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Securities code: 9055

June 1, 2022

To Shareholders with Voting Rights

Masaru Usui
Representative Director, President & CEO
ALPS LOGISTICS CO., LTD.
1756 Nippa-cho, Kohoku-ku,
Yokohama-shi, Kanagawa Pref., Japan

NOTICE OF THE 58TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We hereby notify you that the 58th Annual General Meeting of Shareholders (the “Meeting”) of ALPS LOGISTICS CO., LTD. (the “Company,” together with its subsidiaries, the “Group”) will be held as described below.

From a perspective of preventing the further spread of COVID-19, we recommend that you exercise your voting rights in advance in writing or via the Internet, etc., to the extent possible, instead of attending the Meeting in person.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights **by 5:30 p.m. Japan time on Tuesday, June 21, 2022.**

- 1. Date and Time:** Wednesday, June 22, 2022 at 10:00 a.m.
2. Venue: Banquet Hall Fantasia, 3F, Shin Yokohama Prince Hotel
3-4 Shin Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa Pref., Japan

For seating arrangement in the venue, seats will be spaced sufficiently far apart. Depending upon the situation, some prospective attendees may not be allowed to enter. We appreciate your understanding.

- 3. Agenda of the Meeting:**
- Matters to be reported:**
1. The Business Report, the Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 58th fiscal year (from April 1, 2021 to March 31, 2022)
 2. The Non-Consolidated Financial Statements for the 58th fiscal year (from April 1, 2021 to March 31, 2022)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Partial Amendment of Articles of Incorporation
Proposal No. 3: Election of Three Directors (excluding Directors who are Members of Audit and Supervisory Committee)
Proposal No. 4: Election of Three Directors who are Members of Audit and Supervisory Committee
- 4. Decisions regarding the convocation**
Please see the “Information on Exercising Voting Rights” section on pages 3 and 4 (in Japanese).

Requests regarding the prevention of the spread of COVID-19

- Because there may be updates from time to time to the measures taken to prevent the spread of COVID-19 depending on any change of the situation after dispatch of this Notice, please check the Company's website (<https://www.alps-logistics.com/>) (in Japanese) for updated information.
- All shareholders attending the Meeting are required to disinfect their hands using the alcohol placed near the reception desk and to bring and wear their own masks. Those who do not do so may not be allowed to enter and may be required to leave the site.
- The temperatures of prospective attendees will be measured near the site entrance. Those who have fevers, or who feel unwell may not be allowed to enter and may be required to leave the site.
- Officers and operating staff of the Meeting will check their physical state, including measuring their temperature, before coming to the Meeting, and will wear masks.
- Please note that due to the measures taken to prevent the further spread of COVID-19, there may be some wait time before prospective attendees can check in at the reception.
- In order to shorten the duration of the Meeting to help prevent the spread of COVID-19, reporting items (including audit reports) and detailed explanations of proposals will be omitted. Please read the Notice before attending.

To shareholders attending the Meeting:

- Please submit the enclosed Voting Rights Exercise Form at the reception of the Meeting.
- Please note that proxies, attendants or children who are not shareholders cannot attend the Meeting.
- Since the number of available seats will be reduced, as was the case last year, some prospective attendees may not be allowed to enter. We appreciate your understanding.
- Even if you plan to attend in person, please check our website in advance, because the way the Meeting will be operated and handled are subject to change.

Guidance on disclosure by the Internet

Of the documents to be attached to this Notice, the Consolidated Statement of Changes in Equity, the Notes to Consolidated Financial Statements, the Non-Consolidated Statement of Changes in Equity and the Notes to Non-Consolidated Financial Statements are posted on the Company's website (<https://www.alps-logistics.com/>) (in Japanese) pursuant to laws, regulations and Article 14 of the Company's Articles of Incorporation, and are therefore not included in this Notice. Accordingly, the attachments to this Notice are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit reports.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company positions the return of profits to shareholders an important policy, and will continue to strive to raise its levels with priority on stable dividends. The level of dividends is determined by taking into account the balance among i) return of profits to shareholders, ii) investment for future growth, and iii) internal reserve. We will continue our efforts to enhance the return to shareholders, aiming at a dividend payout ratio of approximately 30% to 40%.

Under this policy, the Company proposes to pay a year-end dividend for the fiscal year as follows:

(1) Allocation of dividend property to shareholders and its total amount

17 yen per share of the Company's common stock in a total of 601,824,004 yen

Together with the interim dividend of 13 yen per share already paid, the annual dividend for the fiscal year will be 30 yen per share.

(2) Effective date of dividends from surplus

Thursday, June 23, 2022

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the "Act Partially Amending the Companies Act" (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 14, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 14, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the Internet disclosure and deemed provision of the reference materials for the general meeting of shareholders, etc. (Article 14 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="181 389 687 465"><u>(Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.)</u></p> <p data-bbox="181 488 762 745"><u>Article 14 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference materials for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p data-bbox="363 786 587 813"><Newly established></p> <p data-bbox="363 1151 587 1178"><Newly established></p>	<p data-bbox="1011 488 1123 515"><Deleted></p> <p data-bbox="794 745 1225 772">(Measures for Electronic Provision, Etc.)</p> <p data-bbox="794 790 1342 918"><u>Article 14 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u></p> <p data-bbox="794 920 1342 1070">2. <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p data-bbox="794 1099 1070 1126"><u>Supplementary provisions</u></p> <p data-bbox="794 1155 1342 1361">1. <u>The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.) of the pre-amended Articles of Incorporation and the new establishment of the Article 14 (Measures for Electronic Provision, Etc.) of the amended Articles of Incorporation shall come into effect on September 1, 2022.</u></p> <p data-bbox="794 1364 1342 1570">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.) of the pre-amended Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held not later than February 28, 2023.</u></p> <p data-bbox="794 1572 1342 1700">3. <u>These supplementary provisions shall be deleted on March 1, 2023 or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal No. 3: Election of Three Directors (excluding Directors who are Members of Audit and Supervisory Committee)

The terms of office of all five Directors (excluding Directors who are Members of Audit and Supervisory Committee, hereinafter, the same shall apply in this proposal) will expire upon conclusion of the Meeting.

In order to strengthen the supervision function and improve the governance of the Board of Directors, the Company proposes to have Independent Outside Directors constituting the majority of the members of the Board of Directors.

We therefore propose that the number of Directors who are not Outside Directors be decreased by two, and three Directors be newly elected.

The candidates for Directors are as follows. The candidates are determined based on the Criteria for Election of Directors stated in pages 12 to 13. Each of the candidates satisfies the criteria and is deemed to be qualified as a Director of the Company.

This proposal was subjected to consultation with the Nomination and Compensation Advisory Committee and then review by the Audit and Supervisory Committee, and no special remarks were given. For the opinion of the Audit and Supervisory Committee on this proposal, please see page 7.

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions	Number of Company shares held	
1	Masaru Usui January 10, 1958	April 1981	42,300	
		June 2006		Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)
		July 2006		Director
		November 2011		Deputy General Manager, Sales & Marketing CSO Asia
		April 2012		Deputy General Manager, Sales & Marketing
		June 2013		Managing Director, Sales, the Company
		June 2014		President
		June 2020	Representative Director, President & CEO (present)	
	<p>Reasons for nomination as a candidate for Director Masaru Usui has long been engaged in sales of electronic components in Japan and overseas, and has expertise in the electronic components industry, which is our main customer segment. Since 2014, he has promoted global expansion of the logistics business as President to build a foundation for growth, and is fulfilling his duties. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.</p>			

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions		Number of Company shares held
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">2</div>	Katsuhiko Shimohiro June 9, 1960	April 1986	Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)	14,600
		October 2003	Joined the Company	
		October 2010	Associate Director, Deputy, China	
		June 2011	Director, China	
		November 2012	Director, Deputy General Manager, Business Division, Overseas	
		June 2017	Managing Director Corporate Planning, Information Systems and China	
		June 2019	General Manager, Administration Division (present) Information Systems (present), China area	
		June 2020 June 2021	Director, Senior Vice President Director, Executive Vice President (present)	
<p>Reasons for nomination as a candidate for Director Katsuhiko Shimohiro has been engaged mainly in overseas operations with abundant experience as the manager of local subsidiaries, and has expertise in the overseas business. Currently, as Director, Executive Vice President, he concurrently serves as General Manager of Administration Division, is in charge of Information Systems, etc., and is fulfilling his duties to build operations and a business foundation. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.</p>				
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">Outside</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">3</div>	Susumu Ohashi January 5, 1951	April 1974	Joined NAGASE & CO., LTD.	0
		April 1992	Joined Apple Computer Japan Inc.	
		June 1996	Joined Bausch + Lomb Japan Company, Ltd.	
		September 1999	Joined Kurt Salmon Associates, Inc., Principal	
		June 2005	Joined Excel Japan Co., Ltd., Director	
		June 2006	Joined Bayer Medical Ltd., Director	
		February 2008	Established Logistics Concept Incorporated, Representative Director (present)	
		June 2018 June 2020	Outside Director, Member of Audit and Supervisory Committee, the Company Outside Director (present)	
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles Susumu Ohashi has engaged in logistics operations in multiple companies, as well as being involved in management as Director. Since 2008, he also established and has run his own logistics consulting company as Representative Director. He has extensive experience and knowledge regarding corporate management and logistics, our primary business. It is expected that he will, based on such extensive experience and knowledge and from an objective standpoint independent of the execution of business as Outside Director, appropriately perform management supervisory functions for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate. His term of office as Outside Director will be four years upon conclusion of the Meeting.</p>				

- Notes:
1. There are no special interests between any of the candidates and the Company.
 2. Masaru Usui was an executive of ALPS ALPINE CO., LTD., the parent of the Company. His positions and responsibilities for the past ten years at the parent company are as stated above.
 3. Susumu Ohashi is a candidate for Outside Director provided in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act.
 4. The Company has signed an agreement with Susumu Ohashi based on Article 427, Paragraph 1 of the Companies Act to limit his liability for damages under Article 423, Paragraph 1 of the same Act to the amount specified by laws and regulations. If he is reappointed, the Company intends to continue the same agreement with him.
 5. The Company has reported Susumu Ohashi to Tokyo Stock Exchange, Inc. as an independent officer. If his reappointment is approved, the Company plans to again report him as an independent officer.
 6. The Company has concluded a Directors and Officers Liability Insurance Contract with an insurance company to insure all Directors. The insurance contract covers legal damages and litigation expenses to be borne by the insured in the event that a claim for damages is made against them due to an act (including omission) committed by the insured in their capacity as directors or officers of the company. However, the above insurance policy does not cover damages borne by the insured arising from their criminal acts, including bribery, or illegal acts committed intentionally, so that the appropriateness of the executions of duties by directors or officers is not impaired. The Company bears the entire premium for the insured parties. If the candidates are reappointed as Directors, they will be insured under the insurance contract. The Company plans to renew the insurance contract with the same policy as above at the time of next renewal.

[Opinion of the Audit and Supervisory Committee]

The Audit and Supervisory Committee confirmed the election and compensation of the Directors (excluding the Directors who are the Members of the Audit and Supervisory Committee; the same applies hereinafter in this Opinion) of the Company, including the discussion of the Nomination and Compensation Advisory Committee. Regarding the election of the Directors, the Audit and Supervisory Committee determined that the election process was proper, and the Committee gives no special remarks, having considered each candidate's status of business execution and performance, remarks made at the Board of Directors meetings and other important meetings, and carriers, etc. Accordingly, for the current business year, each of them is determined to be qualified as a candidate of Director. Furthermore, regarding the compensation of the Directors, the Committee confirmed the compensation system, and the specific calculation method of compensation amounts, etc., and determined that the decision process was proper, and the Committee gave no special remarks and that, accordingly, the contents of compensation etc. are determined to be appropriate.

Proposal No. 4: Election of Three Directors who are Members of Audit and Supervisory Committee

The terms of office of three Directors who are Members of Audit and Supervisory Committee will expire upon conclusion of the Meeting.

Accordingly, the Company proposes the election of three Directors who are Members of Audit and Supervisory Committee.

The candidates for Directors who are Members of Audit and Supervisory Committee are as follows. The candidates are determined based on the Criteria for Election of Directors stated in pages 12 to 13. The candidates satisfy the criteria and are deemed to be qualified as Director of the Company.

The Audit and Supervisory Committee has given its consent to this proposal.

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions	Number of Company shares held
<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> 1	Kunihiko Nakamura May 14, 1956	April 1980 Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.) January 2009 Join the Company	14,600
		April 2009 General Manager, HR & General Affairs Department	
		July 2013 Associate Director, General Manager, HR & General Affairs Department	
		June 2015 Director, Administration	
		June 2018 Director, Member of Audit and Supervisory Committee(present)	
		<p>Reasons for nomination as a candidate for Director Kunihiko Nakamura has been primarily involved in human resources and general affairs operations, and has knowledge regarding administration both in Japan and overseas with his experience of working overseas. Since 2015, as Director in charge of Administration, he has improved the Company's management system, striven to enhance governance and compliance, and appropriately fulfilled his duties as the Company expanded its logistics business globally. It was determined that he has used his knowledge to appropriately fulfill his duties as Director (full-time) who is a Member of Audit and Supervisory Committee, and therefore he has been reappointed as a candidate.</p>	

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions		Number of Company shares held
Reappointment Outside Independent 2	Naoko Nishikawa June 14, 1973	June 2007 July 2007	Registered as a certified public accountant Joined ShinNihon LLC (currently Ernst & Young ShinNihon LLC)	0
		April 2014 June 2016 October 2016 June 2020	Joined EY Singapore LLC Established Nishikawa Certified Public Accountant Firm (present) Belongs to Japan Business Assurance Co., Ltd. (present) Outside Director, Member of Audit and Supervisory Committee, the Company (present)	
Reasons for nomination as a candidate for Outside Director and overview of expected roles Naoko Nishikawa has long been active as a certified public accountant and has extensive knowledge, experience, etc. in accounting audit at accounting firms and cultivated through her carrier as a certified public accountant. Although she has no firsthand experience of being involved in corporate management other than as an outside director, it was determined that she has used her extensive knowledge, experience, etc. in accounting to appropriately fulfill her duties as Outside Director who is a Member of the Audit and Supervisory Committee. It is expected that she will, based on such extensive knowledge, experience, etc. as an accounting specialist, continue to play a role of enhancing audit functions for Directors in terms of financial and accounting risks, etc., as Outside Director from an objective standpoint independent of the execution of business, and therefore she has been appointed as a candidate. Her term of office as Outside Director who is a Member of Audit and Supervisory Committee of the Company will be two years upon conclusion of the Meeting.				
New appointment Outside Independent 3	Yoshihiro Ueda May 11, 1959	June 2009 June 2014	Director, General Manager, Corporate Planning & Coordination Department, KEYENCE CORPORATION Audit & Supervisory Board Member (full-time)	0
		October 2015 June 2020	Executive Officer, Senior General Manager, Global Accounting and Financial Division, ASICS Corporation Director, Lead Executive Officer, General Manager, Administration Division & General Manager, Public Relations Department, OSAKA SODA CO., LTD.	
Reasons for nomination as a candidate for Outside Director and overview of expected roles Yoshihiro Ueda has been engaged in accounting, financial, and business management operations in several business companies, and has been involved in management as a Director. It was determined that he has used his extensive knowledge, experience, etc. as such to appropriately fulfill his duties as Outside Director who is a Member of the Audit and Supervisory Committee. It is expected that he will play a role of enhancing governance for extensive overall business management, including human resources and personal affairs, finance and accounting, legal affairs and risk management, etc., and therefore he has been appointed as a candidate.				

Notes: 1. There are no special interests between any of the candidates and the Company.

2. Naoko Nishikawa has experience of working in Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, but she left her position in June 2011, and left EY Singapore LLP in October 2015. While working at these accounting firms, she had no involvement in accounting audits for the Company, the Group, or the group of the Company's parent company, ALPS ALPINE CO., LTD. In accordance with the Company's Criteria for Independence of Outside Directors, she has been deemed to be sufficiently independent.

3. Naoko Nishikawa and Yoshihiro Ueda are candidates for Outside Directors provided in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act.
4. The Company has signed agreements with Kunihiko Nakamura and Naoko Nishikawa, respectively, based on Article 427, Paragraph 1 of the Companies Act to limit their liability for damages under Article 423, Paragraph 1 of the same Act to the amount specified by laws and regulations. If they are reappointed, the Company intends to continue the same agreement with them. If Yoshihiro Ueda is newly elected, the Company intends to sign the same agreement with him.
5. The Company has reported Naoko Nishikawa to Tokyo Stock Exchange, Inc. as an independent officer. If her reappointment is approved, the Company plans to again report her as an independent officer. If the election of Yoshihiro Ueda is newly approved, the Company also plans to report him as an independent officer.
6. The Company has concluded a Directors and Officers Liability Insurance Contract with an insurance company that insures Kunihiko Nakamura and Naoko Nishikawa. The insurance contract covers legal damages and litigation expenses to be borne by the insured in the event that a claim for damages is made against them due to an act (including omission) committed by them in their capacity as a director or officer of the Company. However, the above insurance policy does not cover damages borne by the insured arising from their criminal acts, including bribery, or illegal acts committed intentionally, so that the appropriateness of the executions of duties by director or officer is not impaired. The Company bears the entire premium for the insured party. If they are reappointed as Directors, they will be insured under the insurance contract. The Company plans to renew the insurance contract with the same policy as above at the time of next renewal. If Yoshihiro Ueda is newly elected, the Company intends to sign the same agreement with him.

Composition of the Board of Directors and Skill Matrix in case the proposals 3 and 4 are approved and resolved as originally proposed.

Name	Corporate and business management	Logistics	Sales and Marketing	HR, personal affairs, human resource development	Finance, Accounting	Legal affairs and risk management	ESG	IT	Global Experience (country)
Representative Director President & CEO Masaru Usui	●	●	●				●		China, Singapore
Director, Executive Vice President Katsuhiko Shimohiro	●*	●		●			●	●	China, Germany
Outside Director Susumu Ohashi	● <small>Independent</small>	●							
Director, Member of Audit & Supervisory Committee Kunihiko Nakamura				●	●				China
Outside Director Member of Audit & Supervisory Committee Sumiko Ono						●			
Outside Director Member of Audit & Supervisory Committee Naoko Nishikawa					●	●			Singapore
Outside Director Member of Audit & Supervisory Committee Yoshihiro Ueda	● <small>Independent</small>			●	●	●			USA

(Note) * indicates a person who has experience as president of a group company of the Company.

(Reference)

Criteria for Election of Directors

<Provisions Common to Inside and Outside Directors>

1. The candidate has objective determination capabilities regarding management and has outstanding managerial judgment capabilities, foresight, and discernment.
2. The candidate has a strong respect for the law.
3. The candidate has an outstanding reputation and character, and a strong sense of morals.
4. The candidate is free of any health constraints that would impede the performance of duties.

<Provisions Relating to Outside Directors>

1. The candidate has practical experience as a corporate manager or has experience and broad-ranging knowledge in specialized fields necessary for performing management supervisory functions.
2. The candidate is able to secure adequate time to perform duties as Director.
3. The candidate satisfies the independence conditions concerning an independent Outside Director in light of the Criteria for Independence of Outside Directors set forth below.

<Criteria for Independence of Outside Directors>

In the case where an Outside Director of the Company does not fall under any of the following criteria, the Company shall determine that the Director is independent and shall consider the Director to be an independent Outside Director.

1. The Director was previously employed by the Company, its parent company, its consolidated subsidiary, or a fellow subsidiary (see note 1).
2. The Director is a major shareholder (see note 2).
3. The Director is engaged in the execution of business for a major business partner (see note 3) of the Company or engaged in the execution of business for a major lender (see note 4) of the Company.
4. The Director is a certified public accountant affiliated with an accounting firm that is an accounting auditor of the Company.
5. The Director is a specialist such as a consultant, attorney, judicial scrivener, tax accountant, or patent attorney who receives large amounts of money (see note 5) or other property from the Company.
6. The Director has received large amounts of donations from the Company (see note 6).
7. The Director is engaged in the execution of business for another company that has a reciprocal employment relationship of an Outside Director (see note 7).
8. The Director has a close relative (see note 8) who falls under any of 1 to 7 above (however, excluding a non-important person).
9. The Director fell under any of 2 to 8 above within the past three years.
10. Notwithstanding the preceding items, the Company determines that there are special circumstances that give rise to a special relationship with the Company.

Note 1: A person who is currently an Executive Director or in a similar position or an employee (a "Person Engaged in the Execution of Business") or a Person Engaged in the Execution of Business who has ever been employed by the Company,

its parent company, its consolidated subsidiary, or a fellow subsidiary in the past.

- Note 2: A major shareholder is a shareholder who holds 5% or more of the Company's voting rights in his or her own name or in the name of a nominee at the end of the Company's most recent business year. In the case where a major shareholder is a corporation, association, or other organization, a Person Engaged in the Execution of Business affiliated with such organization.
- Note 3: A major business partner is a buyer or a supplier of the Company's services and/or products, etc., in the case where the annual transaction amount exceeds 2% of the Company's or the other party's consolidated net sales during the Company's most recent business year.
- Note 4: A major lender is a financial institution from which the Company has borrowed money in the case where the balance of loans outstanding exceeds 2% of the Company's or the financial institution's consolidated total assets at the end of the Company's most recent business year.
- Note 5: A large amount means the following according to the participation in the provision of services by the specialist.
- (1) In the case where the relevant specialist provides services to the Company as an individual, consideration received from the Company (excluding Director compensation) in excess of 10 million yen annually constitutes a large amount.
 - (2) In the case where the relevant specialist is affiliated with a corporation, association, or other organization that provides services to the Company, when the total amount of consideration received by that organization from the Company exceeds 2% of that organization's annual income, this constitutes a large amount; provided, however, that even if the amount of consideration does not exceed 2%, if the amount received by the organization as consideration for the provision of services in which the relevant specialist is directly involved exceeds 10 million yen annually, this constitutes a large amount.
- Note 6: A person who receives donations in excess of 10 million yen annually from the Company (in the case of a corporation, association, or other organization, a person affiliated with such organization who is directly involved in activities relating to those donations).
- Note 7: The situation where a Person Engaged in the Execution of Business for the Company who is an Outside Director of another company and a Person Engaged in the Execution of Business for that other company is an Outside Director of the Company.
- Note 8: A close relative means a spouse or a relative within two degrees of consanguinity.