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In the event of any discrepancy between this document and the Japanese original, the original shall prevail.*

Securities code: 7476
June 9, 2022

Dear Shareholders:

Takuji Iuchi
President
AS ONE CORPORATION
2-1-27 Edobori, Nishi-ku, Osaka

CONVOCAION NOTICE OF THE 61st ANNUAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 61st Annual Meeting of Shareholders of AS ONE CORPORATION (the “Company”). The Meeting will be held as described hereunder.

Meeting Details

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. (Japan Standard Time)
2. Venue: Peridot
RIHGA Royal Hotel (2F)
5-3-68 Nakanoshima, Kita-ku, Osaka

3. Purposes:

Items to be reported:

1. Business Report, Consolidated Financial Statements, and Audit Report on the Consolidated Financial Statements by the Financial Auditor and the Board of Auditors for the 61st fiscal year (from April 1, 2021 to March 31, 2022)
2. Non-consolidated Financial Statements for the 61st fiscal year (from April 1, 2021 to March 31, 2022)

Items to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
Proposal 2: Election of Seven (7) Directors who are not Audit and Supervisory Committee Members

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for Proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the annual meeting of shareholders in electronic format.

- (1) Article 14, paragraph 1 in “Proposed Amendments of Articles of Incorporation” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the annual meeting of shareholders, etc. in electronic format.
- (2) Article 14, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the Annual Meeting of Shareholders, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of Amendments

The details of the amendments are as follows (underlined portions indicate amendments).

Current Articles of Incorporation	Proposed Amendments of Articles of Incorporation
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the Annual Meeting of Shareholders, Etc.)</u> <u>Article 14 When the Company convenes an annual meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the annual meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u> <u>Article 14 When the Company convenes an annual meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the annual meeting of shareholders, etc. in electronic format.</u> 2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments of Articles of Incorporation
<p data-bbox="277 264 687 293">SUPPLEMENTARY PROVISIONS</p> <p data-bbox="193 300 389 329">(Newly established)</p>	<p data-bbox="890 264 1300 293">SUPPLEMENTARY PROVISIONS</p> <p data-bbox="799 300 1300 360">(Transitional Measures regarding Measures, etc. for Providing Information in Electronic Format)</p> <p data-bbox="799 367 1396 396"><u>Article 2 The deletion of Article 14 (Internet Disclosure and</u></p> <p data-bbox="901 400 1396 775"><u>Deemed Provision of Reference Documents for the Annual Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of the new Article 14 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p data-bbox="807 781 1396 931"><u>2. Notwithstanding the provisions of the preceding paragraph, Article 14 of the pre-amended Articles of Incorporation shall remain effective regarding any annual meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p data-bbox="807 938 1396 1122"><u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the annual meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal 2: Election of Seven (7) Directors who are not Audit and Supervisory Committee Members

All eight (8) directors who are not Audit and Supervisory Committee members shall expire at the conclusion of the Ordinary General Meeting of Shareholders.

With regard to this matter, in order to improve the efficiency of the management system in the future, we will reduce the number of directors who are not Audit and Supervisory Committee members by one, and request the election of seven (7) directors who are not Audit and Supervisory Committee members.

In the election of director candidates who are not Audit and Supervisory Committee members, the Board of Directors decides them after deliberation by the Nomination and Compensation Committee, which consists of a majority of independent outside directors, in order to make the evaluation and decision-making process regarding the nomination of such directors more transparent.

The Audit Committee considered this proposal and obtained the opinion that it was appropriate.

The candidates for director who are not Audit and Supervisory Committee members are as follows:

Candidate number	Name		Positions	Responsibilities and important concurrent positions
1	Takuji Iuchi	Reappointment	President	Director of Iuchi Logistics Co., Ltd. Director of AS ONE INTERNATIONAL, INC. Director of AS ONE SHANGHAI Corporation
2	Kazuhito Yamada	Reappointment	Managing Director	Head of Sales Division and Mid-term management Planning Office manager Director of Nikko Hansen & Co., Ltd.
3	Mitsushige Kimura	Reappointment	Director	Head of Overseas Business Division Chairman of AS ONE SHANGHAI Corporation
4	Keisuke Nishikawa	Reappointment	Director	Head of Administration Division and Mid-term management Planning Office Deputy manager and Sustainability Management Office Manager
5	Kazuhiko Odaki	Reappointment Outside Independent	Director	Professor, College of Economics of Nihon University President of Specified Non-profit Organization Policy Evaluation Agency Outside Director (Audit and Supervisory Committee Member) of Star Mica Holdings Co., Ltd.
6	Michiko Kanai	Reappointment Outside Independent	Director	Member of OH-EBASHI LPC & PARTNERS Outside Director of Kondotec Inc. Outside Auditor of Sankyo Seiko Co., Ltd. Outside Director (Audit and Supervisory Committee Member) of IDEC Corporation
7	Yumie Endo	New candidate Outside Independent	Director	Executive Officer COO, IR Office and General Manager, IR Office of Sojitz Corporation
<u>New Candidate</u>	Candidate for New Director			
<u>Reappointment</u>	Candidate for Director reappointed			
<u>Outside</u>	Candidate for Outside Director			
<u>Independent</u>	Candidate for Independent Officer based on the provisions of the Tokyo Stock Exchange			

Candidate number		1	Takuji Iuchi	<u>Reappointment</u>
(Date of birth) (August 27, 1968) Number of the Company's shares held (Thousand shares) 147.8 (Board of Directors Meeting Attendance) 14/14	Career summary, positions and responsibilities in the Company			
	Mar. 1994	Joined the Company		
	Apr. 2002	Head of International Department of the Company		
	Jun. 2005	Director, Head of International Department and Head of Purchasing Department of the Company		
	Apr. 2006	Head of Merchandising Division and Head of International Department of the Company		
	Apr. 2007	Head of Merchandising Division and Head of Purchasing Department of the Company		
	Apr. 2007	Chairman, AS ONE SHANGHAI Corporation		
	Apr. 2008	Executive Director, Head of Merchandising Division, Head of IT Strategy Division and Head of Purchasing Department of the Company		
	Jun. 2008	Head of Merchandising Division, Head of IT Strategy Division, Head of Business Development Division and Head of Purchasing Department of the Company		
	Jun. 2009	President of the Company (to present)		
	Apr. 2010	Head of Sales Division of the Company		
	Apr. 2011	Head of Marketing Division of the Company		
	Jan. 2015	Head of Sales Division of the Company		
Important Concurrent Positions				
Director of Iuchi Logistics Co., Ltd. Director of AS ONE INTERNATIONAL, INC. Director of AS ONE SHANGHAI Corporation				
Reasons for a nominee for Director				
Since he assumed the office of Representative Director of the Company, he has played a key role in expanding the Company's business and increasing corporate value. He has made many achievements as a manager, increasing sales by 1.9 times, net profit per share by 2.9 times, and net assets per share by 2.1 times. He has served successively as manager in sales, merchandising, purchasing, international, and IT-related sections in the Company. The Company judges that he is ideally suited to be corporate manager to promote the medium-term management plan aimed by the Company, and therefore renominates him as a candidate for Director.				

Candidate number		Kazuhito Yamada		Reappointment
2				
		Career summary, positions and responsibilities in the Company		
(Date of birth) (April 4, 1964) Number of the Company's shares held (Thousand shares) 54.0 (Board of Directors Meeting Attendance) 14/14	Mar. 1990	Joined the Company		
	Apr. 2007	Head of West Japan Sales Department and Sales Planning Group Senior Manager of the Company		
	Apr. 2008	Head of East Japan Sales Department and Head of Tokyo Branch of the Company		
	Apr. 2011	Head of Sales Division and Head of Tokyo Branch of the Company		
	Jun. 2012	Director of the Company		
	Jun. 2013	Head of Marketing Division and Head of Tokyo Branch of the Company		
	Apr. 2014	Managing Director (to present); Head of Marketing Division, Head of IT Division and Head of Tokyo Branch of the Company		
	Apr. 2015	Head of Marketing Division, Head of Sales Division and Head of Tokyo Branch of the Company		
	Apr. 2017	Head of Marketing Division, Head of Sales Division and Head of Tokyo Office of the Company		
	May 2017	Head of Marketing Division, Head of Sales Division, Mid-term management Planning Office Deputy manager and Head of Tokyo Office of the Company		
Aug. 2017	Head of Sales Division, Executive Officer in charge of Marketing Division, Mid-term management Planning Office Deputy manager and Head of Tokyo Office of the Company			
Apr. 2020	Head of Merchandising Division, Executive Officer in Charge of Marketing Division and Mid-term management Planning Office manager of the Company			
Apr. 2022	Head of sales Division, and Mid-term management Planning Office manager of the Company (to present)			
		Important Concurrent Positions		
		Director of Nikko Hansen & Co., Ltd		
Reasons for a nominee for Director				
As he has experience and a track-record, having served as manager in sales, merchandising and IT-related sections in the Company, the Company judges that he is ideally suited to be corporate manager to promote the medium-term management plan aimed by the Company, and therefore renominates him as a candidate for Director.				

Candidate number 3		Mitsushige Kimura		<u>Reappointment</u>
(Date of birth) (July 22, 1962) Number of the Company's shares held (Thousand shares) 2.4 (Board of Directors Meeting Attendance) 14/14	Career summary, positions and responsibilities in the Company			
	Apr. 1985	Joined The Kyowa Bank, Ltd. (now Resona Bank, Limited)		
	Oct. 2005	General Manager, Sales 2nd Department, Kyoto Branch of Resona Bank, Limited		
	Apr. 2015	Executive Officer in charge of Resona Bank, Limited		
	Apr. 2017	Director, Managing Executive Officer of J AND S Insurance Service Co., Ltd.		
	May 2018	Deputy Head of Sales Division of the Company		
	Jun. 2018	Director of the Company (to present)		
	Apr. 2019	Head of Administration Division and Head of Administration Department of the Company		
	Apr. 2020	Head of Sales Division, Executive Officer in Charge of Professional Business Division and Head of Tokyo Office of the Company		
	Apr. 2022	Head of Overseas Business Division of the Company (to present)		
Important Concurrent Positions				
Chairman, AS ONE SHANGHAI Corporation				
Reasons for a nominee for Director				
As he has abundant experience and a track-record in financial areas at other companies, and has experience as manager of sales and administration, the Company judges that he is ideally suited to be corporate manager to promote the medium-term management plan aimed by the Company, and therefore renominates him as a candidate for Director.				
Candidate number 4		Keisuke Nishikawa		<u>Reappointment</u>
(Date of birth) (March 25, 1975) Number of the Company's shares held (Thousand shares) 7.9 (Board of Directors Meeting Attendance) 13/14	Career summary, positions and responsibilities in the Company			
	Apr. 2000	Joined the Company		
	Apr. 2015	Head of Marketing Department of the Company		
	Aug. 2017	Head of Marketing Division and Head of Marketing Department of the Company		
	Aug. 2019	Head of Marketing Division, Head of Marketing Department and Head of Corporate Planning Department of the Company		
	Apr. 2020	Head of Administration Division and Mid-term management Planning Office Deputy manager of the Company (to present)		
	Jun. 2020	Director (to present), Executive Officer in charge of IT Division of the Company		
	Apr. 2022	Sustainability Management Office Manager of the Company (to present)		
Reasons for a nominee for Director				
As he has served as a manager in marketing and corporate planning sections of the Company, the Company judges that he is ideally suited to be corporate manager to promote the medium-term management plan aimed by the Company, and therefore renominates him as a candidate for Director.				

Candidate number 5	Kazuhiko Odaki	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside Director</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div>
<p>(Date of birth) (October 1, 1965)</p> <p>Number of the Company's shares held (Thousand shares) -</p> <p>(Board of Directors Meeting Attendance) 14/14</p> <p>Years of Service as Outside Director: 4 years</p>	Career summary, positions and responsibilities in the Company	
	<p>Apr. 1988</p> <p>Sep. 1990</p> <p>Sep. 1992</p> <p>Jul. 1995</p> <p>Jun. 1997</p> <p>Oct. 1998</p> <p>Jan. 2000</p> <p>Apr. 2002</p> <p>Aug. 2002</p> <p>Jun. 2003</p> <p>Jul. 2004</p> <p>Oct. 2006</p> <p>Jul. 2008</p> <p>Jul. 2011</p> <p>Mar. 2012</p> <p>Apr. 2012</p> <p>Feb. 2013</p> <p>Jun. 2018</p> <p>Nov. 2018</p> <p>Jun. 2019</p>	<p>Joined Ministry of International Trade and Industry (now Ministry of Economy, Trade and Industry)</p> <p>General Affairs Division, Minister's Secretariat of Science and Technology Agency (now Ministry of Education, Culture, Sports, Science and Technology Japan)</p> <p>Overseas long-term training of National Personnel Authority (Ph. D. Program, Economics Department of Stanford University)</p> <p>Senior Research Fellow of Research Institute of International Trade and Industry (now Research Institute of Economy, Trade and Industry)</p> <p>Deputy Director, Industry and Labour Research Division, Policy and Research Department of Ministry of Labor (now Ministry of Health, Labour and Welfare)</p> <p>Lecturer, Institute of Social and Economic Research of Osaka University</p> <p>Associate Professor of Osaka University</p> <p>Deputy Director, Intellectual Property Policy Office, Industrial Policy Bureau of Ministry of Economy, Trade and Industry</p> <p>Chief Officer for Planning, Policy Planning Office, Minister's Secretariat of Ministry of Economy, Trade and Industry</p> <p>President of Specified Non-profit Organization Policy Evaluation Agency (to present)</p> <p>Director for Planning, Financial Markets Division, Planning and Coordination Bureau of Financial Services Agency</p> <p>Director, Alcohol Industry Office, Chemical Industry Division, Manufacturing Industries Bureau of Ministry of Economy, Trade and Industry</p> <p>Senior Research Fellow for Corporate Law Systems, Economic and Industrial Policy Bureau of Ministry of Economy, Trade and Industry</p> <p>Professor, Faculty of Economics of Shinshu University</p> <p>Retired from Ministry of Economy, Trade and Industry</p> <p>Professor, College of Economics of Nihon University (to present)</p> <p>Outside Director of Star Mica Co., Ltd.</p> <p>Outside Director of the Company (to present)</p> <p>Outside Director of Star Mica Holdings Co., Ltd.</p> <p>Outside Director (Audit and Supervisory Committee Member) of Star Mica Holdings Co., Ltd. (to present)</p>
	Important Concurrent Positions	
	<p>Professor, College of Economics of Nihon University</p> <p>President of Specified Non-profit Organization Policy Evaluation Agency</p> <p>Outside Director (Audit and Supervisory Committee Member) of Star Mica Holdings Co., Ltd.</p>	
	Reasons for a nominee for Outside Director and outline of expected roles	
	<p>He has a wide ranging experience and professional knowledge having served as an official at the Ministry of Economy, Trade and Industry, and also as professor of economics at universities, the Company judges that he will continue to provide appropriate supervision of management and offer effective advice. The Company therefore renominates him as a candidate for Outside Director.</p>	

Candidate number 6		Michiko Kanai		Reappointment Outside Director Independent Officer
(Date of birth) (June 16, 1955) Number of the Company's shares held (Thousand shares) 0.2 (Board of Directors Meeting Attendance) 14/14 Years of Service as Outside Director: 2 year	Career summary, positions and responsibilities in the Company			
	Apr. 1990	Registered as an attorney at law Joined OH-EBASHI LAW OFFICES		
	Apr. 1998	Partner of OH-EBASHI LAW OFFICES		
	Aug. 2002	Member of OH-EBASHI LPC & PARTNERS (to present)		
	Jun. 2007	Outside Auditor of USJ Co., Ltd.		
	Jun. 2015	Outside Director of Kondotec Inc. (to present)		
	Jun. 2015	Outside Auditor of Sankyo Seiko Co., Ltd. (to present)		
	Jun. 2016	Outside Director of IDEC Corporation		
	Jun. 2018	Outside Director (Audit and Supervisory Committee Member) of IDEC Corporation (to present)		
	Jun. 2020	Outside Director of the Company (to present)		
	Important Concurrent Positions			
	Member of OH-EBASHI LPC & PARTNERS Outside Director of Kondotec Inc. Outside Auditor of Sankyo Seiko Co., Ltd. Outside Director (Audit and Supervisory Committee Member) of IDEC Corporation			
Reasons for a nominee for Outside Director and outline of expected roles				
She has professional knowledge as a lawyer, and the Company judges that she will provide supervision of management and offer effective advice making use of her abundant experience and extensive knowledge. The Company therefore renominates her as a candidate for Outside Director.				
Candidate number 7		Yumie Endo		New Candidate Outside Director Independent Officer
(Date of birth) (July 12, 1968) Number of the Company's shares held (Thousand shares) - (Board of Directors Meeting Attendance) - Years of Service as Outside Director: -	Career summary, positions and responsibilities in the Company			
	Apr. 1991	Joined Nissho Iwai Corporation (now Sojitz Corporation)		
	May. 2010	MS in Integrated Marketing Communications, Golden Gate University		
	Oct. 2013	Section Manager, IR Office, IR Section of Sojitz Corporation		
	Oct. 2017	Section Manager, Human Resources and General Affairs Department, Global HR and Diversity Development Section of Sojitz Corporation		
	Mar.2019	General Manager, IR Office of Sojitz Corporation		
	Jun. 2020	Outside Director of SAKURA internet Inc.		
	Apr. 2021	Executive Officer General Manager, IR Office of Sojitz Corporation (to present)		
	Apr. 2022	Executive Officer COO, IR Office of Sojitz Corporation (to present)		
	Important Concurrent Positions			
	Executive Officer COO, IR Office and General Manager, IR Office of Sojitz Corporation			
Reasons for a nominee for Outside Director and outline of expected roles				
She has a wealth of experience and extensive knowledge, including specialized knowledge and study abroad, cultivated through IR activities at Sojitz Corporation. By utilizing this, the Company judges that she will provide effective advice to the entire management.				

- Notes:
1. There is no conflict of interests between the candidates and the Company.
 2. The number of shares of the Company held by the candidates for Director includes their shares in the officers' stock ownership association.
 3. Kazuhiko Odaki, Michiko Kanai and Yumie Endo are candidates for Outside Director.
 4. The Company has submitted notification to the Tokyo Stock Exchange that Kazuhiko Odaki and Michiko Kanai have been designated as an independent officer as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as an independent officer to continue.
If the election of Yumie Endo is approved, the Company plans to submit notification to the Tokyo Stock Exchange concerning her appointment as an independent officer as provided for by the aforementioned exchange.
 5. The Company has entered into an agreement with Kazuhiko Odaki and Michiko Kanai to limit their liability for damages under Article 423, paragraph 1 of the Companies Act in accordance with the Articles of Incorporation of the Company, and the maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If their reelection is approved, the Company plans to renew this agreement with them. If the election of Yumie Endo is approved, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, paragraph 1 of the Companies Act in accordance with the Articles of Incorporation of the Company. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations.
 6. Outline, etc. of the contents of Directors and Officers Liability Insurance Agreement
The Company has concluded Directors and Officers Liability Insurance Agreement provided for in Article 430-3, paragraph 1 of the Companies Act, that insures Directors of the Company (including those who are in office during the fiscal year under review), with an insurance company. The insurance premiums are fully borne by the Company. Under this agreement, the insurance company insures damages that may result from the eligible Officers being liable for the performance of their duties or being subject to claims for the pursuit of such liability, and the agreement is renewed every year.
Said insurance agreement does not cover liability for damages pursued by the Company against said Officers. The Company have taken measures to ensure appropriateness of execution of Officers' duties by setting a limit on the amount to be covered.
The Company plans to renew the agreement with the same details at the time of next renewal.
 7. The term of office of Outside Director is the period until the conclusion of this general meeting.
 8. The skill matrix is posted on next page as reference material.

(Reference) Skill Matrix

The skill matrix after approval of Proposals 2 is as follows.

	Name	person in charge	Corporate management, Management strategy	Marketing/ Business development	IT	Logistics/ Purchases	Sales	Oversea	Management personnel/ Human resources development	Accounting/ Finance	Legal affairs, Risk	Internal control/ Governance	Experience in different industries
Directors who are not Audit and Supervisory Committee Members	Takuji Iuchi		◎	○	○	○	○	◎				○	○
	Kazuhiro Yamada	Sales Division	◎	○	○	◎	○					○	○
	Mitsushige Kimura	Overseas Business Division	○				◎	○	○	◎	○	○	○
	Keisuke Nishikawa	Administration Division	◎	◎	○		○		○	○	○	○	
	Kazuhiko Odaki										◎	◎	○
	Michiko Kanai							○			◎	◎	
	Yumie Endo		◎	◎					○			○	○
Directors who are Audit and Supervisory Committee Members	Kazutaka Suzuki						○		◎	○	○	◎	○
	Hideaki Mihara									◎		◎	
	Toshiki Hara		◎		◎		○		○	○	○	○	○

Corporate executive officer

Name	person in charge	Corporate management, Management strategy	Marketing/ Business development	IT	Logistics/ Purchases	Sales	Oversea	Management personnel/ Human resources development	Accounting/ Finance	Legal affairs, Risk	Internal control/ Governance	Experience in different industries
Toru Kaneno	Specialized Business Division		◎			◎						○
Isamu Hayashi	AS ONE SHANGHAI Corporation	○	◎			○	◎					○
Masataka Maruhashi	Electronic Commerce Business Division		◎	○		◎						○
Tomohiro Fukuda	DX Development Division		○	◎								○
Jun Machida	Supply Chain Management Division		○	○	◎							○

Reference: Criteria for Determining Independence of Outside Directors and Outside Auditors

In order to ensure objectivity and transparency necessary for proper governance of the Company, the Company considers it desirable for our outside directors to have as much independence as possible, and only if none of the following items apply to outside officers of the Company shall the Company consider them to be independent.

1. A person who does not fall under the requirements under the laws and regulations
2. A party to whom the Company or its subsidiaries (the “Group”) is a principal business counterparty (which receives payment from the Group accounting for 2% or more of the annual consolidated net sales of the party in the most recent business year), or the parent company or a significant subsidiary thereof, or when such party is a company, executive director, executive, executive officer or, manager or other employee thereof
3. A party that is a principal business counterparty (except for those under item 4) of the Group (which made payments to the Group accounting for 2% or more of the annual consolidated net sales of the Group in the most recent business year), or the parent company or a significant subsidiary thereof, or when such party is a company, executive director, executive, executive officer or, manager or other employee thereof
4. Director, auditor, accounting advisor, executive, executive officer or, manager or other employee of a financial institution and other large account creditor that is indispensable to the funds procurement of the Group and on which the Group relies to the extent that there is no alternative, or the parent company or a significant subsidiary thereof
5. Consultant, accounting expert such as a certified public accountant, legal expert such as a lawyer, and other expert that has received 10 million yen or more in monies and other property per year in average for the past three years from the Group, in addition to compensation as officer
6. A party that receives a donation or a subsidy from the Group in an amount of 10 million yen or more per year from the Group
7. A major shareholder of the Company (that directly or indirectly holds 10% or more of the total voting rights) or if the major shareholder is a corporation, director, auditor, accounting advisor, executive, commissioner, executive officer or, manager or other employee of the relevant major shareholder or the parent company or a significant subsidiary thereof
8. Financial auditor of the Group or member, partner or employee of tax accounting firm of the Group
9. Director, auditor, accounting advisor, executive or executive officer of a company that accepts directors (irrespective of whether full-time or part-time) from the Group, or the parent company or a subsidiary thereof
10. Relative within the second degree of kinship of a director and auditor of the Group
11. A party that used to fall under any of 2 to 10 of the above in the most recent five years
12. Any other party that may have a conflict of interest with the overall general shareholders of the Company due to circumstances other than the reasons considered in items 2 through 11 above