

Independence Criteria for Independent Outside Officers

The Company has formulated the following criteria regarding the independence of outside officers, in order to ensure objectivity and transparency in the corporate governance of the Company. If outside officers do not fall under any of the following items, it is judged that they are sufficiently independent from the Company.

1	A person who is a principal business partner* ¹ of the Company or its business executor* ²
2	A person for whom the Company is a principal business partner or its business executor
3	A principal shareholder* ³ of the Company (If this is a corporation, association, or any other organization, this refers to a person belonging to such organization.)
4	A business executor of a corporation of which the Company is a principal shareholder
5	A person who belongs to an auditing firm that serves as the Company's Independent Accounting Auditor
6	A consultant, accounting expert, or legal expert who receives money or other assets exceeding 10 million yen annually from the Company in addition to officer remuneration (*If the person receiving such assets is a law firm, auditing firm, consulting firm, or any other corporations, or association or any other organization, this refers to a person belonging to such organization.)
7	A person who receives donations exceeding 10 million yen annually from the Company (If the person receiving such large amount of donations is a corporation, association, or any other organization, this refers to a person belonging to such organization.)
8	A person who belongs to a company with whom the Company has a relationship for the mutual appointment of officers
9	A person whose spouse or relative within the second degree of kinship falls under any of the above items 1 through 8
10	A person who fell under any of the above items 1 through 8 within the past three years
11	A person who has been in office for a total of more than 8 years as an outside officer
12	In addition to the preceding items, a person who may have a conflict of interest with general shareholders, and who is reasonably judged to be unable to perform his or her duties as an independent outside officer

*1. A "principal business partner" refers to any of the followings:

- (1) A person who has transactions with the Company, and the annual transaction amount is 2% or more of the consolidated net sales of either the Company or said person; or
- (2) A financial institution from which the Company makes loans, and the outstanding loans from such institution are 2% or more of the Company's total consolidated assets.

*2. A "business executor" refers to an executive director, corporate officer or executive officer.

*3. A "principal shareholder" refers to a shareholder who holds 10% or more of the Company's voting rights in his or her own or another name as of the end of the most recent fiscal year.