

Criteria for Determining Independence of Outside Officers

ValueCommerce Co., Ltd.

If an Outside Director or a candidate for Outside Director of the Company (“Outside Officer”) does not fall under any of the following items, he/she is considered to have independence.

- ① An executive person of the Company or a subsidiary of the Company (meaning Executive Director, Executive Officer, or Chief Manager, or other employees. The same shall apply hereunder)
- ② An executive person or a Non-Executive Director of the Company’s parent entity
- ③ An executive person of an entity that has the same parent entity as the Company
- ④ A large shareholder (a shareholder holding no less than 10% of voting rights) of the Company or an executive person of the said large shareholder
- ⑤ A major trade partner of the Company (person who paid the Company an amount equivalent to no less than 2% of the Company’s annual consolidated revenue in the immediately preceding fiscal year) or an executive person of the said trade partner
- ⑥ A person whose major trade partner is the Company (person who received payment from the Company in an amount equivalent to no less than 2% of the person’s annual revenue in the immediately preceding fiscal year) or an executive person of the said person
- ⑦ A financial institution or another major creditor, on which the Company is dependent as an irreplaceable source of funding, or an executive person of such institution or creditor
- ⑧ A legal expert, a certified public accountant, a consultant, or an organization (person who belongs to the said organization), who receives a large amount of cash and other financial assets (an annual average of no less than 10 million yen for the last 3 years) other than executive compensation paid by the Company
- ⑨ A person who receives a large amount of donation or aid (an annual average of less than 10 million yen for the last 3 years) or an executive person of the said person
- ⑩ An executive person of a corporate body with which the Company has relationships through Outside Directors or Audit & Supervisory Board members
- ⑪ A person who had fallen under ① above during the 10 years prior to the assumption of office (provided, however, regarding a person who was at one time a Non-Executive Director, an Auditor or an Accounting Advisor of the Company or a subsidiary of the Company, during the 10 years prior to the assumption of the said office)
- ⑫ A person who had fallen under ② or ③ above for the past 10 years or a person who had fallen under any of ④ through ⑨ above for the past one year

- ⑬ In the case where a person falling under any of ① through ⑫ above is an important person, the spouse or a relative within the second degree of relationship of the said person, or a relative living together or a person who shares the same livelihood with the said person
- ⑭ In addition to the items above, a person regarding whom there may be a risk of conflict of interest with general shareholders of the Company

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