



March 26, 2020

To whom it may concern

Company Name: Ichikoh Industries, Ltd.  
 Name of Representative: Ali Ordoobadi  
 Representative Director & Chairman  
 (Code: 7244; TSE I)  
 Contact: Masaki Takamori  
 General Manager  
 Corporate Planning Department  
 (Phone: 0463-96-1442)

**Information pertaining to Controlling Shareholders etc.**

1. Trade Names, etc. of Parent Company, etc. (as of December 31, 2019)

Parent Company, etc.	Relationship	Ownership Ratio of Voting Rights by Parent Company	Stock Exchange where shares of Parent Company are listed
Valeo S.A.	Parent company	[61.19]	Paris Stock Exchange
Société de Participations Valeo	Parent company	[61.19]	
Valeo Bayen	Parent company	61.19	

(Note) The number in the bracket means an indirect ownership ratio of voting rights.

2. Name of Company who, out of Parent Company, etc., is recognized to have the Most Influence over the Listed Company, and its Reason

(1) Name of company who is considered to have the greatest influence over the listed company

Valeo S.A.

(2) Reason for the abovementioned

Since Valeo S.A. is the 100% shareholder of Valeo Bayen and is listed on the Paris stock market.

3. Position of Listed Company in Corporate Group of Parent Company, etc. and Other Relationship between Listed Company and Parent Company, etc.

(1) Position of Listed Company in Corporate Group of Parent Company, etc.

① Capital Relationship

Valeo S.A. is the parent company that indirectly possesses 61.19% of voting rights of the Company; Valeo S.A. is the company which consolidates the Company.

## ② Personnel Relationship

(as of December 31, 2019)

Position	Name	Name of Parent Company or Group who dispatched Personnel	Reason for Assignment
Representative Director, & Chairman & CEO	Ali Ordoobadi	Valeo S.A.	Reflect affluent experience and broad knowledge as a management executive to the management of the Company
Representative Director, & President & COO	Heiko Sauer	Valeo S.A.	Reflect affluent experience and broad knowledge as a management executive to the management of the Company
Director & Senior Managing Executive Officer	Hideo Nakano	Valeo Japan Co., Ltd.	Reflect affluent experience and broad knowledge to the management of the Company
Director (non-executive)	Bruno Thivoyon	Valeo S.A.	Reflect affluent experience and broad knowledge to the management of the Company
Directors (non-executive)	Maurizio Martinelli	Valeo S.A.	Reflect affluent experience and broad knowledge as a management executive to the management of the Company

(2) Restriction from, Risk in and Advantage from Belonging to the Parent Company's Group from an Operational Standpoint, and Influence on Management and Business Activities from Trade Relationship and Personnel & Capital Relations with Parent Company or its Group

As a result of a tender offer for our shares held by Valeo Bayen, such company, Société de Participations Valeo, the parent company of such company, and Valeo SA, the parent company of Société de Participations Valeo, has been the parent companies of the Company as from January 20<sup>th</sup>, 2017. The Company is, aiming at efficient management of business, is under certain corporative relationship with the corporate group including the parent company. Under these circumstances, 2 Directors of the Company out of 9 Directors in total, are concurrently holding additional posts in subsidiaries of the parent company including, but not limited to, representative director & president; strategies of the parent company therefore may give an impact on the decision-making in management policy of the Company.

The Company discusses about mid-term plans and annual budget and also share research and development activities, conduct joint purchasing and create shared service function for accounting with Valeo, in order to maximize the synergy on business operations with Valeo. In addition, the Company has implemented approval system of Valeo in order to improve the efficiency of IT system and, as a result, we consult with Valeo on certain important matters before final approval.

The Company accepts certain numbers of expatriated people from parent group companies including the Directors who take certain position in the parent group companies as mentioned above for the purpose of exchanging management

information and technical know-how with the parent company. However, the appointment of executive officers and the division heads is subject to the approval of the Board of Directors to which Independent Outside Directors participate.

- (3) Philosophy, together with Measures for that, in Terms of How to keep Certain Independence from the Parent Company under the Circumstances of Restriction from Belonging to the Parent Company's Group from an Operational Standpoint as well as Influence on Management and Business Activities from Trade Relationship and Personnel & Capital Relations with Parent Company or its Group

The Company believes that, since the completion of TOB, it is the most important challenge of the Company for improvement of the performance to maximize the synergy effect by mutual cooperation with the parent company in the business operations. In operating business, the Company has been focusing on the effective use of the management resources to get high effect by deep coordinating with the parent group companies.

With respect to the transaction with the parent group companies, decisions are made by the Board of Directors to improve the corporate value of the Company and to maximize the benefit of the entire shareholders. In this relation, the "Conflict of Interest Monitoring Committee" was established in order to make the transactions arm's length and to prevent impairment of the interest of the Company and the shareholders. The Company has been checking and monitoring the Company's status where it can make its own independent decision at a certain level by requiring the Board approval for certain such transactions depending on the conditions.

- (4) Status of Achieving a Certain Degree of Independence from Parent Company, etc.

While the Company is planning to perform its business under close cooperative relationship with the parent company group, the Company has 1 Outside Directors who are appointed as the Independent Directors under the rules of the stock exchange, and is in the status where varieties of opinion can be reflected in discussions in the Board of Directors meetings.

As explained above, although there are some matters on which we consult with Valeo, such consultation is for the purpose of more effective coordination with the parent company. In this relation, final judgement is made under the approval criteria of the Company and discussion by Outside Directors & Corporate Auditors meetings consisting of 3, 2 Independent Corporate Auditors and 1 Outside Directors and the Company believes that, by respecting the opinions from those Independent Directors/Corporate Auditors, independency is secured.

4. Matters on Transactions with Parent Company, etc.

The Company is borrowing money from the parent company group.

The amount of borrowing from the parent company group: 2.4 Billion Yen (3.7 Billion Yen borrowing in the previous year)

Although the Company borrows money from the parent company group, the interest rate was determined in the same way as the arm's length transactions considering the market rate, and thus the Company considers that such borrowing does not affect the independency of the Company.

End