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(Securities Code: 4927)
March 6, 2020

To Shareholders with Voting Rights:

Satoshi Suzuki
Representative Director and President
POLA ORBIS HOLDINGS INC.
2-2-3 Nishigotanda, Shinagawa-ku, Tokyo
[Head Office:
1-7-7 Ginza, Chuo-ku, Tokyo]

CONVOCATION NOTICE OF THE 14TH ANNUAL SHAREHOLDERS' MEETING

1. **Date and Time:** 1:30 p.m. on Tuesday, March 24, 2020
(Reception will start from 0:00 p.m.)
* Please note that the starting time of reception this year is different from last year.

2. **Place:** Hiten Banquet Hall (main venue), Grand Prince Hotel New Takanawa, located at
3-13-1 Takanawa, Minato-ku, Tokyo, Japan
* A secondary venue will be made available in the event that the main venue is filled to capacity.

3. **Meeting Agenda:**

Matters to be reported:
1. The Business Report, Consolidated Financial Statements for the Company's 14th fiscal year (January 1, 2019 - December 31, 2019) and the Auditing Report for the Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors
2. Non-consolidated Financial Statements for the Company's 14th fiscal year (January 1, 2019 - December 31, 2019)

Proposal to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Eight (8) Directors

- Any revisions to the Reference Document for the Shareholders' Meeting, the Business Report, and/or the Consolidated and the Non-consolidated Financial Statements will be posted on the Company's website. (URL: https:www.po-holdings.co.jp/).
- This Convocation Notice of the Shareholders' Meeting and the attached documents hereto as well as their English translation are available on the Company's website.
- Among the documents required to be provided with this Convocation Notice of the Shareholders' Meeting, (1) Matters Concerning the Company's Stock Acquisition Rights, Etc. of the Business Report, (2) Consolidated Statements of Changes in Net Assets, Notes to the Consolidated Financial Statements, Non-consolidated Statements of Changes in Net Assets, and (3) Notes to Non-consolidated Financial Statements are posted on the Company's website (https://ir.po-holdings.co.jp/ja/Stock/Meeting.html) on the internet based on relevant laws and regulations and Article 15 of the Company's Articles of Incorporation, and are therefore not included in this Convocation Notice. The Business Report audited by the Corporate Auditors consists of this Convocation Notice and (1) above. The Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Corporate Auditors and the Accounting Auditor consist of the documents in this Convocation Notice and (2) and (3) above.

[Guidance for Exercise of Voting Rights]

■ If you are "able to attend" the Shareholders' Meeting:
Please submit the enclosed Voting Rights Exercise Form at the reception desk of the Meeting.

● Please note that the attendance commemoration gifts will be limited to one per shareholder attending the Meeting, regardless of the number of Voting Rights Exercise Forms each shareholder may bring.

■ If you are "unable to attend" the Shareholders' Meeting:

<Exercise of Voting Rights in Writing>

We kindly request you to indicate approval or disapproval of the proposals on the Voting Rights Exercise Form enclosed herewith, and return it so that it reaches us no later than the voting deadline below.

Voting deadline: No later than 5:40 p.m. on Monday, March 23, 2020

<Exercise of Voting Rights via the Internet>

Please exercise your voting rights no later than the voting deadline below on the website for exercise of voting rights (https://evote.tr.mufg.jp/).

Voting deadline: No later than 5:40 p.m. on Monday, March 23, 2020

● The Electronic Voting Rights Exercise Platform
Nominee shareholders (including standing proxies) such as management trust banks can use the electronic voting rights exercise platform operated by ICJ, Inc. if application for participation in the platform is made in advance.

Reference Document for the Shareholders' Meeting

Proposal 1: Appropriation of Surplus

The Company regards the return of profits to shareholders as one of its significant management issues, and has set the enhancement of shareholder return through stable profit growth as a basic policy. Moreover, the Company proposes to provide an additional commemorative dividend to express its gratitude to its shareholders given that the 14th fiscal year marks the 90th anniversary of the Company's founding. Accordingly, the Company would like to set the amount of year-end dividend as follows.

If this proposal is approved, the total dividend for the 14th fiscal year, including the interim dividend, will be 116 yen per share.

Matters pertaining to year-end dividend

(1) Type of dividend property
Cash

(2) Allocation of dividend property to shareholders and the total amount thereof
81 yen per share (ordinary dividend of 45 yen per share, commemorative dividend of 36 yen per share)
Total: 17,930,848,743 yen

(3) Date when dividends of surplus become effective
March 25, 2020

(Reference) Trends of Dividends and Dividend Payout Ratio

	The 11th fiscal year	The 12th fiscal year	The 13th fiscal year	The 14th fiscal year
Dividend	200 yen	70 yen	80 yen	116 yen (scheduled)
After taking stock split into account	50 yen	70 yen	80 yen	116 yen (scheduled)
Dividend payout ratio	67.7%	57.1%	210.9%	130.3% (scheduled)

* Effective on April 1, 2017 (the 12th fiscal year), the Company conducted a 4-for-1 stock split. Therefore, dividends after taking stock split into account, which are calculated on the assumption that the stock split was conducted at the beginning of the 11th fiscal year, are also shown above. Dividend and dividend payout ratio figures for the 14th fiscal year are stated on the assumption that this proposal is approved as originally proposed.

Proposal 2: Election of Eight (8) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, in order to further strengthen the management structure and ensure management transparency, the Company proposes the election of eight (8) Directors by increasing the number of Directors by two (2).

The names, career summaries, etc. of the Director candidates are as follows:

No.	Name		Current positions and responsibilities	Attendance at meetings of the Board of Directors
1	(Reelection)	Satoshi Suzuki	Representative Director and President	20/20 (100%)
2	(Reelection)	Naoki Kume	Director and Vice President In charge of Management Planning, IT and HR	20/20 (100%)
3	(Reelection)	Akira Fujii	Director In charge of Finance, Legal & Administration, PR, IR and CSR	20/20 (100%)
4	(Reelection)	Yoshikazu Yokote	Director General Manager of International Business Management In charge of Group International Business	20/20 (100%)
5	(New election)	Takuma Kobayashi		
6	(Reelection) (Outside Director) (Independent)	Kazuyoshi Komiya	Outside Director	19/20 (95%)
7	(Reelection) (Outside Director) (Independent)	Naomi Ushio	Outside Director	20/20 (100%)
8	(New election) (Outside Director) (Independent)	Hikaru Yamamoto		

(Reference) The term "Director Competency" as defined under the POLA ORBIS Group Executive Competency Model refers to the behavioral traits required of the Company's Directors and management team.

The Competency Model sets forth 13 competencies in areas that include "Business Context Awareness," "Long-term Vision, " "Impact & Influence," and "Bi-i-shiki (≈Esthetic Sense)." One of the benchmarks used by the Company in selecting Director candidates is that of the extent to which a Director candidate possesses competencies as an outstanding manager, as assessed by an outside consultancy. The Company aims to strengthen the oversight functions of its Board of Directors and increase the quality of deliberations by ensuring that it consists of a highly diverse team of executives each of whom has differing strengths, personalities and career backgrounds.

Candidate No. 1

Satoshi Suzuki (March 18, 1954)



(Male)

(Reelection)

Attendance at meetings of the Board of Directors: 20/20 (100%)

Number of shares of the Company held: 50,632,480 shares

Career summary:

April 1979	Joined Honda R&D Co., Ltd.	January 2000	Representative Director and President, POLA Cosmetics, Inc.
May 1986	Joined POLA Cosmetics, Inc. (currently POLA INC.) General Manager, General Coordination Office, POLA Cosmetics, Inc.	September 2006	Representative Director and President, POLA ORBIS HOLDINGS INC. (current)
February 1996	Director, POLA Cosmetics, Inc.	April 2010	Representative Director and Chairman, POLA INC.
June 1996	Representative Director and President, POLA CHEMICAL INDUSTRIES INC.	January 2016	Chairman, POLA INC. (current)

Significant concurrent positions:
Chairman, POLA INC.

Reasons for nominating the candidate for Director:

Mr. Satoshi Suzuki has a proven record of success in attaining continuous growth for the Group as Representative Director and President, and has endeavored to bring about stable growth of the Group's overall earnings and increase its corporate value by demonstrating leadership in the drive to achieve the long-term vision for 2020 and in drawing up the Group vision further ahead. Mr. Suzuki has actively promoted new initiatives throughout the Group. These include the renewal of the R&D system, which is one of the Group's strengths, the introduction of a senior corporate officer system and the establishment of an appointed Compensation Advisory Committee in 2019 in order to strengthen corporate governance at the same time as the launch of new business from an in-house venture system in 2018.

The "Director Competency" evaluation indicates that Mr. Suzuki's greatest strength is his ability to envision a strategic direction for the entire Group from a long-term perspective. Moreover, he constantly seeks new approaches and accordingly has the distinctive ability to take indiscriminate action in terms of effecting bold changes in direction.

For the reasons mentioned above, we propose reelection of Mr. Suzuki as Director.

Candidate No. 2

Naoki Kume (June 9, 1961)



(Male)

(Reelection)

Attendance at meetings of the Board of Directors: 20/20 (100%)

Number of shares of the Company held: 111,708 shares

Career summary:

April 1984	Joined POLA Cosmetics, Inc. (currently POLA INC.)	January 2008	Director, General Manager of Management Planning and Group Organization Strategy, POLA ORBIS HOLDINGS INC.
October 2004	General Manager, Accounting Division, POLA Cosmetics, Inc.	July 2011	Director, H2O PLUS HOLDINGS, LLC (currently H2O PLUS HOLDINGS, INC.)
April 2005	Corporate Officer and General Manager, Group Organization Strategy Division, POLA Cosmetics, Inc.	February 2012	Director, Jurlique International Pty. Ltd.
January 2007	Director, POLA Cosmetics, Inc. Corporate Officer, General Manager of Management Planning and Group Organization Strategy, POLA ORBIS HOLDINGS INC.	January 2014	Director and Vice President, POLA ORBIS HOLDINGS INC. (current)
		March 2018	Director and Vice President, General Manager of International Business Management, POLA ORBIS HOLDINGS INC.

Significant concurrent positions:
No significant concurrent positions

Responsibility:
In charge of Management Planning, IT and HR

Reasons for nominating the candidate for Director:

Mr. Naoki Kume has abundant experience and achievements in management and accounting & finance as a director responsible for management planning and accounting & finance divisions. Since 2018, Mr. Kume has carried out cost structure reforms aimed at making Jurlique International Pty. Ltd. profitable and promoted the transformation of Jurlique's business in China from distributorship business to direct business by Jurlique. While expanding the brand portfolio with the launch of three brands: "Amplitude," "ITRIM," and "FIVEISM x THREE," Mr. Kume also successfully transferred the pharmaceuticals business, thereby concentrating management resources on our mainline Beauty Care business, which led to a further improvement in our investment efficiency.

The "Director Competency" evaluation indicates that Mr. Kume has strengths in the area of strategic thinking, and otherwise has a keen sense of changes in the business environment and trends, based on which he accordingly takes initiative upon identifying respective challenges and impacts affecting the Group. He accordingly has the distinctive ability to take action in a manner that involves formulating hypotheses from a medium- to long-term perspective, which he then draws on in formulating strategies and specific measures.

For the reasons mentioned above, we propose reelection of Mr. Kume as Director.

Candidate No. 3

Akira Fujii (March 9, 1957)



(Male)

(Reelection)

Attendance at meetings of the Board of Directors: 20/20 (100%)

Number of shares of the Company held: 96,684 shares

Career summary:

April 1979	Joined POLA Cosmetics, Inc. (currently POLA INC.)	March 2008	Director, POLA ORBIS HOLDINGS INC.
September 2000	General Manager, Fashion Business, Planning and Sales Division, POLA Cosmetics, Inc.	July 2008	Director and General Manager, Group PR, POLA ORBIS HOLDINGS INC. Director, POLA INC.
January 2004	Representative Director and President, Osaka POLA	December 2010	Director and General Manager, PR & IR, POLA ORBIS HOLDINGS INC.
April 2005	Corporate Officer, POLA Cosmetics, Inc.	January 2011	Director, POLA ORBIS HOLDINGS INC. (current)
January 2007	Director and General Manager, Catalog Business Division, POLA Cosmetics, Inc.	January 2015	Director and General Manager, Corporate Communications, POLA ORBIS HOLDINGS INC.
January 2008	Director and General Manager, Public Relations Division, POLA Cosmetics, Inc.		

Significant concurrent positions:
No significant concurrent positions

Responsibility:
In charge of Finance, Legal & Administration, PR, IR and CSR

Reasons for nominating the candidate for Director:

Mr. Akira Fujii has abundant business experience in the Group's business and is well versed in the fields of PR and IR, particularly given his service as a director responsible for the corporate communications division. In terms of IR, Mr. Fujii continuously endeavored to enhance shareholder value by actively increasing contact with the stock market. In 2018 the Company was selected for the JPX-Nikkei index 400 and also received an IR-related award.

The "Director Competency" evaluation indicates that Mr. Fujii has a medium- to long-term perspective, and otherwise has strengths in terms of his ability to convey a strategic direction drawing on current circumstances and a future outlook from a broad perspective. Moreover, Mr. Fujii flexibly gains new knowledge even when it comes to changes in the business environment or uncharted areas, and has the distinctive ability to take action that generates results.

For the reasons mentioned above, we propose reelection of Mr. Fujii as Director.

Candidate No. 4

Yoshikazu Yokote (September 10, 1967)



(Male)

(Reelection)

Attendance at meetings of the Board of Directors: 20/20 (100%)

Number of shares of the Company held: 18,800 shares

Career summary:

April 1990	Joined POLA Cosmetics, Inc. (currently POLA INC.)
August 2006	Representative Director and President, FUTURE LABO INC.
July 2011	Chairman, Managing Director, POLA CHINA BEAUTY CO. LTD. (POLA Shenyang)
January 2015	Corporate Officer, General Manager, Product Planning Division, POLA INC.
January 2016	Representative Director and President, POLA INC.
March 2016	Director, POLA ORBIS HOLDINGS INC.
January 2020	Director and General Manager of International Business Management, POLA ORBIS HOLDINGS INC. (current)

Significant concurrent positions:
No significant concurrent positions

Responsibility:
In charge of Group International Business
General Manager of International Business Management

Reasons for nominating the candidate for Director:

Having served as Representative Director and President of POLA INC., Mr. Yoshikazu Yokote has been promoting organizational and cultural reforms thereby forging a strong footing for the Company growth, and otherwise has outstanding business execution ability. In addition, Mr. Yokote enabled the Company to gain momentum in our overseas business, which has been a long-standing issue, and established medium- to long-term growth investment areas going forward.

The “Director Competency” evaluation indicates that Mr. Yokote is able to gain an intuitive understanding of experience and situations he has encountered, and that he accordingly has strengths in terms of his conceptual thinking whereby he creates a vision to pursue upon developing a hypothesis on that basis. Moreover, he has the distinctive ability to take action that involves making innovative and resolute decisions of his own accord and achieving breakthroughs, even when encountering challenging situations.

For the reasons mentioned above, we propose reelection of Mr. Yokote as Director.

Candidate No. 5

Takuma Kobayashi (September 1, 1977)



(Male)

(New election)

Attendance at meetings of the Board of Directors: -

Number of shares of the Company held: -

Career summary:

October 2002	Joined POLA Cosmetics, Inc. (currently POLA INC.)
April 2009	General Manager, Marketing Division, decencia Inc. (current DECENCIA INC.)
November 2009	Director, decencia Inc.
February 2010	Representative Director and President, decencia Inc.
January 2017	Director, ORBIS Inc. Director, DECENCIA INC.
January 2018	Representative Director and President, ORBIS Inc. (current) Senior Corporate Officer, POLA ORBIS HOLDINGS INC. (current)
January 2020	Director, H2O PLUS HOLDINGS, INC. (current)

Significant concurrent positions:
Representative Director and President, ORBIS Inc.
Director, H2O PLUS HOLDINGS, INC.

Reasons for nominating the candidate for Director:

Mr. Takuma Kobayashi drove the rapid growth of DECENCIA INC. as Representative Director and President, and currently serves as Representative Director and President of ORBIS Inc. He has abundant experience and achievements as a business leader, having steadily undertaken the rebranding and restructuring of ORBIS Inc. and proposed new value to the market.

The “Director Competency” evaluation indicates that Mr. Kobayashi excels in strategic thinking with a focus on marketing, has a clear vision from a long-term perspective, and that his greatest strength is the ability to come up with original ideas that are not bound by conventional frameworks. Moreover, he has the distinctive ability to take action with a sense of speed and power based on a strong motivation and passion for creating results as a business leader.

For the reasons mentioned above, we propose election of Mr. Kobayashi as Director.

Candidate No. 6

Kazuyoshi Komiya (December 20, 1957)



(Male)

(Reelection) (Outside Director) (Independent)

Attendance at meetings of the Board of Directors: 19/20 (95%)

Number of shares of the Company held: -

Term of office as Director: 5 years

Career summary:

April 1981	Joined The Bank of Tokyo, Ltd. (currently The Bank of Mitsubishi UFJ, Ltd.)	March 2005	Outside Corporate Auditor, Sankei Giken Holdings Co., Ltd. (current)
November 1991	Resigned from The Bank of Tokyo, Ltd.	June 2011	Outside Corporate Auditor, APOLLO MEDICAL HOLDINGS Co., Ltd. (current)
December 1991	Joined Okamoto Associates, Inc.	May 2012	Outside Director, Kindware Corporation
March 1994	Resigned from Okamoto Associates, Inc.	October 2014	Visiting professor, Nagoya University (current)
April 1994	Joined Nippon Fukushi Service K.K. (currently SAINT-CARE HOLDING CORPORATION)	March 2015	Outside Director, POLA ORBIS HOLDINGS INC. (current)
January 1996	Resigned from Nippon Fukushi Service K.K.	April 2015	Representative Director, President, Head Office, Komiya Consultants, Inc. (current)
January 1996	Representative Director, President, Komiya Consultants, Inc.		
June 1997	Outside Corporate Auditor, Sankei Giken Kogyo Co., Ltd. (current)	April 2017	Representative Director, Chairman, Komiya Consultants, Inc. (current)
June 2002	Outside Director, WAO CORPORATION (current)		
March 2003	Outside Director, CAS Capital, Inc. (current)		

Significant concurrent positions:
Outside Corporate Auditor, Sankei Giken Kogyo Co., Ltd.
Outside Director, WAO CORPORATION
Outside Director, CAS Capital, Inc.
Outside Corporate Auditor, Sankei Giken Holdings Co., Ltd.
Outside Corporate Auditor, APOLLO MEDICAL HOLDINGS Co., Ltd.
Representative Director, President, Head Office, Komiya Consultants, Inc.
Representative Director, Chairman, Komiya Consultants, Inc.

Reasons for nominating the candidate for Outside Director:

Mr. Kazuyoshi Komiya has a wealth of knowledge and experience in corporate management. As Outside Director, he has been playing an appropriate role in overseeing business execution and other operations.
For the reasons mentioned above, we propose reelection of Mr. Komiya as Outside Director.

Candidate No. 7

Naomi Ushio (March 8, 1961)



(Female)

(Reelection) (Outside Director) (Independent)

Attendance at meetings of the Board of Directors: 20/20 (100%)

Number of shares of the Company held: -

Term of office as Director: 2 years

Career summary:

April 1983	Joined Fuji Television Network, Inc.	August 2009	Expert Member, Liaison Conference for the Promotion of Gender Equality, Cabinet Office
February 1989	Resigned from Fuji Television Network, Inc.	June 2011	Outside Corporate Auditor, Seven Bank, Ltd.
April 1998	Senior Assistant Professor, Meiji University	June 2014	Outside Corporate Auditor, JX Holdings, Inc. (currently JXTG Holdings, Inc.)
April 2003	Associate Professor ("*Jokyoju*"), Meiji University	April 2016	Vice President, Meiji University (current)
April 2007	Associate Professor ("*Junkyoju*"), Meiji University	March 2018	Outside Director, POLA ORBIS HOLDINGS INC. (current)
April 2009	Professor, School of Information and Communication, Meiji University (current)	February 2019	Member of 10th Central Council for Education, Ministry of Education, Culture, Sports, Science and Technology (current)
		June 2019	Outside Corporate Auditor, The Shizuoka Bank Ltd. (current)

Significant concurrent positions:
Professor, School of Information and Communication, Meiji University
Vice President, Meiji University
Outside Corporate Auditor, The Shizuoka Bank Ltd.

Reasons for nominating the candidate for Outside Director:

Ms. Naomi Ushio specializes in business administration and human resource management theories. She has broad knowledge and expertise in addressing the issue of utilizing the abilities of working women, and has experience as outside corporate auditor for listed companies.

For the reasons mentioned above, we propose reelection of Ms. Ushio as Outside Director.

Although Ms. Ushio has no past experience of involvement in corporate management other than as outside director and outside corporate auditor, for the reasons above, the Company believes she is capable of appropriately conducting her duty as Outside Director.

Candidate No. 8

Hikaru Yamamoto (October 2, 1973)



(Female)

(New election) (Outside Director) (Independent)

Attendance at meetings of the Board of Directors: -

Number of shares of the Company held: -

Term of office as Director: -

Career summary:

April 2004	Assistant Professor, Graduate School of Economics, The University of Tokyo
April 2005	Lecturer, Faculty of Economics, Seikei University
April 2008	Associate Professor, Faculty of Economics, Seikei University
April 2014	Associate Professor, Graduate School of Business Administration, Keio University (current)
December 2015	Outside Director, MTI Ltd. (current)

Significant concurrent positions:
Associate Professor, Graduate School of Business Administration, Keio University
Outside Director, MTI Ltd.

Reasons for nominating the candidate for Outside Director:

Ms. Hikaru Yamamoto specializes in marketing. She has broad knowledge and expertise mainly engaging in consumer behavioral research in a digital environment, and has experience as outside director for a listed company.

For the reasons mentioned above, we propose election of Ms. Yamamoto as Outside Director.

Although Ms. Yamamoto has no past experience of involvement in corporate management other than as outside director, for the reasons above, the Company believes she is capable of appropriately conducting her duty as Outside Director.

(Notes)

1. There are no special conflicts of interest between any of the candidates and the Company.
2. The numbers of shares of the Company held by the candidates are based on the final register of shareholders as of December 31, 2019.
3. Mr. Kazuyoshi Komiya and Ms. Naomi Ushio are candidates for Outside Director. The Company has appointed Mr. Kazuyoshi Komiya and Ms. Naomi Ushio as Independent Director as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified such to the Exchange.
4. Ms. Hikaru Yamamoto is a candidate for Outside Director. If election of Ms. Hikaru Yamamoto is approved, the Company will appoint her as Independent Director as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified such to the Exchange.
5. The term of office of Mr. Kazuyoshi Komiya as Outside Director of the Company will be five years, at the conclusion of this Annual Shareholders' Meeting.
6. The term of office of Ms. Naomi Ushio as Outside Director of the Company will be two years, at the conclusion of this Annual Shareholders' Meeting.
7. The Company has established a provision concerning liability limitation agreements with Outside Directors under its current Articles of Incorporation. Pursuant to said provision of the Articles of Incorporation, the Company has entered into liability limitation agreements with Mr. Kazuyoshi Komiya and Ms. Naomi Ushio regarding the liability specified in Article 423, Paragraph 1 of the Companies Act. Under said agreements, they shall be liable for damages within the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act, if they perform their duties in good faith and without gross negligence. If this proposal is approved and Mr. Kazuyoshi Komiya and Ms. Naomi Ushio are reelected, the Company plans to continue the aforementioned liability limitation agreements with them. If election of Ms. Hikaru Yamamoto is approved, the Company will enter into a similar liability limitation agreement with her.