

*September 19, 2019***Notice of Establishment of Voluntary Nomination and Compensation Committees**

At the meeting of the Board of Directors held today, CANDEAL Co., Ltd. resolved to establish the Nomination and Compensation Committee, which is a voluntary advisory committee for the Board of Directors. Details are as follows.

**1. Objectives of the Nomination and Compensation Committee**

Up to now, the nomination (selection) of candidates for directors and the determination of individual director compensation have been resolved at Board of Directors Meetings based on the opinions of outside directors, after explaining to them its details. However, in order to strengthen the independence, objectivity and accountability of the Board of Directors' functions regarding the nomination of director candidates and the determination of individual director compensation, and to further enhance the corporate governance system, the Nomination and Compensation Committee has been established as a voluntary advisory body to the Board of Directors.

**2. Role of the Nomination and Compensation Committee**

The Committee deliberates on the following matters from the Board of Directors and reports the results of deliberations to the Board of Directors.

- (1) Matters concerning the items to be submitted to the General Meeting of Shareholders regarding the appointment and dismissal of directors
- (2) Matters concerning the remuneration system for directors and the details of individual remuneration
- (3) Other items related to the prior items

**3. Committee structure****(1) Commissioner**

The Committee members consists of at least three directors or outside experts appointed by resolution of the Board of Directors, of which a majority are independent outside directors. The committee chairperson is selected from among the members of the Independent Outside Directors by resolution of the Board of Directors.

**(2) Term of office**

Members are appointed at an extraordinary meeting of the Board of Directors held annually after the Ordinary General Meeting of Shareholders, and their term of office is one year.

**4. Establishment date: October 1, 2019****5. Members and Chairperson of the Committee at the time of establishment**

Following the establishment, the following committee members and chairpersons were appointed and selected, and their appointments were approved.

	Name	Position
Chairperson	Toshio Ohtake	Independent outside director
Member	Yoshimitsu Oura	Independent outside director
Member	Akio Hayashi	President and Representative Director