



December 24, 2019

Company name: MEGMILK SNOW BRAND Co., Ltd.
Representative: Keiji Nishio, Representative Director and President
(Stock code: 2270, TSE 1st Section/SSE)
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Notice Regarding Establishment of
the Nomination Advisory Committee and the Compensation Advisory Committee

MEGMILK SNOW BRAND announces that its Board of Directors resolved a meeting held on Dec 24, 2019 to establish the Nomination Advisory Committee and the Compensation Advisory Committee as a voluntary advisory body of the Board of Directors.

1. Purpose of establishment

MEGMILK SNOW BRAND has ensured objectivity and transparency by making decisions on nomination and compensation of directors by checking in advance with the Audit and Supervisory Committee, which has a majority of independent outside directors, and seeking opinions until now.

The Nomination Advisory Committee and the Compensation Advisory Committee have been established at the aim of further strengthening independence, objectivity and accountability of the functions of the Board of Directors, and further enhancing the corporate governance.

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

Each committee will mainly discuss the following matters in response to the consultation of the Board of Directors.

(1) Nomination Advisory Committee:

- Policies and procedures for nominating directors (including directors who are Audit and Supervisory Committee members)
- Nomination and dismissal criteria for directors (including directors who are Audit and Supervisory Committee members)
- Succession plan for the CEO (President)
- Draft of nomination and dismissal of directors (including directors who are Audit and Supervisory Committee members) to submit to the General Meeting of Shareholders
- Draft of nomination and dismissal of representative directors
- Other matters deemed necessary by the Board of Directors regarding the preceding items

(2) Compensation Advisory Committee:

- Policies for determining compensation for directors (including directors who are Audit and Supervisory Committee members)
- Draft proposal for compensation for directors (including directors who are Audit and Supervisory Committee members) to be submitted to the General Meeting of Shareholders
- Compensation for each position of directors and performance-linked compensation
- Other matters deemed necessary by the Board of Directors regarding the preceding items

3. Committee composition

Each committee shall consist of three or more members, the majority of which shall be independent outside directors.

In addition, the chairperson of each committee shall be selected by resolution of each committee from the members who are independent outside directors.

4. Date of establishment

December 24, 2019

Note:

The information about the ratings should not be investment advice. Rating agencies may change the ratings without notice.

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