

Independent Officers Notification

1. Basic Information

Company name	JSP Corporation		Code Number	7942
Date submitted	June 14, 2023	Date of changes (Planned)	June 29, 2023	
Reason for this report	To submit a proposal for the election of Outside Officers to the Annual General Meeting of Shareholders			
<input checked="" type="checkbox"/> All individuals who are qualified to be independent officers are designated as independent officers. (note 1)				

2. Independence of Independent Officers and Outside Officers

No.	Name	Outside Director/ Outside Audit & Supervisory Board member	Independent officer	Category (notes 2, 3)												Description of change	With the officer's consent	
				a	b	c	d	e	f	g	h	i	j	k	l			Not applicable
1	Hisashi Shinozuka	Outside Director	○													○		Yes
2	Takayuki Ikeda	Outside Director	○													○		Yes
3	Kiyoshi Itou	Outside Director	○													○		Yes
4	Ryoko Sugiyama	Outside Director	○													○	New	Yes
5	Yoshiaki Sawada	Outside Audit & Supervisory Board member	○												△			Yes
6	Yoshiyuki Kawakami	Outside Audit & Supervisory Board member	○												○		New	Yes

3. Background of Officers and Reasons for Their Selections

No.	Explanation of suitability to be an officer (note 4)	Reason for selection (note 5)
1	Not applicable.	<p>Mr. Hisashi Shinozuka has abundant experience and discernment as a management executive, having served as president and in other positions of local subsidiaries of companies that engage in business globally. We expect that he will utilize the above abundant experience, etc. to contribute to ensuring the reasonableness and appropriateness of our decision-making, mainly with advice on overseas business expansion and recommendations on important personnel affairs and remunerations for officers as a member of the voluntary Nominating Advisory Board, Remuneration Advisory Board and Special Committee on Governance, and protection of minority shareholders' interests among others.</p> <p>He has no personal, capital, business, or other significant interests in the Company and we therefore believe that his independence as an Outside Director of the Company has been secured.</p> <p>In addition, he is designated as an independent officer because he is considered to have no potential conflict of interest with general shareholders.</p>
2	Not applicable.	<p>Mr. Takayuki Ikeda has abundant experience and discernment for overall management, having served for a long time as president of a company that engages in business globally. We expect that he will utilize the above abundant experience, etc. to contribute to ensuring the reasonableness and appropriateness of our decision-making, mainly with advice on strengthening the management base and recommendations on important personnel affairs and remunerations for officers as a member of the voluntary Nominating Advisory Board,</p>

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		<p>Remuneration Advisory Board and Special Committee on Governance, and protection of minority shareholders' interests among others.</p> <p>He has no personal, capital, business, or other significant interests in the Company and we therefore believe that his independence as an Outside Director of the Company has been secured.</p> <p>In addition, he is designated as an independent officer because he is considered to have no potential conflict of interest with general shareholders.</p>
3	Not applicable.	<p>Mr. Kiyoshi Itou has abundant achievements and experience in the overall management, having been involved in corporate management for a long time. We expect that he will utilize the above abundant achievements and experience to contribute to ensuring the reasonableness and appropriateness of our decision-making, mainly with advice on strengthening the management base and recommendations on important personnel affairs and remunerations for officers as a member of the voluntary Nominating Advisory Committee, Remuneration Advisory Board and Special Committee on Governance, and protection of minority shareholders' interests among others.</p> <p>He has no personal, capital, business, or other significant interests in the Company and we therefore believe that his independence as an Outside Director of the Company has been secured.</p> <p>In addition, he is designated as an independent officer because he is considered to have no potential conflict of interest with general shareholders.</p>
4	Not applicable.	<p>Ms. Ryoko Sugiyama is an expert in environmental and waste issues and has served as an external director of several listed companies for a long time and has extensive knowledge and experience in sustainability. We believe that she will be able to apply her wealth of knowledge and experience to contribute to ensuring the reasonableness and appropriateness of our decision-making, mainly with advice on sustainability management, recommendations on important personnel affairs and remunerations for officers as a member of the voluntary Nominating Advisory Committee, Remuneration Advisory Board and Special Committee on Governance, and protection of minority shareholders' interests among others.</p> <p>She has no personal, capital, business, or other significant interests in the Company and we therefore believe that her independence as an Outside Director of the Company has been secured.</p> <p>In addition, she is designated as an independent officer because she is considered to have no potential conflict of interest with general shareholders.</p>
5	<p>Mr. Yoshiaki Sawada is from Nippon Life Insurance Company and left the company at the end of March 2018. The company owns 0.80% of JSP's shares and is also JSP's funding source. The company's share of JSP's total outstanding loans as of March 31, 2023 was 2.50%. The amount borrowed from the company was less than 0.5% of total consolidated assets as of March 31, 2023.</p>	<p>Mr. Yoshiaki Sawada has extensive knowledge and experience at financial institutions. We believe that he will be able to apply his wealth of knowledge and experience to our auditing work.</p> <p>As noted on the left, Mr. Sawada is a former employee of Nippon Life Insurance Company but there are no special transactions between the company and JSP in the course of business activities. He has no personal, capital, business or other significant interests in the Company and we therefore believe that his independence as an Outside Audit & Supervisory Board member of the Company has been secured.</p> <p>In addition, he is designated as an independent officer because he is considered to have no potential conflict of interest with general shareholders.</p>
6	<p>Mr. Yoshiyuki Kawakami is the partner of Tanabe & Partners. JSP has entered into a legal advisory agreement with Mr. Yoshiyuki Kawakami of the same law firm and the amount of compensation</p>	<p>Mr. Yoshiyuki Kawakami has abundant experience as a lawyer and advanced knowledge of law and compliance. We believe that he will be able to apply this wealth of knowledge and experience to the Company's auditing services.</p>

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	paid by the Company to the law firm for the fiscal year ended March 31, 2023 was 3,000 thousand yen.	He has no personal, capital, business, or other interest in the Company and we therefore believe that his independence as an Outside Audit & Supervisory Board member of the Company has been secured. In addition, he is designated as an independent officer because he is considered to have no potential conflict of interest with general shareholders.

4. Supplementary Explanation

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

An Outside Director or Outside Audit & Supervisory Board member of the Company shall be deemed not to be independent if any of the following items applies to him/her.

1. The spouse or a relative within the second degree of kinship of the Outside Director or Outside Audit & Supervisory Board member is currently or has been in the past three years, a Director, Audit & Supervisory Board member, Executive Officer, Operating Officer or Manager of a company belonging to the corporate group consisting of the parent company or subsidiaries of the parent company of the Company.
2. The Outside Director or Outside Audit & Supervisory Board member is a director, corporate auditor, executive officer, executive director, manager or other employee of a business partner, etc. or a corporation if the business partner, etc. is a corporation that falls under any of the following.
 - (1) Business partners that have paid on average 2% or more of the Company's annual consolidated net sales to the corporate group consisting of the Company and its subsidiaries (hereinafter referred to as the "the JSP Group") over the past three years.
 - (2) Suppliers that have received, on average, 2% or more of their annual consolidated net sales from the JSP Group over the past three years.
 - (3) Lenders to whom the JSP Group currently owes an amount equivalent to 2% or more of the Company's total consolidated assets.
3. The Outside Director or Outside Audit & Supervisory Board member is a lawyer, certified public accountant, tax accountant, or other consultant who has received on average annual remuneration of 10 million yen or more from the JSP Group over the past three years (or from an organization if the person receiving the remuneration is a member of such organization), other than remuneration as a Director or Audit & Supervisory Board member.
4. The Outside Director or Outside Audit & Supervisory Board member is a shareholder (or if the shareholder is a corporation, a director, corporate auditor, executive officer, executive director, or manager or other employee of the corporation) holding 10% or more of the voting rights of the Company.

Notes:

1. Mark the checkbox if all outside officers who are qualified to be independent officers are designated as independent officers.
2. Items to check concerning the category of each officer
 - a. Executive of JSP or its subsidiary
 - b. Non-executive Director or accounting advisor of JSP or its subsidiaries (for Outside Audit & Supervisory Board members)
 - c. Non-executive Director or executive of a parent company of JSP
 - d. Audit & Supervisory Board member of a parent company of JSP (for Outside Audit & Supervisory Board members)
 - e. Executive of a fellow subsidiary company of JSP
 - f. A party whose major client or supplier is JSP or an executive thereof
 - g. Major client or supplier of JSP or an executive thereof
 - h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from JSP besides compensation as an Audit & Supervisory Board member
 - i. Major shareholder of JSP (or an executive of the said major shareholder if the shareholder is a legal entity)
 - j. Executive of a client or supplier company of JSP (which does not correspond to any of f, g, or h) (the Director/Audit & Supervisory Board member himself/herself only)
 - k. Executive of a company, where JSP Outside Directors/Audit & Supervisory Board members are mutually appointed (the Director/Audit & Supervisory Board member himself/herself only)
 - l. Executive of a company or organization that receives a donation from JSP (the Director/Audit & Supervisory Board member himself/herself only)

Note that all of the items from "a" to "l" are shortened versions of the text for items designated by securities exchange rules.
3. "○" when the Director/Audit & Supervisory Board member presently falls or has recently fallen under the category;
"△" when the Director/Audit & Supervisory Board member fell under the category in the past
"●" when a close relative of the Director/Audit & Supervisory Board member presently falls or has recently fallen under the category;
"▲" when a close relative of the Director/Audit & Supervisory Board member fell under the category in the past
4. When any item from "a" to "l" is applicable to an independent officer, please include a brief explanation.
5. Please enter the reason for the selection of the independent officer.