



March 29, 2023

Listed Company Name	TACHI-S CO., LTD.
Name of Representative	Yuichiro Yamamoto, President & CEO & COO
Stock listing	Tokyo Stock Exchange - Prime Market
Code number	7239
Contact	General Affairs Section, General Affairs Department (TEL: 0428-33-1911)

Notice regarding Amend of Criteria for Assessing Independence

TACHI-S CO., LTD. (the “Company”) is pleased to announce that at the Board of Directors meeting held on March 29, 2023, the Company decided to amend the Company’s Criteria for Assessing Independence of Outside Directors / Audit & Supervisory Board Members (the “Criteria”), as described below.

1. Purpose of amendment

Considering the content of the Corporate Governance Code, in order to achieve sustainable growth and improve corporate value over the medium to long term, the Company has decided to review some of the criteria related to remuneration, etc. among the Criteria from the perspective of selecting a wide range of independent candidates for Outside Directors and Outside Auditor & Supervisory Board Members (the “Outside Officers”) suitable for improving the governance of the Company. In addition, the Company’s “Basic Policy of Corporate Governance” shall be amended along with this amendment.

2. Designation of Independent Officer

Due to amend the Criteria, all of the Company's Outside Officers meet all of the independence criteria set by Tokyo Stock Exchange and the Company's the Criteria. We plan to designate all of the Company’s Outside Officers as Independent Officers.

3. Content of amendment

(The underline indicates the part to be changed.)

Before amendment	After amendment
<p>The Company establishes following standards in order to ensure the independence of Outside Directors/ Audit & Supervisory Board Members.</p> <p>1. The person in question is not a current or former Executive¹ of the Company or a related company (“Group Companies”).</p> <p>2. Over the past 5 years a Close Relative² of the person has not been an Executive¹ of any Group Companies.</p> <p>3. The following items are not currently applicable to the person and have not been applicable to the person in the past 5 years:</p> <p>(1) The person is a large shareholder of the Company (a person who directly or indirectly controls voting rights worth 10% or more of total voting rights in the Company) or an Executive¹ of such a large shareholder.</p> <p>(2) The person directly or indirectly controls voting rights worth 10% or more of total voting rights in Group Companies or is an Executive¹ of such a large shareholder.</p> <p>(3) The person is a Person for whom Group Companies are Important Clients³ or who is an Executive¹ of such an entity</p> <p>(4) The person is an Executive¹ of an Important Client of Group Companies⁴.</p> <p>(5) The person is an Executive¹ of an Important Lender to Group Companies⁵.</p>	<p>The Company establishes following standards in order to ensure the independence of Outside Directors/ Audit & Supervisory Board Members.</p> <p>1. The person in question is not a current or former Executive¹ of the Company or a related company (“Group Companies”).</p> <p>2. Over the past 5 years a Close Relative² of the person has not been an Executive¹ of any Group Companies.</p> <p>3. The following items are not currently applicable to the person and have not been applicable to the person in the past 5 years:</p> <p>(1) The person is a large shareholder of the Company (a person who directly or indirectly controls voting rights worth 10% or more of total voting rights in the Company) or an Executive¹ of such a large shareholder.</p> <p>(2) The person directly or indirectly controls voting rights worth 10% or more of total voting rights in Group Companies or is an Executive¹ of such a large shareholder.</p> <p>(3) The person is a Person for whom Group Companies are Important Clients³ or who is an Executive¹ of such an entity.</p> <p>(4) The person is an Executive¹ of an Important Client of Group Companies⁴.</p> <p>(5) The person is an Executive¹ of an Important Lender to Group Companies⁵.</p>

Before amendment	After amendment
<p>(6) The person is affiliated with an auditing firm performing the Company’s statutory audits.</p> <p>(7) The person is a consultant, an accounting professional or a legal professional (in the case that a group such as a corporation or association performs such a role, a person affiliated with that group) that has received <u>from Group Companies money compensation or other assets to a total value of more than 10 million yen annually.</u></p> <p>(8) The person is a recipient of donations or grants from Group Companies (in the case that a group such as a legal corporation or association is such a recipient, a person affiliated with that group) <u>of more than 10 million yen annually.</u></p> <p>(9) The person is an Executive¹ of a company to which Group Companies appoint Directors (regardless of whether such Directors are executive or non-executive).</p>	<p>(6) The person is affiliated with an auditing firm performing the Company’s statutory audits.</p> <p>(7) The person is a consultant, an accounting professional or a legal professional (in the case that a group such as a corporation or association performs such a role, a person affiliated with that group) that has received <u>a large amount⁶ of money compensation or other assets from Group Companies.</u></p> <p>(8) The person is a recipient of <u>a large amount⁶</u> of donations or grants from Group Companies (in the case that a group such as a legal corporation or association is such a recipient, a person affiliated with that group).</p> <p>(9) The person is an Executive¹ of a company to which Group Companies appoint Directors (regardless of whether such Directors are executive or non-executive).</p>
<p>4. None of the person’s Close Relatives are persons in regards to whom Items (1) to (9) of paragraph 3 above apply (but limited to cases where such a Close Relative is an Important Person⁶).</p>	<p>4. None of the person’s Close Relatives are persons in regards to whom Items (1) to (9) of paragraph 3 above apply (but limited to cases where such a Close Relative is an Important Person⁷).</p>
<p>(Notes)</p>	<p>(Notes)</p>
<p>¹ An Executive is defined as a person who is either a Director (excluding an Outside Director) of a company or organization, an Executive Director, an Executive Officer, an employee who manages operations, a Senior General Manager or other equivalent person or employee who manages operations.</p>	<p>¹ An Executive is defined as a person who is either a Director (excluding an Outside Director) of a company or organization, an Executive Director, an Executive Officer, an employee who manages operations, a Senior General Manager or other equivalent person or employee who manages operations.</p>
<p>² A Close Relative is defined as a dependent, a relative to the second degree or a cohabitating relative.</p>	<p>² A Close Relative is defined as a dependent, a relative to the second degree or a cohabitating relative.</p>
<p>³ A Person for whom Group Companies are Important Clients is defined as a person who has received 2% or more of their consolidated annual gross revenues from Group Companies during that person’s most recent fiscal year.</p>	<p>³ A Person for whom Group Companies are Important Clients is defined as a person who has received 2% or more of their consolidated annual gross revenues from Group Companies during that person’s most recent fiscal year.</p>
<p>⁴ An Important Client of Group Companies is defined as a person who has paid 2% or more of the gross annual consolidated revenues of Group Companies in the Company’s most recent fiscal year.</p>	<p>⁴ An Important Client of Group Companies is defined as a person who has paid 2% or more of the gross annual consolidated revenues of Group Companies in the Company’s most recent fiscal year.</p>
<p>⁵ An Important Lender to Group Companies is defined as a person who has provided finance to Group Companies that represents an amount worth 2% or more of consolidated total assets as of the end of the Company’s most recent fiscal year.</p>	<p>⁵ An Important Lender to Group Companies is defined as a person who has provided finance to Group Companies that represents an amount worth 2% or more of consolidated total assets as of the end of the Company’s most recent fiscal year.</p>
<p style="text-align: center;"><New></p>	<p>⁶ <u>A large amount is defined as the past five fiscal years with an average amount of 10 million yen or more annually for individuals, more than 2 % of the consolidated gross revenue or total revenues of said bodies for bodies including corporations and cooperatives.</u></p>
<p>⁶ An Important Person is defined as a person who is either a Director, an Audit & Supervisory Board Member, an Executive Officer and a General Manager or above.</p>	<p>⁷ An Important Person is defined as a person who is either a Director, an Audit & Supervisory Board Member, an Executive Officer and a General Manager or above.</p>