

# Independent Officers Notification

## 1. Fundamental Information

Corporate Name	Kirin Holdings Company, Limited		Trading Code	2503
Date of Notification	24-Feb-22	Date of Change	30-Mar-22	
Reason for Submitting Notification	The company has submitted this notification for the Proposals of the election of Non-executive Directors and Audit & Supervisory Board members are to be made for the Annual General Meeting of Shareholders scheduled on March 30th, 2022.			
<input checked="" type="checkbox"/> All of those eligible as Independent Officers are appointed as Independent Officers				

## 2. Matters regarding Independent Officers and Independency of the Non-executive Directors

No.	Name	Non-executive Directors/Audit & Supervisory Board Members	Independent Officer	Criteria (a) through (l) are explained below (*1 & *2)													Details	Acceptance	
				a	b	c	d	e	f	g	h	i	j	k	l	N/A			
1	Masakatsu Mori	Non-executive Director	○														○		Yes
2	Hiroyuki Yanagi	Non-executive Director	○														○		Yes
3	Chieko Matsuda	Non-executive Director	○														○		Yes
4	Noriko Shiono	Non-executive Director	○														○		Yes
5	Rod Eddington	Non-executive Director	○														○		Yes
6	George Olcott	Non-executive Director	○														○		Yes
7	Kaoru Kato	Non-executive Director	○														△		Yes
8	Yoshiko Ando	Audit&Supervisory Board Member	○														○		Yes
9	Kaoru Kashima	Audit&Supervisory Board Member	○														△		Yes
10	Kenichi Fujinawa	Audit&Supervisory Board Member	○														△	Newly Appointed	Yes

## 3. Reasons for Nomination

No.	Explanation of whether applicable for the above (a) through (l) criteria	Reasons for Nomination
1	N/A	Mr. Masakatsu Mori has considerable experience acquired over many years spent in management of a consulting firm, as well as a president and trustee of a university. He has a wide range of knowledge and particularly exceptional insight in corporate management based on his specialized expertise in finance and accounting. Based on this, we expect him to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Non-executive Director. For the reasons above, the Board has determined that he, as Non-executive Director going forward, is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value. Further, he is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.
2	N/A	Mr. Hiroyuki Yanagi has considerable experience acquired over many years as a corporate executive. He has a wide range of knowledge and particularly highly specialized expertise in brand development in the global market through technological development and innovation through his experience as President, Chief Executive Officer and Representative Director, and Chairman and Representative Director of Yamaha Motor Co., Ltd. Based on this, we expect him to provide valuable opinions and suggestions to the management of the Company from an objective and professional perspective as an Independent Non-executive Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value. Further, he is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.
3	N/A	Ms. Chieko Matsuda has considerable experience and a wide range of knowledge acquired through financial and capital market operations and management consulting services, including reputable banking and credit rating agencies, especially exceptional insight in corporate management based on her specialized expertise in finance and corporate governance. Based on her experience and insight, she specializes in corporate and financial strategies and has an impressive background in academic research on corporate management and capital markets. Based on this, we expect her to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Non-executive Director. For the reasons above, the Board has determined that she is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value. Further, she is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.
4	N/A	Ms. Noriko Shiono has considerable experience and a wide range of knowledge acquired over many years as a corporate executive. She has exceptional insight in corporate management and marketing based on her specialized expertise in pharmaceuticals and healthcare strategy as a Representative Director, President of SSP Co., Ltd., and as President of Widex Japan, a medical device manufacturer. Based on this, we expect her to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Non-executive Director, particularly for the Company to launch and develop new businesses in Health Science domain. For the reasons above, the Board has determined that she is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value. Further, she is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.

5	N/A	<p>Sir Rod Eddington has exceptional insight in corporate management and corporate governance acquired through considerable experience as a corporate executive and director of numerous global companies over many years. In addition, since he served as Chairman of the Australia Japan Business Co-operation Committee and as a member of the APEC Business Advisory Council, he has a deep understanding of the economies and markets of Japan and other Asia-Pacific countries, and has built an expansive network. Based on this, we expect him to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company regarding its global strategy among others as an Independent Non-executive Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.</p> <p>Further, he is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>
6	N/A	<p>Mr. George Olcott has considerable experience in international financial markets, including in investment banking operations. He has exceptional insight in corporate management based on his academic expertise in human resource development and corporate governance in global management. Based on his experience and insight, he also has an impressive background in academic research focused on improving the value of Japanese companies and relevant experience as a director of several leading listed companies in Japan. Based on this, we expect him to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Non-executive Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.</p> <p>Further he is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>
7	<p>The subsidiary of the Company has regular transactions related to telecommunications equipment with NTT DOCOMO, INC., for which Mr. Kaoru Kato has served as the management until June 2018, but the amount paid to NTT DOCOMO, INC. in this fiscal year under review was less than 0.01% of its consolidated operating revenues.</p>	<p>Mr. Kaoru Kato has considerable experience and wide range of knowledge acquired over many years, as a corporate executive. He has exceptional insight in corporate management based on his specialized expertise in Communication and Digital strategy as a Representative Director and President &amp; CEO of NTT DOCOMO, INC. He is also well versed in the start-up and development of new businesses through his experience since the dawn of the domestic mobile phone industry. Based on this, we expect him to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Non-executive Director, particularly on the appropriateness and adequacy of the DX Strategy and new businesses. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.</p> <p>Although he is applicable for (j), as mentioned on the left, the Company believes that he has sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>
8	N/A	<p>Since appointment as an External Audit&amp;Supervisory Board Member of the Company in March 2019, Ms. Yoshiko Ando has performed an appropriate check and balance function on the Board of Directors from an objective and neutral standpoint independent of the Company's management and from a professional perspective on the ground of the experience in policy making in the labor administration as an administrative official for many years, and on her opinions are based on her high-level expertise, rich experience, and high level of insight in a wide range of employment and labor fields, including the promotion of women's activities. Further, she is not applicable for any of the criterion (a) through (l), therefore, the Company believes there is sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>
9	<p>There is a payment of service fees by the Company to Ernst &amp; Young ShinNihon LLC, where Ms. Kaoru Kashima served as the management until June 2019, but the amount of payment to Ernst &amp; Young ShinNihon LLC during this fiscal year under review is less than 0.1% of its total revenue.</p>	<p>Since appointment as an External Audit&amp;Supervisory Board Member of the Company in March 2020, Ms. Kaoru Kashima has performed an appropriate check and balance function on the Board of Directors from an objective and neutral standpoint independent of the Company's management and from a professional perspective on the ground of the extensive experience and high level of insight regarding organizational climate reform, public relations, and the promotion of women's activities as a result of her many years of experience in corporate auditing as a certified public accountant and as a management of auditing firms and companies. Although she is applicable for (j), as mentioned on the left, the Company believes that she has sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>
10	<p>There is a payment of service fees by the Company and the subsidiary of the Company to Nagashima Ohno &amp; Tsunematsu, where Mr. Kenichi Fujinawa served as the management until December 2019, but the amount of payment to Nagashima Ohno &amp; Tsunematsu during this fiscal year under review is less than 1% of its total revenue.</p>	<p>Mr. Kenichi Fujinawa has served as a partner and managing partner at a major law firm for many years as a lawyer, and has highly specialized expertise and considerable experience in the areas of general corporate legal practice, especially in M&amp;A, international transactions, and corporate governance. Based on this, the Company expects him to provide valuable opinions and suggestions, from an objective and professional perspective, to the management of the Company. Accordingly, the Board has determined that he is fit to audit the business execution of the Company's Directors of the Board with a view to furthering continuous improvement of corporate value as an Audit &amp; Supervisory Board Member.</p> <p>Although he is applicable for (j), as mentioned on the left, the Company believes that he has sufficient independence where there is no possibility of conflict of interests with general shareholders.</p>

#### 4. Supplementary Explanation

Kirin Holdings Company, Limited (hereinafter referred to as the "Company") has established the criteria listed below in order to objectively determine the independence of Non-executive Directors and Audit & Supervisory Board Members (henceforth referred to collectively as the "Non-executive Officers"), with reference to the criteria for independence of officers stipulated by the Tokyo Stock Exchange; given, however, that Non-executive Officers are appointed based not only on independence, but also on their respective knowledge, skills, discernment and character, etc. and thus persons who meet the requirements for Non-executive Officers stipulated in the Companies Act and can provide advice and opinions as Non-executive Officers concerning the Company's decision-making may be hired as Non-executive Officers even if they fall into the criteria listed below.

[Criteria regarding the Independence of Non-executive Officers]

For Non-executive Directors and Audit & Supervisory Board Members to be considered as independent, none of the following criterion may apply to the respective Non-executive Director or Audit & Supervisory Board Member.

- (1) A person for whom the Company (including its consolidated subsidiaries; the same shall apply hereinafter) is a major client
- (2) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm for whom the Company is a major client
- (3) A person who is a major client of the Company
- (4) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm which is a major client of the Company
- (5) A lawyer, certified public accountant, tax accountant, or consultant, etc. who receives money or other economic benefit in excess of a certain amount from the Company aside from the officer's remuneration
- (6) A person who belongs to a firm, union, or other similar entity (including a law office, auditing firm, tax accountant firm, or consulting firm, etc.) which receives money or other economic benefit in excess of a certain amount from the Company
- (7) A person who is a major shareholder of the Company
- (8) A person who is an executive director and who executes business of a firm which is a major shareholder of the Company
- (9) A person who receives donations or other assistance in excess of a certain amount from the Company
- (10) A person who is a director of or otherwise executes duties for a firm, union or other similar entity which receives donations or other assistance in excess of a certain amount from the Company
- (11) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm for which an Executive Director or full-time Audit & Supervisory Board Member of the Company acts as outside director or outside auditor
- (12) A person to whom any of aforementioned criteria (1)-(11) has applied within the past 3 years
- (13) Where a person to whom any of aforementioned criteria (1)-(12) applies (however, excluding the person who does not serve an important role), the person's spouse or other relations within the second degree of kinship
- (14) A person who is a spouse or other relation within the second degree of kinship to a person who serves currently and has served within the past three (3) years as a director, executive officer, manager or other key employee of the Company

(Notes)

1. Regarding criteria (1) and (2), "A person (or firm) for whom the Company is a major client" refers to a person (or firm) who received payment from the Company in the most recent business year which accounted for either 2% or more of consolidated sales (consolidated revenue) for the year for that person (or firm), or over ¥100 million, whichever is the higher amount. If consolidated accounting is not adopted by the person (or firm), total revenue or non-consolidated sales for the year should be employed in place of consolidated sales (consolidated revenue) for the year.
2. Regarding criteria (3) and (4), "A person (or firm) who is a major client of the Company" refers to a person (or firm) who made payment to the Company in the most recent business year which accounted for 2% or more of the Company's consolidated revenue for the year, or who finances 2% or more of the Company's consolidated total assets at the end of the most recent business year.
3. Regarding criteria (5), (9) and (10), "a certain amount" is considered as ¥10 million per year.
4. Regarding criteria (6), "a certain amount" is considered as either 2% or more of total revenue for the most recent business year for that firm, union or other similar entity, or over ¥100 million, whichever is the higher amount.
5. Regarding criteria (7) and (8), "a major shareholder" refers to a shareholder who directly or indirectly holds more than 10% of the voting rights.

\*1 Explanation of Criteria (a) through (l)

- a. Executive of the Company or its subsidiary
- b. Non-executive director or accounting advisor of the Company or its subsidiaries
- c. Non-executive director or executive of a parent company of the Company
- d. Kansayaku of a parent company of the Company
- e. Executive of a fellow subsidiary company of the Company
- f. A party whose major client or supplier is the Company or an executive thereof
- g. Major client or supplier of the Company or an executive thereof
- h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a kansayaku
- i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the kansayaku himself/herself only)
- k. Executive of a company, between which and the Company outside directors/kansayaku are mutually appointed (the kansayaku himself/herself only)

\*2 Categories for "Relationship with the Company"

- \* "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past
- \* "●" when a close relative of the director presently falls or has recently fallen under the category; "▲" when a close relative of the director