

### **Independence Criteria for Outside Officers**

Outside Directors or Outside Audit & Supervisory Board Members of the Company must not fall under any of the following categories if they are to be considered independent.

1. An executing person of the Company and its group companies (hereinafter, collectively the “Company”)
2. A major shareholder of the Company, or an executing person of a company that is a major shareholder of the Company
3. A person who is a major lender of the Company, or an executing person of a company that is a major lender partner
4. A person for whom the Company is a major trading partner or an executive officer of a company for which the Company is a major trading partner
5. A person who is a major trading partner of the Company or an executing person of a company which is a major trading partner of the Company
6. A person receiving donations or financial assistance in an amount exceeding a certain threshold from the Company, or a director or other executing person of a corporation, or group such as a union, etc. receiving donations or financial assistance in an amount exceeding a certain threshold from the Company
7. An attorney-at-law, certified accountant, tax accountant or consultant who receives money or other property benefits in an amount exceeding a certain threshold from the Company other than director remunerations
8. A person who belongs to a corporation, such as a law firm, audit corporation, tax accountant corporation, or consulting firm; or a group, such as a union that receives money or other property benefits in an amount exceeding a certain threshold from the Company
9. An executing person of another company with which the Company holds an Outside Director or an Outside Audit & Supervisory Board Member mutual appointment relationship
10. A person who falls under the category described in Item 1 above for the past 10 years, or a person who falls under the category described in any of the Items 2 to 9 above for the past 5 years
11. If a person with an important position falls under the category described in any of the Items 1 to 9 above, then the spouse or relative within the second degree of kinship of such person

Notes:

1. The term “executing person” refers to an “executive director, executive officer, manager, or person or employee equivalent to this.”
2. The term “major shareholder” in Item 2 means “a person (or a company) who holds 10% or more of the total voting rights of the Company directly or indirectly at the end of the most recent business year.”
3. The term “a person (or a company) who is a major lender of the Company” in Item 3 means “a financial institution or other large creditor with which/whom the Company was relying on, with no substitute, for its funds procurement at the end of the most recent business year.”
4. The term “a person (or a company) for whom/which the Company is a major trading partner” in Item 4 means a “person (or a company) who has received payments from the Company in an amount equivalent to 2% or more of the consolidated annual net sales of that person (or company) in the latest business year.”

5. The term “a person (or a company) who is a major trading partner of the Company” in Item 5 means a “person (or a company) who has made payments to the Company in an amount equivalent to 2% or more of the consolidated annual net sales of the Company in the latest business year.”
6. The term “a certain threshold” in Items 6 and 7 means “10 million yen per year.”
7. The term “a certain threshold” in Item 8 means “2% of the total net sales of the corporation, or group such as a union in the latest business year.”
8. The term “mutual appointment relationship” in Item 9 means “a relationship where the executing person of the Company in the latest business year is an outside director or an outside Audit & Supervisory Board Member of another company and an executing person of that other company is an Outside Director or an Outside Audit & Supervisory Board Member of the Company.”
9. The term a “person with an important position” in Item 11 means “a person holding a position of general manager or higher with authority equivalent to that of an executing person.”
10. Any matters not stated herein that may significantly affect the judgment of independence shall be managed in appropriate manner.