

Independent Officers Notification

1. Fundamental Information

Corporate Name	KAGA ELECTRONICS CO., LTD.	Trading Code	8154
Data of Notification	2024/3/28	Date of Change(Plan)	2024/3/15
Reason for Submitting Notification	Due to the retirement of Akira Tamura, Outside Director, upon his passing.		
<input checked="" type="checkbox"/> All of those eligible as Independent Officers are appointed as Independent Officers			

2. Matters related to independency of independent officers and outside officers

No.	Name	Outside Directors/ Outside Auditors	Independent Officer	Criteria (a) through (l) are explained below (*1 & *2)													Details	Acceptance			
				a	b	c	d	e	f	g	h	i	j	k	l	N/A					
1	Susumu Miyoshi	Outside Director	○												△						Yes
2	Noritomo Hashimoto	Outside Director	○												△						Yes
3	Susumu Kitsunai	Outside Auditor	○															○			Yes
4	Yoichi Sato	Outside Auditor	○															○			Yes
5	Kyoko Oyanagi	Outside Auditor	○												○						Yes

3. Reasons for Nomination

No.	Explanation of whether applicable for the above (a) through (l) criteria	Reasons for Nomination
1	The Company executed an advisory agreement with Susumu Miyoshi in August 2010, but the agreement was terminated when he was appointed director. The Company requests that Mr. Miyoshi be elected as an outside director so that he can reinforce the functions of the Board of Directors by reflecting his extensive appointed director.	Mr. Miyoshi has a wealth of experience and a wide range of knowledge as a top management, and the Company requests that he be elected as an outside director in the expectation that he will reinforce the functions of the Board of Directors by providing supervision and advice on overall management based on this knowledge. Mr. Miyoshi was formerly an executive of a trading partner of the Company, but he has resigned from that position, and the Company has determined that there is no risk of affecting the determinations of shareholders and investors or conflicts of interests with general shareholders. Accordingly, he has been designated as an independent officer.
2	The Company executed an advisory agreement with Noritomo Hashimoto in July 2016, but the agreement was terminated when he was appointed director. The Company engages in purchase and sale transactions and other transactions with Mitsubishi Electric Corporation of which Mr. Hashimoto was an executive until June 2016, but the amounts of the transactions account for a very small percentage of each company's sales (less than 0.1% in the fiscal year ended March 2023).	Mr. Hashimoto has a wealth of experience and a high level of knowledge as a top management, and the Company requests that he be elected as an outside director in the expectation that he will reinforce the functions of the Board of Directors by providing supervision and advice on overall management based on this knowledge, particularly on management strategy and personnel affairs. Mr. Hashimoto was formerly an executive of a trading partner of the Company, but he has resigned from that position and the transaction amounts are very small (less than 0.06%), and the Company has determined that there is no risk of affecting the determinations of shareholders and investors or conflicts of interests with general shareholders. Accordingly, he has been designated as an independent officer.
3	N/A	Mr. Kitsunai has extensive knowledge of and experience in corporate management, and as a certified public accountant, finance and accounting and is expected to provide advice from multifaceted perspectives based on his viewpoint as a professional. The Company believes he can appropriately perform audits and supervision of the Company and appointed Mr. Kitsunai as an outside Supervisory Board member. In addition, the Company has determined that Mr. Kitsunai can serve as a significant curb on decision making with regard to the fairness and transparency of tax-related management policies from his perspective as a certified public accountant and can maintain objectivity and neutrality in management monitoring functions based on his extensive experience and knowledge as a professional, and accordingly, nominated him as an independent director. Mr. Kitsunai does not have any special interests in the Company, and the Company has determined that there is no risk of conflicts of interest with general shareholders.
4	N/A	Mr. Sato has many years of advanced legal experience as a judge and attorney, and considering his knowledge and experience as a professional, the Company believes he can appropriately perform audits and supervision of the Company and appointed him as an outside Supervisory Board member. In addition, the Company has determined that Mr. Sato can serve as a significant curb on decision making with regard to the fairness and transparency of compliance, legal risks, and management policies from his perspective as a legal professional and can maintain objectivity and neutrality in management monitoring functions based on his extensive experience and knowledge as a professional, and accordingly, nominated him as an independent director. Mr. Sato also serves as an attorney (of counsel) at Alpha Partners Law Offices. Although the company has entered into a legal advisory contract with Alpha Partners Law Offices, because Mr. Sato is not a partner attorney of the law firm and is not involved in the management of the law firm, the company deems that he does not have any special interest in the company and that there is no risk of a conflict of interest with general shareholders.
5	Kyoko Oyanagi is the representative for Sakura Management Office, and although the Company entered an advisory agreement with Sakura Management Office in June 2004, the amount of said transaction accounts for a very small percentage of sales of Sakura Management Office (less than approximately 3% in the fiscal year ended March 2023).	Ms. Oyanagi possesses extensive knowledge and experience in corporate management and as a labor and social security attorney, and to ensure the soundness of the Company in reforming work styles, investing in human capital, and promoting women's activities, the Company has elected her as an outside auditor, as it is believed that she will conduct accurate audits and oversight from a professional and multifaceted perspective. In addition, the Company has determined that she will be able to ensure objectivity and neutrality in management monitoring functions based on her extensive knowledge and experience as a professional, and it is expected that she will be able to serve as a significant curb on decision-making with regard to the fairness and transparency of social security, labor, etc., from the perspective of a labor and social security attorney. Accordingly, it has nominated her as an independent officer. Ms. Oyanagi also serves as a representative of Sakura Management Office. Although the Company has entered an advisory agreement with Sakura Management Office, the value of said transaction is minimal. The Company has determined that there is no risk of affecting the determinations of shareholders and investors or conflicts of interests with general shareholders. Accordingly, she has been designated as an independent officer.

4. Supplementary Explanation

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- *1 Explanation of Criteria (a) through (l)
- a. Executive of the Company or its subsidiary
 - b. Non-executive director or accounting advisor of the Company or its subsidiaries
 - c. Non-executive director or executive of a parent company of the Company
 - d. Audit & Supervisory Board Member of a parent company of the Company
 - e. Executive of a fellow subsidiary company of the Company
 - f. A party whose major client or supplier is the Company or an executive thereof
 - g. Major client or supplier of the Company or an executive thereof
 - h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an officer
 - i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
 - j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (only the officer him or herself)
 - k. Executive of a company between which and the Company outside directors/kansayaku are mutually appointed (only the officer him or herself)
 - l. Executive of a company to which the Company makes contributions (only the officer him or herself)
- Please note that the above explanation of criteria (a) through (l) are brief descriptions of the criteria specified in the TSE regulations.
- *2 Categories for "Relationship with the Company"
- * "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past
 - * "●" when a close relative of the director presently falls or has recently fallen under the category; "▲" when a close relative of the director in the past