

Board of Directors and Executive Officers

(As of June 1, 2018)



1 Representative Director and President

Koji Takayanagi

2 Representative Director and Executive Vice President

Isamu Nakayama
Chief Strategy Officer

3 Representative Director and Executive Vice President

Norio Sako
In Charge of GMS

4 Representative Director and Executive Vice President

Takashi Sawada
In Charge of CVS

5 Director, Senior Managing Executive Officer

Toshio Kato
Assistant to Officer in Charge of CVS

6 Director, Senior Managing Executive Officer

Jiro Koshida
General Manager of Finance & Accounting Division

7 Director, Senior Managing Executive Officer

Kunihiro Nakade
Chief Financial Officer

8 Director, Senior Managing Executive Officer

Isao Kubo
General Manager of Corporate Planning Division

9 Director, Managing Executive Officer

Naoyoshi Tsukamoto
Chief Information Officer, General Manager of IT Promotion Division, General Manager of CVS Information Systems Department, and General Manager of New Project Office

10 Director, Managing Executive Officer

Hiroaki Tamamaki
In Charge of Projects

11 Director, Executive Officer

Jun Takahashi
Chief Administrative Officer and General Manager of CSR & Management Division

12 Outside Director

Takashi Saeki

13 Outside Director

Tadashi Izawa

Executive Officers

Eiji Morita

Kazutaka Hiramatsu

Mikio Nishiwaki

Seiichiro Takeshita

Yoshiharu Kanoda

Tadashi Takeda

Takashi Kitano

Brief Personal History of Directors

(As of June 1, 2018)

Representative Director and President

Koji Takayanagi

- 1975/4 Joined ITOCHU Corporation
- 2015/4 Representative Director, Executive Vice President and President of Food Company of ITOCHU Corporation
- 2017/3 President and Executive Officer of the Company
- 2017/5 Representative Director and President of the Company (current)

Representative Director and Executive Vice President

Takashi Sawada

- 1981/4 Joined ITOCHU Corporation
- 2005/10 Founded and assumed role as Representative Director, President and Chief Executive Officer of Revamp Corporation
- 2016/9 Representative Director and President of FamilyMart Co., Ltd. (current)
- 2018/3 Representative Director and Executive Vice President, In Charge of CVS of the Company (current)

Important Position Concurrently Held in Other Company
Representative Director and President of FamilyMart Co., Ltd.

Director, Senior Managing Executive Officer

Kunihiro Nakade

- 1980/4 Joined ITOCHU Corporation
- 2015/4 Managing Executive Officer and General Manager of General Accounting Control Division of ITOCHU Corporation
- 2016/5 Director, Managing Executive Officer, General Manager of Management Division, Chairman of Risk Management & Compliance Committee, Chairman of Business Process Improvement Committee, and Chairman of Corporate Social Responsibility Committee of the Company
- 2018/3 Director, Senior Managing Executive Officer, and Chief Financial Officer of the Company (current)

Director, Managing Executive Officer

Naoyoshi Tsukamoto

- 1989/4 Joined Circle K Japan Co., Ltd.
- 2013/2 Director and General Manager of Merchandising Division of Circle K Sunkus
- 2018/5 Director, Managing Executive Officer, Chief Information Officer, General Manager of IT Promotion Division, General Manager of CVS Information Systems Department, and General Manager of New Project Office of the Company (current)

Important Positions Concurrently Held in Other Companies
Director, Managing Executive Officer, General Manager of Information Systems Division of FamilyMart Co., Ltd.
Representative Director and President of UFI FUTECH Co., Ltd.

Outside Director

Takashi Saeki

- 1974/4 Joined TOHO GAS Co., Ltd.
- 2012/6 Representative Director and Chairman of TOHO GAS Co., Ltd.
- 2014/5 Outside Director of UNY Group Holdings Co., Ltd.
- 2016/9 Outside Director of the Company (current)

Important Positions Concurrently Held in Other Companies
Adviser and Member of the Board of TOHO GAS Co., Ltd.
Outside Director of Central Japan Railway Company
Outside Corporate Auditor of The Ogaki Kyoritsu Bank Ltd.

Representative Director and Executive Vice President

Isamu Nakayama

- 1981/4 Joined ITOCHU Corporation
- 2012/4 Managing Executive Officer, Executive Vice President of Food Company, and Chief Operating Officer of Provisions Division of ITOCHU Corporation
- 2013/5 Representative Director and President of FamilyMart Co., Ltd.
- 2016/9 Representative Director and Executive Vice President of the Company
- 2018/3 Representative Director and Executive Vice President of the Company, Chief Strategy Officer of the Company (current)

Important Positions Concurrently Held in Other Companies
Director and Chairman of FamilyMart Co., Ltd.
Director of UNY CO., LTD.
Chairperson of General Japan Franchise Association

Director, Senior Managing Executive Officer

Toshio Kato

- 1983/3 Joined FamilyMart Co., Ltd.
- 2016/9 Director, Senior Managing Executive Officer and General Manager of Corporate Planning Division of the Company
- 2018/3 Director, Senior Managing Executive Officer, and Assistant to Officer in Charge of CVS of the Company (current)

Important Position Concurrently Held in Other Company
Director, Executive Vice President, General Manager of Store Operation Division, and Supervisor of Customer Service Office and Franchisee Relations Office of FamilyMart Co., Ltd.

Director, Senior Managing Executive Officer

Isao Kubo

- 1982/4 Joined ITOCHU Corporation
- 2016/4 Managing Executive Officer and General Manager of Internal Audit Division of ITOCHU Corporation
- 2018/5 Director, Senior Managing Executive Officer, and General Manager of Corporate Planning Division of the Company (current)

Important Position Concurrently Held in Other Company
Director, Senior Managing Executive Officer, General Manager of Corporate Planning Division and International Business Division of FamilyMart Co., Ltd.

Director, Managing Executive Officer

Hiroaki Tamamaki

- 1980/4 Joined ITOCHU Corporation
- 2010/4 Executive Officer and Chief Operating Officer of Textile Material & Fabric Division of ITOCHU Corporation
- 2011/5 Director, Managing Executive Officer, and Officer in Charge of Corporate Planning Division of FamilyMart Co., Ltd.
- 2018/5 Director, Managing Executive Officer, and Officer in Charge of Projects of the Company (current)

Important Position Concurrently Held in Other Company
Director of UFI FUTECH Co., Ltd.

Outside Director

Tadashi Izawa

- 1976/4 Joined the Ministry of International Trade and Industry
- 2014/4 Executive Vice President of Chiyoda Corporation
- 2017/7 President of the Japan-China Economic Association (current)
- 2018/5 Outside Director of the Company (current)

Important Position Concurrently Held in Other Company
President of the Japan-China Economic Association

Representative Director and Executive Vice President

Norio Sako

- 1980/3 Joined UNY CO., LTD.
- 2013/2 Representative Director and President of UNY CO., LTD. (current)
- 2015/3 Representative Director and President of UNY Group Holdings Co., Ltd.
- 2016/9 Representative Director and Executive Vice President of the Company
- 2018/3 Representative Director and Executive Vice President, In Charge of GMS of the Company (current)

Important Position Concurrently Held in Other Company
Representative Director and President of UNY CO., LTD.

Director, Senior Managing Executive Officer

Jiro Koshida

- 1979/3 Joined UNY CO., LTD.
- 2016/9 Director, Senior Managing Executive Officer, and General Manager of Corporate Management Division of the Company
- 2018/3 Director, Senior Managing Executive Officer, and General Manager of Finance & Accounting Division of the Company (current)

Important Positions Concurrently Held in Other Companies
Director, Senior Managing Executive Officer, and General Manager of Finance & Accounting Division of UNY CO., LTD.
Director of UCS CO., LTD.

Director, Executive Officer

Jun Takahashi

- 1989/6 Joined Circle K Japan Co., Ltd.
- 2016/2 Director, Executive Officer, Group Strategic Headquarters Director and Planning & Policy Department Director of UNY Group Holdings Co., Ltd.
- 2018/3 Director, Executive Officer, Chief Administrative Officer, and General Manager of CSR & Management Division of the Company (current)

Important Position Concurrently Held in Other Company
Director, Senior Executive Officer, General Manager of Corporate Planning Division of UNY CO., LTD.



1 Standing Outside Corporate Auditor

Yasuhiro Baba

- 1979/4 Joined ITOCHU Corporation
- 2014/4 Executive Councilor, General Manager of the Global Risk Management Division, ITOCHU Corporation
- 2016/5 Standing Outside Corporate Auditor of the Company (current)

Important Positions Concurrently Held in Other Companies
Corporate Auditor of FamilyMart Co., Ltd.
Corporate Auditor of UNY CO., LTD.

2 Standing Corporate Auditor

Akira Ito

- 1979/3 Joined U-Store Co., Ltd.
- 2007/5 Director of U-Store Co., Ltd.
- 2008/8 Executive Officer, Manager of Eastern U-Store Management Division, Management Supervisory Division of UNY CO., LTD.
- 2010/2 Executive Officer, Manager of Central Chukyo PIAGO Management Division, Management Supervisory Division of UNY CO., LTD.
- 2012/5 Standing Corporate Auditor of UNY CO., LTD.
- 2016/9 Standing Corporate Auditor of the Company (current)

3 Outside Corporate Auditor

Mika Takaoka

- 2009/4 Professor of the College of Business, Rikkyo University (current)
 - 2011/5 Corporate Auditor of the Company (current)
- Important Positions Concurrently Held in Other Companies**
Professor of the College of Business, Rikkyo University
Outside Director of TSI HOLDINGS CO., LTD.
Outside Director of MOS FOOD SERVICES, INC.
Outside Director of Kyodo Printing Co., Ltd.

4 Outside Corporate Auditor

Naotaka Nanya

- 1993/4 Registered as attorney at law (current)
 - 1999/9 Opened Nanya Law Firm (current)
 - 2011/5 Corporate Auditor of UNY Group Holdings Co., Ltd.
 - 2016/9 Corporate Auditor of the Company (current)
- Important Position Concurrently Held in Other Company**
Outside Corporate Auditor of CKD Corporation

Brief Personal History of Corporate Auditors

(As of June 1, 2018)

5 Outside Corporate Auditor

Takayuki Aonuma

- 1982/4 Prosecutor of the Tokyo High Public Prosecutors Office
 - 2016/9 Chief Prosecutor of the Nagoya High Public Prosecutors Office
 - 2018/2 Registered as attorney at law (current)
 - 2018/2 Of-Counsel at City-Yuwa Partners (current)
 - 2018/5 Corporate Auditor of the Company (current)
- Important Position Concurrently Held in Other Company**
Of-Counsel at City-Yuwa Partners

Corporate Governance

Basic Policies

Based on our belief that strong corporate governance builds enterprise value, we are working to construct a transparent and effective management system. To this end, we are working to establish a system to ensure legal

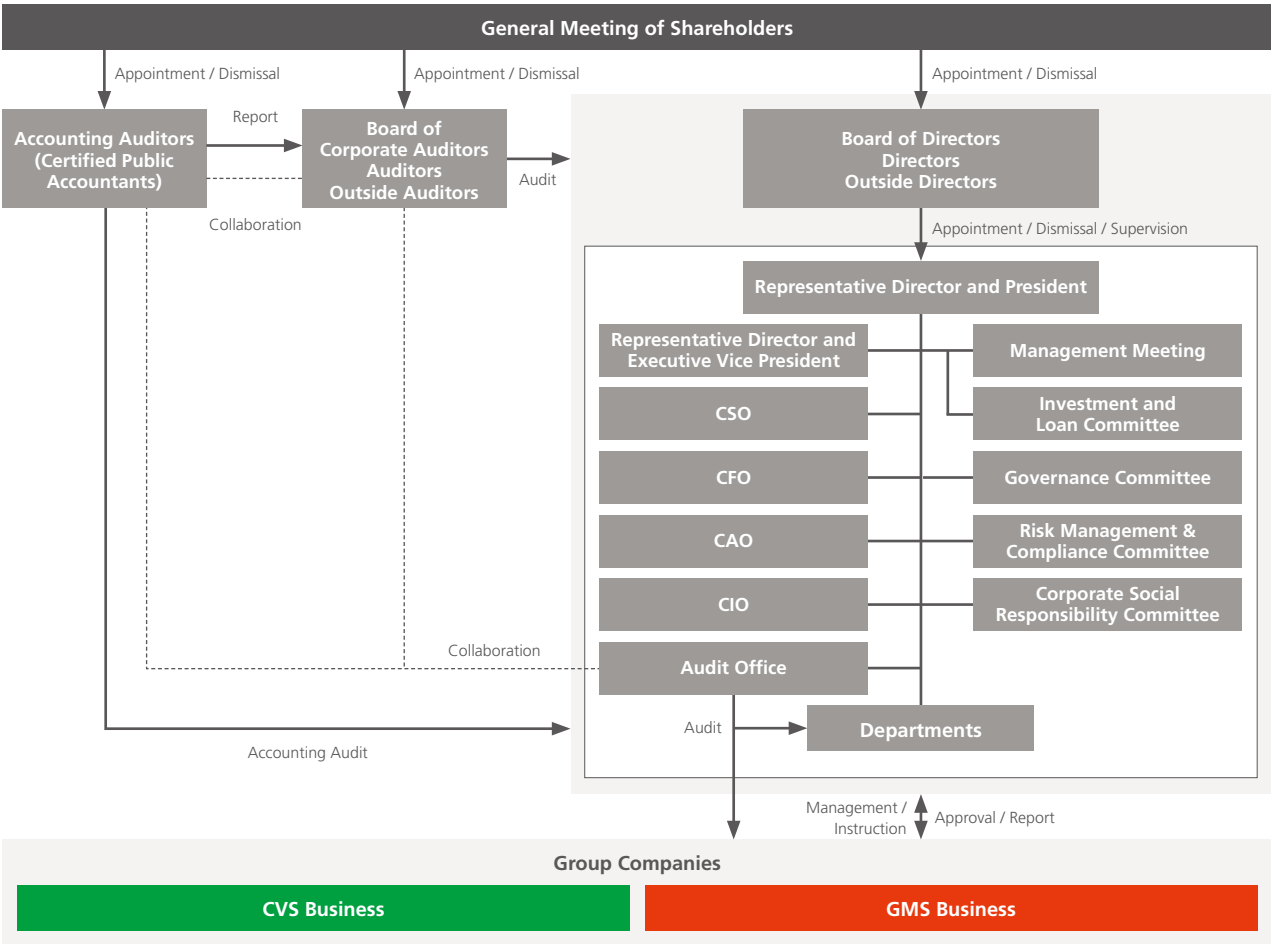
compliance and the accurate performance of administrative work. In addition, to ensure proper corporate governance, it is essential to fulfill our duty of accountability through regular disclosure of corporate information.

Overview of the Company’s Corporate Governance System

Type of system	Company with a Board of Corporate Auditors
Number of directors (Of whom, number of outside directors)	13 (2)
Number of corporate auditors (Of whom, number of outside corporate auditors)	5 (4)
Term of office for directors	1 year (the same for outside directors)
Term of office for corporate auditors	4 years (the same for outside corporate auditors)
Adoption of an executive officer system	Yes
Organization to support CEO decision-making	Management Meeting

Corporate Governance System

(As of June 1, 2018)



Principal Meetings

Principal Meetings and Decision Highlights

Board of Directors	
Summary	Decides on important matters affecting the Company's implementation of operations and supervises the performance of duties
Number of meetings in fiscal 2017	20
Decision Highlights	<ul style="list-style-type: none">• Revision of executive compensation• Capital and business alliance with Don Quijote Holdings Co., Ltd.• Additional acquisition of Kanemi Co., Ltd., shares• Conversion of UCS CO., LTD., into a wholly owned subsidiary of UNY CO., LTD.• Additional acquisition of Pocket Card Co., Ltd., shares
Management Meeting	
Summary	Based on policies the Board of Directors has approved, deliberates the implementation of policies and plans in overall business management
Number of meetings in fiscal 2017	23

Principal Committees

Investment and Loan Committee	
Purpose	Conducts preliminary reviews of investments and loans
Chairperson	Representative director and executive vice president
Committee members	7
Meetings in fiscal 2017	11
Governance Committee (established in fiscal 2018)	
Purpose	Reviews the establishment and operation of internal control systems throughout the Group
Chairperson	Director and senior managing executive officer
Committee members	4
Meetings in fiscal 2017	—
Risk Management & Compliance Committee	
Purpose	Exercises Groupwide control of risk management and compliance activities
Chairperson	Director and senior managing executive officer
Committee members	12
Meetings in fiscal 2017	3
Corporate Social Responsibility Committee	
Purpose	Exercises Groupwide control of corporate social responsibility and sustainability activities
Chairperson	Director and executive officer
Committee members	6
Meetings in fiscal 2017	2

Corporate Governance

Criteria Concerning the Independence of Outside Officers

With the goal of defining the criteria for certifying outside directors and outside corporate auditors as independent officers of the Company, the Company has established “Criteria Concerning the Independence of Outside

Officers” with the approval of the Board of Directors. When considering candidates for outside director and outside corporate auditor, their independence based on said criteria is a prerequisite for the position.

Reasons for Appointing Outside Directors and Outside Corporate Auditors

Outside Directors

Name	Reason for appointment	Attendance rate at fiscal 2017 Board of Directors’ meetings
Takashi Saeki Independent Director	Takashi Saeki has served as an outside director of the Company as well as a consultant to directors, outside director, and outside corporate auditor at other companies. We have thus determined that Mr. Saeki can be expected to provide valuable opinions and advice based on his abundant experience and significant insight as a corporate manager. Mr. Saeki serves as a director and advisor of TOHO GAS Co., Ltd. The Group conducts standard gas use transactions as well as gas fee money transfer transactions with this company, but the amounts of these transactions are immaterial.	16/20 (80%)
Tadashi Izawa Independent Director	Tadashi Izawa has abundant experience acquired through his years of experience as a deputy director-general of the Ministry of Economy, Trade and Industry, a board member of the Japan International Cooperation Agency, an executive vice president of Japan External Trade Organization, and an ambassador. We have determined that Mr. Izawa can be expected to provide valuable opinions and advice based on these experiences and his deep knowledge.	—

Outside Corporate Auditors

Name	Reason for appointment	Attendance rate at fiscal 2017 Board of Directors’ meetings	Attendance rate at fiscal 2017 Board of Corporate Auditors’ meetings
Yasuhiro Baba	Yasuhiro Baba has been engaged in accounting and finance tasks at another company for many years. We have thus determined that Mr. Baba can be expected to perform rigorous audits of the Company’s management based on his wealth of experience and insight into the accounting and finance fields.	20/20 (100%)	12/12 (100%)
Mika Takaoka Independent Auditor	Mika Takaoka possesses a wealth of specialized insight and knowledge regarding economics and management accumulated through her experience as a university professor. We have thus determined that Ms. Takaoka can be expected to perform rigorous audits of the Company’s management.	16/20 (80%)	11/12 (91%)
Naotaka Nanya Independent Auditor	Naotaka Nanya has a wealth of experience and insight as a legal specialist. We have thus determined that Mr. Nanya can be expected to perform rigorous audits of the Company’s management.	20/20 (100%)	12/12 (100%)
Takayuki Aonuma Independent Auditor	Takayuki Aonuma has a wealth of experience and insight as a legal specialist. We have thus determined that Mr. Aonuma can be expected to perform rigorous audits of the Company’s management.	—	—

Note: Tadashi Izawa and Takayuki Aonuma were elected to the Board of Directors and the Board of Corporate Auditors, respectively, at the 37th Ordinary General Meeting of Shareholders on May 24, 2018.

Message from Outside Director

Contributing to Corporate Management as Risks Diversify

Please let me introduce myself. I am Tadashi Izawa, and the Ordinary General Meeting of Shareholders convened in May 2018 appointed me as an outside director. In a career spanning more than 30 years, I have worked as a government administrator in diverse fields, including public relations, energy, and trade. Also, living overseas and working for international aid organizations exposed me to many different values and national traits. I look forward to drawing on these experiences to provide the FamilyMart UNY Group with fresh perspectives.
Due to the rapid technological progress of recent years and other factors, companies are facing competition from inside and outside their industries. As lifestyles change, society ages, and internationalization advances, retailers must respond to change with more agility than before to continue providing consumers with high added value.
Adopting a flexible, unconventional stance to addressing issues not only requires the appropriate establishment of



governance but also calls for rapid identification of and acute sensitivity to diverse risks. My mission is to be an outside director that helps the Group control and minimize risks as it boldly seizes opportunities for growth and business advancement.

Evaluation of Board of Directors’ Effectiveness

With the aim of further enhancing corporate governance, the Company evaluates the effectiveness of the Board of Directors. The effectiveness evaluation conducted in 2018 found that the Board of Directors was generally

functioning properly, with “appropriate” or “more or less appropriate” accounting for the majority of answers to the evaluation’s questions.

Summary of Evaluation of Board of Directors’ Effectiveness

Subjects	All directors and corporate auditors at the end of February each year
Method	Questionnaire survey of all subjects (answers anonymous)
Questions	1. Composition of the Board of Directors 2. Management of the Board of Directors 3. Agenda items of the Board of Directors 4. Support systems of the Board of Directors
Evaluation method	All directors and corporate auditors answer a questionnaire about the effectiveness of the Board of Directors. Based on the aggregated results of these answers, analysis and evaluation are conducted at meetings of the Board of Directors.

Further, the previous fiscal year’s evaluation pointed out issues related to the Board of Directors with respect to the schedule for convening meetings and the content of documents provided. Based on comparison with the previous fiscal year’s evaluation, the most recent evaluation confirmed that the Company has made improvements with respect to enhancing and revising management of the Board of Directors in regard to these issues. Meanwhile, most recent evaluation pointed out issues

related to the composition of the Board of Directors, such as the number of directors and the percentage of outside directors, and issues related to the enhancement of the content of the agenda items of the Board of Directors, including plans for successors to representative directors and the nomination and dismissal of members of senior management. In light of the evaluation, the Board of Directors will consider improvements and revisions and continue efforts to enhance its effectiveness.

Message from Outside Director

Pursuing an Optimal System through Trial and Error

I used to be an outside director at UNY Group Holdings Co., Ltd. In my view, the holding company’s Board of Directors, whose members changed following management integration, discusses important management issues in a timely manner. Also, I believe that the exchanges of opinion and questions of attendees, including those of outside members, are generally appropriate.
An evaluation of the Board of Directors’ effectiveness, conducted in 2017, identified issues, mainly concerning the management of the Board with regard to such areas as time allotted for discussions and procedures for providing information that is the basis of discussions. The past year has seen many improvements. Given the rapidity with which business conditions are changing, however, I feel that time and capacity limit the Board of Directors’ ability to discuss all important issues of the holding company and operating companies. I think, therefore, the Company needs to divide functions among the Board of Directors and various types of meetings—such as the Management Meeting and relevant operating companies’ boards of directors—and then create a framework that organically links them.



More than a year and a half has passed since management integration, and the Company’s governance remains at the trial-and-error stage. In light of periodic effectiveness evaluations, I would like the Board to continue improvements and reforms.

Executive Compensation

The Company provides compensation to directors and corporate auditors within predetermined monetary limits approved by the general meeting of shareholders.

Directors receive fixed compensation, which is a monthly salary, and bonuses. Fixed compensation is a monetary amount based on internal regulations and position. Bonuses are performance-based compensation and are linked to consolidated net profit attributable to owners of parent. Further, the Company provides a portion of

fixed compensation and bonuses to directors through the Company's management stock ownership plan as stock price-linked compensation. During directors' terms of office, the Company requires directors to keep shares they have acquired.

Part-time directors only receive fixed compensation in the form of a monthly salary.

Corporate auditors only receive fixed compensation in the form of a monthly salary.

Compensation for Executives

	Total paid (¥ million)	Total paid in various forms (¥ million)				No. of payments
		Basic salary	Stock options	Bonuses	Retirement benefit recipients	
Directors (excluding outside directors)	154	101	—	53	—	10
Corporate auditors (excluding outside corporate auditors)	26	26	—	—	—	1
Outside directors	20	20	—	—	—	2
Outside corporate auditors	34	34	—	—	—	4

Note: The above figures include one director who retired as of the close of the 36th Ordinary General Meeting of Shareholders held on May 25, 2017, and one director who retired on February 20, 2018

Compensation of Accounting Auditors

The compensation paid to accounting auditors for conducting audits is determined based on the Company's scale and characteristics and on the number of days required to perform the audits. The final decision is made after reaching agreement with the accounting auditors. Information on the certified public accountants that performed the audits and on compensation they received can be found below.

Names of the certified public accountants that executed duties:

Koichi Okubo and Haruko Nagayama,
Deloitte Touche Tohmatsu LLC

Compensation for Corporate Auditors

	Fiscal 2016		Fiscal 2017	
	Compensation based on audit and attestation (¥ million)	Compensation for non-audit services (¥ million)	Compensation based on audit and attestation (¥ million)	Compensation for non-audit services (¥ million)
FamilyMart UNY Holdings	64	3	79	—
Consolidated subsidiaries	217	4	449	—
Total	281	7	528	—

Internal Control System / IR Activities

Internal Control System

The Company has the Risk Management & Compliance Committee as an advisory body to the president, and the committee reviews the establishment (streamlining and

operation) of internal controls based on the Basic Policy. The standing corporate auditors also attend the committee to deliver their opinions.

Compliance and Risk Management

The Risk Management & Compliance Committee monitors the status of compliance by receiving reports from the Compliance Committee at each Group company. The respective Group companies continuously execute various measures including education and training activities for officers and employees and the establishment of an internal reporting system and a point of contact for consulting.

In addition, the Company has established systems to rectify and prevent compliance violations. It has established an internal reporting system for the Group, which includes an employee hotline and a supplier helpline.

The Risk Management & Compliance Committee monitors the status of risk management by receiving reports from the Risk Management Committee at each Group

Use of Employee Hotline and Supplier Helpline in Fiscal 2017

Suspected fraud, law breaking, or rule violation	19
Inquiry about labor contract or working hours	7
Inquiry about workplace conditions, behavior, language	67
Suspected harassment	43
Other	21
Total	157

company. The respective Group companies regularly analyze and evaluate various risks and independently conduct risk management regarding the risks concerned.

The Company has established the Investment and Loan Committee, which reviews important investment and loan topics at the Company and the respective Group companies.

Group Companies Management System

The Company dispatches directors and/or corporate auditors and provides the respective Group companies with business administration and management guidance in accordance with the Management Rules regarding Associated Companies. The Company also has entered into management guidance agreements with major operating companies to promote Groupwide improvement of propriety in operations.

In addition, we determine matters that require the Company's prior approval and matters that need to be reported to the Company under the Management Rules regarding Associated Companies, and conduct deliberations on significant matters pertaining to the subsidiaries in the Company's Board of

Directors meetings and in the Management Meeting, etc.

Furthermore, with respect to risk management, we have taken actions such as the establishment of the Risk Management & Compliance Committee and compliance education at each Group company. Based on the status of such actions, the Company conducts education and training regarding compliance and risk management, etc., at Group companies and provides training materials to the group companies, and further provides advice and guidance on the improvement of relevant rules and the streamlining of the systems. With these measures, the Company promotes the internal control systems including those at Group companies.

IR Activities

The Company is committed to ensuring that its investor relations activities respect its policy of simple and forthright disclosure characterized by accuracy, promptness, and impartiality. Under the strong leadership of the president, the Company holds biannual financial results review

meetings, conducts overseas investor relations activities, meets individually with investors and analysts, and proactively provides information through its corporate website and various publications. Going forward, we will work to further enhance our investor relations activities.

Major Investor Relations Activities in Fiscal 2017

Activities	Contents
Meetings for analysts and institutional investors	Twice (interim and year-end results): Explanation of business results and management strategies; first- and third-quarter teleconferences
Briefing sessions	Product strategy briefings, distribution center study tour, briefing on MEGA Don Quijote UNY store
Overseas IR activities	Visits to important investors in the U.S., Europe, and Asia for briefing sessions
Individual meetings	About 300 times
Domestic and international conferences hosted by securities companies	About 10 times
Briefings for individual investors	4 times
Major communication tools	• Annual report • Semi-annual reports for individual shareholders (published after the second quarter and fiscal year-end)