

To whom it may concern

Company Name	ASKUL Corporation
Representative	Akira Yoshioka, President and CEO (Code No. 2678, Tokyo Stock Exchange First Section)
Contact:	
Name and job title	Tsuguhiro Tamai, Executive Officer and CFO Phone: 03-4330-5130

## Establishment of the Interim Nomination and Compensation Committee and Appointment of Members of the Committee

The Company hereby announces that, at the Board of Directors meeting held today, September 12, a resolution was passed to establish the Interim Nomination and Compensation Committee and appoint the Committee members as follows.

### **1. Establishment of the Interim Nomination and Compensation Committee and Appointment of the Committee Members**

In response to the absence of Independent Outside Directors due to the rejection of the appointment of three Independent Outside Director candidates at the 56th Ordinary General Meeting of Shareholders held on August 2, 2019, the Company has felt an urgent need to redevelop the governance system to protect the interests of minority shareholders, and discussed with Yahoo Japan Corporation (hereinafter "Yahoo") and PLUS Corporation (hereinafter "PLUS") the process for appointing Independent Outside Directors.

The Company decided to establish the Nomination and Compensation Committee as an organization to deliberate on proposals concerning the Company's Director candidates and Audit & Supervisory Board Member candidates, the appointment of important officers and employees, and proposals regarding the amount of compensation for Directors and important officers and employees, and to submit such proposals to the Board of Directors. The Nomination and Compensation Committee has been composed centrally of Independent Outside Directors, and it is assumed that the Committee submits proposals regarding Director candidates to the Board of Directors, based on which the Board finalizes the proposals before submitting the same to a General Meeting of Shareholders. However, as mentioned above, the Nomination and Compensation Committee centered on Independent Outside Directors is currently unable to be established due to their absence.

Nevertheless, it is strongly recommended that the Independent Outside Directors of the Company, a publicly listed company with substantial controlling shareholders, be independent not only from its management but also from its controlling shareholders, Yahoo and PLUS, and it is essential to ensure transparency, fairness and objectivity in the process of appointing Independent Outside Directors. Taking these matters into consideration, as the next best approach in the absence of Independent Outside Directors, at the Board of Directors meeting held today, it was decided to temporarily establish a Nomination and Compensation Committee composed of the Attorneys of the Company (\*1), Independent Outside Audit & Supervisory Board Members, and the President and CEO of the Company, and five committee members were appointed as follows. The Board of Directors meeting held today was attended by all six Directors and the Board of Directors unanimously adopted a resolution concerning the agenda.

**[Appointed Nomination and Compensation Committee Members](<sup>\*2</sup>)**

Name	Remarks
Tadashi Kunihiro	Attorney of the Company ( <sup>*3</sup> )
Seiichi Ochiai	Attorney of the Company ( <sup>*3</sup> )
Takaharu Yasumoto	Independent Outside Audit & Supervisory Board Member of the Company
Rinji Watanabe	Independent Outside Audit & Supervisory Board Member of the Company
Akira Yoshioka	President and CEO of the Company

(<sup>\*1</sup>) The Rules for the Nomination and Compensation Committee of the Company prescribe that the Committee members shall be elected, by a resolution passed by the Board of Directors, from among Outside Directors and Outside Audit & Supervisory Board Members of the Company who have been appointed by the President and CEO, an Attorney of the Company, and Independent Officers. Therefore, the Company has newly concluded advisory contracts with both Mr. Kunihiro and Mr. Ochiai as of today. Mr. Kunihiro and Mr. Ochiai have never had a contractual relationship with the Company in the past, including as an attorney of the Company, and do not have any interest in the Company.

(<sup>\*2</sup>) The term of office of the Committee members who have been appointed today shall continue until the Interim Nomination and Compensation Committee submits to the Board of Directors a proposal regarding Director candidates, and all of such candidates are elected and appointed at the General Meeting of Shareholders accordingly.

(<sup>\*3</sup>) A summary of the terms stipulated in the advisory contracts concluded with Mr. Kunihiro and Mr. Ochiai as of today is as follows:

- The Company delegates to Mr. Kunihiro and Mr. Ochiai the authority of Attorney of the Company, as members of the Nomination and Compensation Committee.
- Mr. Kunihiro and Mr. Ochiai shall respect the purpose of the Companies Act, the Corporate Governance Code, the practical guidelines concerning the Group governance system (Group Guidelines), etc., and conduct their business from a neutral and fair standpoint.
- Mr. Kunihiro and Mr. Ochiai shall not give advice on the execution of the Company's business.
- The term of office of Mr. Kunihiro and Mr. Ochiai is set forth in (<sup>\*2</sup>) above.

**[Brief History of Tadashi Kunihiro: Member of the Nomination and Compensation Committee]**

Born in 1955, graduated from the University of Tokyo Faculty of Law

April 1986	Registered as an attorney
January 1994	Established Kunihiro Law Office (currently T.Kunihiro & Co. Attorneys-at-Law)
June 2006	Outside Audit & Supervisory Board Member, SEKISUI CHEMICAL CO., LTD.
June 2007	Outside Director, Tokyo Marine & Nichido Fire Insurance Co., Ltd. (present)
June 2012	Outside Audit & Supervisory Board Member, Mitsubishi Corporation (present)
October 2015	Outside Director, LINE Corporation (present)
July 2016	Member of the Financial Services Agency's Council of Experts on Audit Firm Governance Code
June 2017	Outside Audit & Supervisory Board Member, OMRON Corporation (present)

**[Brief History of Mr. Seiichi Ochiai: Member of the Nomination and Compensation Committee]**

Born in 1944, graduated from the University of Tokyo Faculty of Law

April 1981	Professor, Seikei University, Faculty of Law (The Companies Act and the Commercial Code)
April 1990	Professor, The University of Tokyo Graduate Schools for Law and Politics, Faculty of Law
October 1997	President, Japan Association of Private Law

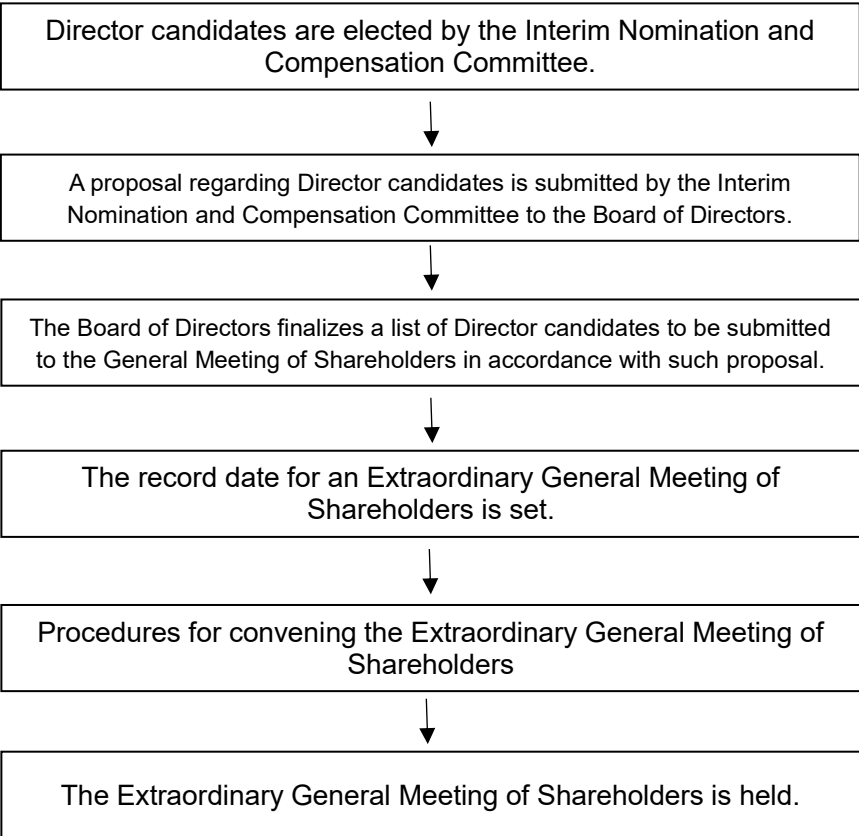
July 2003	Chairman of the Quality-of-Life Council
April 2007	Professor, Chuo University, Graduate School of Law (present) Advisor, Nishimura & Asahi
June 2007	Professor Emeritus, University of Tokyo (present)
June 2008	Outside Director, EBARA CORPORATION
January 2012	Chairman, Council on Automobile Liability Insurance
June 2012	Outside Audit & Supervisory Board Member, NIPPON TELEGRAPH AND TELEPHONE CORPORATION
July 2012	Outside Director and Chairman of Audit Committee, Meiji Yasuda Life Insurance Company (present)
June 2013	Outside Audit & Supervisory Board Member, Ube Industries, Ltd.
June 2019	Outside Director and Chairman of Audit & Supervisory Committee, Ube Industries, Ltd. (present)

**2. Schedule of the Interim Nomination and Compensation Committee Meeting and Appointment of Chairperson**

The 1st Interim Nomination and Compensation Committee meeting will be held on September 16, and will be attended by the appointed committee members. The Chairperson of the Interim Nomination and Compensation Committee is elected by the members of the Committee.

**3. Process for Appointing Directors**

The process for appointing Directors will be as follows:



Yahoo and PLUS have agreed to the establishment of the Interim Nomination and Compensation Committee to elect Director candidates, and both have proposed to the Company that they are willing to continue to actively offer support in redeveloping the governance system for the protection of the interests of minority shareholders. The Company will continue to hold discussions with Yahoo and PLUS to ensure that the above process is carried out as promptly and transparently as possible.