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(Stock Exchange Code: 5333)
June 12, 2020

To Shareholders:

Taku Oshima
Representative Director and President
NGK INSULATORS, LTD.
2-56, Suda-cho, Mizuho-ku, Nagoya, Japan

CONVOCATION NOTICE OF THE 154TH ANNUAL SHAREHOLDERS' MEETING

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially notified that the 154th Annual Shareholders' Meeting of NGK INSULATORS, LTD. (the "Company") will be held as described below.

In order to prevent the novel coronavirus from spreading, we strongly request you to exercise your voting rights in advance in writing or via the Internet as much as possible and refrain from attending the Shareholders' Meeting in person. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by 5:15 p.m. on Friday, June 26, 2020, Japan time.

- 1. Date and Time:** Monday, June 29, 2020 at 10:00 a.m., Japan time
- 2. Place:** Conference room on the first floor of the main building of the Company located at 3-16, Mutsuno 1-chome, Atsuta-ku, Nagoya, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company's 154th Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company's 154th Fiscal Year (April 1, 2019 - March 31, 2020)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of 13 Directors
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Proposal 1: Appropriation of Surplus

Taking into account such factors as strengthening of our business structure, future business development and earnings conditions, the year-end dividend for the year ended March 31, 2020 is proposed as follows.

Matters concerning the year-end dividend

- (1) Type of property distributed as dividend:
Cash
- (2) Matters concerning the allocation of the dividend property to shareholders and the total amount thereof:
25 yen per share of the Company's common shares, 7,913,598,400 yen in total
- (3) Effective date of the dividend from surplus:
Tuesday, June 30, 2020

Proposal 2: Election of 13 Directors

The terms of office of all 12 Directors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, in order to enhance the management structure, the Company proposes the addition of one Director and the election of 13 Directors in total.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at Board of Directors meetings
1	Taku Oshima [Reappointment]	Representative Director and President	100% (14 out of 14 meetings)
2	Hiroshi Kanie [Reappointment]	Representative Director and Executive Vice President	100% (14 out of 14 meetings)
3	Chiaki Niwa [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
4	Susumu Sakabe [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
5	Ryohei Iwasaki [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
6	Shuhei Ishikawa [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
7	Nobumitsu Saji [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
8	Atsushi Matsuda [Reappointment]	Director and Senior Vice President	100% (14 out of 14 meetings)
9	Shigeru Kobayashi [New candidate]	Senior Vice President	—
10	Tsutomu Nanataki [New candidate]	Senior Vice President	—
11	Hiroyuki Kamanoto [Reappointment] [Outside] [Independent]	Outside Director	100% (14 out of 14 meetings)
12	Emiko Hamada [Reappointment] [Outside] [Independent] [Female]	Outside Director	100% (14 out of 14 meetings)
13	Kazuo Furukawa [Reappointment] [Outside] [Independent]	Outside Director	100% (11 out of 11 meetings)

(Note) Attendance at Board of Directors meetings for Mr. Kazuo Furukawa relates to meetings held since he assumed the position of Director on June 21, 2019.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Taku Oshima (July 14, 1956) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1980 Joins NGK June 2007 Appointed as vice president June 2011 Appointed as senior vice president June 2014 Appointed as representative director and president (incumbent)	10,000
	<p>[Reasons for the nomination of candidate for Director] After joining the Company, Mr. Taku Oshima belonged to Manufacturing Engineering Division, and experienced start-up of manufacturing lines at overseas subsidiaries. In addition, he engaged in the development and massive-volume production of NAS® batteries from the beginning, working on design, manufacturing, and marketing as Head of the NAS battery business, the world first large scale energy storage system. He has been serving as Representative Director and President since 2014. We renominated him as a candidate for Director because he has abundant experience at the Company and insights in business operations.</p>		
2	Hiroshi Kanie (July 9, 1957) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1981 Joins NGK June 2010 Appointed as vice president June 2012 Appointed as senior vice president June 2014 Appointed as director and senior vice president June 2015 Appointed as director and senior vice president June 2018 Appointed as representative director and executive vice president (incumbent) (Responsibilities) Responsible for Corporate Planning Office, New Business Planning Dept., Secretarial Office, Corporate Communications Dept., Human Resources Management Dept. (formerly Human Resources Dept.), General Affairs Dept., and Energy Infrastructure Business Group (formerly Power Business Group); Senior Officer in charge of Group Companies; Chair of HR Committee; General Manager, Osaka Branch; in charge of overall personal information management, privacy protection, and Construction Business Act compliance	10,000
	<p>[Reasons for the nomination of candidate for Director] Mr. Hiroshi Kanie has gained a variety of practical experience in business operations and department management, by working in Industrial Process Division and serving as General Manager of Secretarial Office, Head Office, and Group Executive of Ceramic Products Business Group. He currently is responsible for Human Resources Management Department, Corporate Planning Office and New Business Planning Department in Head Office, and has served as Representative Director and Executive Vice President since 2018. We renominated him as a candidate for Director because he has an ample experience at the Company and knowledge in business operations.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Chiaki Niwa (February 16, 1960) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1984 Joins NGK June 2013 Appointed as vice president June 2015 Appointed as director and vice president June 2016 Appointed as director and senior vice president June 2018 Appointed as director and senior vice president (incumbent) (Responsibilities) Responsible for Corporate R&D Group, Corporate Manufacturing Engineering Group, Quality Management Dept., Environmental Management Dept., Safety and Health Management Dept., and Information Systems Dept.; Chair of Quality Committee, Environmental Protection Committee, and Safety and Health Committee	6,000
	<p>[Reasons for the nomination of candidate for Director] After his long engagement in engineering business division (currently, an independent company) and plant technology division in Industrial Process Division, Mr. Chiaki Niwa currently controls quality management, environmental management and safety and health management departments in Head Office as Director and Senior Vice President, takes responsibility for Corporate R&D Group and Corporate Manufacturing Engineering Group, and plays a role of promoting new/reformed manufacturing structures as a whole. We renominated him as a candidate for Director because he has an ample experience at the Company as well as deep knowledge in project management and manufacturing technology.</p>		
4	Susumu Sakabe (August 15, 1958) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1981 Joins NGK June 2007 Appointed as vice president June 2010 Appointed as director and vice president June 2011 Appointed as director and senior vice president June 2015 Appointed as director and senior vice president (incumbent) (Responsibilities) Responsible for Finance Dept. and Purchasing Dept.; General Manager, Tokyo Main Office (Significant concurrent position) Outside Director, METAWATER Co., Ltd.	12,000
	<p>[Reasons for the nomination of candidate for Director] After joining the Company, Mr. Susumu Sakabe accumulated business experience mainly in finance divisions and served as General Managers of Business Planning Department in operational divisions and Finance & Accounting Department. He also gained experience in corporate management at the Company's subsidiaries in Japan and North America. Currently, he serves as Director and Senior Vice President, actively engaging in drawing up capital policies and setting strategies for procurement and logistics divisions. We renominated him as a candidate for Director because he has abundant knowledge and experience in business operations at the Company.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Ryohei Iwasaki (January 30, 1960) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1982 Joins NGK June 2008 Appointed as vice president June 2009 Appointed as director and vice president June 2012 Appointed as director and senior vice president June 2016 Appointed as director and senior vice president (incumbent) (Responsibilities) Group Executive, Process Technology Business Group; in charge of management affairs	10,000
	<p>[Reasons for the nomination of candidate for Director] Mr. Ryohei Iwasaki has accumulated a variety of practical experience in business operations including engagement in sales and marketing in Ceramic Products Business Group followed by overseas subsidiaries' president, as well as such position as General Manager of Corporate Strategy Office and Group Executive of Electronics Business Group and in management of Head Office. He currently serves as Director and Senior Vice President, and Group Executive of Process Technology Business Group, leading the operation thereof. We renominated him as a candidate for Director because he has an ample experience at the Company and knowledge in business operations.</p>		
6	Shuhei Ishikawa (December 10, 1959) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1984 Joins NGK June 2010 Appointed as vice president June 2014 Appointed as senior vice president June 2015 Appointed as director and senior vice president June 2019 Appointed as director and senior vice president (incumbent) (Responsibilities) Group Executive, Electronics Business Group (Significant concurrent positions) Chairman, NGK Electronics Devices Inc. Chairman, NGK CERAMIC DEVICE CO., LTD.	11,000
	<p>[Reasons for the nomination of candidate for Director] After joining the Company, Mr. Shuhei Ishikawa has engaged in technology and development in New Metals Division and fostered his knowledge in manufacturing technology and new product development in the said Division. Following having served as General Manager of New Metals Division, he currently serves as Director and Senior Vice President, and Group Executive of Electronics Business Group, leading the operation thereof. We renominated him as a candidate for Director because he has an ample experience at the Company, as well as a wealth of knowledge and personal contacts gained in the Electronics Business Group.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Nobumitsu Saji (July 3, 1958) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1984 Joins NGK June 2013 Appointed as vice president June 2014 Appointed as director and vice president June 2015 Appointed as director and senior vice president June 2019 Appointed as director and senior vice president (incumbent) (Responsibilities) Chief Compliance Officer; Responsible for Auditing Dept., Group Compliance Dept., Legal Dept., and Intellectual Property Dept.; Chair of Compliance Committee (formerly CSR Committee) and Internal Controls Committee; in charge of company-wide Competition Law compliance; Data Protection Officer	5,000
	<p>[Reasons for the nomination of candidate for Director] Following a variety of experience in such areas as sales and marketing in Energy Infrastructure Business Division, finance division, overseas subsidiaries, and secondment to external organizations, Mr. Nobumitsu Saji served as General Managers of Business Planning Department in multiple business groups and assumed a position of General Manger of Legal Department afterwards. He currently serves as Director and Senior Vice President, responsible for legal affairs and compliance-related divisions, as well as leading the Company's legal compliance system as a whole. We renominated him as a candidate for Director because he has an ample experience at the Company and global insights in the legal field.</p>		
8	Atsushi Matsuda (September 11, 1960) [Reappointment] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	March 1985 Joins NGK June 2012 Appointed as vice president June 2017 Appointed as senior vice president June 2018 Appointed as director and senior vice president (incumbent) (Responsibilities) Group Executive, Ceramic Products Business Group; General Manager, Global Sales & Marketing Div., Ceramic Products Business Group; General Manager, Nagoya Site (Significant concurrent positions) Chairman, NGK CERAMICS SUZHOU CO., LTD. Chairman, NGK CERAMICS EUROPE S.A.	5,000
	<p>[Reasons for the nomination of candidate for Director] After joining the Company, Mr. Atsushi Matsuda has engaged in sales and marketing in Industrial Process Division and Ceramic Products Business Group, and has gained management experience at overseas subsidiaries. Following having served as General Manager, Worldwide Sales & Marketing Div., Ceramics Products Business Group, he currently serves as Director and Senior Vice President, and Group Executive of Ceramic Products Business Group, leading the operation thereof. We renominated him as a candidate for Director because of his ample experience in business operations at the Company and knowledge in the business operation.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Shigeru Kobayashi (March 23, 1961) [New candidate]	March 1983 Joins NGK April 2007 Appointed as manager, NAS Sales Dept., Sales Management Div., Power Business Group (currently Energy Infrastructure Business Group) June 2016 Appointed as vice president June 2018 Appointed as senior vice president (incumbent) (Responsibilities) Group Executive, Energy Infrastructure Business Group; General Manager, Komaki Site	4,126
	[Reasons for the nomination of candidate for Director] Mr. Shigeru Kobayashi engaged in overseas sales and marketing at Energy Infrastructure Business Division and assumed positions of a president of an overseas subsidiary and manager of the overseas sales and marketing department at the Ceramic Products Business Group. He currently serves as Senior Vice President and Group Executive of Energy Infrastructure Business Group, leading the operation thereof. We nominated him as a candidate for Director because he has an ample experience at the Company, as well as a wealth of knowledge and personal contacts gained in the Energy Infrastructure Business Group.		
10	Tsutomu Nanataki (August 11, 1961) [New candidate]	March 1986 Joins NGK April 2012 Appointed as Project Leader, Functional Materials Development Project, Corporate R&D Group June 2016 Appointed as vice president June 2019 Appointed as senior vice president (incumbent) (Responsibilities) Group Executive, Corporate R&D; Chair of Development Committee	3,000
	[Reasons for the nomination of candidate for Director] After joining the Company, Mr. Tsutomu Nanataki has accumulated a variety of experience by engaging in product development at different business groups, basic research of ceramics and development of applied technologies at the research and development division and other operations. He currently serves as Senior Vice President and Group Executive of Corporate R&D Group, leading the operation thereof. We nominated him as a candidate for Director because he has an ample experience at the Company, as well as a wealth knowledge in the research and development field.		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Hiroyuki Kamano (July 21, 1945) [Reappointment] [Outside] [Independent] [Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)	April 1971 Joins Ministry of Foreign Affairs April 1979 Trains at Legal Training and Research Institute, Supreme Court of Japan April 1981 Becomes registered attorney October 1988 Becomes managing partner, Kamano Sogo Law Offices (incumbent) June 2007 Appointed as outside audit & supervisory board member, Komatsu Ltd. July 2007 Appointed as outside director, Sumitomo Life Insurance Company April 2009 Appointed as vice president, Tokyo Bar Association June 2011 Appointed as director, NGK (incumbent) June 2015 Appointed as outside audit & supervisory board member, House Foods Group Inc. (incumbent) (Significant concurrent positions) Managing partner, Kamano Sogo Law Offices Outside audit & supervisory board member, House Foods Group Inc.	1,000
<p>[Reasons for the nomination of candidate for Outside Director] Having long engaged in legal practice as an attorney-at-law, Mr. Hiroyuki Kamano possesses a wealth of experience and achievements in the legal community, including his service as the vice president of Tokyo Bar Association. With his expertise and ample experience as well as broad insight, he has been appropriately fulfilling his duties as an Outside Director of the Company, by giving his opinion on penetrating the Company's group principles, strengthening the compliance structure and clarifying bases of business judgments, as well as offering suggestions to the Company's business operation and properly overseeing the management of the Company. Therefore, we renominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
12	<p>Emiko Hamada (November 23, 1958)</p> <p>[Reappointment] [Outside] [Independent] [Female]</p> <p>[Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)</p>	<p>April 1984 Joins Taiyo Yuden Co., Ltd.</p> <p>December 2001 Appointed as general manager, Quality Assurance Control R Technology Div., Engineering Group, Taiyo Yuden</p> <p>September 2003 Appointed as chief engineer, Basic Research Div., General Research Laboratory, Engineering Group, Taiyo Yuden</p> <p>November 2008 Appointed as associate professor, Center for Social Contribution and Collaboration, Nagoya Institute of Technology (NITech)</p> <p>April 2011 Appointed as professor, Center for Social Contribution and Collaboration, NITech, and professor for Master of Techno-Business Administration, NITech Graduate School</p> <p>April 2012 Appointed as professor, Center for Research on Assistive Technology for Building a New Community, NITech</p> <p>May 2015 Appointed as third-area program officer, A-STEP (Adaptable and Seamless Technology Transfer Program through Target-driven R&D), Japan Science and Technology Agency (incumbent)</p> <p>July 2016 Appointed as part-time lecturer, NITech (incumbent)</p> <p>August 2016 Appointed as visiting professor, Nagoya University</p> <p>June 2017 Appointed as director, NGK (incumbent)</p> <p>June 2019 Appointed as outside director, Taiyo Yuden (incumbent)</p> <p>(Significant concurrent positions) Third-area program officer, A-STEP (Adaptable and Seamless Technology Transfer Program through Target-driven R&D), Japan Science and Technology Agency Part-time lecturer, Nagoya Institute of Technology Outside director, Taiyo Yuden Co., Ltd.</p>	5,000
<p>[Reasons for the nomination of candidate for Outside Director] Ms. Emiko Hamada has made remarkable achievements such as leading the invention and the world's first commercialization of the CD-R (recordable CD) while working for Taiyo Yuden Co., Ltd. Since then, she has been engaged in research activities mainly through industry-academia-government collaborations as Professor at Nagoya Institute of Technology and Visiting Professor at Nagoya University. By utilizing the insights she has developed through her career, she has been appropriately fulfilling her duties as an Outside Director of the Company by giving her opinion in terms of strengthening technical capability and ways of quality control, as well as offering suggestions to the Company's business operation and overseeing the management of the Company, therefore we renominated her as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
13	Kazuo Furukawa (November 3, 1946) [Reappointment] [Outside] [Independent] [Attendance at the Board of Directors meetings] 100% (11 out of 11 meetings) (Note) Attendance relates to the Board of Directors meetings held since he assumed the position of Outside Director on June 21, 2019.	<p>April 1971 Joins Hitachi, Ltd.</p> <p>April 2005 Appointed as representative executive officer, executive vice president, and executive officer; general manager and CEO, Information & Telecommunications Group; general manager, Export Control Div.; Hitachi</p> <p>April 2006 Appointed as representative executive officer and president, Hitachi</p> <p>June 2006 Appointed as director, representative executive officer, and president, Hitachi</p> <p>May 2007 Appointed as vice chair, Keidanren (Japan Business Federation)</p> <p>April 2009 Appointed as director, representative executive officer, and vice chair, Hitachi</p> <p>June 2009 Appointed as special advisor, Hitachi</p> <p>June 2011 Appointed as president, Information Processing Society of Japan</p> <p>October 2011 Appointed as chair, New Energy and Industrial Technology Development Organization</p> <p>June 2019 Appointed as director, NGK (incumbent)</p> <p>August 2019 Appointed as outside director (audit and supervisory committee member), Pasona Group Inc. (incumbent)</p> <p>(Significant concurrent positions) Outside director (audit and supervisory committee member), Pasona Group Inc.</p>	5,000
<p>[Reasons for the nomination of candidate for Outside Director]</p> <p>Mr. Kazuo Furukawa has extensive knowledge of technical fields including information and telecommunications, as well as experience leading large organizations, through his work in important positions at Hitachi Ltd. such as President & Chief Executive Officer of the Information & Telecommunication Systems Group and subsequently President, as well as Chairman of the New Energy and Industrial Technology Development Organization. With his insights and experience, he has been appropriately fulfilling his duties as an Outside Director of the Company, by giving his wide range of opinions on the overall business activities, as well as offering suggestions to the Company's business operation and properly overseeing the management of the Company. Therefore, we renominated him as a candidate for Outside Director.</p>			

(Notes)

1. There is no special interest between each candidate for Director and the Company.
2. Matters concerning the candidates for Outside Director are as follows.
 - (1) Mr. Hiroyuki Kamano, Ms. Emiko Hamada and Mr. Kazuo Furukawa are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company has filed Independent Directors/Auditors Notification with Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. to designate Mr. Hiroyuki Kamano, Ms. Emiko Hamada and Mr. Kazuo Furukawa as Independent Directors. If the appointment of Mr. Hiroyuki Kamano, Ms. Emiko Hamada and Mr. Kazuo Furukawa is approved at this Annual Shareholders' Meeting, the Company plans to file Independent Directors/Auditors Notification with Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. to designate each of them as Independent Directors.
 - (2) Although Mr. Hiroyuki Kamano and Ms. Emiko Hamada have never been involved in corporate management except as Outside Director or Outside Audit & Supervisory Board Member, the Company has judged that they are capable of performing their duties appropriately as Outside Directors due to the reasons stated in Reasons for the appointment of candidate for Outside Director above.
 - (3) Mr. Hiroyuki Kamano is currently in office as Outside Director of the Company, and will have served for nine years as Outside Director at the conclusion of this Annual Shareholders' Meeting. Ms. Emiko Hamada is currently in office as Outside Director of the Company, and will have served for three years as Outside Director at the conclusion of this Annual Shareholders' Meeting. Mr. Kazuo Furukawa is currently in office as Outside Director of the Company, and will have served for one year as Outside Director at the conclusion of this Annual Shareholders' Meeting.
 - (4) Overview of the liability limitation agreement
The Company has entered into a liability limitation agreement with each of Mr. Hiroyuki Kamano, Ms. Emiko Hamada and Mr. Kazuo Furukawa which provides that if an Outside Director is without knowledge and is not

grossly negligent in performing his/her duties, the liability of the Director to the Company under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount provided in Article 425, Paragraph 1 of the Companies Act. Subject to the approval of the reappointment of them, the Company intends to continue the liability limitation agreements with them.

(5) The relationship between each concurrent organization of Outside Director candidates and the Company is as follows:

Candidate for Outside Director	Concurrent organization	Relationship with the concurrent organization as seen from the Company	Scale of transactions during the current consolidated fiscal year
Hiroyuki Kamano	Kamano Sogo Law Offices	None	—
	House Foods Group Inc.	None	—
Emiko Hamada	Taiyo Yuden Co., Ltd.	Sales of ceramic products, etc.	Less than 0.1% of the Company's consolidated net sales
			Less than 0.1% of the (expected) consolidated operating expenses of the concurrent organization for the fiscal year ended March 31, 2020
	Nagoya Institute of Technology	Payment of research expenses, etc.	Less than 0.1% of the Company's consolidated operating expenses
			Less than 1% of the ordinary income of the concurrent organization for the fiscal year ended March 31, 2019
	Japan Science and Technology Agency	None	—
	Nagoya University	Sales of products for electronics industry, etc.	Less than 0.1% of the Company's consolidated net sales
Less than 0.1% of the ordinary expenses of the concurrent organization for the fiscal year ended March 31, 2019			
Nagoya University	Payment of research expenses, etc.	Less than 0.1% of the Company's consolidated operating expenses	
		Less than 0.1% of the ordinary income of the concurrent organization for the fiscal year ended March 31, 2019	

Kazuo Furukawa	Hitachi Ltd.	Sales of ceramic products, etc.	Less than 0.1% of the Company's consolidated net sales
			Less than 0.1% of the (expected) consolidated operating expenses of the concurrent organization for the fiscal year ended March 31, 2020
		Payment for the purchase of equipment etc.	Less than 1% of the Company's consolidated operating expenses
			Less than 0.1% of the (expected) consolidated sales income of the concurrent organization for the fiscal year ended March 31, 2020
	New Energy and Industrial Technology Development Organization	Receipt of research expenses from the concurrent organization for commissioned, sponsored and subsidized projects	Less than 0.1% of the Company's consolidated net sales
			Less than 0.1% of the ordinary expenses of the concurrent organization for the fiscal year ended March 31, 2019
		Payment of the purchase of facilities	Less than 0.1% of the Company's consolidated operating expenses
			Less than 0.1% of the ordinary income of the concurrent organization for the fiscal year ended March 31, 2019
Pasona Group Inc.	None	—	
Pasona Inc. (A subsidiary wholly owned by Pasona Group Inc.)	Payment of temporary staffing fees	Less than 0.1% of the Company's consolidated operating expenses	
		Less than 0.1% of the consolidated net sales of Pasona Group Inc. for the fiscal year ended May 31, 2019	

(6) Ms. Emiko Hamada's name on the family register is Emiko Kato.

(Reference)

Independence Standards for Independent Outside Directors

In addition to the requirements for an outside director under the Companies Act and for an independent director specified by the Tokyo Stock Exchange, NGK may not designate a person who falls under any of the following items as an outside director with independence (hereinafter referred to as the “Independent Outside Director”); provided, however, that if NGK considers that such person, who falls under any of the items, is appropriate as the Independent Outside Director of NGK in light of such person’s personality, insight, etc., NGK may designate said person as an Independent Outside Director on the condition that said person satisfies the requirements for an outside director under the Companies Act and for an independent director specified by the Tokyo Stock Exchange as well as on the condition that NGK externally explains the reason why such person is appropriate as the Independent Outside Director of NGK.

In these independence standards, a person who executes business refers to an executive director, executive officer, corporate officer, manager, or other employee, and NGK Group refers to NGK or NGK’s subsidiaries or affiliated companies.

1. A major shareholder who holds 10% or more of the current voting rights of NGK. If such major shareholder is a corporation, a person who has executed the business of said corporation during the last three fiscal years including the most recent fiscal year.
2. A person who currently executes the business of a business partner where the amount of transactions between NGK Group in any of the last three fiscal years including the most recent fiscal year is 2% or more of the consolidated sales of either said business partner or NGK Group.
3. A person who has executed the business of a financial institution or other corporation that is a major creditor, which is indispensable for NGK Group’s fundraising and on which NGK Group depends to the extent that it is irreplaceable, in the past three fiscal years including the most recent fiscal year.
4. An incumbent director or officer of an organization that receives a donation or grant from NGK Group in the amount exceeding ¥10 million per year or 30% of average annual total expenses of such organization, whichever the greater, in any of the last three fiscal years including the most recent fiscal year.
5. A certified public accountant, tax accountant or an incumbent employee of an auditing firm or tax accounting firm who served as an accounting auditor or accounting advisor of NGK Group in the past three fiscal years including the most recent fiscal year.
6. A person who is a lawyer, certified public accountant, tax accountant, or other consultant who does not correspond to any of the individuals mentioned in 5. above and who, in addition to his/her remuneration as an officer, has received cash and other property benefits of ¥10 million or more per year from the NGK Group in the past three fiscal years including the most recent fiscal year, or an incumbent employee, etc., of a law firm, auditing firm, tax accounting firm, consulting firm, or other advisory firm that does not correspond to any of the firms mentioned in 5. above, which received a payment of more than 2% of its annual consolidated gross sales from NGK Group in any of the last three fiscal years including the most recent fiscal year.
7. A person who has executed the business of a company, of which NGK is currently a major shareholder, in the last three fiscal years including the most recent fiscal year.

8. Relatives within the second degree of kinship to a person who falls under the items 1 to 7 above.

[Policies and procedures concerning the nomination of candidates for officers and the appointment and dismissal of senior management]

(Policies concerning nomination, appointment, and dismissal)

The NGK Group is mainly engaged in the manufacturing business supplying raw materials such as ceramics and related products to diverse business domains and a wide range of areas including overseas. NGK's senior management, which comprises representative directors and directors with special titles, as well as directors and corporate officers who assume business execution are required to make business judgments and decisions based on their respective profound knowledge in the business operations of each NGK Group business field, manufacturing technology, research and development as well as their knowledge of finance, legal affairs, and labor affairs, and standing audit & supervisory board members are also required to conduct audit based on their expert knowledge in finance and knowledge obtained through individual business experience. Therefore, in nominating candidates for directors and standing audit & supervisory board members, NGK places emphasis on practical business experience in manufacturing technology, research and development, sales, planning, etc., in each business field, leadership, as well as on whether or not they have expertise, such as in finance, legal affairs, and labor affairs. With regard to outside directors and outside audit & supervisory board members, NGK nominates candidates from among persons who have a high level of expertise in legal knowledge, corporate finance and others, as well as knowledge of international affairs, social and economic trends, technology trends, and corporate management. The Articles of Incorporation of NGK stipulate that the prescribed number of directors shall not exceed fifteen.

In appointing representative directors and directors with special titles, NGK places emphasis on the capabilities to discern and formulate countermeasures for issues faced by the NGK Group, and on leadership skills required to demonstrate the ideal state of the NGK Group and spur the organization into action. On the other hand, when representative directors or directors with special titles commit a grave violation of laws and regulations, the Articles of Incorporation of NGK or other regulations of the NGK Group, or when a situation arises that would seriously impede their execution of duties, they may be dismissed if the Nomination and Compensation Advisory Committee has deemed the dismissal as appropriate and the Board of Directors have made a resolution on the dismissal.

The above policy is deliberated at the Nomination and Compensation Advisory Committee, comprised mainly of outside directors/audit & supervisory board members, and results thereof are reported to the Board of Directors.

(Procedures concerning nomination, appointment, and dismissal)

With regard to the nomination of candidates for directors and audit & supervisory board members, all representative directors deliberate on each candidate, and obtain approval from the Audit & Supervisory Board regarding the candidates for audit & supervisory board members. In addition, the nomination of each of the candidates for directors and audit & supervisory board members, as well as the appointment and dismissal of representative directors and directors with special titles are deliberated at the Nomination and Compensation

Advisory Committee, comprised mainly of outside directors/audit & supervisory board members. By having the Committee report the results thereof to the Board of Directors, NGK strives to ensure fairness, transparency and timeliness in the procedures concerning nomination, appointment, and dismissal. At the Board of Directors' meeting, candidates for directors and audit & supervisory board members are nominated, compliant to the reporting procedures of the Committee, as an agenda (proposal) for the General Meeting of Shareholders. After the directors are elected at the General Meeting of Shareholders, in consideration of reports of the Committee, the Board of Directors shall appoint the representative directors and directors with special titles.