

[TRANSLATION]

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Independent Directors/Audit & Supervisory Board Members Notification

1. Basic Information

Company name	TIS Inc.		Securities Code	3626
Date of filing	2024/5/17	Date of (planned) change	2024/6/25	
Reason for filing	<p>Due to planned changes pursuant to independent officers (external directors) at the upcoming ordinary general meeting of shareholders.</p> <ul style="list-style-type: none"> • Koichi Sano will complete his term of office as an independent officer (external director), and retire from this position. • Junko Sunaga will be put forward for election as an independent officer (external director). 			
<input checked="" type="checkbox"/>	Designation of all persons who satisfy the qualification for independent directors as Independent Directors or Independent Audit & Supervisory Board Members (*1)			

2. Matters concerning the independence of Independent/Outside Directors and Audit & Supervisory Board Members

No.	Name	Outside Director/ Outside Audit & Supervisory Board Member	Independence	Attributes (*2, *3)													Details of Change	Consent of the persons concerned	
				a	b	c	d	e	f	g	h	i	j	k	l	Not applicable			
1	Fumio Tsuchiya	Outside Director	○																Yes
2	Naoko Mizukoshi	Outside Director	○																Yes
3	Junko Sunaga	Outside Director	○															Newly appointed	Yes
4	Yukio Ono	Outside Audit & Supervisory Board Member	○																Yes
5	Akiko Yamakawa	Outside Audit & Supervisory Board Member	○																Yes
6	Hiroko Kudo	Outside Audit & Supervisory Board Member	○																Yes

3. Explanation of Attributes and Reasons for Election

No.	Explanation of Qualification (*4)	Reasons for Election (*5)
1		<p>Fumio Tsuchiya presents a wide range of experience and a wealth of specialized expertise in corporate management, having held important positions at overseas offices and in the Corporate Planning Department of Japan Airlines Co., Ltd. ("JAL"), rising to the position of Director at JAL in June 2004, later serving as Managing Director and then, in June 2007, assuming the role of President & CEO of JALCard, Inc., a JAL Group company. He was selected to be an external director at TIS because management felt that the Company would benefit from his business experience and knowledge and that his advice and recommendations, from an independent perspective, would ensure reasonable and appropriate decision-making by the Company's Board of Directors, thus contributing to stronger corporate governance at TIS.</p> <p>In addition to the requirements for external directors under the Companies Act, Mr. Tsuchiya fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>
2		<p>Naoko Mizukoshi is licensed to practice law and has extensive specialized expertise in intellectual property and ICT. She was selected to be an external director at TIS because management felt that the Company would benefit from her business experience and knowledge and that her advice and recommendations, from an independent perspective, would ensure reasonable and appropriate decision-making by the Company's Board of Directors, thus contributing to stronger corporate governance at TIS.</p> <p>In addition to the requirements for external directors under the Companies Act, Ms. Mizukoshi fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>

3		<p>Junko Sunaga gained experience in the semiconductor business, with a focus on mobile phones, and joined the local representative office (now, Qualcomm Japan, Inc.) of Qualcomm (USA), a leading company in the mobile communications industry, as its first employee in April 1997. In April 2018, she assumed the position of President and Representative Director at Qualcomm Japan, where she has achieved successful results in expanding the domestic semiconductor business. She was selected to be an external director at TIS because management felt that the Company would benefit from her business experience and knowledge and that her advice and recommendations, from an independent perspective, would ensure reasonable and appropriate decision-making by the Company's Board of Directors, thus contributing to stronger corporate governance at TIS.</p> <p>In addition to the requirements for external directors under the Companies Act, Ms. Sunaga fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>
4		<p>Yukio Ono is a licensed certified public accountant. He was selected to be an external member of the Audit & Supervisory Board at TIS because management felt that the Company would benefit from his specialized knowledge of finance and accounting and his many years of experience in corporate audits to extend advice related to audits of TIS INTEC Group companies and operations, and expects that he will enhance the Board's ability to monitor and supervise the execution of business from an external perspective. In addition to the requirements for external auditors under the Companies Act, Mr. Ono fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>
5		<p>Akiko Yamakawa worked at a foreign law firm after becoming a lawyer and handled litigation for global corporations. She was selected to be an external member of the Audit & Supervisory Board at TIS because management felt that this law firm experience would enable Ms. Yamakawa to accurately monitor and supervise execution of the Company's global business.</p> <p>In addition to the requirements for external directors under the Companies Act, Ms. Yamakawa fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>
6		<p>Hiroko Kudo has deep insight into domestic and international administrative and financial affairs, underpinned by a PhD in public policy, and is an active globally as a university professor and researcher. She was selected to be an external member of the Audit & Supervisory Board at TIS because management felt she would accurately monitor and supervise activities to improve the value that DX provides to address social issues through business activities described in the Company's medium-term management plan and to deepen and extend global operations.</p> <p>Ms. Kudo fulfills "Criteria Concerning Independence of External Officers of the Company" (see 4. Supplementary Explanation), and management has determined that there is no risk of conflict of interest with ordinary shareholders.</p>

4. Supplementary Explanation

Reference: Criteria Concerning Independence of External Officers of the Company (revised on December 21, 2016)

In order to reinforce the supervisory function of its Board of Directors, the Company has established as follows the judgment criteria for ensuring the independence of its external directors and external audit & supervisory board members (hereafter, the "external officers") as described below, with reference to the rules of the Tokyo Stock Exchange, etc., in addition to the requirements of the Companies Act.

1. External directors (including candidates) are defined by Article 2, Paragraph 15 of the Companies Act (Requirements of External Directors) and shall have never served as an executive director, manager or other employee of the TIS INTEC Group (Note 1) even in the past.
2. External audit & supervisory board members (including candidates) are defined by Article 2, Paragraph 16 of the Companies Act (Requirements of External Company Auditors) and shall have never served as a director, manager or other employee of the TIS INTEC Group even in the past.
3. In the current fiscal year and during the past three fiscal years, external officers shall fall under none of each of the following items.
 - (1) A person who has the Company as a major business partner (Note 2) or a person who executes that counterparty's business
 - (2) A major business partner of the TIS INTEC Group (Note 3) or a person who executes that counterparty's business
 - (3) A consultant, accounting professional or legal professional who has received a large amount of money or other assets (Note 4) other than executive remuneration from the Company. In addition, when these are received by an organization such as a corporation or partnership, this includes persons who belong to the applicable organization.
 - (4) A major shareholder of the Company (Note 5). In addition, when the major shareholder is a corporation, this includes a person who executes the business of the corporation.
 - (5) A person other than those in (1), (2) and (3) above who executes the business of a counterparty of the Company (Note 6)
 - (6) A person who was formerly a member of a counterparty which is in a situation of cross-assumption of offices of external officers
 - (7) A counterparty or former member of the counterparty that receives donations from the Company

4. External officers must not be a relative within the second degree of a person who falls under each of the following items;
- (1) A person mentioned in (1) to (3) of the previous clause
 - (2) A person who executes the business of a subsidiary of the Company
 - (3) A non-executive director of a subsidiary of the Company (limited to external audit & supervisory board members)
 - (4) A person who fell under (2) or (3) above or a person who executes the business of the Company (including a non-executive director in the case of an audit & supervisory board member) recently (in the current fiscal year and during the past four (4) fiscal years)

5. In addition to the above, there shall be no circumstances in which duties imposed on an independent external officer are reasonably deemed not to be achieved.

Note 1: The "TIS INTEC Group" is defined as the Company and its subsidiaries.

Note 2: A "person who has the Company as a major business partner" is defined as a business partner which provides products or services to the Company and for which the amount of payments made by the Company constitute at least 2% of the net sales recorded by such business partner in one fiscal year. The main bank (MUFG Bank, Ltd.) and the lead managing underwriters (Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co, Ltd., and SMBC Nikko Securities Inc.) of the Company shall also each be a "counterparty which has the Company as a major business partner" regardless of the transaction amount.

Note 3: A "major business partner of the TIS INTEC Group" is defined as a business partner whose sales account for more than 2% of total consolidated net sales of the TIS INTEC Group.

Note 4: "A large amount of money or other assets" is defined as an amount exceeding 10 million yen in total during one fiscal year. However, this shall also apply to consultants, accounting professionals and legal professionals with whom the Company enters into a consulting agreement or similar arrangement and regularly pays money or other assets, regardless of the amount.

Note 5: A "major shareholder" is defined as a person or company, and the like, that directly or indirectly holds 10% or more of voting rights in total. However, the Company's top shareholders (about 10) shall be treated as "major shareholders."

Note 6: A "business partner of the Company" is defined as a company whose transactions with the Company during a fiscal year account for at least 2% of non-consolidated net sales of the Company.

END

- *1 Please check the box if you wish to notify all the persons who fulfill the qualifications of independent directors as Independent Directors.
- *2 Check items regarding the officer attributes
- a. Person who executes business of the Company or a subsidiary
 - b. Person who doesn't execute business as director or Accounting Advisors of the Company or a subsidiary (in case of Outside Audit & Supervisory Board Member)
 - c. Person who executes business or a non-executive director of a parent company
 - d. Audit & Supervisory Board Member of the parent company of the Company (in case of Outside Audit & Supervisory Board Member)
 - e. Person who executes business of a sister company of the Company
 - f. Person/entity for which the Company is a major client or a person who executes business for such person/entity
 - g. Major client of the Company or a person who executes business for such client
 - h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to Director/Audit & Supervisory Board Member compensation from the Company
 - i. Major shareholder of the Company (in cases where the shareholder is a legal entity, a person who executes business of the legal entity)
 - j. A client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the person concerned only)
 - k. A current/former executive of a company that holds cross-outside directorships/auditorships with the Company (applies to the person concerned only)
 - l. Person who executes business for an entity receiving donations from the Company (applies to the person concerned only)
- Please note that the notation for each of the items a through l above is based on the abbreviated wording of the items stipulated in the rules of Tokyo Stock Exchange.
- *3 Please indicate "○" if the person corresponds to each item in the "present and recent" period, and "△" if the person corresponded to each item in the "past".
Please indicate "●" if the next of kin corresponds to each item in the "present/recent" period, and "▲" if the next of kin corresponded to each item in the "past".
- *4 If any of items a through l apply, please provide a description (summary) of the situation.
- *5 Please state the reasons for the election of Independent Directors or Audit & Supervisory Board Members.