

Independence Standards for Appointment of Independent Officers

1. In order to serve as an independent officer of the Company, he/she shall not fall under any of the following categories of persons.
 - (1) A person who is an executive director, executive officer, manager, or other employee (hereinafter collectively referred to as an “Executive Director, etc.”) of the Company or any of its subsidiaries, or a person who was an Executive Director, etc., of the Company during the past 10 years prior to assuming the office of independent officer (if the person has, at any time during those past 10 years, served as a non-executive director [meaning a director who does not fall under the criteria of an executive director; hereinafter the same shall apply], audit & supervisory board member or accounting advisor of the Company or any of its subsidiaries, during the past 10 years prior to assuming the office of such position).
 - (2) A major shareholder of the Company (meaning a shareholder holding 10% or more of the voting rights; hereinafter the same shall apply). If such major shareholder is a corporation, a person who is an executive director, executive officer, corporate officer, manager or other employee of such corporation, or the parent company or any of the major subsidiaries of such corporation (hereinafter collectively referred to as an “Executive Person”), or an Executive Person thereof during the last three years.
 - (3) A person whose major business partner is the Company or any of its subsidiaries (meaning a person who received payment equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year from the Company or any of its subsidiaries; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
 - (4) A major business partner of the Company (meaning a person who made payments equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year to the Company; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
 - (5) A person who is a director (limited to those who are responsible for the business execution) of an organization (for example, public interest incorporated foundation, public interest incorporated association, non-profit corporation, etc.), which received donations or grants exceeding ¥10 million per year on average over the past three fiscal years, from the Company or any of its subsidiaries, or a person who is an officer, corporate member or employee who executes business of such organization.
 - (6) A person who is an Executive Person of a corporation which has accepted director(s) (either full-time or part-time) from the Company or any of its subsidiaries, or of the parent company or any of the subsidiaries of such corporation.
 - (7) A person who is an Executive Person, or has been an Executive Person in the last three years, of a financial institution or other major creditor (hereinafter referred to as a “Major creditor, etc.”) that is essential to the Company’s financing and is relied upon by the Company to the extent that there is no substitute, or the parent company or any of major subsidiaries of such major creditor, etc.
 - (8) A person who is currently an accounting auditor, certified public accountant (or tax accountant) who serves as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) for the Company or any of its subsidiaries.

- (9) A person who has been an accounting auditor, certified public accountant (or tax accountant) who served as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) who has actually engaged in the auditing operations (excluding assisting involvement) for the Company or any of its subsidiaries over the last three years (including those who are currently retired from or have left the relevant organization).
 - (10) A person who is an attorney-at-law, certified public accountant, tax accountant or any other consultant that does not fall under items (8) or (9) above, and has received monetary or any other financial benefits of ¥10 million or more per year on average over the past three years, in addition to directors' remuneration, from the Company or any of its subsidiaries.
 - (11) A person who is a member, partner, associate or employee of a law firm, audit firm, tax accountant office, consulting firm or any other professional advisory firm which does not fall under items (8) or (9) above, and has received payment of ¥10 million or more per year on average over the past three years, from the Company or any of its subsidiaries.
 - (12) A person who is a spouse, relative within the second degree of kinship, or a co-habiting relative of a person specified in any of the items above.
2. In order to serve as an independent officer of the Company, it is required that he/she be free from risk of developing a substantive conflict of interest on a constant basis with the Company's general shareholders for reasons other than those covered by Paragraph 1 above.
 3. Even if he/she falls under any of the categories set forth in Paragraph 1 above, when the Company believes that the individual is appropriate to be appointed as an independent officer of the Company based upon his/her personal quality and insight, it may appoint such individual as an independent officer on the condition that it explains to the public that he/she satisfies the requirements for outside director or outside audit & supervisory board member set forth by the Companies Act, and provides reasons why it considers he/she be appropriate for its independent officer.