NEWS RELEASE

SHOWA DENKO K.K.
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February 13, 2020

SDK to Change Part of its Articles of Incorporation

Showa Denko (SDK) (TOKYO: 4004) decided at its board of directors meeting today to present a proposal for partial changes in its Articles of Incorporation to its 111th ordinary general meeting of shareholders to be held on March 26, 2020.

1. Objective of changes

(1) Convocation of General meeting (amended Article 12):

To ensure flexible administration of general meetings of shareholders, it is planned to change part of Article 12, paragraph 2.

(2) Representative Directors and Officer Directors (amended Article 20):

To ensure quick execution of the company's operation, it is planned to change part of Article 20, paragraph 2, so that president may be elected from among corporate officers as well. Also, provisions on Officer Directors will be amended as shown in planned paragraph 3.

(3) Convener of Board of Directors Meeting (current Article 21):

To ensure flexible administration of meetings of the board of directors, it is planned to delete the provision in Articles of Incorporation referred to in Article 366, paragraph 1, of the Companies Act.

(4) Corporate Officers (amended Article 27):

It is planned to establish new Article 27 to clarify the company's corporate officers system, which has been adopted since the 93rd business term.

(5) Other changes (amended Articles 12 and 13):

Titles of Articles 12 and 13 are to be changed to make them consistent with descriptions in other provisions.

2. Details

Proposed changes in Articles of Incorporation are as follows:

(Underlined parts represent planned amendments.)

Current document	Planned changes
Chapter 1 General Rules Article 1 | (Omitted) Article 11	Chapter 1 General Rules Article 1 | (No change) Article 11
(Convocation of General Meeting) Article 12 The ordinary general meeting of the shareholders shall be held in March of each year and an extraordinary meeting of the shareholders shall be convened when necessary.	(Convocation of General Meeting <u>of Shareholders</u>) Article 12 The ordinary general meeting of the shareholders shall be held in March of each year and an extraordinary meeting of the shareholders shall be convened when necessary.

②The general meeting shall be convened by the president-director on the basis of a resolution of the board of directors. In case the position of president-director is vacant or the person in that position is unable to act, another representative director, determined in accordance with the order decided in advance by the board of directors, shall convene the general meeting.	②The general meeting shall be convened by the president-director on the basis of a resolution of the board of directors. In case the position of president-director is vacant or the person in that position is unable to act, another director, determined in accordance with the order decided in advance by the board of directors, shall convene the general meeting.
(Chairman of General Meeting) Article 13 The president-director shall act as chairman at the general meeting of the shareholders. In case the position of president-director is vacant or the person in that position is unable to attend, another director, determined in accordance with the order decided in advance by the board of directors, shall act as chairman at the general meeting.	(Chairman of General Meeting of Shareholders) Article 13 (No change)
Article 14 　｜　(Omitted) Article 19	Article 14 　｜　(No change) Article 19
(Representative Directors and Officer Directors) Article 20 The board of directors shall, by resolution, elect representative directors.	(Representative Directors and Others) Article 20 The board of directors shall, by resolution, elect representative directors.
② The board of directors may, by resolution, appoint from among the directors one chairman, one president, and a number of vice presidents, senior managing directors and managing directors, respectively.	② The board of directors shall, by resolution, elect one president from among directors or corporate officers.
(New clause)	③ The board of directors may, by resolution, appoint chairman and other officer directors.
(Convener of Board of Directors Meeting) Article 21 The board of directors meeting shall be convened by the chairman of the board of directors. In case the position of chairman of the board of directors is vacant or the person in that position is unable to act, the president-director shall convene the board of directors meeting. In case the person in the position of president-director is unable to act, another director, determined in accordance with the order decided in advance by the board of directors, shall convene the meeting.	(To be deleted)
Article 22 　｜　(Omitted) Article 27	Article 21 　｜　(No change) Article 26
(New clause)	(Corporate Officers) Article 27 This corporation may, by resolution of the board of directors, appoint corporate officers for execution of its operations.
Article 28 　｜　(Omitted)	

Article 41	Article 28 ⎪ (No change) Article 41

3. Schedules
(1) Date of the general meeting of shareholders for the change of Articles of Incorporation:
March 26, 2020
(2) Effective date of the change of Articles of Incorporation:
March 26, 2020

For more information, contact:
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