

## **Standards for Appointment of Independent Directors**

By making an appointment according to the “Standards for Appointment of Independent Directors” regarding independence from the Company for the appointment of outside directors, consideration is given to preventing the risk of conflicts of interest with general shareholders.

### **Summary of the “Standards for Appointment of Independent Directors”**

- 1** Not having been for the past ten years and not currently being an executive director, etc. (including executive director, executive officer or other employee) of the Ahresty Group (hereinafter referred to as “the Group”).
- 2** Not having been for the past five years and not currently being a major shareholder or a director, auditor, executive officer or other employee of current major shareholder of the Company, of parent company or of important subsidiaries of a major shareholder.
- 3** Not being a person who executes business or an employee of a major customer/supplier of the Group. Major customer/supplier shall mean cases when the amount of transactions with the Group for the past three fiscal years is 2% or more of consolidated sales of the Group when the Group is the seller or of the supplier when the Group is the buyer.
- 4** Not being a director or other officer and employee of a non-profit organization that is receiving donations of at least a certain amount from the Group. Certain amount shall mean ten million yen or more or 2% or more of total revenue of respective organization on average for the past three fiscal years.
- 5** Not being an attorney, a certified public accountant or a licensed tax accountant or other consultant who has been receiving money or other economic benefits of at least a certain amount in addition to the executive compensation for the past three fiscal years from the Group. Certain amount shall mean ten million yen or more per year on average for the past three years.
- 6** Not being a spouse or a relative within the second degree of kinship of persons who come under the following categories:
  - 1) having been for the past five years and currently being a director, auditor or important employee of the Company;
  - 2) having been for the past five years and currently being a director of a subsidiary of the Company;
  - 3) being persons who are restricted from assuming office as independent director according to **Items 2 to 5** above.