

Note: This document is an English Translation of the “Criteria for Independence for Outside Directors and Audit & Supervisory Board Members” and prepared solely for the convenience of all stakeholders who are non-Japanese speakers. In the event of any discrepancy between this translated document and the Japanese original document, the Japanese original text shall prevail. UACJ Corporation does not guarantee the accuracy and/or the completeness of the translation and shall have no liability for any errors or omissions therein.

### Criteria for Independence for Outside Directors and Audit & Supervisory Board Members

If an outside director or audit & supervisory board member does not fall under any of the following attributes, the Company determines that the said outside director or audit & supervisory board member (including outside director and audit & supervisory board member candidates) is independent of the Company and thus has no risk of conflict of interests with general shareholders:

	Criteria for Independence	Notes
1	Any person who currently serves and previously served as an officer, etc. <sup>2</sup> within the UACJ Group <sup>1</sup> shall not be deemed independent of the Company.	Note 1: This refers to the Company and its subsidiaries; hereinafter the same shall apply in these criteria. Note 2: This refers to directors, audit & supervisory board members, accounting advisors, operating officers, executive officers, managers and other employees; hereinafter the same shall apply in these criteria. However, in this section, officers, etc. shall not include outside directors and outside audit & supervisory board members of the Company.
2	Any person of whom the Company is a major customer for the past five fiscal years <sup>3</sup> and, in the case of a corporation, any person who currently serves and previously served as an officer, etc. of the corporation shall not be deemed independent of the Company.  Notwithstanding the foregoing, any person who previously served as an officer, etc. of a corporation of which the Company was a major customer shall be deemed independent of the Company, if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person’s retirement <sup>4</sup> from the corporation.	Note 3: This refers to a person who supplies products or services to the Company and refers to a person to whom, in any of the past five fiscal years, the Company paid the amount that exceeds 2% of the person’s consolidated sales. Note 4: The “retirement” refers to a situation where no salary, wage or the like is paid, or no position, title or the like is provided to the person; hereinafter the same shall apply in these criteria.

3	<p>Any person who is a major customer of the Company<sup>5</sup> for the past five fiscal years and, if the customer is a corporation, any person who currently serves and previously served as an officer, etc. of the customer shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously served as an officer, etc. of the customer shall be deemed independent of the Company if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the customer.</p>	<p>Note 5: This refers to a customer to which the Company supplies products or services and received, in any of the past five fiscal years, the amount from the Company, which exceeds 2% of the Company's consolidated sales.</p>
4	<p>Any person who is a major lender<sup>6</sup> of the Company for the past five fiscal years and, if the lender is a corporation, any person who currently serves and previously served as an officer, etc. of the lender shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously served as an officer, etc. of the lender shall be deemed independent of the Company if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the lender.</p>	<p>Note 6: The "lender" includes its parent company and subsidiaries, and refers to a lender to which, in any of the past five fiscal years, the amount exceeding 2% of the Company's total asset was borrowed by the Company.</p>
5	<p>Any certified public accountant who currently belongs or previously belonged to the auditor that serves as the financial auditor of the Company for the past five fiscal years shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any certified public accountant who previously belonged to the said auditor shall be deemed independent of the Company if the month in which the said accountant is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the accountant's retirement from the said auditor.</p>	
6	<p>Any person who currently serves or previously served as an officer of the securities firm that has signed a lead underwriting contract with the Company for the past five fiscal years shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously served as an officer of the said securities firm shall be deemed independent of the Company if the month in which the said person is scheduled to assume office as an officer of</p>	

	<p>the Company is later than the date on which five years have passed since the person's retirement from the said securities firm.</p>	
7	<p>Any individual person who received from the Company monetary or other property benefits worth more than 10 million yen per year<sup>7</sup> as a consultant, accountant, lawyer, or other type of professional over the past five fiscal years other than officer's remuneration, or any person who currently belongs to or previously belonged to a corporation that received from the Company monetary or other property benefits worth more than 100 million yen per year<sup>8</sup> over the past five fiscal years shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously belonged to the corporation shall be deemed independent of the Company, if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the said corporation.</p>	<p>Note 7: This refers to the highest amount over the past five fiscal years.</p> <p>Note 8: This refers to the highest amount over the past five fiscal years.</p>
8	<p>Any major shareholder<sup>9</sup> of the Company over the past five fiscal years and, if the shareholder is a corporation, any person who currently serves or previously served as an officer, etc. of the shareholder shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously belonged to the said shareholder shall be deemed independent of the Company, if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the said shareholder.</p>	<p>Note 9: This refers to a person who holds 10% or more of voting rights as of the end of a fiscal year. If the shareholder has a joint holder (meaning the Joint Holder prescribed in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act and including the person deemed to be a Joint Holder under the main clause of paragraph (6) of that article), the proportion of voting rights held by the said joint holder shall be added in calculating the proportion of voting rights held.</p>
9	<p>Any person who currently serves or previously served as an officer, etc. of a company with which the UACJ Group has a relationship of exchange<sup>10</sup> of outside directors and audit &amp; supervisory board members over the past five fiscal years shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously served as an officer, etc. shall be deemed independent of the Company, if the month in which the said person is scheduled</p>	<p>Note 10: This refers to a case where an officer, etc. who belongs to the UACJ Group serves as an outside director or audit &amp; supervisory board member of the other company, and such officer, etc. serves as an outside director or audit &amp; supervisory board member of</p>

	to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the said company.	the Company.
10	<p>Any person who received from the Company a donation or grant worth more than 10 million yen per year<sup>11</sup> over the past five fiscal years, and if the person is a corporation or organization, any person who currently serves or previously served as an officer, etc.<sup>12</sup> of the corporation or organization shall not be deemed independent of the Company.</p> <p>Notwithstanding the foregoing, any person who previously served as an officer, etc. of the corporation or organization shall be deemed independent of the Company, if the month in which the said person is scheduled to assume office as an officer of the Company is later than the date on which five years have passed since the person's retirement from the said corporation or organization.</p>	<p>Note 11: This refers to the highest amount over the past five fiscal years.</p> <p>Note 12: Officers, etc. shall not include associate professors, professors or professor emeritus of a university; hereinafter the same shall apply in this section.</p>
11	In addition to the above, any person who has risk of conflict of interests with general shareholders and thus has a reason to reasonably deem that the person may not fulfill the duties of an independent outside director or audit & supervisory board member may not be deemed independent of the Company.	
12	A relative within the second degree of kinship of the person who is not deemed independent of the Company as described in any of Sections 1 through 11 above shall not be deemed independent of the Company either.	

End of document

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