

Note: This document has been translated from a part of 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.

(Stock Exchange Code 2264)
June 3, 2020

To Shareholders with Voting Rights:

Michio Miyahara
President
Morinaga Milk Industry Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo, Japan

**NOTICE OF
THE 97TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

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

Please be informed that the 97th Annual General Meeting of Shareholders of Morinaga Milk Industry Co., Ltd. (the “Company”) will be held for the purposes as described below.

This year, we will hold the General Meeting of Shareholders while implementing appropriate infection prevention measures for COVID-19. To avert the risk of infection, we strongly request that, instead of attending the meeting, you exercise your voting rights in writing or by electronic means (Internet). Please exercise your voting rights by means of either of the following upon reviewing the accompanying Reference Documents for the Annual General Meeting of Shareholders.

[Exercise of Voting Rights in Writing]

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:30 p.m., June 25, 2020, Japan time.

[Exercise of Voting Rights by Electronic Means (Internet)]

Please refer to “Guide to the Exercise of Voting Rights via the Internet” (Page 4) and indicate your approval or disapproval of the proposals by 5:30 p.m., June 25, 2020, Japan time.

1. Date and Time: Friday, June 26, 2020 at 10:00 a.m. Japan time (reception starts at 9:00 a.m.)

2. Place: Toranomon Hills Forum
Toranomon Hills Mori Tower 5th Floor,
1-23-3 Toranomon, Minato-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 97th Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company’s 97th Fiscal Year (April 1, 2019 - March 31, 2020)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Nine (9) Directors
Proposal 3: Election of Two (2) Audit & Supervisory Board Members
Proposal 4: Election of One (1) Substitute Audit & Supervisory Board Member

-
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - “Systems to Ensure Appropriateness of Business Operations and the Status of Operation of the Systems,” “Basic Policies Regarding the Way a Person Is To Control the Determination of Financial and Business Policies of the Company,” and “Policy on Determination of Dividends from Surplus,” which are part of the Business Report; “Consolidated statement of changes in shareholders’ equity” and “Notes to consolidated financial statements,” which are part of the Consolidated Financial Statements, and “Non-consolidated statement of changes in shareholders’ equity” and “Notes to non-consolidated financial statements,” which are part of the Non-consolidated Financial Statements,” are posted on the Company’s website (<https://www.morinagamilk.co.jp/ir/stock/info.html>) in place of this notice in accordance with laws and regulations and Article 16 of the Company’s Articles of Incorporation. The Business Report audited by the Audit & Supervisory Board Members and the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the accounting auditors and the Audit & Supervisory Board Members are the accompanying documents of this notice as well as the items mentioned above, which are posted on the Company’s website.
 - If it is necessary to modify the contents of the Reference Documents for the Annual General Meeting of Shareholders and/or the accompanying documents, the modified versions will be posted on the Company’s website.

Guide to the Exercise of Voting Rights

For Those Attending the General Meeting of Shareholders

Date and time of the meeting: Friday, June 26, 2020 at 10:00 a.m. Japan time (reception starts at 9:00 a.m.)

Please bring and present the enclosed Voting Rights Exercise Form at the reception desk of the meeting place. Additionally, please bring this document with you as reference for the proceedings.

For Those Not Attending the General Meeting of Shareholders

Via mail

Exercise deadline: Arrival by Thursday, June 25, 2020 at 5:30 p.m. Japan time

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form enclosed herewith, and return it to us by the deadline.

Via the Internet

Exercise deadline: Thursday, June 25, 2020 at 5:30 p.m. Japan time

Please indicate whether you approve or disapprove of each proposal on the Exercise of Voting Rights Website that is designated by the Company:

<https://evote.tr.mufg.jp/>

Please see the following page for details.

1. Exercise of Voting Rights by Proxy

If you are unable to attend the Annual General Meeting of Shareholders, you can have another shareholder, who also has a voting right, act as proxy. In such case, submission of a document in writing certifying the authority as proxy will be required.

2. Handling of Duplicate Voting

- (1) If you exercise your voting rights in duplicate in both writing and via the Internet, the vote exercised via the Internet will be deemed valid.
- (2) If you exercise your voting rights in duplicate via the Internet, your last vote exercised will be deemed valid. Also, if you exercise your voting rights in duplicate on computers, smartphones and/or mobile phones, your last vote exercised will be deemed valid.

[Guide]

1. Electronic Platform for Exercising Voting Rights

Nominee shareholders such as custodian banks (including standing proxies) can use the Electronic Voting Platform for Institutional Investors, which is operated by ICJ, as a means of exercising voting rights for the meeting only if they submit an application to do so in advance.

Guide to the Exercise of Voting Rights via the Internet

Exercise of your voting rights via the Internet is possible only by accessing the Exercise of Voting Rights Website that is designated by the Company (<https://evote.tr.mufg.jp/>), from a computer, smartphone, and/or mobile phone.

(Please note that operation of the Website stops from 2:00 a.m. to 5:00 a.m. Japan time each day)

In case of a smartphone:

How to scan a QR Code

When exercising voting rights from a smartphone, entry of the log-in ID and temporary password is no longer necessary.

You may log in by scanning the log-in QR Code, indicated on the enclosed Voting Rights Exercise Form Supplement (along the right side).

* Exercising your voting rights by the above method is only available once.

When logging in for the second and subsequent occasions, please log in by following the instructions below.

How to enter log-in ID and temporary password:

How to use the Exercise of Voting Rights Website

1. Access the Exercise of Voting Rights Website
2. Enter the log-in ID and temporary password that are indicated on the lower right of the Voting Rights Exercise Form
3. Input both the “new password” and “new password (confirmation)”
Please indicate your approval or disapproval by following the on-screen instructions

* Log in by QR Code may not be available on certain smartphone devices. If unable to log in by QR Code, please exercise your voting rights by accessing the Exercise of Voting Rights Website designated by the Company (<https://evote.tr.mufg.jp/>).

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

[Note]

1. Cost Incurred in Accessing the Exercise of Voting Rights Website

The costs incurred when accessing the voting website, such as Internet access fees and transmission fees using a computer, smartphone, and/or mobile phone, will be borne by shareholders.

<p>For inquiries about the system and other matters (Help Desk), contact: Securities Business Division, Mitsubishi UFJ Trust and Banking Corporation Phone: (0120) 173-027 (Toll Free) (available from 9:00 to 21:00) (Japan only)</p>
--

Reference Documents for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

In the light of profit for the current fiscal year, future management environment and stable distribution of profits to shareholders, as well as to express our gratitude for your constant support and reinforce our management practices, we propose to appropriate the surplus as follows by increasing five (5) yen per share from the end of the previous fiscal year.

1. Year-end cash dividend
 - (1) Type of dividend property: Cash
 - (2) Allotment of dividend property to shareholders and total amount
Allotment of dividend property to shareholders: ¥60 per share of the Company's common stock
Total amount: ¥2,968,832,700
 - (3) Effective date of the dividends of surplus:
June 29, 2020

2. Other Appropriations of Surplus
 - (1) Item and the amount of surplus to be increased:

Reserve for dividends:	¥800,000,000
General reserve:	¥9,500,000,000
 - (2) Item and the amount of surplus to be decreased:

Retained earnings brought forward:	¥10,300,000,000
------------------------------------	-----------------

Proposal 2: Election of Nine (9) Directors


The terms of office of all the ten (10) Directors will expire at the conclusion of the meeting. Accordingly, we propose the election of nine (9) Directors, including one (1) Director to be newly appointed.

The Company intends to strengthen management oversight functions and promote prompt decision-making with the aim of achieving sustainable growth and enhancement of corporate value over the medium to long term. To this end, it is proposed that nine (9) Directors be elected, consisting of six (6) internal Directors, reducing the number of internal Directors by two (2), and three (3) External Directors, increasing the number of External Directors by one (1). If this proposal is approved and adopted, the Company will appoint three of the Directors as independent Directors as defined by the Tokyo Stock Exchange. As a result, independent Directors will account for more than one-third of the Company's Directors.

The candidates for Director are as follows.

No.	Name		Current positions and responsibilities at the Company	Attendance at Board of Directors meetings	Number of shares of the Company held
1	Reappointment	Michio Miyahara	Representative Director and President	100% (14 / 14)	21,400 shares
2	Reappointment	Teiichiro Okawa	Senior Managing Director (R&D and Overseas Business) Senior Executive Managing Officer and General Manager of R&D Division	100% (14 / 14)	9,500 shares
3	Reappointment	Yoichi Onuki	Senior Managing Director (Strategic Planning, Finances and Information System) Senior Executive Managing Officer and General Manager of Strategic Planning Division	100% (14 / 14)	5,700 shares
4	Reappointment	Tsuyoshi Minato	Managing Director (Administration and Special Affairs) Executive Managing Officer, General Manager of Corporate Division, and General Manager of Special Affairs Division	100% (14 / 14)	6,800 shares
5	Reappointment	Shigemi Kusano	Managing Director (Quality Management, Production, Dairy Farms, and Logistics)	100% (14 / 14)	5,700 shares
6	Reappointment	Kenichi Ohara	Director (Sales and Marketing) Executive Managing Officer and General Manager of Sales & Marketing Division	100% (14 / 14)	5,500 shares
7	Reappointment External Director Independent Director	Shoji Kawakami	Director	100% (14 / 14)	1,500 shares
8	Reappointment External Director Independent Director	Takatomo Yoneda	Director	100% (14 / 14)	3,000 shares
9	New Candidate External Director Independent Director	Yukari Tominaga	-	-	0 shares

(Note) Current positions and responsibilities at the Company display information as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 Michio Miyahara (January 4, 1951) Reappointment Attendance at Board of Directors meetings 100% (14 / 14)	April 1975 Joined the Company April 2001 General Manager of Morioka Plant June 2003 Managing Officer and General Manager of Engineering Section, Production Department June 2005 Executive Managing Officer and General Manager of Production Department February 2006 Executive Managing Officer and General Manager of Manufacturing Division June 2007 Senior Executive Managing Officer and General Manager of Manufacturing Division June 2007 Senior Managing Director, Senior Executive Managing Officer and General Manager of Manufacturing Division June 2009 Director and Executive Vice President February 2010 Director, Executive Vice President, Managing Officer and General Manager of Sales & Marketing Division 2 June 2011 Representative Director and Executive Vice President June 2012 Representative Director and President (present) to present [Significant concurrent positions] Chairperson, JAPAN MILK FAIR TRADE CONFERENCE	21,400
<Reasons for selection as candidate> Aside from holding posts in the manufacturing and sales divisions of the Company, Mr. Michio Miyahara has served as an executive in related organizations, and possesses specialized knowledge regarding the dairy industry. Additionally, from 2007 onward, he has experienced important duties as Director, and from 2012, he has managed the Group as Representative Director and President. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as a candidate for Director is requested.			


(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Michio Miyahara are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Michio Miyahara and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	 Teiichiro Okawa (June 21, 1956) Reappointment Attendance at Board of Directors meetings 100% (14 / 14)	April 1982 Joined the Company June 2012 General Manager of Food Research & Development Institute June 2013 Managing Officer and General Manager of Food Research & Development Institute June 2015 Managing Director, Executive Managing Officer and General Manager of Food Research & Development Institute November 2015 Managing Director June 2016 Managing Director, Executive Managing Officer and General Manager of R&D Division June 2017 Senior Managing Director, Senior Executive Managing Officer and General Manager of R&D Division (present) to present [Responsibilities at the Company] Research & Development and Overseas Business [Significant concurrent positions] President, Japanese National Committee of International Dairy Federation	9,500
<Reasons for selection as candidate> Aside from holding posts in the research division of the Company and being involved in business overseas for many years, Mr. Teiichiro Okawa has served as an executive in both domestic and overseas related organizations, and possesses specialized knowledge regarding the dairy industry and a wealth of both domestic and overseas experience. Additionally, from 2013 onward, he has experienced important duties as Managing Officer, and from 2015, he has been involved in management as Director. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as Director is requested.			


(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Teiichiro Okawa are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Teiichiro Okawa and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 Yoichi Onuki (December 4, 1959) Reappointment Attendance at Board of Directors meetings 100% (14 / 14)	April 1983 Joined the Company May 2008 General Manager of Sales & Marketing Administration Office, Sales & Marketing Division February 2010 General Manager of Sales & Marketing Administration Office June 2011 Managing Officer, General Manager of Corporate Strategic Planning Department and General Manager of Public Relations Department November 2014 Managing Officer, General Manager of Corporate Strategic Planning Department June 2015 Director, Executive Managing Officer and General Manager of Corporate Strategic Planning Department April 2016 Director June 2017 Managing Director June 2018 Managing Director, Executive Managing Officer and General Manager of Strategic Planning Division June 2019 Senior Managing Director, Senior Executive Managing Officer and General Manager of Strategic Planning Division (present) to present [Responsibilities at the Company] Strategic Planning, Finances and Information System	5,700
<Reasons for selection as candidate> Mr. Yoichi Onuki has held posts in the sales and administration divisions of the Company and possesses specialized knowledge regarding the dairy industry. Additionally, from 2011 onward, he has experienced important duties as Managing Officer, and from 2015, he has been involved in management as Director. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as Director is requested.			

(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Yoichi Onuki are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Yoichi Onuki and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	 <p>Tsuyoshi Minato (June 23, 1964)</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 100% (14 / 14)</p>	<p>April 1988 Joined the Company</p> <p>November 2007 General Manager of Special Affairs Department</p> <p>June 2010 Managing Officer and General Manager of Special Affairs Department</p> <p>June 2015 Director, Executive Managing Officer, Deputy General Manager of Special Affairs Division and General Manager of Special Affairs Department</p> <p>November 2015 Director, Executive Managing Officer and Deputy General Manager of Special Affairs Division</p> <p>June 2016 Managing Director, Executive Managing Officer and General Manager of Special Affairs Division</p> <p>June 2018 Managing Director, Executive Managing Officer, General Manager of Corporate Division and General Manager of Special Affairs Division (present)</p> <p>to present</p> <p>[Responsibilities at the Company] Administration and Special Affairs</p> <p>[Significant concurrent positions] Councilor, Hikari Kyokai (Hikari Association)</p>	6,800
<p><Reasons for selection as candidate></p> <p>Aside from holding posts in the administration division of the Company, Mr. Tsuyoshi Minato has served as an executive in related organizations, and possesses specialized knowledge regarding the dairy industry. Additionally, from 2010 onward, he has experienced important duties as Managing Officer, and from 2015, he has been involved in management as Director. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as candidate for Director is requested.</p>			


(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Tsuyoshi Minato are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Tsuyoshi Minato and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 Shigemi Kusano (May 26, 1957) Reappointment Attendance at Board of Directors meetings 100% (14 / 14)	April 1980 Joined the Company April 2008 General Manager of Tokyo Plant June 2011 General Manager of Quality Assurance Department June 2013 Managing Officer and General Manager of Production Department, Manufacturing Division November 2013 Managing Officer and General Manager of Manufacturing Department, Manufacturing Division June 2016 Director, Executive Managing Officer, Deputy General Manager of Manufacturing Division and General Manager of Manufacturing Department June 2017 Director, Executive Managing Officer and General Manager of Manufacturing Division April 2019 Director June 2019 Managing Director (present) to present [Responsibilities at the Company] Quality Management, Production, Dairy Farms, and Logistics	5,700
<Reasons for selection as candidate> Aside from holding posts in the manufacturing division of the Company, Mr. Shigemi Kusano has served as an executive in related organizations and possesses specialized knowledge regarding the dairy industry. Additionally, from 2013 onward, he has experienced important duties as Managing Officer, and from 2016, he has been involved in management as Director. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as candidate for Director is requested.			


(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Shigemi Kusano are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Shigemi Kusano and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	 Kenichi Ohara (January 6, 1958) Reappointment Attendance at Board of Directors meetings 100% (14 / 14)	January 1982 Joined Kelly Clark Company (until October 1982) December 1982 Joined Hagoromo Canning Company (current Hagoromo Foods Corporation) (until April 1986) April 1986 Joined Future Marketing Co., Ltd. (until October 1987) December 1987 Joined the Company June 2007 Seconded to Chez Forest Co. Ltd. (Representative Director and President) June 2010 Managing Officer and Deputy General Manager of Tokyo Office of the Company June 2012 Managing Officer and Deputy General Manager of Sales & Marketing Division 1 June 2016 Director, Executive Managing Officer and General Manager of Sales & Marketing Division 1 June 2017 Director, Executive Managing Officer and General Manager of Sales & Marketing Division (present) to present [Responsibilities at the Company] Sales and Marketing	5,500
<Reasons for selection as candidate> Mr. Kenichi Ohara has held posts in the sales division of the Company and possesses specialized knowledge regarding the dairy industry. Additionally, from 2010 onward, he has experienced important duties as Managing Officer, and from 2016, he has been involved in management as Director. By utilizing this knowledge and experience, the Company expects that he can contribute to further growth and improvement in corporate value of the Group, and his reappointment as candidate for Director is requested.			

(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Kenichi Ohara are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Kenichi Ohara and the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	 <p>Shoji Kawakami (October 4, 1949)</p> <p>Reappointment External Director Independent Director</p> <p>Attendance at Board of Directors meetings 100% (14 / 14)</p>	<p>April 1974 Joined Toyota Motor Co., Ltd. (current Toyota Motor Corporation)</p> <p>January 1994 General Manager of Cost Accounting Office, Accounting Division, Accounting Group of Toyota Motor Corporation</p> <p>January 1998 Seconded to Kuozui Motors, Ltd. as Vice President</p> <p>January 2000 Senior Vice President of Kuozui Motors, Ltd.</p> <p>January 2001 General Manager, Affiliated Business Department, Accounting Division of Toyota Motor Corporation</p> <p>January 2005 Seconded to AISAN INDUSTRY CO., LTD.</p> <p>June 2005 Transferred to AISAN INDUSTRY CO., LTD. as Director</p> <p>June 2007 Managing Director of AISAN INDUSTRY CO., LTD.</p> <p>June 2008 Senior Executive Managing Officer and Representative Director of AISAN INDUSTRY CO., LTD.</p> <p>June 2013 Part-time Advisor of AISAN INDUSTRY CO., LTD. (until June 2014)</p> <p>June 2015 External Director of the Company (present)</p> <p>June 2018 External Director of TECHNOSMILE, INC. (until June 2019) to present</p>	1,500
<p><Reasons for selection as candidate> Mr. Shoji Kawakami possesses a wealth of experience in Japan and overseas, having served as General Manager of Affiliated Business Department, Accounting Division of Toyota Motor Corporation and had a managerial role at AISAN INDUSTRY CO., LTD. He was also involved in an overseas business at Kuozui Motors, Ltd., and has contributed to the management of the Company from an independent position as an External Director of the Company from June 2015. To continue to receive advice and recommendations toward management from these wide insights, his reappointment as candidate for External Director is requested.</p> <p><Term of office as Director> He will have served as an External Director for four (5) years since June 2015 upon the conclusion of this Annual General Meeting of Shareholders.</p>			

(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Shoji Kawakami are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.


(Note 2) No special interest exists between Mr. Shoji Kawakami and the Company.

(Note 3) Mr. Shoji Kawakami is a candidate for External Director.

(Note 4) The Company has registered Mr. Shoji Kawakami with the Tokyo Stock Exchange as independent director. If his reelection is approved and he assumes office, the Company intends to maintain his registration as independent director.

(Note 5) The Company has entered into a liability limitation agreement with Mr. Shoji Kawakami. If his reelection is approved at this Annual General Meeting of Shareholders and he assumes office, the Company intends to extend the agreement with him. The outline of the agreement is as follows:

- 1) If an External Director is liable to the Company for damages pursuant to Article 423, Paragraph 1 of the Companies Act, his/her liability shall be limited to the minimum liability amount stipulated by laws and regulations.
- 2) The limitation of liability stated above is only applicable if an External Director is in good faith and is not grossly negligent in performing his/her duties.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	 Takatomo Yoneda (December 20, 1945) Reappointment External Director Independent Director Attendance at Board of Directors meetings 100% (14 / 14)	April 1968 Joined The Industrial Bank of Japan, Limited (IBJ) (current Mizuho Financial, Inc.) May 1993 General Manager of Bangkok Branch (BIBF) of IBJ January 1997 General Manager of Bangkok Branch (full branch) of IBJ June 1997 General Manager of International Finance Division of IBJ (until May 1998) June 1998 Director of Copal Co., Ltd. (current NIDEC COPAL CORPORATION) October 1998 Chairman and Representative Director of NIDEC COPAL (MALAYSIA) SDN. BND. April 2002 Managing Director and CFO of NIDEC COPAL CORPORATION June 2008 Director, Senior Executive Managing Officer and CFO of NIDEC COPAL CORPORATION June 2012 Senior Executive Managing Officer of NIDEC COPAL CORPORATION (until December 2012) June 2015 External Audit & Supervisory Board Member of the Company June 2019 External Director of the Company (present) to present	3,000
<p><Reasons for selection as candidate> Having been involved in international business at The Industrial Bank of Japan, Limited for many years and played a managerial role at NIDEC COPAL CORPORATION over a long period of time at Nidec Group, Mr. Takatomo Yoneda possesses specialized knowledge regarding finance, accounting and advanced insight on corporate management. He also has a wealth of both domestic and overseas experience. Furthermore, he has provided the management of the Company with effective advice from an objective perspective as an External Audit & Supervisory Board Member from June 2015. He has been involved in management of the Company from an independent position as an External Director since June 2019. So that the Company can continue receiving his advice and recommendations on management reflecting his broad perspective and insight, his reappointment as candidate for External Director is requested.</p> <p><Term of office as Director> He will have served as External Director for one (1) year since June 2019 upon the conclusion of this Annual General Meeting of Shareholders.</p>			

(Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Mr. Takatomo Yoneda are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.


(Note 2) No special interest exists between Mr. Takatomo Yoneda and the Company.

(Note 3) Mr. Takatomo Yoneda is a candidate for External Director.

(Note 4) The Company has registered Mr. Takatomo Yoneda with the Tokyo Stock Exchange as independent director. If his reelection is approved and he assumes office, the Company intends to maintain his registration as independent director.

(Note 5) The Company has entered into a liability limitation agreement with Mr. Takatomo Yoneda. If his reelection is approved at this Annual General Meeting of Shareholders and he assumes office, the Company intends to extend the agreement with him. The outline of the agreement is as follows:

- 1) If an External Director is liable to the Company for damages pursuant to Article 423, Paragraph 1 of the Companies Act, his/her liability shall be limited to the minimum liability amount stipulated by laws and regulations.
- 2) The limitation of liability stated above is only applicable if an External Director is in good faith and is not grossly negligent in performing his/her duties.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	 Yukari Tominaga (April 19, 1958) New Candidate External Director Independent Director	April 1981 Joined Hitachi Computer, Consultant Ltd. (current Hitachi Solutions, Ltd.) April 2007 General Manager, Application Systems Department, Business Group No. 2. of Hitachi Solutions, Ltd. October 2010 Operating Officer; General Manager, Application Systems Department, Industrial and Retail Solutions Systems Business Department No. 1, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd. April 2011 Executive Officer; Deputy General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd. April 2012 Executive Officer; General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd. April 2013 Executive Officer; General Manager, Financial Systems Business Division, Financial Systems Business Group of Hitachi Solutions, Ltd. April 2014 Vice President and Executive Officer; Chief Officer, Financial Systems Business Group; Fellow, Group Management Foundation Reinforcement Group of Hitachi Solutions, Ltd. April 2015 Vice President and Executive Officer; Chief Officer, Social Innovation Promotion Group; Deputy Chief Officer, Sales Operations; Fellow, Technical Reform and Management Group of Hitachi Solutions, Ltd. October 2015 Vice President and Executive Officer; Fellow, Technical Reform and Management Group of Hitachi Solutions, Ltd. October 2016 Vice President and Executive Officer; Chief Officer, Quality Assurance Group of Hitachi Solutions, Ltd. December 2016 Vice President and Executive Officer; Chief Officer, Quality Assurance Group; Chief Officer, Procurement Management Group of Hitachi Solutions, Ltd. October 2018 Vice President and Executive Officer; Chief Officer, Quality Assurance Group of Hitachi Solutions, Ltd. April 2019 Chief Diversity Officer of Hitachi Solutions, Ltd. April 2020 Fellow of Hitachi Solutions, Ltd. (present) April 2020 Advisor of TODA CORPORATION (present) to present [Significant concurrent positions] Fellow of Hitachi Solutions, Ltd. Advisor of TODA CORPORATION	0
<Reasons for selection as candidate> Ms. Yukari Tominaga possesses extensive insight into corporate management and a wealth of experience, having served in key positions in various business fields at Hitachi Solutions, Ltd., where she served as Chief Diversity Officer from 2019. The Company expects that she is capable of playing a role in management of the Company based on her expertise, and her appointment as External Director is requested.			

- (Note 1) Past experience, positions, responsibilities, and significant concurrent positions for Ms. Yukari Tominaga are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.
- (Note 2) No special interest exists between Ms. Yukari Tominaga and the Company.
- (Note 3) Ms. Yukari Tominaga is a candidate for External Director.
- (Note 4) If her election is approved and she assumes office, the Company intends to register Ms. Yukari Tominaga with the Tokyo Stock Exchange as independent director.
- (Note 5) If her election is approved and she assumes office, the Company intends to enter into a liability limitation agreement with Ms. Yukari Tominaga. The outline of the agreement is as follows:
- 1) If an External Director is liable to the Company for damages pursuant to Article 423, Paragraph 1 of the Companies Act, his/her liability shall be limited to the minimum liability amount stipulated by laws and regulations.
 - 2) The limitation of liability stated above is only applicable if an External Director is in good faith and is not grossly negligent in performing his/her duties.

Proposal 3: Election of Two (2) Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Mr. Koji Kimura and Mr. Masahiko Ikaga will expire at the conclusion of this Annual General Meeting of Shareholders, and we propose the election of two (2) Audit & Supervisory Board Members.

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

The candidates for Audit & Supervisory Board Member are as follows.

No.	Name		Current positions at the Company	Attendance at Audit & Supervisory Board meetings	Number of shares of the Company held
1	New Candidate	Mitsumasa Saito	Director Executive Managing Officer and General Manager of Corporate Communications Division	-	8,800 shares
2	Reappointment External Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Masahiko Ikaga	Audit & Supervisory Board Member	100% (14 / 14)	600 shares

(Reference) Audit & Supervisory Board Members who are incumbent


Name		Current positions at the Company	Attendance at Audit & Supervisory Board meetings	Number of shares of the Company held
Incumbent	Keiki Hirota	Full-time Audit & Supervisory Board Member	100% (14 / 14)	7,000 shares
Incumbent External Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Mayumi Yamamoto	Audit & Supervisory Board Member	100% (10 / 10)	0 shares

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of shares of the Company held
1	 Mitsumasa Saito (January 1, 1958) New Candidate Attendance at Board of Directors meetings 100% (14 / 14) Attendance at Audit & Supervisory Board meetings -	April 1980 June 2008 May 2009 June 2011 June 2012 June 2016 June 2018	Joined the Company General Manager of General Affairs Department General Manager of Purchasing Department, Manufacturing Division Managing Officer and General Manager of Purchasing Department, Manufacturing Division Managing Officer and General Manager of Human Resources Department Director Director, Executive Managing Officer and General Manager of Corporate Communication Divisions (present) to present	8,800
<Reasons for selection as candidate> Aside from holding posts in the manufacturing and administration divisions, Mr. Mitsumasa Saito has served as an executive in related organizations and possesses specialized knowledge regarding the dairy industry. Additionally, since 2016, he has been involved in management of the Company as Director. He possesses capabilities, knowledge, experience, and personal connections that will enable accurate and fair performance of audits of execution of duties, and thus, the Company judges that he is a suitable person for the position of Audit & Supervisory Board Member and has selected him as a candidate for Audit & Supervisory Board Member.				

(Note 1) Past experience, positions, and significant concurrent positions for Mr. Mitsumasa Saito are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Mitsumasa Saito and the Company.

(Note 3) Mr. Mitsumasa Saito's attendance at Board of Directors meetings is the attendance in his capacity as Director.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
2	 <p>Masahiko Ikaga (May 14, 1955)</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 100% (14 / 14)</p> <p>Attendance at Audit & Supervisory Board meetings 100% (14 / 14)</p>	<p>October 1979 Joined Tohmatsu Aoki Audit Corporation (current Deloitte Touche Tohmatsu LLC)</p> <p>May 1988 Director of Tohmatsu Touche & Ross Consulting Co., Ltd. (current ABeam Consulting Ltd.)</p> <p>May 1990 Partner of Tohmatsu Aoki Audit Corporation</p> <p>April 1993 Director of Tohmatsu Consulting Co., Ltd. (current Deloitte Tohmatsu Consulting LLC)</p> <p>March 2000 Representative Director and President of Tohmatsu Consulting Co., Ltd.</p> <p>October 2010 Director and Chairman of Tohmatsu Consulting Co., Ltd. (until November 2013)</p> <p>November 2013 Chief Strategy Officer of Deloitte Touche Tohmatsu LLC (until November 2015)</p> <p>March 2016 Retired from Partner of Deloitte Touche Tohmatsu LLC</p> <p>April 2016 Established Masahiko Ikaga Certified Public Accountant Office</p> <p>May 2016 Representative Director of PrajnaLink Co., Ltd. (present)</p> <p>June 2016 External Audit & Supervisory Board Member of the Company (present)</p> <p>March 2017 Outside Corporate Audit & Supervisory Board Member of Yamaha Motor Co., Ltd. (present)</p> <p>June 2017 Outside Director of RYOBI LIMITED (present) to present</p> <p>[Significant concurrent positions] Certified public accountant (Masahiko Ikaga C.P.A. Office) Representative Director of PrajnaLink Co., Ltd. Outside Corporate Audit & Supervisory Board Member of Yamaha Motor Co., Ltd. Outside Director of RYOBI LIMITED</p>	600
<p><Reasons for selection as candidate> Mr. Masahiko Ikaga has financial and accounting knowledge as a certified public accountant and a wealth of experience and extensive insight as a corporate manager. He has been providing effective advice concerning management of the Company as an External Audit & Supervisory Board Member of the Company since June 2016. In order for the Company to continue to benefit from his audits of the Company from an objective and expert viewpoint, his reappointment as External Audit & Supervisory Board Member is requested.</p> <p><Term of office as Audit & Supervisory Board Member> He will have served as an External Audit & Supervisory Board Member for four (4) years since June 2016 upon the conclusion of this Annual General Meeting of Shareholders.</p>			

(Note 1) Past experience, positions, and significant concurrent positions for Mr. Masahiko Ikaga are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Masahiko Ikaga and the Company.

(Note 3) Mr. Masahiko Ikaga is a candidate for External Audit & Supervisory Board Member.

(Note 4) The Company has registered Mr. Masahiko Ikaga with the Tokyo Stock Exchange as independent Audit & Supervisory Board Member. If his reelection is approved and he assumes office, the Company intends to maintain his registration as independent Audit & Supervisory Board Member.

(Note 5) The Company has entered into a liability limitation agreement with Mr. Masahiko Ikaga. If his reelection is approved at this Annual General Meeting of Shareholders and he assumes office, the Company intends to extend the agreement with him. The outline of the agreement is as follows:

- 1) If an External Audit & Supervisory Board Member is liable to the Company for damages pursuant to Article 423, Paragraph 1 of the Companies Act, his/her liability shall be limited to the minimum liability amount stipulated by laws and regulations.
- 2) The limitation of liability stated above is only applicable if an External Audit & Supervisory Board Member is in good faith and is not grossly negligent in performing his/her duties.


Proposal 4: Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for a contingency in which the number of Audit & Supervisory Board Members falls below the minimum stipulated by laws and regulations, we propose the election of one (1) Substitute Audit & Supervisory Board Member as a substitute External Audit & Supervisory Board Member for Mr. Masahiko Ikaga, who will assume the office of External Audit & Supervisory Board Member subject to the approval of Proposal 3: “Election of Two (2) Audit & Supervisory Board Members,” and External Audit & Supervisory Board Member Ms. Mayumi Yamamoto.

The validity of the election under this proposal may only be cancelled prior to the assumption of office based on resolution by the Board of Directors upon consent of the Audit & Supervisory Board.

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

The candidate for the Substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
 <p>Hiroshi Fujiwara (August 25, 1955)</p> <p>External Audit & Supervisory Board Member</p> <p>Independent Audit & Supervisory Board Member</p>	<p>April 1981 Registered as an Attorney at law (Tokyo Bar Association) Joined Hashimoto Shirohei law firm (current Hashimoto Sogo law firm) (present)</p> <p>January 2004 Practicing-attorney-professor for civil advocacy of Legal Training and Research Institute of Japan, Supreme Court of Japan (until January 2007)</p> <p>April 2011 Vice-President, Tokyo Bar Association (until March 2012)</p> <p>June 2015 External Audit & Supervisory Board Member of Kaneka Corporation (present) to present</p> <p>[Significant concurrent positions] Attorney at law (Hashimoto Sogo law firm) External Audit & Supervisory Board Member of Kaneka Corporation</p>	<p>0</p>
<p><Reasons for selection as candidate> Although Mr. Hiroshi Fujiwara has no experience of direct involvement in corporate management, he is expected to be capable of objectively and expertly auditing the Company’s management in view of his professional knowledge of legal matters as an attorney at law and abundant experience of commercial issues.</p>		

(Note 1) Past experience, positions, and significant concurrent positions for Mr. Hiroshi Fujiwara are as of May 25, 2020, the date the Reference Documents for the Annual General Meeting of Shareholders were prepared.

(Note 2) No special interest exists between Mr. Hiroshi Fujiwara and the Company.

(Note 3) Mr. Hiroshi Fujiwara is a candidate for Substitute External Audit & Supervisory Board Member.

(Note 4) If Mr. Hiroshi Fujiwara is appointed as External Audit & Supervisory Board Member, the Company intends to register him with the Tokyo Stock Exchange as an independent Audit & Supervisory Board Member.

(Note 5) If Mr. Hiroshi Fujiwara is appointed as External Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with him. The outline of the agreement is as follows:

- 1) If an External Audit & Supervisory Board Member is liable to the Company for damages pursuant to Article 423, Paragraph 1 of the Companies Act, his/her liability shall be limited to the minimum liability amount stipulated by laws and regulations.
- 2) The limitation of liability stated above is only applicable if an External Audit & Supervisory Board Member is in good faith and is not grossly negligent in performing his/her duties.

Reference

[Standards for Determining Independence of External Executives]

If External Directors, External Audit & Supervisory Board Members, and candidates thereof fulfill the following conditions, the Company will determine that they possess adequate independence from the Company.

- (1) The person is not currently an Executive Director, etc., (Note 2) of the Group (Note 1), and was not an Executive Director, etc., of the Group in the past. For External Audit & Supervisory Board Members, in addition to the above, the person was not a Non-executive Director of the Group.
- (2) Within the present fiscal year and within the past three fiscal years, none of the following applied.
 - 1) The person holds the Group as a major transaction partner (Note 3) or is an Executive Director, etc., of said transaction partner.
 - 2) The person is a major transaction partner of the Group (Note 4) or is an Executive Director, etc., of said transaction partner.
 - 3) The person is a consultant, accounting specialist, or legal specialist that receives a significant amount of cash (Note 5) or other property other than executive remuneration. Additionally, if the party receiving said property is an organization such as a corporation or association, then a person affiliated with said organization.
 - 4) The person is a major shareholder of the Company (Note 6) or is an Executive Director, etc., of said major shareholder.
 - 5) The person is from an organization such as a corporation or association that receives donations or support exceeding a certain amount (Note 7) from the Group.
- (3) The person is not currently a spouse or relative to within the second degree of a person to which any of the following apply.
 - 1) An Executive Director, etc., or a Non-executive Director of the Group. However, for persons who are employees also serving as Executive Directors, etc., this is limited to significant employees (Note 8).
 - 2) Significant persons (Note 9) to which any of (2) 1) to 5) apply.
- (4) The person is not a Director, Audit & Supervisory Board Member, Executive, Managing Officer, or employee of a company with which the Group has a mutual seconding of Directors, Audit & Supervisory Board Members, Executives, or Managing Officers.
- (5) None of the following apply to the person.
 - 1) Persons with which there may be a conflict of interest with general shareholders.
 - 2) Persons with a total term of office exceeding eight (8) years.

(Note 1) The Group refers to the Company and subsidiaries of the Company.

(Note 2) Executive Directors, etc., refer to Executive Directors, Executives, Managing Officers, Managers, and other employees.

(Note 3) Persons who hold the Group as a major transaction partner are persons that receive payment from the Group of 2% or more of total annual consolidated net sales of said transaction partner.

(Note 4) Major transaction partners of the Group are persons to which any of the following apply.

- 1) Persons whose payment to the Group is 2% or more of total annual consolidated net sales of the Group.
- 2) A financial institution whose balance of loans to the Group as of the end of the fiscal year comprises 2% or more of total consolidated assets of the Group.

(Note 5) A significant amount of cash is 10 million yen per annum or 2% or more of consolidated net sales or total revenue for said corporation, whichever amount is greater, on average for the past three fiscal years.

(Note 6) Major shareholders are shareholders that hold stocks that account for 10% or more of total voting rights.

(Note 7) A certain amount is 10 million yen per annum or 30% or more of total annual expenses for said corporation, whichever amount is greater, on average for the past three fiscal years.

(Note 8) Significant employees are employees that are in upper levels of management, such as General Managers or higher.

(Note 9) Significant persons are certified public accountants, attorneys (including so-called associates), corporate directors, and committee members, etc., or persons that can objectively and rationally be said to possess a similar level of significance.