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(Stock Exchange Code 1847)
June 6, 2022

To Shareholders with Voting Rights:

Hiroyuki Hasegawa
Representative Director & President
ICHIKEN Co., Ltd.
1-1-1, Shibaura, Minato-ku, Tokyo, Japan

**NOTICE OF
THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

It is our pleasure to inform you that the 96th Annual General Meeting of Shareholders of ICHIKEN Co., Ltd. (the “Company”) will be held for the purposes as described below.

You may exercise your voting rights in advance by either of the methods described below, instead of attending the meeting in person. Please kindly review the Reference Documents for the General Meeting of Shareholders described below and exercise your voting rights in advance.

[Exercising your voting rights by mail (in writing)]

Please review “Exercising your voting rights by mail” on page 4 of the Japanese version of this document and indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form, and have it delivered to the Company by 6:00 p.m. Japan time on Monday, June 27, 2022.

[Exercising your voting rights by electromagnetic means (via the Internet)]

Please review “Exercising your voting rights via the Internet” on page 5 of the Japanese version of this document and exercise your voting rights by 6:00 p.m. Japan time on Monday, June 27, 2022.

- 1. Date and Time:** Tuesday, June 28, 2022 at 10:00 a.m. Japan time (Reception begins at 9:00 a.m.)
- 2. Place:** “Rose Room,” 2F, Annex Building of Shiba Park Hotel
1-5-10, Shibakoen, Minato-ku, Tokyo, Japan
- 3. Meeting Agenda:**
Matters to be reported: The Business Report and Non-consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2021 - March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)

4. Matters Determined on the Exercise of Voting Rights:

- (1) If there is no indication of a vote for or against any proposal on the Voting Rights Exercise Form mailed to the Company, it shall be treated as an indication of consent for the proposal.
- (2) If voting rights are exercised both by mail and via the Internet, the vote exercised via the Internet shall be treated as the valid exercise of voting rights.
- (3) If voting rights are exercised multiple times via the Internet, the final vote exercised during the exercise period shall be treated as the valid exercise of voting rights. In addition, if voting rights are exercised in duplicate using a PC or smartphone, etc., the final vote exercised during the exercise period shall be treated as the valid exercise of voting rights.

<To Shareholders>

- ◎ When attending the meeting, please bring the enclosed Voting Rights Exercise Form and submit it at the reception desk.
- ◎ Of the documents to be attached to this Notice, System and Policy of the Company of the Business Report, Non-consolidated Statements of Changes in Equity and Notes to Non-consolidated Financial Statements are posted on the Company's website (<http://www.ichiken.co.jp>) in accordance with provisions of laws and regulations as well as Article 18 of the Company's Articles of Incorporation and therefore are not included in the attached document of this Notice. Accordingly, the Non-consolidated Financial Statements included in this Notice are part of the Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Committee when preparing the respective audit report.
- ◎ Should the Reference Documents for the General Meeting of Shareholders, Business Report, and Non-consolidated Financial Statements require revisions, the details of revisions will be posted on the Company's website (<http://www.ichiken.co.jp>).

<Request for Countermeasures Against the Novel Coronavirus (COVID-19)>

- ◎ Shareholders who are considering attending the Annual General Meeting of Shareholders are requested to carefully consider the status of the COVID-19 pandemic up to the date of the meeting in deciding whether or not to attend.
- ◎ We request all shareholders to exercise their voting rights in advance either in writing (enclosed Voting Rights Exercise Form) or by electromagnetic means (via the Internet) as much as possible. For the details, please review the pages 4 and 5 of the Japanese version of this document.
- ◎ Shareholders who attend the Annual General Meeting of Shareholders are requested to bring and wear masks, disinfect hands with hand sanitizer and submit to a body temperature check.
- ◎ Please understand in advance that if you have a fever or otherwise appear to be in ill health or if you do not cooperate with these countermeasures, you may be refused entry to the venue.
- ◎ There may be insufficient seating at the Annual General Meeting of Shareholders venue, due to the need to space seats widely, and attendees may be refused entry. We request your understanding in this matter.
- ◎ The Company's officers and Annual General Meeting of Shareholders management staff will confirm their own health before attending, including checking their own temperatures, and wear a face mask while participating.
- ◎ Should any major corrections be made to the management of the Annual General Meeting of Shareholders including the above, such corrections will be announced on the Company's website (<http://www.ichiken.co.jp>).

Video on Demand Distribution
For shareholders who do not attend the Annual General Meeting of Shareholders in person on the day, we will distribute an on-demand video of a part of the meeting proceedings on the Company's website (http://www.ichiken.co.jp) at a later date. The on-demand video is scheduled to be distributed in early July 2022.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company focuses on enhancing corporate value through business growth and expansion and more stabilized financial position as well as stable distribution of dividends as a direct profit return to shareholders, and as its basic policy on shareholder returns, the Company will decide on profit distribution by considering enhancement of internal reserves in preparation for future growth and expansion.

Specifically, under the medium-term business plan (FY2020-2022), we will target a dividend payout ratio of 20% or more to strike a balance between investments and dividend payouts through proactive investments aimed at establishing the business foundation as well as stable profit returns to shareholders.

The year-end dividend for this fiscal year shall be as follows, based on the above basic policy and business results of the year.

- (1) Type of dividend property
Cash
- (2) Items related to the allocation of dividend property to shareholders and its total amount
100 yen per share of common stock of the Company
Total amount: 725,774,900 yen
- (3) Effective date for distribution of dividends from surplus:
June 29, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

The revised provisions for the system for electronic provision of materials for general meetings of shareholders, which are set forth in the proviso of Article 1 of the Supplementary Provisions of the Act for Partial Amendment of the Companies Act (Act No. 70 of 2019), will be enforced on September 1, 2022. Accordingly, in order to prepare for this system, the Articles of Incorporation of the Company shall be amended as follows.

- (1) New establishment of provisions to provide information contained in the reference documents for the general meeting of shareholders, etc. electronically (The proposed amendment of Article 18, Paragraph 1)
- (2) New establishment of provisions to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it (The proposed amendment of Article 18, Paragraph 2)
- (3) Deletion of provisions of Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meeting of Shareholders (Article 18 of the current Articles of Incorporation)
- (4) New establishment of supplementary provisions related to the effective date, in line with the above establishment and deletion of provisions (The proposed amendment of supplementary provisions Paragraph 3 to Paragraph 5)

2. Details of the amendments

Details of the amendments are as follows.

(Proposed amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 to Article 17 <Omitted></p> <p><u>Article 18. (Internet Disclosure and Deemed Provision of Reference Documents, etc., for General meetings of shareholders)</u></p> <p><u>When convening general meetings of shareholders, the Company may be deemed to have provided to shareholders the information for matters to be stated or displayed in reference documents for general meetings of shareholders, business reports, financial statements and consolidated financial statements, by disclosing them through the Internet pursuant to the provisions of Ministry of Justice Order.</u></p> <p style="text-align: center;"><Newly established></p>	<p>Article 1 to Article 17 <Unchanged></p> <p style="text-align: center;"><Deleted></p> <p><u>Article 18. (Measures for Electronic Provision, etc.)</u></p> <p><u>1. When convening a general meeting of shareholders, the Company shall provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters specified in the relevant Ministry of Justice Order in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>
<p>Article 19 to Article 43 <Omitted></p>	<p>Article 19 to Article 43 < Unchanged ></p>

Current Articles of Incorporation	Proposed Amendments
<p>Supplementary Provisions</p> <p>1. to 2. < Omitted ></p> <p style="text-align: center;">< Newly established ></p>	<p>Supplementary Provisions</p> <p>1. to 2. < Unchanged ></p> <p><u>3. The deletion of Article 18 (Internet Disclosure and Deemed Provision of Reference Documents, etc., for General Meetings of Shareholders) of the pre-revised Articles of Incorporation and the establishment of Article 18 (Measures for Electronic Provision, etc.) of the revised Articles of Incorporation shall take effect as of September 1, 2022 that is the effective date of the revised provisions set forth in the proviso of Article 1 of the Supplementary Provisions of the Act for Partial Amendment of the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Effective Date”).</u></p> <p><u>4. Notwithstanding the provisions of the preceding paragraph, Article 18 of the pre-revised Articles of Incorporation remains in force with respect to the general meeting of shareholders, the date of which shall be within six (6) months from the Effective Date.</u></p> <p><u>5. The provisions of the preceding two paragraphs and this paragraph will be deleted after the date on which six (6) months have elapsed from the Effective Date or the date on which three (3) months have elapsed from the date of the general meeting of shareholders under the preceding paragraph, whichever comes later.</u></p>

Proposal 3: Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)

Director Mr. Susumu Fujita resigned as of March 31, 2022, and the terms of office of six (6) Directors (excluding Directors who are Audit & Supervisory Committee members. The same shall apply hereinafter in this Proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of seven (7) Directors.

The selection of candidates for Directors has been made in accordance with the “Policy on Selection of Candidates for Directors, and Overview of its Procedure” stipulated in page 11 and determined by the Board of Directors based on a report to the effect that such selection has been deemed appropriate from the Nomination & Compensation Committee.

The candidates for Directors are as follows.

[Reference] List of candidates

No.		Name	Date of birth (Age)	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings (Attendance rate)
1	Reelection	Hiroyuki Hasegawa	February 4, 1960 (62 years old)	Representative Director & President, Executive Officer	16 out of 16 meetings (100%)
2	Reelection	Tomoharu Yunokuchi	December 16, 1957 (64 years old)	Director and Managing Executive Officer Technical Division Director	16 out of 16 meetings (100%)
3	Reelection	Keiji Isono	May 18, 1961 (61 years old)	Director and Managing Executive Officer Sales Division Director	13 out of 13 meetings (100%)
4	Reelection	Mitsuru Kotani	April 6, 1964 (58 years old)	Director and Operating Officer Administration Division Director	13 out of 13 meetings (100%)
5	Reelection Outside Independent	Hideaki Takeuchi	May 11, 1959 (63 years old)	Outside Director	16 out of 16 meetings (100%)
6	Reelection Outside Independent	Shunji Ichiji	July 29, 1963 (58 years old)	Outside Director	16 out of 16 meetings (100%)
7	New election Outside	Hirotake Kubota	April 3, 1971 (51 years old)	—	—

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Hiroyuki Hasegawa (February 4, 1960) [Reelection] [Attendance at the Board of Directors meetings] 16 out of 16 meetings (100%)	April 1982	Joined the Company	7,400
		June 2001	Director, Acting Manager of Kansai Branch Office	
June 2002	Director, General Manager of Kansai Headquarters and Kobe Head Office			
April 2005	Managing Director, General Manager of Kansai Headquarters and Kobe Head Office			
April 2007	Director and Managing Executive Officer, Deputy General Manager of Business Headquarters and General Manager of Kanto Headquarters			
April 2011	Director and Managing Executive Officer, Manager of Tokyo Branch Office			
June 2014	Director and Senior Executive Officer, Business Promotion Division Director			
June 2015	Representative Director & President, Executive Officer (to present)			
[Reason for nomination as candidate for Director] The candidate has served as a Director of the Company for many years, holding positions including a person responsible for supervising each branch, and has served as Representative Director & President since June 2015. He has a wide range of knowledge and experience in overall business operations of the Company as well as deep insight and track records in business management and therefore, the Company nominated him as a candidate for Director because we believe that he is qualified to decide important business execution and supervise execution of duties of Directors.				
2	Tomoharu Yunokuchi (December 16, 1957) [Reelection] [Attendance at the Board of Directors meetings] 16 out of 16 meetings (100%)	July 2003	Joined the Company	2,000
		January 2006	Manager of Fukuoka Branch Office	
April 2008	Operating Officer, Manager of Fukuoka Branch Office			
June 2013	Managing Executive Officer, Manager of Fukuoka Branch Office			
April 2016	Managing Executive Officer, Manager of Kansai Branch Office			
April 2019	Managing Executive Officer, Acting Sales Division Director			
June 2019	Director and Managing Executive Officer, Sales Division Director			
June 2021	Director and Managing Executive Officer, Technical Division Director (to present)			
[Reason for nomination as candidate for Director] The candidate has served as Manager of Fukuoka Branch Office and other positions in the Company since January 2006. He has abundant knowledge and experience in overall branch operations and deep insight about both sales strategies and construction technologies and therefore, the Company nominated him as a candidate for Director because we believe that he is qualified to decide important business execution and supervise execution of duties of Directors.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
3	Keiji Isono (May 18, 1961) [Reelection] [Attendance at the Board of Directors meetings] 13 out of 13 meetings (100%)	March 1989 September 1991 April 2005 April 2013 June 2013 April 2016 April 2019 June 2019 April 2021 June 2021	Joined Daiei Housing Co., Ltd. Joined the Company General Manager of Sales Department II of Tokyo Branch Deputy Manager of Tokyo Branch Office Operating Officer, Deputy Manager of Tokyo Branch Office Operating Officer, Manager of Fukuoka Branch Office Operating Officer, Manager of Kansai Branch Office Managing Executive Officer, Manager of Kansai Branch Office Managing Executive Officer, Acting Sales Division Director Director and Managing Executive Officer, Sales Division Director (to present)	3,500
		<p>[Reason for nomination as candidate for Director] The candidate has engaged in branch operations of the Company for many years, holding positions including Manager of Fukuoka Branch Office. He has abundant knowledge, experience and track records in overall branch operations and particularly, deep insight about sales strategies. Therefore, the Company nominated him as a candidate for Director because we believe that he is qualified to decide important business execution and supervise execution of duties of Directors.</p>		
4	Mitsuru Kotani (April 6, 1964) [Reelection] [Attendance at the Board of Directors meetings] 13 out of 13 meetings (100%)	April 1988 April 2007 April 2008 April 2011 October 2013 June 2015 April 2017 June 2019 June 2021	Joined the Company General Manager of Administration Department of Business Headquarters (stationed in Tokyo) General Manager of Administration Department of Business Headquarters General Manager of Administration Department of Tokyo Branch General Manager of Construction Accounting Support Department of Administration Division General Manager of Sales Division, General Manager of Construction Accounting Support Department Administration Division Deputy Director Operating Officer, Administration Division Deputy Director Director and Operating Officer, Administration Division Director (to present)	1,900
		<p>[Reason for nomination as candidate for Director] The candidate has served as a general manager of the administration division for many years since joining the Company. He has abundant knowledge, experience and track records in finance and accounting as well as deep insight about the overall administration division. Therefore, the Company nominated him as a candidate for Director because we believe that he is qualified to decide important business execution and supervise execution of duties of Directors.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	Hideaki Takeuchi (May 11, 1959) [Reelection] [Outside] [Independent] [Attendance at the Board of Directors meetings] 16 out of 16 meetings (100%) [Years of service] 7 years	April 1984 April 1994 October 2001 August 2005 September 2012 June 2015 August 2020 [Significant concurrent positions]	Joined JGC CORPORATION Registered at TOKYO BAR ASSOCIATION Joined Tadashi Shimizu Law Office Established Matsui and Takeuchi Law Office Partner, Matsui and Takeuchi Law Office Established Takeuchi Law Office Chief Attorney, Takeuchi Law Office (to present) Outside Audit & Supervisory Board Member, MEDIUS HOLDINGS Co., Ltd. (to present) Outside Director, the Company (to present) Outside Audit & Supervisory Board Member, Zeal Communications Inc. (to present) Chief Attorney, Takeuchi Law Office Outside Audit & Supervisory Board Member, MEDIUS HOLDINGS Co., Ltd. Outside Audit & Supervisory Board Member, Zeal Communications Inc.	—
[Reason for nomination as candidate for Outside Director and expected roles] The Company nominated him as a candidate for Outside Director to reflect his abundant experience and deep insight as a legal professional in the Company's management, though he has not been involved in corporate management other than as an outside officer. After his election, the Company expects him to contribute to enhancing the decision-making function of the Board of Directors by providing advice and expressing opinions mainly from a legal standpoint leveraging his knowledge as a legal professional.				
6	Shunji Ichiji (July 29, 1963) [Reelection] [Outside] [Independent] [Attendance at the Board of Directors meetings] 16 out of 16 meetings (100%) [Years of service] 5 years	February 1988 February 1989 October 1993 November 1993 June 1995 January 2008 January 2008 March 2011 November 2013 April 2014 July 2014 June 2017 [Significant concurrent positions]	Joined Tokyu Land Area Service Co. (current Tokyu Livable, Inc.) Joined Taketsu Estate Co., Ltd. Founded Will Real Estate Sales (current Will Co., Ltd.) Director, Asahi House Co., Ltd. Established Will Real Estate Sales Co., Ltd. (current Will Co., Ltd.) President and Representative Director, Will Real Estate Sales Co., Ltd. Director, Reno West Co., Ltd. (to present) Director, Will Financial Communications Co., Ltd. Representative Director, Will Kukan Design Co., Ltd. Director, You Co., Ltd. Chairman and Director, Will Co., Ltd. (to present) Director, WILL STUDIO Co., Ltd. Outside Director, the Company (to present) Chairman and Director, Will Co., Ltd.	—
[Reason for nomination as candidate for Outside Director and expected roles] The Company nominated him as a candidate for Outside Director to reflect his experience in corporate management at other companies as well as many years of experience and deep insight in practical business related to real estate in the Company's management. After his election, the Company expects him to contribute to enhancing the decision-making function of the Board of Directors by providing advice and expressing opinions on planning of business strategies, etc. mainly from a managerial viewpoint, leveraging his professional knowledge as a person with experience of corporate management.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Hirotake Kubota (April 3, 1971) [New election] [Outside]	<p>May 2008 Joined MARUHAN Corporation Construction Section, Construction Division</p> <p>July 2017 West Japan Development Section, Development Division, Development Headquarters</p> <p>April 2021 General Manager, Construction Purchasing Division, West Japan Company Development Headquarters (to present)</p> <p>[Significant concurrent positions] General Manager, Construction Purchasing Division, West Japan Company Development Headquarters, MARUHAN Corporation</p>	—
<p>[Reason for nomination as candidate for Outside Director and expected roles] The Company nominated him as a candidate for Outside Director to reflect his abundant knowledge and experience he gained through many years of engagement in development of commercial stores in the Company's management, though he has not been involved in corporate management. After his election, the Company expects him to contribute to enhancing the decision making function of the Board of Directors by providing advice and expressing opinions on planning of business strategies, etc. mainly from a professional viewpoint on the construction business of commercial facilities.</p>			

- (Notes)
1. There are no special interests between each candidate for Director and the Company.
 2. Messrs. Hideaki Takeuchi, Shunji Ichiji and Hirotake Kubota are candidates for Outside Directors.
 3. The Company has entered into an agreement with Messrs. Hideaki Takeuchi and Shunji Ichiji in accordance with provisions of Article 427, Paragraph 1 of the Companies Act to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to three (3) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. In the event that each candidate is reelected as Outside Director, and in the event that Mr. Hirotake Kubota is newly elected as Outside Director, the Company will enter into an agreement with the same contents as the said agreement with each candidate.
 4. The Company has designated Messrs. Hideaki Takeuchi and Shunji Ichiji who meet the Independence Criteria for Outside Officers stipulated by the Company (see page 13) as independent officers and filed notifications with Tokyo Stock Exchange, Inc. In the event that both candidates are reelected as Outside Directors, the Company will continue to designate them as independent officers.
 5. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract with an insurance company to insure all Directors and Operating Officers. The insurance covers any damages and litigation expenses, etc. that may arise from the insured parties being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. However, the above insurance contract does not cover claims for damages caused by intent or gross negligence of the insured parties. The insurance premiums are fully borne by the Company. If the candidates are appointed as Directors, they will be insured under the insurance contract, which is to be renewed with the same contents during their terms of office.

Reference

1. Policy on Selection of Candidates for Directors, and Overview of its Procedure

The Company has established a Nomination & Compensation Committee as an advisory body to the Board of Directors, for the purpose of further enhancing the corporate governance structure, by strengthening the fairness, transparency and objectivity of the procedures concerning the nomination and compensation of Directors and Operating Officers.

The Nomination & Compensation Committee is composed of at least three (3) members, of which no less than half are Outside Directors who satisfy the Independence Criteria for Outside Officers stipulated by the Company, shown below.

When selecting candidates for the position of Director (including Directors who are Audit & Supervisory Committee Members), the Nomination & Compensation Committee engages in deliberation based on the following matters, before reporting back to the Board of Directors.

- (1) The Company shall have no more than nine (9) Directors (excluding Audit & Supervisory Committee Members), and no more than four (4) Directors (Audit & Supervisory Committee Members). In order to ensure the transparency and fairness of the decision-making process of the Board of Directors, in principle, at least three (3) of Directors (excluding Audit & Supervisory Committee Members) shall be Outside Directors, and a majority of Directors (Audit & Supervisory Committee Members) shall be Outside Directors.
- (2) At least two (2) of Outside Directors (excluding Audit & Supervisory Committee Members), and at least two (2) of Outside Directors (Audit & Supervisory Committee Members) shall be independent officers with no risk of causing a conflict of interest with general shareholders. Not less than one-third of the total number of members of the Board of Directors shall be independent Outside Directors.
- (3) The Company shall select candidates for Directors by taking into account the following items in order to ensure a good balance and diversity of knowledge, experience and capabilities of the Board of Directors as a whole, in light of the Skills Matrix shown on the next page, which is a list of knowledge and experience required of Directors.

1) Selection of Candidates for Executive Directors

Candidates for Executive Directors shall have personal integrity, well-versed knowledge about operations of the departments he/she is in charge of as an Executive Director, ability to communicate with other officers and employees, insights for thorough compliance with laws and regulations and corporate ethics, etc. as well as quality to contribute to the enhancement of corporate value of the Company through its business activities

2) Selection of Candidates for Outside Directors (excluding Audit & Supervisory Committee Members)

Candidates for Outside Directors (excluding Audit & Supervisory Committee Members) shall have personal integrity and abundant experience in corporate management at other companies for bringing in diverse viewpoints to the Company's Board of Directors, or a wide range of experience and knowledge including expertise in legal, finance, accounting and other fields, and shall be capable of expressing appropriate opinions and providing instructions and supervision based on such experience and knowledge.

3) Selection of Candidates for Directors (Audit & Supervisory Committee Members)

Candidates for Directors (Audit & Supervisory Committee Members) shall have personal integrity, penetrating insight into compliance with laws, regulations and corporate ethics, as well as the ability to audit the execution of duties by Directors (excluding Audit & Supervisory Committee Members) from a neutral and objective standpoint, prevent the violation of laws, regulations and the Articles of Incorporation, and contribute to sound management of the Company and the maintenance and enhancement of social trust.

4) Selection of Candidates for Outside Directors (Audit & Supervisory Committee Members)

Candidates for Outside Directors (Audit & Supervisory Committee Members) shall have personal integrity, abundant experience in corporate management at other companies or penetrating insight into compliance with corporate ethics based on expertise in legal, finance, accounting and other fields, and shall be capable of auditing the execution of duties by Directors (excluding Audit & Supervisory Committee Members) from a neutral and objective standpoint.

2. Skills Matrix of Directors

[Skills Matrix]

Name	Position	Knowledge and experience required				
		Corporate management	Industry knowledge		Finance and accounting	Legal and compliance
			Technology	Sales		
[Directors]						
Hiroyuki Hasegawa	Representative Director & President	●	●	●		
Tomoharu Yunokuchi	Director and Managing Executive Officer	●	●	●		
Keiji Isono	Director and Managing Executive Officer	●		●		
Mitsuru Kotani	Director and Operating Officer	●			●	●
Hideaki Takeuchi	Outside Director (Independent)					●
Shunji Ichiji	Outside Director (Independent)	●				
Hirotake Kubota	Outside Director		●			
[Directors (Audit & Supervisory Committee Members)]						
Shiro Yuasa	Director				●	
Takashi Hatsuse	Outside Director (Independent)				●	●
Akiko Inoue	Outside Director (Independent)					●

3. Independence Criteria for Outside Officers

The Company has established the “Independence Criteria for Outside Officers” as follows to clarify our views on independence of Outside Directors.

If an outside officer does not fall under any of the following items, the outside officer shall be deemed to be independent from the Company and have no risk of causing a conflict of interest with general shareholders.

- (1) A person who currently serves or previously served even once as a Director, Operating Officer or other equivalent position or an employee of the Company or the Company’s subsidiary
- (2) A person whose major business partner is the Company (the Company’s business partner to which, during the most recent fiscal year, the Company paid an amount exceeding 2% of the annual revenue of the business partner pertaining to the most recent fiscal year) or an executive person thereof (Executive Director, Corporate Executive, Operating Officer or other equivalent position and an employee. The same shall apply hereinafter.)
- (3) A major business partner of the Company (a person who paid an amount exceeding 2% of the annual sales of the Company for the most recent fiscal year to the Company) or an executive person thereof
- (4) A major lender of the Company (a person whose name is listed as a major lender in the business report for the most recent fiscal year) or an executive person thereof
- (5) A consultant, certified public accountant, licensed tax accountant, attorney-at-law, judicial scrivener, patent attorney or other professional person who received monetary or other property benefits worth more than 10 million yen annually from the Company in the most recent fiscal year other than executive remuneration (however, if a person who received those property benefits is an organization such as a corporation and partnership, a person belonging to the organization only if the organization received property benefits worth more than 2% of the annual revenue of the organization from the Company in the most recent fiscal year)
- (6) A person who is in charge of audit operations for the Company as a partner, etc. of an audit firm which is the Accounting Auditor of the Company
- (7) A person who received donations exceeding 10 million yen annually from the Company in the most recent fiscal year (however, if a person who received those donations is an organization such as a corporation and partnership, a person belonging to the organization)
- (8) An executive person of another company, whose position constitutes an interlocking outside officer position in relation to his/her position as an outside officer of the Company
- (9) A major shareholder of the Company (a person who holds 10% or more of the voting rights of all the shareholders of the Company under its name or the name of any other person as of the end of the most recent fiscal year) or an executive person thereof
- (10) An executive person of a party with respect to which the Company holds 10% or more of the voting rights of all the shareholders of the party
- (11) A person who was an executive person of a corporation or any other party that falls under any of items (2) to (10) above at any point in the past three years
- (12) A spouse or a relative within the second degree of kinship of a person that falls under any of items (1) to (11) above (however, limited to an important person)
- (13) In addition to the provisions of each preceding item, a person who is deemed to have special reasons that would cause a conflict of interest with the Company