public accountant or other accounting professional, or lawyer or other legal professional who has received a substantial amount of monetary compensation or other consideration other than director / audit & supervisory board member compensation from the Group (\*7) (if the party receiving such consideration is a corporation, association or other entity, a person belonging to the said entity or a person who has belonged to the said entity in the past three years).

(\*1) An Executing Person refers to those who conduct business operations or conducted business operations within the past three years, including directors (excluding Outside directors), executive officers and employees.

(\*2) Relatives refer to relatives within the second degree of kinship of those who conduct important business operations, including directors (excluding Outside directors), executive officers and division managers.

(\*3) A party for which the Group is a principal business partner refers to a business partner group (which means entities that belong to the consolidated group to which the direct business partner belongs; the same shall apply hereinafter) that supplies products and services to the Group, where the business partner group's trading amount with the Group exceeds 2% of the consolidated sales of the business partner group in the any of the recent past three fiscal years.

(\*4) A principal business partner of the Group refers to those who fall under either of the following:

- (1) A business partner group to whom the Group supplies products and services, where the Group's trading amount with such group exceeds 2% of the Group's consolidated sales in the any of the recent past three fiscal years.
- (2) A financial institution group (which means entities that belong to the consolidated group to which the direct lender belongs) from which the Group has borrowed funds, where the total amount of the Group's borrowings from the financial institution group exceeds 2% of the Group's consolidated total assets at the end of the any of the recent past three fiscal years.

(\*5) A major shareholder of the Company refers to those who directly or indirectly hold voting interests of 10% or more.

(\*6) An organization that has received a certain amount or more of donations or subsidies from the Group refers to public interest incorporated foundations, public interest incorporated associations, non-profit organizations, etc. which receive donations or subsidies of over 10 million yen per year within any of the past three years from the Group.

(\*7) A consultant, certified public accountant or other accounting professional, or lawyer or other legal professional who has received a substantial amount of monetary compensation or other consideration other than director / audit & supervisory board member compensation from the Group refers to those who received such consideration other than director / audit & supervisory board member compensation of over 10 million yen from the Group in any of the recent past three fiscal years or those who belong to an entity which receives such consideration from the Group in amount exceeding 2% of the said entity's consolidated sales or gross income.