

Securities Code: 4064

June 9, 2021

To our shareholders:

Takahisa Sugiyama
President and CEO
NIPPON CARBIDE INDUSTRIES CO., INC.
16-2, 2-Chome Konan, Minato-ku, Tokyo, Japan

NOTICE OF THE 122ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby notified of the 122nd Ordinary General Meeting of Shareholders of NIPPON CARBIDE INDUSTRIES CO., INC. (the “Company”), which will be held as described below.

In order to prevent the spread of the novel coronavirus disease (COVID-19), you are strongly encouraged to exercise your voting rights in writing (by postal mail) or via the Internet prior to the meeting as much as possible, and not to attend the meeting in person regardless of your health conditions.

Please review the attached Reference Documents for the General Meeting of Shareholders, and indicate your approval or disapproval of the proposals no later than 5:40 p.m., Monday, June 28, 2021 (JST).

- 1. Date and Time:** Tuesday, June 29, 2021 at 10:00 a.m. (JST)
2. Venue: Meeting room, NIPPON CARBIDE INDUSTRIES CO., INC.
22nd floor, Taiyo-Seimei Shinagawa Building,
16-2, 2-Chome Konan, Minato-ku, Tokyo, Japan

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 122nd Term (from April 1, 2020 to March 31, 2021), and the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 122nd Term (from April 1, 2020 to March 31, 2021)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Three (3) Directors
Proposal 3: Election of Two (2) Corporate Auditors
Proposal 4: Election of One (1) Substitute Corporate Auditor

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Matters related to year-end dividends

The Company aims to be a company that will develop its business in the future and respond to changes in its management environment. At the same time, it considers that the distribution of profits to shareholders is an important responsibility, and its basic policy is to realize long-term and stable dividend payments.

The Company proposes the year-end dividends for this term as follows, upon taking into account the business results of this term, future business development, retained earnings, and all other matters.

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property to shareholders and total amount thereof
40 yen per common share of the Company
Total amount of dividends: 351,423,840 yen
- (3) Effective date of distribution of dividends of surplus
June 30, 2021

Proposal 2: Election of Three (3) Directors

The term of office of three (3) Directors, Hiroshi Serizawa, Yoshitada Iguchi, and Naoko Endo will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of three (3) Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Yoshitada Iguchi (December 18, 1958)	<p>Apr. 1982 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Jan. 2001 General Manager of Ikebukuro-Higashiguchi Branch, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Apr. 2004 General Manager of Ebisu Branch, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Jan. 2006 Deputy General Manager of Corporate Banking Division No. 2, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2007 General Manager of Shinbashi Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2009 General Manager of Financial Institution Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2011 Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd.</p> <p>Jan. 2019 Counselor of the Company</p> <p>Apr. 2019 Managing Executive Officer, in charge of Administrative Department, General Manager of Corporate Planning Department</p> <p>June 2019 Director and Managing Executive Officer, in charge of Administrative Department, General Manager of Corporate Planning Department</p> <p>Apr. 2020 Director and Managing Executive Officer, in charge of Administrative Department</p> <p>Apr. 2021 Director and Senior Managing Executive Officer, in charge of Administrative Department (present position)</p>	600
<p>[Reasons for his nomination as a candidate for Director]</p> <p>Yoshitada Iguchi has served as Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd. He has overseen Administrative Department of the Company as Director and Senior Managing Executive Officer in charge of Administrative Department, and has a wealth of experience in corporate management. He is expected to draw on such experience and expertise and contribute fully as a Director to the Company's significant decision-making processes and supervision of business execution. In consideration of these reasons, the Company proposes his election as Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company's shares owned
2	* Yuichi Yokota (November 28, 1962)	Apr. 1985	Joined the Company.	100
		Apr. 2001	General Manager of Second Electronic Materials Department, Electronic Materials Division	
		Apr. 2004	Leader of Printed Substrates Business Unit, Electronic Materials Division	
		Apr. 2012	Leader of Ceramic Substrates Business Unit, Electronic Materials Division	
		Apr. 2013	General Manager of Optical Products Business Promotion Division, Operational Headquarters of Electronic and Optical Products	
		Apr. 2015	General Manager of Electronic Materials Division, Operational Headquarters of Electronic and Optical Products	
		Apr. 2018	Executive Officer and General Manager of Planning and Manufacturing Management Department, Operational Headquarters of Electronic and Functional Products Division	
		Apr. 2020	Executive Officer, General Manager of Planning and Manufacturing Management Department, Operational Headquarters of Electronic and Functional Products Division, and General Manager of Osaka Sales Office	
		Apr. 2021	Executive Officer and General Manager of Corporate Planning Department (present position)	
[Reasons for his nomination as a candidate for Director] Yuichi Yokota has overseen various operations of the Company for many years. As Executive Officer and General Manager of Corporate Planning Department, he is currently in charge of the promotion of corporate strategy. Given his wealth of experience and expertise in the businesses of the Company, he is expected to contribute fully as a Director to the Company's significant decision-making processes and supervision of business execution. In consideration of these reasons, the Company proposes his election as Director.				
3	Naoko Endo (July 23, 1978)	Apr. 2001	Joined The Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)	0
		Mar. 2004	Retired from The Dai-ichi Mutual Life Insurance Company	
		Nov. 2007	Appointed as Judicial Apprentice	
		Dec. 2008	Registered as an attorney at law (present position)	
			Joined Ono Sogo Legal Profession Corporation	
		June 2019	Director of the Company (present position)	
			(Significant concurrent positions outside the Company)	
			Attorney at law (Ono Sogo Legal Profession Corporation)	
[Reasons for her nomination as a candidate for Outside Director and overview of expected roles] Naoko Endo utilizes her abundant experience and specialist knowledge as an attorney at law in the management of the Company from an independent standpoint, and is expected to contribute to strengthening the Company's corporate governance. In consideration of these reasons, the Company proposes her election as Outside Director. She has never been directly involved in the management of a company other than being an outside officer. However, the Company judges she will continue to properly carry out her duties as an Outside Director for the reasons described above. At the conclusion of this Ordinary General Meeting of Shareholders, her tenure as Outside Director will have been two (2) years.				

Notes: 1. There are no special interests between the candidates and the Company.
2. Naoko Endo is a candidate for Outside Director.

3. The Company has submitted notification to the Tokyo Stock Exchange that Naoko Endo has been appointed as an independent officer. If her reelection is approved, the Company plans to continue the notification that she has been appointed as an independent officer.
4. The Company has concluded with Naoko Endo an agreement to limit her liability for damages under Article 423, paragraph (1) of the Companies Act in accordance with the provisions of Article 427, paragraph (1) of the same act. If her reelection is approved, the Company plans to renew the agreement. The maximum amount of the liability for damages under said agreement will be the minimum amount stipulated by the laws and regulations.
5. The Company has entered into a directors and officers liability insurance contract that covers Directors. If the election of Yoshitada Iguchi, Yuichi Yokota and Naoko Endo is approved, they will be covered under the said insurance contract. Under the said insurance contract, damages caused as a result of the three insured Directors' assuming liability incurred in the execution of their duties or receiving claims pertaining to the pursuit of such liability shall be covered up to the total indemnity limit per period of insurance (1 billion yen). If the election of them is approved, the insurance contract will be renewed during their term of office.
6. Candidate marked with an asterisk (*) is newly nominated.

Proposal 3: Election of Two (2) Corporate Auditors

The term of office of Corporate Auditors Akihiro Ishikura and Shukichi Umemoto will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of two (2) Corporate Auditors.

The Board of Corporate Auditors has given its consent to this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)		Number of the Company's shares owned
1	Fumiaki Hayashi (December 15, 1961)	Apr. 1984	Joined Asahi Glass Co., Ltd. (currently AGC Inc.)	0
		Jan. 2015	General Manager of Purchase and Logistics Division, Asahi Glass Co., Ltd. (currently AGC Inc.)	
		Jan. 2017	Executive Officer, General Manager of Purchase and Logistics Division, Asahi Glass Co., Ltd. (currently AGC Inc.)	
		Jan. 2021	Executive Officer, Assistant to CEO, AGC Inc.	
		Mar. 2021	Retired as Executive Officer, AGC Inc.	
[Reasons for his nomination as a candidate for Outside Corporate Auditor] Fumiaki Hayashi is a former Executive Officer of AGC Inc., having overseen Purchase and Logistics Division of the company for many years. The Company proposes his election as Outside Corporate Auditor, as he is expected to utilize his experience and knowledge and apply them in playing the role as Corporate Auditor.				
2	Mutsuo Emi (January 8, 1959)	Mar. 1992	Registered as certified public accountant (present position)	0
		Feb. 1996	Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		May 2001	Partner, Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		July 2008	Senior Partner, Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		July 2013	Deputy General Manager of Financial Division, Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		July 2014	General Manager of Financial Division and Financial Services Division, Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		Feb. 2016	Executive Board Member (in charge of Financial Services), Century Audit Corporation (currently Ernst & Young ShinNihon LLC)	
		Oct. 2019	Internal Council Member, Ernst & Young ShinNihon LLC (present position)	
[Reasons for his nomination as a candidate for Outside Corporate Auditor] Mutsuo Emi has abundant knowledge and experience in finance and accounting as a certified public accountant. He has never been directly involved in the management of a company. However, the Company proposes his election as Outside Corporate Auditor, as he is expected to utilize his experience and knowledge as a certified public accountant, and apply them in playing the role as Corporate Auditor.				

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Fumiaki Hayashi and Mutsuo Emi are candidates for Outside Corporate Auditor. They are candidates to be appointed as independent officers as provided for by Tokyo Stock Exchange, Inc.
 3. If the election of both Fumiaki Hayashi and Mutsuo Emi is approved, in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, the Company will conclude with them an agreement to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of the liability for damages under said agreement will be the minimum amount stipulated by the laws and regulations.
 4. The Company has entered into a directors and officers liability insurance contract that covers Corporate Auditors. If the election of both Corporate Auditors, Fumiaki Hayashi and Mutsuo Emi is approved, they will be covered as insured persons under the said insurance contract. Under the said insurance contract, damages caused as a result of the insured

Corporate Auditors' assuming liability incurred in the execution of their duties or receiving claims pertaining to the pursuit of such liability shall be covered up to the total indemnity limit per period of insurance (1 billion yen). If the election of both Corporate Auditors is approved, the insurance contract will be renewed during their term of office.

5. Fumiaki Hayashi and Mutsuo Emi are candidates who are newly nominated.

Proposal 4: Election of One (1) Substitute Corporate Auditor

Akihiro Ishikura, who was elected as a substitute Corporate Auditor at the 121st Ordinary General Meeting of Shareholders held on June 26, 2020, has assumed the office of Full-time Corporate Auditor as of July 15, 2020. Therefore, the position of substitute Corporate Auditor is vacant, and the Company proposes that one (1) substitute Corporate Auditor be elected to prepare for a case where the number of Corporate Auditors falls below the number stipulated by laws and regulations.

The Board of Corporate Auditors has given its consent to this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Akihiro Ishikura (September 14, 1955)	<div>Apr. 1979 Joined the Company.</div> <div>Apr. 2007 General Manager of Corporate Planning Department and Manager of Internal Auditing Section</div> <div>June 2007 Director, responsible for General Affairs Department, Legal Affairs Section, Finance and Accounting Department and Purchasing Department, General Manager of Corporate Planning Department, and Manager of Internal Auditing Section</div> <div>June 2012 Managing Director, in charge of Administrative Department, and General Manager of Corporate Planning Department</div> <div>June 2013 Representative Director and President, VINYFRAME INDUSTRY CO., LTD.</div> <div>Apr. 2019 Representative Director and Chairman, VINYFRAME INDUSTRY CO., LTD.</div> <div>Apr. 2020 Counselor, VINYFRAME INDUSTRY CO., LTD.</div> <div>July 2020 Full-time Corporate Auditor of the Company (present position)</div>	6,000
[Reasons for his nomination as a candidate for substitute Corporate Auditor] Akihiro Ishikura is a Full-time Corporate Auditor of the Company. He has overseen the Company's administrative divisions for many years and has served as Managing Director, acquiring a wealth of experience about the Company's management. The Company proposes his election as substitute Corporate Auditor, as he is expected to utilize his experience and knowledge and apply them in playing the role as Corporate Auditor.		

- Notes:
1. There are no special interests between the candidate and the Company.
 2. The Company has concluded with Akihiro Ishikura an agreement to limit his liability for damages under Article 423, paragraph (1) of the Companies Act in accordance with the provisions of Article 427, paragraph (1) of the same act. The maximum amount of the liability for damages under said agreement will be the minimum amount stipulated by the laws and regulations. If he assumes the office of Corporate Auditor, the Company plans to renew the agreement.
 3. The Company has entered into a directors and officers liability insurance contract that covers Corporate Auditors. If Akihiro Ishikura assumes the office of Corporate Auditor, he will be covered as an insured person under the said insurance contract. Under the said insurance contract, damages caused as a result the insured Corporate Auditor's assuming liability incurred in the execution of his duties or receiving claims pertaining to the pursuit of such liability shall be covered up to the total indemnity limit per period of insurance (1 billion yen). If he assumes the office of Corporate Auditor, the insurance contract will be renewed during his term of office.