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(Securities Code: 7459)
June 1, 2020

To our shareholders:

Shuichi Watanabe
Representative Director, President and CEO
MEDIPAL HOLDINGS CORPORATION
2-7-15, Yaesu, Chuo-ku, Tokyo, Japan

Notice of Convocation of the 111th Ordinary General Meeting of Shareholders

Please be advised that the 111th Ordinary General Meeting of Shareholders of MEDIPAL HOLDINGS CORPORATION (the "Company") will be held as described below.

In recent months, we have been urged to refrain from nonessential outings by the Japanese government and prefectural governors as efforts to prevent the spread of COVID-19. Under these circumstances, the Company conducted careful consideration and has decided to hold this General Meeting of Shareholders by implementing appropriate preventive measures for COVID-19.

In view of the measures urging to avoid nonessential outings and from the viewpoint of preventing COVID-19, the Company strongly recommends that shareholders refrain from attending this General Meeting of Shareholders in person regardless of your physical conditions and exercise voting rights in advance either in writing or via the Internet as much as possible.

Please review the attached Reference Documents for the Ordinary General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Wednesday, June 24, 2020 (Japan Standard Time) by following the "Guidance for Methods of Exercise of Voting Rights" on pages 3-4.

Due to the above situation, no gifts will be handed out to shareholders physically attending the meeting this year. Thank you in advance for your understanding.

1. Date and time: Thursday, June 25, 2020 at 10:00 a.m.

2. Place: Meeting room, 3F, the Head office of MEDIPAL HOLDINGS CORPORATION
2-7-15, Yaesu, Chuo-ku, Tokyo, Japan
(The number of available seats at the meeting will be considerably reduced this year because of the change of the venue and increase in space between seats to prevent the spread of COVID-19. For this reason, we may be required to refuse entry to the meeting to some shareholders on the day. We ask for your understanding about this matter in advance.)

3. Agenda:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 111th Fiscal Term (from April 1, 2019 to March 31, 2020) and results of audits of the Consolidated Financial Statements by the Independent Auditors and the Audit & Supervisory Board
2. Financial Statements for the 111th Fiscal Term (from April 1, 2019 to March 31, 2020)

Matters to be resolved:

Proposal Election of 11 Directors

4. Matters related to exercise of voting rights:

(1) Voting Forms that do not indicate a vote for or against a proposal will be counted as a vote for that

proposal.

(2) Only the most recent of multiple Internet votes submitted by the same shareholder will be counted as valid.

(3) Only the Internet vote will be counted as valid for Internet and mail votes submitted by the same shareholder.

5. Matters related to Reference Documents for the Ordinary General Meeting of Shareholders and documents provided in this Notice:

(1) The attached English version of the Reference Documents for the Ordinary General Meeting of Shareholders contains only the content of pages 9 to 23 of the Japanese Reference Documents (English pages 5 to 18).

(2) Any change made to the Reference Documents for the Ordinary General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Financial Statements will be posted on the Company's website (https://www.medipal.co.jp/) in Japanese only.

◎ **Request**

- The above mentioned measures may be updated according to the situation of the spread of COVID-19 and content of the government's announcements to be issued by the date of the meeting. Please regularly check the updated website (https://www.medipal.co.jp).
- Using the enclosed Voting Form and mailing it to the Company to exercise voting rights involves the risk of COVID-19 through processes for the mailing and counting of Voting Forms. Therefore, in case of exercising voting rights in advance, the Company strongly recommends voting via the Internet or any other means instead of Voting Forms.
- Alcohol-based hand sanitizer will be available near the reception counter at the meeting place. (Shareholders coming to the meeting need to bring and wear their own face masks.)
- Please note that temperature checks will be conducted near the reception of the meeting place for shareholders coming to the meeting. Those who are found to develop a fever or those who seem to be in poor health may be denied entry and asked to return home.
- The Company will check physical conditions of staff in charge of organizing the meeting beforehand including temperature checks, and the staff will wear face masks.
- Given that the meeting time should be shortened to prevent the spread of COVID-19, the Company is not going to offer detailed explanation for matters to be reported (including reports on results of audits) and a proposal at this General Meeting of Shareholders. Shareholders therefore are advised to look through this notice of convocation in advance.

◎ **Notice**

Company employees and officers will attend the meeting in business casual clothing, without neckties or the like (a style known in Japan as "Cool Biz").

Guidance for Methods of Exercise of Voting Rights

You can exercise your voting rights by one of the following three methods.

Shareholders Attending the General Meeting of Shareholders

Please present the enclosed Voting Form to the reception desk.

Date and time: Thursday, June 25, 2020 at 10:00 a.m. (Japan Standard Time)
Place: Meeting room, 3F, the Head office of MEDIPAL HOLDINGS CORPORATION
2-7-15, Yaesu, Chuo-ku, Tokyo, Japan
Please note that the venue of the meeting differs from that of the previous meeting.

Exercising Voting Rights in Writing

Please vote for or against the proposal using the enclosed Voting Form and mail the Form to the Company (no postage is necessary).

Voting deadline: To be received no later than 5:30 p.m. on Wednesday, June 24, 2020 (Japan Standard Time)

Guidance for Exercising Voting Rights via the Internet, etc.

Voting deadline: No later than 5:30 p.m. on Wednesday, June 24, 2020 (Japan Standard Time)

"Smart Voting," method that works by scanning a QR code

You can log in to the website for exercising voting rights without having to enter your voting code and password.

1. Please scan the QR code on the lower right of Voting Form.
   * "QR code" is a registered trademark of DENSO WAVE INCORPORATED.
2. From there, please follow the instructions on the screen to indicate your vote for or against.

"Smart Voting" can only be used once to exercise your voting rights.
In the event that you wish to change your vote after exercising your voting rights, please access the PC website, enter the voting code and the password printed on Voting Form, log in, and exercise your voting rights once again.
* When the QR code is read a second time, you will be transferred to the PC website.

Method for entering voting code and password

Website URL for Internet voting: **https://www.web54.net**

1. Please access the website for exercising voting rights.
2. Enter the voting code printed on Voting Form.
3. Enter the password provided on Voting Form.
4. From there, please follow the instructions on the screen to indicate your vote for or against.

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*1 Depending on the Internet usage environment on your PC, smartphone or cell phone, you may not be able to access the website for exercising your voting rights.

*2 Only the Internet vote will be counted as valid for Internet and mail votes submitted by the same shareholder. In addition, only the most recent of multiple votes via the Internet submitted by the same shareholder will be counted as valid.

Inquiries about voting via the Internet

Dedicated number of Stock Transfer Agent Web Support, Sumitomo Mitsui Trust Bank, Limited
Telephone: 0120-652-031 (Toll free)
(accessible from 9:00 a.m. to 9:00 p.m. within Japan)

For institutional investors

With regard to institutional investors, for this General Meeting of Shareholders, it will also be possible to use the electronic voting rights exercise platform operated by ICJ, Inc., so as to allow voting rights to be exercised by electromagnetic methods.

Reference Documents for the Ordinary General Meeting of Shareholders

Proposal: Election of 11 Directors

The term of office of all ten Directors – Shuichi Watanabe, Yasuhiro Choufuku, Toshihide Yoda, Yuji Sakon, Takuro Hasegawa, Shinjiro Watanabe, Seiichi Kasutani, Mitsuko Kagami, Toshio Asano and Kuniko Shoji – will expire at the conclusion of this Ordinary General Meeting of Shareholders.

The Company therefore proposes the election of 11 Directors (four of whom are Outside Directors), increasing the number of Outside Directors by one to further enhance the governance system.

With this increase, the ratio of Outside Directors to all members of the Board of Directors will exceed one-third. The Company believes that this would lead to increased diversification of the Board in their knowledge, experience and competencies.

Candidates for Directors were decided upon receiving a report from the "Nomination and Remuneration Committee" (see page 16).

In addition, all candidates for Outside Directors satisfy the requirements of the "Independence Standards for Outside Officers" (see page 18).

The candidates for Director are as follows:

Candidate No.	Name	Current position and assignment in the Company	Attendance at Board of Directors meetings
1	Shuichi Watanabe	Representative Director, President and CEO (Nomination Committee Member of the Nomination and Remuneration Committee)	92% (12/13)
2	Yasuhiro Choufuku	Director, Vice President in charge of Pharmaceutical Sales	100% (13/13)
3	Toshihide Yoda	Senior Managing Director, in charge of IR, General Manager, Business Development Division, and Manager, Business Investment Department, Business Development Division (Remuneration Committee Member of the Nomination and Remuneration Committee)	100% (13/13)
4	Yuji Sakon	Managing Director, General Manager, Administration Division, and Chairman, CSR Committee (Nomination and Remuneration Committee Member)	100% (13/13)
5	Takuro Hasegawa	Director, in charge of Business Planning	100% (13/13)
6	Shinjiro Watanabe	Director, General Manager, Information Systems Management Division	100% (13/13)
7	Seiichi Kasutani	Director	90% (9/10)
8	Mitsuko Kagami [Candidate for Outside Director]	Outside Director (Nomination and Remuneration Committee Member)	100% (13/13)

9	Toshio Asano Candidate for Outside Director	Outside Director (Chairman of the Nomination and Remuneration Committee)	100% (13/13)
10	Kuniko Shoji Candidate for Outside Director	Outside Director (Nomination and Remuneration Committee Member)	100% (13/13)
11	Koichi Mimura New Candidate Candidate for Outside Director	–	―

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, and position and assignment
(Status of important concurrent occupations or positions outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="3">1</td><td>Nomination Committee Member of the Nomination and Remuneration Committee
Shuichi Watanabe
(April 11, 1952)
Attendance at Board of Directors meetings
92% (12/13)</td><td>Aug. 1979
Dec. 1990
Dec. 1994
Apr. 2000
Apr. 2004
Jun. 2007
Jun. 2008
Apr. 2011
Apr. 2012</td><td>Joined KURAYA CORPORATION (now the Company)
Director of KURAYA CORPORATION
Managing Director of KURAYA CORPORATION
Director of KURAYA SANSEIDO Inc. (now the Company)
President and Chief Executive Officer of KURAYA SANSEIDO Spin-off Preparation Inc. (now MEDICEO CORPORATION)
Managing Director of Mediceo Paltac Holdings Co., Ltd. (now the Company)
Senior Managing Director of Mediceo Paltac Holdings Co., Ltd.
Representative Director, Executive Vice President of the Company
Representative Director, President and CEO of the Company (current position), Representative Director, Chairman of MEDICEO CORPORATION (current position)</td><td>164,200</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Shuichi Watanabe has led the management of the MEDIPAL Group as Representative Director, President and CEO of the Company, has appropriately run the Board of Directors as Chairman, and has appropriately overseen the operational execution of the Directors.
Since his assumption of the position as Representative Director, President and CEO in April 2012, he has pushed even more strongly for the transformation of existing businesses and the creation of new businesses.
Going forward, with regard to the initiative to realize further expansion of the earnings base and sustainable growth, based on the 2022 MEDIPAL Medium-Term Vision formulated in May 2019, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.</td></tr>
<tr><td colspan="4">Special Interest
There is no special interest between Mr. Shuichi Watanabe and the Company.</td></tr>
<tr><td rowspan="3">2</td><td>Yasuhiro Choufuku
(December 8, 1954)
Attendance at Board of Directors meetings
100% (13/13)</td><td>Apr. 1977
Jul. 2004
Jun. 2007
Oct. 2009
Jun. 2010
Apr. 2012
Jun. 2012
Jun. 2016
Jun. 2019</td><td>Joined Sanseido Co., Ltd. (now the Company)
Executive Officer of KURAYA SANSEIDO Inc. (now the Company)
Director of Mediceo Paltac Holdings Co., Ltd. (now the Company)
Director of MEDICEO CORPORATION
Managing Director of MEDICEO CORPORATION
Representative Director, President and CEO of MEDICEO CORPORATION (current position)
In charge of Pharmaceutical Business of the Company (current position)
Senior Managing Director of the Company
Director, Vice President of the Company (current position)</td><td>47,600</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Yasuhiro Choufuku has deep insight in the Pharmaceutical Business, a core business of the MEDIPAL Group and he has been involved in operational execution as Representative Director, President and CEO of our subsidiary MEDICEO CORPORATION, working to improve performance of the MEDIPAL Group.
Going forward, with regard to helping establish the customer-oriented business model, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.</td></tr>
<tr><td colspan="4">Special Interest
There is no special interest between Mr. Yasuhiro Choufuku and the Company.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, and position and assignment (Status of important concurrent occupations or positions outside the Company)		Number of the Company's shares held
3	Remuneration Committee Member of the Nomination and Remuneration Committee **Toshihide Yoda** (January 8, 1963) Attendance at Board of Directors meetings 100% (13/13)	Apr. 1985 May 1989 Jul. 1996 Dec. 2000 Oct. 2008 Jun. 2010 Apr. 2012 May 2016 Jun. 2016 Feb. 2018 Jun. 2018 Jan. 2020	Joined Nippon Kangyo Kakumaru Securities Co., Ltd. Joined UBS Securities Japan Co., Ltd. Joined ING Baring Securities (Japan) Limited Joined Lehman Brothers Japan Inc. Joined Barclays Capital Japan Limited Managing Director of Barclays Capital Japan Limited Director of the Company Managing Director, In charge of IR, General Manager, Business Development Division of the Company (current position) Director of SPLine Corporation Director of MEDIE Co., Ltd. Director of MEDICEO CORPORATION (current position) Director of JCR USA, Inc. (current position) Senior Managing Director of the Company (current position) Outside Director of JCR Pharmaceuticals Co., Ltd. (current position) Manager, Business Investment Department, Business Development Division of the Company (current position)	9,900
	Reasons for Proposal as Candidate Mr. Toshihide Yoda has utilized his insight developed as a pharmaceuticals sector analyst in the financial industry to the fullest extent and been getting steady results in driving the creation of new businesses for the MEDIPAL Group. Going forward, with regard to the initiative to create a new business model that will not be bound by existing frameworks, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.			
	Special Interest There is no special interest between Mr. Toshihide Yoda and the Company.			

No.	Name (Date of birth)	Career summary, and position and assignment (Status of important concurrent occupations or positions outside the Company)	Number of the Company's shares held
4	Nomination and Remuneration Committee Member **Yuji Sakon** (May 8, 1953) Attendance at Board of Directors meetings 100% (13/13)	Apr. 1977 Joined Sanseido Co., Ltd. (now the Company) Jul. 2008 Executive Officer of KURAYA SANSEIDO Inc. (now MEDICEO CORPORATION) Apr. 2012 Executive Officer of the Company Jun. 2012 Director of the Company Oct. 2012 Chairman, CSR Committee of the Company (current position) Jun. 2013 General Manager, Administration Division of the Company (current position) Jan. 2016 Director of ASTEC Co., Ltd. (current position) Jun. 2017 Director of MM CORPORATION (current position) Apr. 2018 Manager, Corporate Planning and Public Relations Department, Administration Division of the Company Jun. 2018 Managing Director of the Company (current position) Jan. 2020 Director of Yakuju HD Corporation (current position)	18,900
	Reasons for Proposal as Candidate Mr. Yuji Sakon has thorough knowledge of the MEDIPAL Group's operations and has worked in his role as the General Manager of the Administration Division of the Company to ensure the sound governance of the MEDIPAL Group, leveraging his insights into management and his extensive experience. Going forward, with regard to using ESG and SDGs initiatives to achieve a sustainable economic society, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.		
	Special Interest There is no special interest between Mr. Yuji Sakon and the Company.		
5	**Takuro Hasegawa** (July 3, 1956) Attendance at Board of Directors meetings 100% (13/13)	Aug. 1987 Joined Osuido Pharmaceuticals Co., Ltd. (now EVERLTH Co., Ltd.) Nov. 1990 Director of Osuido Pharmaceuticals Co., Ltd. Apr. 1991 Director of OAK Yakuhin Co., Ltd. (now EVERLTH Co., Ltd.) Oct. 1997 Director of EVERLTH Co., Ltd. Oct. 2004 Director of MEDICEO Holdings Co., Ltd. (now the Company) (current position) Jun. 2009 Director of EVERLTH Co., Ltd. Apr. 2011 Representative Director, President and CEO of EVERLTH Co., Ltd. (current position) Oct. 2012 In charge of Liaison of the Company Jun. 2019 In charge of Business Planning of the Company (current position)	136,905
	Reasons for Proposal as Candidate Mr. Takuro Hasegawa has worked as the person in charge of Business Planning to promote business growth strategies of the MEDIPAL Group and been involved in operational execution as the Representative Director, President and CEO of our subsidiary EVERLTH Co., Ltd., working in improving performance of the MEDIPAL Group. Going forward, with regard to the initiative to promote its business plans, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.		
	Special Interest There is no special interest between Mr. Takuro Hasegawa and the Company.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, and position and assignment
(Status of important concurrent occupations or positions outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="3">6</td><td>Shinjiro Watanabe
(October 28, 1972)

Attendance at Board of Directors meetings
100% (13/13)</td><td>Sep. 2008
Jun. 2009
Apr. 2013

Jun. 2013
Jun. 2016
Apr. 2018
Oct. 2018</td><td>Joined ATOL CO., LTD.
Director of ATOL CO., LTD.
Representative Director, President and CEO of ATOL CO., LTD. (current position)
Director of the Company (current position)
In charge of the IT Business of the Company
In charge of Information System of the Company
General Manager, Information Systems Management Division of the Company (current position)</td><td>25,000</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Shinjiro Watanabe has supervised the MEDIPAL Group's System as General Manager of Information Systems Management Division and been involved in operational execution as the Representative Director, President and CEO of our subsidiary ATOL CO., LTD., working in improving performance of the MEDIPAL Group.
Going forward, with regard to the initiative to provide new value in the field of digital healthcare, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.</td></tr>
<tr><td colspan="4">Special Interest
There is no special interest between Mr. Shinjiro Watanabe and the Company.</td></tr>
<tr><td rowspan="3">7</td><td>Seiichi Kasutani
(September 22, 1962)

Attendance at Board of Directors meetings
90% (9/10)</td><td>Apr. 1985
Jun. 2011

Apr. 2013

Jun. 2014

Jun. 2016

Jun. 2017

Apr. 2018

Dec. 2018

Apr. 2019

Jun. 2019</td><td>Joined PALTAC CORPORATION
Executive Officer, General Manager of Yokohama Branch Office of PALTAC CORPORATION
Managing Executive Officer, General Manager of Yokohama Branch Office of PALTAC CORPORATION
Director, Managing Executive Officer, General Manager of Yokohama Branch Office of PALTAC CORPORATION
Managing Executive Officer, General Manager of Sales Headquarters of PALTAC CORPORATION
Director, Senior Managing Executive Officer, General Manager of Sales Headquarters of PALTAC CORPORATION
Director, Vice President, Executive Officer, Senior General Manager of Sales Headquarters of PALTAC CORPORATION
Representative Director, President, COO, Senior General Manager of Sales Headquarters of PALTAC CORPORATION
Representative Director, President, COO of PALTAC CORPORATION (current position)
Director of the Company (current position)</td><td>–</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Seiichi Kasutani has extensive experience in the Cosmetics, Daily Necessities, and OTC Pharmaceutical Wholesale Business, one of the core businesses of the MEDIPAL Group, and has been involved in operational execution as Representative Director, President, COO of our subsidiary PALTAC CORPORATION, and has worked to improve the performance of the MEDIPAL Group.
Going forward, by steadily implementing PALTAC's medium-term business plan, the Company believes that he will contribute to further increases in corporate value of the Group, and that he is therefore suitable to continue in the role of Director.</td></tr>
<tr><td colspan="4">Special Interest
There is no special interest between Mr. Seiichi Kasutani and the Company.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, and position and assignment (Status of important concurrent occupations or positions outside the Company)	Number of the Company's shares held
8	Candidate for Outside Director Nomination and Remuneration Committee Member **Mitsuko Kagami** (May 18, 1958) Attendance at Board of Directors meetings 100% (13/13)	Apr. 1985 Assistant Judge of Tokyo District Court Apr. 1988 Assistant Judge of Akita District and Family Court Apr. 1991 Assistant Judge of Yokohama District Court Jan. 1995 Registered as an attorney at law Apr. 1998 Part-time Lecturer of Faculty of Law of Keio University Apr. 2000 Part-time Lecturer of Faculty of Law of Toin University of Yokohama Apr. 2004 Professor of Keio University Law School Apr. 2007 Part-time Lecturer of Keio University Law School Jun. 2014 Outside Director of the Company (current position) Jun. 2015 Outside Director of Sotetsu Holdings Inc. (current position)	900

Reasons for Proposal as Candidate

Ms. Mitsuko Kagami expresses her opinions from a broad perspective at meetings of the Board of Directors of the Company based on her extensive experience as a practicing attorney at law and her specialized knowledge in corporate legal affairs, which can be applied to supervision of the Company's future management. For these reasons, the Company believes that she is suitable to continue in the role of Outside Director. The Company therefore believes that she can suitably perform the duties as an Outside Director although she has never been involved in the management of a company except in her role as an Outside Director.

Special Interest

There is no special interest between Ms. Mitsuko Kagami and the Company.

Items Related to Independence

・The Company has appointed Ms. Kagami as an independent officer as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified the Exchange to that effect. If Ms. Kagami is re-elected, the Company will continue to have her as an independent officer.

・Ms. Kagami is a lawyer at Kagami Law Office, which does not provide any services to or otherwise have a business relationship with the Company.

・There are no business relationship between the Group and Sotetsu Holdings Inc. where Ms. Kagami currently serves as an Outside Director.

Term of office as Outside Director

6 years (at the close of this General Meeting of Shareholders)

Other Important Items

The Company has entered into an agreement with Ms. Kagami to limit her liability as provided for in Article 427, paragraph 1 of the Companies Act, and the amount of the liability limitation under said agreement is the minimum amount stipulated by laws and regulations. If Ms. Kagami is re-elected, the Company plans to continue the agreement.

No.	Name (Date of birth)	Career summary, and position and assignment (Status of important concurrent occupations or positions outside the Company)	Number of the Company's shares held
9	Candidate for Outside Director Chairman of the Nomination and Remuneration Committee **Toshio Asano** (December 4, 1952) Attendance at Board of Directors meetings 100% (13/13)	Apr. 1975 Joined Asahi Kasei Corporation Oct. 2003 Executive Officer of Asahi Kasei Pharma Corporation Apr. 2008 Director and Senior Executive Officer of Asahi Kasei Pharma Corporation Apr. 2010 President & Representative Director and Presidential Executive Officer of Asahi Kasei Pharma Corporation Apr. 2011 Executive Officer of Asahi Kasei Corporation Apr. 2014 Presidential Executive Officer of Asahi Kasei Corporation Jun. 2014 President & Representative Director of Asahi Kasei Corporation Apr. 2016 Director of Asahi Kasei Corporation Jun. 2016 Full-time Counsellor of Asahi Kasei Corporation (current position) Aug. 2016 Advisor of the Company Jun. 2017 Outside Director of the Company (current position) Jun. 2019 External Director of Daicel Corporation (current position) External Director of Tokyo Century Corporation (current position)	2,600

Reasons for Proposal as Candidate

Mr. Toshio Asano has served as President & Representative Director, etc. of Asahi Kasei Pharma Corporation and Asahi Kasei Corporation. Based on his abundant experience and wide-ranging insights in relation to company management, at meetings of the Board of Directors of the Company, he expresses valuable opinions and gives appropriate advice from an objective and specialized viewpoint, and he also has worked hard to enhance the corporate governance of the Company as the Chairman of the Nomination and Remuneration Committee, for which reasons the Company believes that he is suitable to continue in the role of Outside Director.

Special Interest

There is no special interest between Mr. Toshio Asano and the Company.

Items Related to Independence

・The Company has appointed Mr. Asano as an independent officer as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified the Exchange to that effect. If Mr. Asano is re-elected, the Company will continue to have him as an independent officer.

・The MEDIPAL Group has transactions relating to the purchasing, etc. of pharmaceutical products, etc. with Asahi Kasei Pharma Corporation, a subsidiary of Asahi Kasei Corporation, where Mr. Asano served as President & Representative Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Mr. Asano as independent.

・The MEDIPAL Group has transactions relating to the purchasing of products with Daicel Corporation, where Mr. Asano currently serves as an External Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Mr. Asano as independent.

・The MEDIPAL Group has transactions relating to the sales of products, etc. with Tokyo Century Corporation, where Mr. Asano currently serves as an External Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Mr. Asano as independent.

Term of office as Outside Director

3 years (at the close of this General Meeting of Shareholders)

Other Important Items

・The Company has entered into an agreement with Mr. Asano to limit his liability as provided for in Article 427, paragraph 1 of the Companies Act, and the amount of the liability limitation under said agreement is the minimum amount stipulated by laws and regulations. If Mr. Asano is re-elected, the Company plans to continue the

	agreement. ・While Mr. Asano served as President of Asahi Kasei Corporation in October 2015, an issue of pile installation data manipulated by Asahi Kasei Construction Materials Corporation, a subsidiary of Asahi Kasei Corporation, was disclosed and in January 2016 Asahi Kasei Construction Materials Corporation received a supervisory penalty based on the Construction Business Act. While the construction in question was performed before Mr. Asano assumed his position as Director at Asahi Kasei Corporation, he has taken the issue quite seriously, and as the President of the parent company, launched an internal/external investigation committee to determine the cause of the problem and formulate a policy to prevent reoccurrence.

No.	Name (Date of birth)	Career summary, and position and assignment (Status of important concurrent occupations or positions outside the Company)	Number of the Company's shares held
10	Candidate for Outside Director Nomination and Remuneration Committee Member **Kuniko Shoji** (January 8, 1954) Attendance at Board of Directors meetings 100% (13/13)	Apr. 1977 Joined Mochida Pharmaceutical Co., Ltd. Jul. 1986 Joined Johnson & Johnson K.K. Sep. 2002 Joined Terumo Corporation Jun. 2004 Executive Officer of Terumo Corporation Jun. 2007 Senior Executive Officer of Terumo Corporation Jun. 2010 Director and Senior Executive Officer of Terumo Corporation Apr. 2017 Director and Corporate Advisor of Terumo Corporation Jun. 2017 Corporate Advisor of Terumo Corporation Jun. 2018 Outside Director of the Company (current position) Outside Director of Nichirei Corporation (current position) Mar. 2019 Outside Director of DIC Corporation (current position) Apr. 2019 Professor of Graduate School of Health Innovation Studies of Kanagawa University of Human Services (current position)	–

Reasons for Proposal as Candidate

In addition to serving as Director, etc. of Terumo Corporation, Ms. Kuniko Shoji has also been responsible for the pharmaceutical and clinical development departments of that company. Based on her abundant experience and wide-ranging insights, at meetings of the Board of Directors she expresses valuable opinions and gives appropriate advice from an objective and specialized viewpoint, for which reasons the Company has determined that she is suitable to continue in the role of Outside Director.

Special Interest

There is no special interest between Ms. Kuniko Shoji and the Company.

Items Related to Independence

・The Company has appointed Ms. Shoji as an independent officer as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified the Exchange to that effect. If Ms. Shoji is re-elected, the Company will continue to have her as an independent officer.

・The MEDIPAL Group has transactions relating to the purchasing, etc. of medical equipment, etc. with Terumo Corporation, where Ms. Shoji served as Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Ms. Shoji as independent.

・The MEDIPAL Group has transactions relating to the purchasing of products with Nichirei Corporation, where Ms. Shoji currently serves as an Outside Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Ms. Shoji as independent.

・The MEDIPAL Group has transactions relating to the sales of products with DIC Corporation, where Ms. Shoji currently serves as an Outside Director, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Ms. Shoji as independent.

・Although Ms. Shoji is a professor of Graduate School of Health Innovation Studies of Kanagawa University of Human Services, there are no special interest between the Group and the university.

Term of office as Outside Director

2 years (at the close of this General Meeting of Shareholders)

Other Important Items

・The Company has entered into an agreement with Ms. Shoji to limit her liability as provided for in Article 427, paragraph 1 of the Companies Act, and the amount of the liability limitation under said agreement is the minimum amount stipulated by laws and regulations. If Ms. Shoji is re-elected, the Company plans to continue the agreement.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, and position and assignment
(Status of important concurrent occupations or positions outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="4">11</td><td>New Candidate
Candidate for Outside Director
Koichi Mimura
(Month Date, 1957)
Attendance at Board of Directors meetings
–</td><td>Oct. 1987
Feb. 2006
Feb. 2009

Mar. 2010

Apr. 2012

Sep. 2014
Sep. 2016

Nov. 2018</td><td>Joined Sumitomo 3M Limited (now 3M Japan Limited)
President of 3M Indonesia
Executive Director, Director in charge of Industrial Markets of Sumitomo 3M Limited (now 3M Japan Limited)
Director in charge of the Industrial and Transportation Business of Sumitomo 3M Limited
President of Sumitomo 3M Limited
President of 3M Health Care Limited
President of 3M Japan Limited
Vice President, Electronics Assembly Solutions of 3M Corporate Headquarters (U.S.)
Business Director in charge of the Transportation and Electronics Business of 3M Asia Pacific</td><td>–</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Koichi Mimura has served as President of 3M Indonesia and President, etc. of 3M Japan Limited. He also has served as Business Director in charge of the Global Electronics Business at 3M Corporate Headquarters in the U.S. The Company proposes that Mr. Koichi Mimura be elected as an Outside Director because his abundant experience and wide-ranging insights in relation to global corporate management can be applied to supervision of the Company's management.</td></tr>
<tr><td colspan="4">Special Interest
There is no special interest between Mr. Koichi Mimura and the Company.</td></tr>
<tr><td colspan="4">Items Related to Independence
・Mr. Mimura satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange Inc., and if he is elected, the Company plans to submit notification to the aforementioned exchange concerning his appointment as an independent officer.
・The MEDIPAL Group has transactions relating to the purchasing, etc. of medical equipment, etc. with 3M Japan Limited, where Mr. Mimura served as President, but because of factors such as the fact that the amounts of these transactions with the MEDIPAL Group are less than 2% of the MEDIPAL Group's consolidated sales, we regard Mr. Mimura as independent.
Other Important Items
If Mr. Mimura is elected, the Company plans to enter into an agreement with him to limit his liability as provided for in Article 427, paragraph 1 of the Companies Act.</td></tr>
</table>

[Reference]

[Nomination and Remuneration Committee]

1. Purpose

The Company has established its voluntary "Nomination and Remuneration Committee" as an advisory body to the Board of Directors with the aim of strengthening the fairness, transparency and objectivity of procedures related to the nomination of and remuneration for Directors, and enhancing corporate governance.

2. Roles

The Nomination and Remuneration Committee shall deliberate the following matters in response to consultation by the Board of Directors, and reports to the Board of Directors.

(1) Matters related to nomination
  (i) Policy for the election and dismissal of Directors
  (ii) Matters related to the election and dismissal of Directors (matters requiring resolution by the General Meeting of Shareholders)
  (iii) Matters related to the appointment and removal of Representative Directors
  (iv) Matters related to the appointment and removal of Directors with special titles
  (v) Matters related to succession planning
(2) Matters related to remuneration
  (i) Policy related to Directors' remuneration, etc.
  (ii) Matters related to the maximum remuneration amount for Directors (matters requiring resolution by the General Meeting of Shareholders)
  (iii) Matters related to individual remuneration for Directors
(3) Other important management matters deemed necessary by the Board of Directors

3. Composition

The Nomination and Remuneration Committee is composed of three or more members appointed by resolution of the Board of Directors, the majority of whom are Outside Directors, and is chaired by an Outside Director.

[Policy for the election of Directors]

(I) Policy for the election of Directors

The basic policy of the Group is to elect as Directors people who will reliably work on compliance and lead by example, and who have abundant experience, a high degree of insight and advanced specialization in order to contribute to the sustainable development of the Group and the increase of corporate value in the medium to long term.

a) Inside Directors

Candidates shall be selected from among people who have work experience and capabilities related to corporate management, healthcare, M&A, governance, IT, etc., and possess leadership suitable to the realization of the Group's corporate philosophy as a person involved with management decision-making and the supervision of business execution, as well as a medium to long term perspective, taking personality, experience, etc. into consideration.

b) Outside Directors

Candidates shall be selected from among people who have knowledge and abundant experience related to corporate management, healthcare, finance and accounting, legal affairs, internationalism, etc., taking personality, status of concurrent positions held at other companies as an officer, etc. into consideration.

In principle, the total term limit shall be up to eight or twelve years at most (Audit & Supervisory Board Member term limit of four years x two or three terms), with the requirement that officers cannot currently be appointed at four or more listed companies.

Furthermore, even if the candidate does not fulfill the prescribed requirement for independence, a person with a high level of insight and an advanced ethical perspective may be appointed as a candidate. However, even in this situation, the ratio of independent Outside Directors is 1/3 or more.

(II) Procedure to elect Directors

Candidates for Directors shall be presented for voting at the General Meeting of Shareholders upon deliberation and reports by the Nomination and Remuneration Committee (majority of committee members are Outside Directors, and an Outside Director acts as Committee Chair), and resolution by the Board of Directors.

Representative Directors and Directors with special titles shall be appointed by the Board of Directors upon deliberation and reports by the Nomination and Remuneration Committee.

(III) Procedure to dismiss Directors

If a Director commits an act that violates laws and regulations or the Articles of Incorporation, or if it is determined that they are not adequately fulfilling their responsibilities due to negligence of their duties, this matter shall be deliberated by the Board of Directors upon fair and strict deliberation by the Nomination and Remuneration Committee.

[Independence Standards for Outside Officers]

The Company deems that for any Outside Director, Outside Audit & Supervisory Board Member or candidate for either of the aforementioned positions to qualify as independent, that individual must not fall under any of the following items.

(I) An executive* of the Company or its subsidiaries or affiliates (collectively, the "Group")

* "Executive" refers to an executive director, executive, executive officer, other equivalent person, or other employee.

(II) A major lender* to the Group or an executive thereof

* "Major lender" refers to a financial institution where the outstanding debt is 2% or more of the consolidated total assets of the Group.

(III) A major business partner* of the Group or an executive thereof

* "Major business partner" refers to a business partner whose annual transaction amount with the Company is 2% or more of the Group's consolidated net sales.

(IV) A major shareholder* of the Company or an executive thereof

* "Major shareholder" refers to an entity who holds 10% or more of the total number of voting rights of the Company directly or indirectly.

(V) Those who belong to the audit corporation that is the financial auditor of the Group

(VI) A consultant, accounting professional, or legal professional who receives a significant amount* of money or other assets from the Group other than officer remuneration (if the entity receiving said assets is a corporation, cooperative or other form of organization, this refers to an individual belonging to said organization)

* "Significant amount" refers to, in terms of the average for the past three fiscal years, ¥10 million or more for individuals, 2% or more of the total annual revenues of said bodies for bodies including corporations and cooperatives.

(VII) A party who receives substantial donations from the Group (if the party receiving said donations is a corporation, cooperative or other form of organization, this refers to an individual belonging to said organization)

(VIII) An executive of a company that accepts assignments of directors from the Group, or an executive of a parent company, subsidiary, etc. of such a company

(IX) Those who have fallen under the definition of (II) to (VIII) above in the last five years

(X) A close relative*2 of a person who falls under the definition of (II) to (VIII) above (limited to a person in an important position*1)

*1 "Person in an important position" refers to a director (excluding outside directors), executive, executive officer, executive in the rank of senior general manager or above, or a person corresponding to these positions.

*2 "Close relative" refers to a spouse or a relative within the second-degree of kinship.