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Securities code: 4323
June 10, 2024

To Shareholders with Voting Rights:

HIRABAYASHI Takeaki
President
Japan System Techniques Co., Ltd.
2-3-18 Nakanoshima, Kita-ku,
Osaka-shi, Osaka

**NOTICE OF
THE 52nd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 52nd Annual General Meeting of Shareholders of Japan System Techniques Co., Ltd. (the “Company”) will be held as described below.

In convening this meeting, the Company is taking measures for electronic provision and has posted electronic provision measures matters as “Notice of the 52nd Annual General Meeting of Shareholders” on the following website.

Company website: <https://www.jast.jp/en/ir/library/meeting/>

In addition, the information is posted on the following website. To view it, access the website at the following URL, enter the Company’s name or securities code to perform a search, select “Basic information” and then “Documents for public inspection/PR information.”

Tokyo Stock Exchange website:
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are not attending the meeting in person, please review the Reference Documents for the General Meeting of Shareholders included in the electronic provision measures matters, and exercise your voting rights in accordance with the “Guide to Exercising Voting Rights” below (in the Japanese version only) by no later than 5:30 p.m. Japan time on Monday, June 24, 2024.

- 1. Date and Time:** Tuesday, June 25, 2024 at 10:00 a.m. Japan time
(Reception starts at 9:00 a.m.)
- 2. Place:** Conference room, Nakanoshima Festival Tower 29F
2-3-18 Nakanoshima, Kita-ku, Osaka-shi, Osaka
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and the Consolidated Financial Statements for the Company's 52nd fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
 2. The Non-consolidated Financial Statements for the Company's 52nd fiscal year (from April 1, 2023 to March 31, 2024)
- Proposals to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation (1)
- Proposal 2:** Partial Amendments to the Articles of Incorporation (2)
- Proposal 3:** Election of Eight (8) Directors (excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 4:** Election of Three (3) Directors Who Are Audit & Supervisory Committee Members
- Proposal 5:** Election of One (1) Substitute Director Who Are Audit & Supervisory Committee Member
- Proposal 6:** Determination of the Amount of Remuneration, etc., for Directors (excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 7:** Determination of the Amount of Remuneration, etc., for Directors Who Are Audit & Supervisory Committee Members
- Proposal 8:** Establishment of the Remuneration Limit Related to the Performance-linked Stock Remuneration Plan for Directors

- Any changes made to the electronic provision measures matters will be notified on the websites they are posted on.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation (1)

1. Reasons for amendments

- (1) The Company would like to make a transition from a company with Audit & Supervisory Board to a company with Audit & Supervisory Committee in order to realize highly transparent management and build a system that can more accurately meet the expectations of stakeholders in Japan and overseas, as well as to further speed up decision-making and execution of management under the appropriate supervision of the Board of Directors. Accordingly, the Company proposes to make amendments, including the establishment of new provisions regarding Directors who are Audit & Supervisory Committee Members and the Audit & Supervisory Committee, and the deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board.
- (2) For the purpose of continuing to recruit skillful human resources as Directors, the Company proposes to amend the provision in Paragraph 2 of Article 27 (Exemption of Directors from Liability) of the current Articles of Incorporation so that it can enter into liability limitation agreements with Directors who are not Executive Directors, etc. The consent of each Audit & Supervisory Board Member has been obtained with regard to this amendment.
- (3) In addition, the Company proposes to make other necessary amendments, such as amending the wording and changing the number of Articles.

2. Details of amendments to the Articles of Incorporation

The details of the amendments are as shown below. The amendments to the Articles of Incorporation in this proposal shall become effective at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>CHAPTER I. General Provisions</p> <p>Articles 1 to 3 <Omitted> (Organs)</p> <p>Article 4 In addition to the General Meeting of Shareholders and Directors, the Company shall have the following organs:</p> <p>(1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Independent Auditor</p> <p>Articles 5 to 16 <Omitted></p> <p>CHAPTER IV. Directors and the Board of Directors (Number of Directors)</p> <p>Article 17 The Company shall have no more than ten (10) Directors.</p> <p><Newly established></p>	<p>CHAPTER I. General Provisions</p> <p>Articles 1 to 3 <Unchanged> (Organs)</p> <p>Article 4 In addition to the General Meeting of Shareholders and Directors, the Company shall have the following organs:</p> <p>(1) Board of Directors (2) <u>Audit & Supervisory Committee</u> <Deleted> (3) Independent Auditor</p> <p>Articles 5 to 16 <Unchanged></p> <p>CHAPTER IV. Directors and the Board of Directors (Number of Directors)</p> <p>Article 17 The Company shall have no more than ten (10) Directors (<u>excluding Directors who are Audit & Supervisory Committee Members</u>).</p> <p><u>2 The Company shall have no more than five (5) Directors who are Audit & Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Election)</p> <p>Article 18 Directors shall be elected at the General Meeting of Shareholders.</p> <p>2 A resolution for the election of Directors shall require the presence of shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights, and it shall be passed by a majority of voting rights of shareholders present at the meeting.</p> <p>3 Election of Directors shall not be by cumulative voting.</p>	<p>(Election)</p> <p>Article 18 Directors shall be elected at the General Meeting of Shareholders by <u>distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.</u></p> <p>2 A resolution for the election of Directors shall require the presence of shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights, and it shall be passed by a majority of voting rights of shareholders present at the meeting.</p> <p>3 Election of Directors shall not be by cumulative voting.</p>
<p>Article 19 <Omitted></p>	<p>Article 19 <Unchanged></p>
<p>(Term of Office)</p> <p>Article 20 The term of office of a Director shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within one (1) year from his/her election to office.</p> <p style="text-align: center;"><Newly established></p> <p style="text-align: center;"><Newly established></p> <p style="text-align: center;"><Newly established></p>	<p>(Term of Office)</p> <p>Article 20 The term of office of a Director <u>(excluding a Director who is Audit & Supervisory Committee Member)</u> shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within one (1) year from his/her election to office.</p> <p>2 <u>The term of office of a Director who is Audit & Supervisory Committee Member shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within two (2) years from his/her election to office.</u></p> <p>3 <u>The term of office of a Director who is Audit & Supervisory Committee Member elected as a substitute for a Director who is Audit & Supervisory Committee Member who retired prior to the expiration of his/her term of office shall be the same as the remaining term of office of the retired Director who is Audit & Supervisory Committee Member.</u></p> <p>4 <u>The effective period of a resolution to elect a substitute Director who is Audit & Supervisory Committee Member elected pursuant to Article 329, Paragraph 3 of the Companies Act shall expire at the commencement of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within two (2) years from his/her election.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Representative Directors and Directors with Special Titles)</p> <p>Article 21 The Board of Directors shall elect Representative Director(s) by resolution.</p> <p>2 The Board of Directors may appoint one (1) Director and President, as well as several Senior Executive Directors and Executive Directors, respectively, by resolution.</p> <p>(Remuneration, etc.)</p> <p>Article 22 Remuneration, bonuses and other property benefits to be received by Directors from the Company as consideration for the execution of their duties (hereinafter referred to as “Remuneration, etc.”) shall be determined by resolution of a General Meeting of Shareholders.</p> <p>(Convocation Notice for Board of Directors Meetings)</p> <p>Article 23 Notice of convocation of a meeting of the Board of Directors shall be sent to each Director <u>and Audit & Supervisory Board Member</u> at least three (3) days prior to the meeting. However, in the event of urgent necessity, such period may be shortened.</p> <p>2 If the consent of all Directors <u>and Audit & Supervisory Board Members</u> is obtained, a meeting of the Board of Directors may be held without following the procedures for convocation.</p> <p>Article 24 <Omitted></p>	<p>(Representative Directors and Directors with Special Titles)</p> <p>Article 21 The Board of Directors shall elect Representative Director(s) <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u> by resolution.</p> <p>2 The Board of Directors may appoint one (1) Director and President, as well as several Senior Executive Directors and Executive Directors, respectively, by resolution, <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u>.</p> <p>(Remuneration, etc.)</p> <p>Article 22 Remuneration, bonuses and other property benefits to be received by Directors from the Company as consideration for the execution of their duties shall be determined by resolution of a General Meeting of Shareholders, <u>by distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.</u></p> <p>(Convocation Notice for Board of Directors Meetings)</p> <p>Article 23 Notice of convocation of a meeting of the Board of Directors shall be sent to each Director at least three (3) days prior to the meeting. However, in the event of urgent necessity, such period may be shortened.</p> <p>2 If the consent of all Directors is obtained, a meeting of the Board of Directors may be held without following the procedures for convocation.</p> <p>Article 24 <Unchanged></p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="363 208 603 237" style="text-align: center;"><Newly established></p> <p data-bbox="188 562 512 591">Articles <u>25</u> to <u>26</u> <Omitted></p> <p data-bbox="188 629 644 658">(Exemption of Directors from Liability)</p> <p data-bbox="188 658 778 1106">Article <u>27</u> The Company may, by resolution of the Board of Directors, exempt a Director (including a person who was a Director) from liability under Article 426, Paragraph 1 of the Companies Act, <u>within the limits set by laws and regulations, if the Director has acted in good faith and without gross negligence, and the Company deems it particularly necessary in consideration of the details of the facts that caused the liability, the status of the execution of duties by the Director, and other circumstances.</u></p> <p data-bbox="264 1106 778 1554">2 The Company may enter into an agreement under which it assumes liability, up to the amount specified by laws and regulations, with an External Director regarding his or her liability under Article 427, Paragraph 1 of the Companies Act, <u>if the External Director has acted in good faith and without gross negligence, and the Company deems it particularly necessary in consideration of the details of the facts that caused the liability, the status of the execution of duties by the Director, and other circumstances.</u></p>	<p data-bbox="807 208 1362 271"><u>(Delegation of Decisions on Important Business Execution)</u></p> <p data-bbox="807 271 1406 528">Article <u>25</u> Pursuant to the provision of Article 399-13, Paragraph 6 of the Companies Act, <u>the Company may delegate all or part of decisions on the execution of important business operations (excluding matters set forth in each item of Paragraph 5 of the same Article) to Directors by a resolution of the Board of Directors.</u></p> <p data-bbox="807 562 1166 591">Articles <u>26</u> to <u>27</u> <Unchanged></p> <p data-bbox="807 629 1262 658">(Exemption of Directors from Liability)</p> <p data-bbox="807 658 1401 943">Article <u>28</u> Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a Director (including a person who was a Director) from liability <u>for damages arising from negligence in the performance of their duties, to the extent permitted by laws and regulations.</u></p> <p data-bbox="884 1106 1401 1458">2 Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with Directors (excluding Executive Directors, etc.) to limit their liability for damages arising from negligence in the performance of their duties. <u>However, the maximum amount of liability pursuant to the agreement shall be the amount stipulated by laws and regulations.</u></p>

Current Articles of Incorporation	Proposed Amendments
<u>CHAPTER V. Audit & Supervisory Board Members and the Audit & Supervisory Board</u>	<Deleted>
<u>(Number of Audit & Supervisory Board Members)</u>	<Deleted>
<u>Article 28 The Company shall have no more than five (5) Audit & Supervisory Board Members.</u>	
<u>(Election)</u>	<Deleted>
<u>Article 29 Audit & Supervisory Board Members shall be elected at the General Meeting of Shareholders.</u>	
<u>2 A resolution for the election of Audit & Supervisory Board Members shall require the presence of shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights, and it shall be passed by a majority of voting rights of shareholders present at the meeting.</u>	
<u>(Term of Office)</u>	<Deleted>
<u>Article 30 The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from his/her election to office.</u>	
<u>2 The term of office of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who retired prior to the expiration of his/her term of office shall be the same as the remaining term of office of the retired Audit & Supervisory Board Member.</u>	
<u>(Effect of Resolution on Election of Substitute Audit & Supervisory Board Member)</u>	<Deleted>
<u>Article 31 The effect of resolution on election of a substitute Audit & Supervisory Board Member shall expire at the commencement of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from his/her election to office.</u>	
<u>(Full-time Audit & Supervisory Board Members)</u>	<Deleted>
<u>Article 32 The Audit & Supervisory Board shall elect full-time Audit & Supervisory Board Members by resolution.</u>	

Current Articles of Incorporation	Proposed Amendments
<p><u>(Remuneration, etc.)</u> <u>Article 33 Remuneration, etc., for Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.</u></p>	<p><Deleted></p>
<p><u>(Convocation Notice for Audit & Supervisory Board Meetings)</u> <u>Article 34 Notice of convocation of a meeting of the Audit & Supervisory Board shall be sent to each Audit & Supervisory Board Member at least three (3) days prior to the meeting. However, in the event of urgent necessity, such period may be shortened.</u> <u>2 If the consent of all Audit & Supervisory Board Members is obtained, a meeting of the Audit & Supervisory Board may be held without following the procedures for convocation.</u></p>	<p><Deleted></p>
<p><u>(Audit & Supervisory Board Regulations)</u> <u>Article 35 In addition to laws and regulations and these Articles of Incorporation, matters concerning the Audit & Supervisory Board shall be governed by the Audit & Supervisory Board Regulations established by the Audit & Supervisory Board.</u></p>	<p><Deleted></p>
<p><u>(Exemption of Audit & Supervisory Board Members from Liability)</u> <u>Article 36 The Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) from liability under Article 426, Paragraph 1 of the Companies Act, within the limits set by laws and regulations, if the Audit & Supervisory Board Member has acted in good faith and without gross negligence, and the Company deems it particularly necessary in consideration of the details of the facts that caused the liability, the status of the execution of duties by the Audit & Supervisory Board Member, and other circumstances.</u></p>	<p><Deleted></p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="268 210 782 752"> <u>2 The Company may enter into an agreement under which it assumes liability, up to the amount specified by laws and regulations, with an External Audit & Supervisory Board Member regarding his or her liability under Article 427, Paragraph 1 of the Companies Act, if the External Audit & Supervisory Board Member has acted in good faith and without gross negligence, and the Company deems it particularly necessary in consideration of the details of the facts that caused the liability, the status of the execution of duties by the External Audit & Supervisory Board Member, and other circumstances.</u> </p> <p data-bbox="363 786 608 853"> <Newly established> <Newly established> </p> <p data-bbox="363 981 608 1014"> <Newly established> </p> <p data-bbox="363 1496 608 1529"> <Newly established> </p>	<p data-bbox="807 786 1377 882"> <u>CHAPTER V. Audit & Supervisory Committee (Full-time Audit & Supervisory Committee Members)</u> </p> <p data-bbox="807 887 1406 1043"> <u>Article 29 The Audit & Supervisory Committee may elect full-time Audit & Supervisory Committee Members by resolution. (Convocation Notice for Audit & Supervisory Committee Meetings)</u> </p> <p data-bbox="807 1048 1406 1267"> <u>Article 30 Notice of convocation of a meeting of the Audit & Supervisory Committee shall be sent to each Audit & Supervisory Committee Member at least three (3) days prior to the meeting. However, in the event of urgent necessity, such period may be shortened.</u> </p> <p data-bbox="887 1272 1377 1462"> <u>2 If the consent of all Audit & Supervisory Committee Members is obtained, a meeting of the Audit & Supervisory Committee may be held without following the procedures for convocation.</u> </p> <p data-bbox="807 1496 1270 1529"> <u>(Audit & Supervisory Committee Rules)</u> </p> <p data-bbox="807 1534 1406 1749"> <u>Article 31 In addition to laws and regulations and these Articles of Incorporation, matters concerning the Audit & Supervisory Committee shall be governed by the Audit & Supervisory Committee Rules established by the Audit & Supervisory Committee.</u> </p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="188 208 643 271">CHAPTER VI. Accounting Articles <u>37</u> to <u>40</u> <Omitted></p> <p data-bbox="363 304 608 338"><Newly established></p>	<p data-bbox="810 208 1265 271">CHAPTER VI. Accounting Articles <u>32</u> to <u>35</u> <Unchanged></p> <p data-bbox="810 304 1409 913"> <u>Supplementary Provisions</u> <u>(Transitional Measures for Exemption of Audit & Supervisory Board Members from Liability)</u> <u>Article 1 Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) from liability for damages arising from negligence in the performance of their duties, to the extent permitted by laws and regulations, with respect to any acts undertaken prior to the effective time of the partial amendments to the Articles of Incorporation approved at the 52nd Annual General Meeting of Shareholders.</u> </p>

Proposal 2: Partial Amendments to the Articles of Incorporation (2)

1. Reasons for amendments

In line with the enforcement of the “Act for Partial Amendment of the Act on Strengthening Industrial Competitiveness, etc.” (Act No. 70 of 2021), it has become possible to hold a General Meeting of Shareholders without a designated location by the Articles of Incorporation (a General Meeting of Shareholders in which shareholders attend via the Internet, etc. without establishing a physical venue, so-called “virtual-only General Meeting of Shareholders”). Taking into consideration the occurrence of large-scale disasters including unexpected infectious diseases and natural disasters, as well as the progress of digitalization of society as a whole, the Company believes that it will contribute to the interests of shareholders to expand the method of holding the General Meeting of Shareholders that can be chosen, and therefore proposes to add Article 11, Paragraph 2 to the current Articles of Incorporation. The Board of Directors will decide on the method of holding the General Meeting of Shareholders after careful consideration, taking into consideration the social circumstances of the time, as well as consideration for securing the interests and rights of shareholders. In making the amendment, the Company has received the confirmation by the Minister of Economy, Trade and Industry and the Minister of Justice to the effect that the amendment satisfies the requirements provided for by the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice as they contribute to strengthening industrial competitiveness while taking into consideration the interests of shareholders.

2. Details of amendments to the Articles of Incorporation

The details of the amendments are as shown below. The amendments to the Articles of Incorporation in this proposal shall become effective at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
CHAPTER III. General Meeting of Shareholders (Convocation) Article 11 <Omitted> <Newly established>	CHAPTER III. General Meeting of Shareholders (Convocation) Article 11 <Unchanged> <u>2 The Company may designate a General Meeting of Shareholders as a General Meeting of Shareholders without a designated location.</u>

Proposal 3: Election of Eight (8) Directors (excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved as originally proposed, the Company will become a company with an Audit & Supervisory Committee, and all of the ten (10) Directors will retire due to the expiration of their terms of office when the amendments to the Articles of Incorporation become effective. The Company therefore requests the election of eight (8) Directors (excluding Directors who are Audit & Supervisory Committee Members; hereinafter the same shall apply in this proposal) (of which, three (3) are External Directors) after the transition to a company with an Audit & Supervisory Committee.

The Company has established a voluntary Nomination and Remuneration Committee which is chaired by an independent External Director and consists of at least half of the members who are independent External Directors, with the aim of strengthening the fairness, transparency, and objectivity of the procedures related to nomination, remuneration, etc. of Directors and further enhancing corporate governance. Candidates have been selected upon deliberation and report by said committee.


This proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal 1: Partial Amendments to the Articles of Incorporation (1) becoming effective.


The Director candidates are as follows:


No.	Name	Gender	Current positions at the Company	Attribute	Attendance at the Board of Directors meetings
1	HIRABAYASHI Takeaki [Reappointment]	Male	President		14/14 (100%)
2	BAN Hiroaki [Reappointment]	Male	Director Vice President		14/14 (100%)
3	TSUCHIYA Yuji [Reappointment]	Male	Director Executive Officer		14/14 (100%)
4	MUGURUMA Chiharu [Reappointment]	Male	Director Executive Officer		14/14 (100%)
5	HIRABAYASHI Taku [Reappointment]	Male	Director Senior Officer		12/12 (100%)
6	HOSOE Yutaka [Reappointment]	Male	External Director	[External] [Independent]	13/14 (92%)
7	AKIBA Toshiyuki [Reappointment]	Male	External Director	[External] [Independent]	14/14 (100%)
8	GAO Yongdong [New candidate]	Male	—	[External]	—


- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has concluded agreements with Mr. HOSOE Yutaka and Mr. AKIBA Toshiyuki limiting liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act. The limit of the amount of liability for damages under the agreements shall be the amount stipulated by laws and regulations. If they are reelected, the Company plans to continue the agreements with them. In addition, if the election of Mr. GAO Yongdong is approved, the Company plans to enter into a similar liability limitation agreement with him.
 3. The directors and officers liability insurance contract is as described in “Outline of Contents of Directors and Officers Liability Insurance Contract” in the Business Report. If each candidate is elected, they will be included in the insured persons of this contract.


4. The Company has provided notification that Mr. HOSOE Yutaka and Mr. AKIBA Toshiyuki are Independent Directors in accordance with the regulations of the Tokyo Stock Exchange. If they are reelected, the Company plans that they remain an Independent Director.


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 <p>HIRABAYASHI Takeaki (April 23, 1938)</p> <p>[Reappointment]</p> <p>Number of years served as Director: 52 years (at the conclusion of this meeting)</p>	<p>March 1973 Established the Company, Representative Director April 2005 President and CEO June 2020 President (current position)</p> <p>[Significant concurrent positions] Representative Director, Just Co., Ltd.</p>	388,000
<p>[Reason for nomination as candidate for Director] Having led the Company's group in making important management decisions, etc. as Representative Director since the Company's establishment, Mr. HIRABAYASHI Takeaki has strived to ensure understanding and acceptance of values by executing management philosophy and to lay the groundwork for growth. As he has thus played important roles as a Director, the Company has renominated him as a candidate for Director.</p>			


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	 BAN Hiroaki (January 13, 1961) [Reappointment] Number of years served as Director: 12 years (at the conclusion of this meeting)	January 1981 Joined the Company June 2012 Director in Charge of Tokyo Software; and General Manager, Eastern Japan Software Division, the Company June 2019 Executive Director in Charge of Eastern Japan Region, Medical Big Data Business, and Tokyo New Business Promotion, the Company June 2021 Senior Executive Director in Charge of Eastern Japan Region, Medical Big Data Business, Tokyo New Business Promotion, and Global Business, the Company April 2024 Vice President in Charge of Medical Big Data Business, Tokyo New Business Promotion, Global Business, and Staff Department, the Company (current position) [Significant concurrent positions] Director, JAST Asia Pacific Co., Ltd. Director, Virtual Calibre SDN. BHD. Director, Virtual Calibre MSC SDN. BHD.	84,000
[Reason for nomination as candidate for Director] Since his appointment as a Director in 2012, Mr. BAN Hiroaki has played important roles, including executing business and making management decisions/supervising management, as a Director in charge of the Eastern Japan Region and Medical Big Data Business, and since he was appointed as a Vice President in 2024, he has led the management of the group. In light of his experience and achievements, the Company has renominated him as a candidate for Director.			


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 <p data-bbox="229 600 430 672">TSUCHIYA Yuji (June 8, 1962)</p> <p data-bbox="229 705 426 741">[Reappointment]</p> <p data-bbox="193 786 466 913">Number of years served as Director: 8 years (at the conclusion of this meeting)</p>	<p data-bbox="491 275 927 311">March 1983 Joined the Company</p> <p data-bbox="491 315 1219 376">June 2016 Director in Charge of GAKUEN Business, the Company</p> <p data-bbox="491 380 1227 539">April 2024 Director and Executive Officer in Charge of GAKUEN Business, New Business Promotion, BankNeo Business, and Western Japan System Integration Business, the Company (current position)</p> <p data-bbox="491 544 1227 607">[Significant concurrent positions] Chairperson, Shanghai Jiafeng Information Technology Co., Ltd.</p>	71,400
<p data-bbox="193 925 759 960">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 965 1465 1144">Since his appointment as a Director in 2016, Mr. TSUCHIYA Yuji has played important roles, including executing business and supporting management decisions, and led the effort to expand the Company's branded products as a Director in charge of GAKUEN Business, BankNeo Business, and system integration business in western Japan. As he has strived to enhance the corporate value of the Company's group, the Company has renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	 MUGURUMA Chiharu (October 22, 1964) [Reappointment] Number of years served as Director: 5 years (at the conclusion of this meeting)	April 1988 Joined the Company June 2019 Director in Charge of Eastern Japan System Integration Business, the Company April 2023 Director in Charge of Eastern Japan System Integration Business; Digital Transformation Promotion; and General Manager, ASEAN Business Division, the Company April 2024 Director and Executive Officer in charge of Corporate Department, General Manager, Management Planning Department, the Company (current position)	36,600
[Reason for nomination as candidate for Director] Since his appointment as a Director in 2019, Mr. MUGURUMA Chiharu has played important roles as a Director in charge of the Company's system integration business in eastern Japan and, in Global Business, led the improvement of corporate value of subsidiaries in the Association of Southeast Asian Nations region, and since 2024, strived to play an important role including management decision-making and supervision in charge of Corporate Department. Accordingly, the Company has renominated him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 HIRABAYASHI Taku (June 7, 1969) [Reappointment] Number of years served as Director: 1 year (at the conclusion of this meeting)	April 1998 Joined the Company June 2023 Director in Charge of Management Planning & Business Administration; and General Manager, Management Planning Department, the Company April 2024 Director and Senior Officer in charge of Finance & IR, the Company (current position)	557,280
<p>[Reason for nomination as candidate for Director]</p> <p>Since his appointment as a Director in 2023, Mr. HIRABAYASHI Taku has executed his duties in the management planning and administrative departments. The Company has judged that he is an essential person, taking charge of finance and IR from 2024, for further improving the effectiveness of decision-making and supervisory functions for the Company to achieve sustainable growth and medium- to long-term corporate value. Accordingly, the Company has renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	 <p>HOSOE Yutaka (August 16, 1959)</p> <p>[Reappointment] [External] [Independent]</p> <p>Number of years served as Director: 7 years (at the conclusion of this meeting)</p>	<p>April 1983 Joined Toyota Industries Corporation</p> <p>June 2004 Director/Consultant, Admix Partners YK (current position)</p> <p>April 2007 President, BNI Systems Corp.</p> <p>July 2011 Executive Vice-President, NTT Data China Outsourcing Co., Ltd.</p> <p>July 2014 Chief Executive Officer, Innovative Solutions Inc. (current position)</p> <p>June 2017 External Director, the Company (current position)</p> <p>[Significant concurrent positions] Director/Consultant, Admix Partners YK Chief Executive Officer, Innovative Solutions Inc.</p>	0
<p>[Reason for nomination as candidate for External Director and a description of the expected roles] Mr. HOSOE Yutaka has abundant experience and a broad range of knowledge in the leading-edge IT consulting business and business model reconstruction, including global business, and the Company expects him to continue to leverage his abilities to provide supervision and advice, particularly from the managerial perspective, concerning the execution of duties by Directors in each business of the Company's group; thus, the Company has renominated him as a candidate for External Director. In addition, as Chairperson of the voluntary Nomination and Remuneration Committee, he has led its discussions in an objective manner from an independent standpoint and played an important role in providing recommendations to the Board of Directors. The period for which Mr. HOSOE Yutaka has served as an External Director for the Company will be seven (7) years at the conclusion of this meeting.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	 <p>AKIBA Toshiyuki (June 18, 1956)</p> <p>[Reappointment] [External] [Independent]</p> <p>Number of years served as Director: 3 years (at the conclusion of this meeting)</p>	<p>April 1980 Joined Canon Sales Co., Inc. (now Canon Marketing Japan Inc.)</p> <p>March 2004 President, Canon Supercomputing S.I. Inc.; and President, Canon Solutions Service Inc., a subsidiary of Canon Supercomputing S.I. Inc. (serving concurrently)</p> <p>January 2012 Director (part-time), Canon BizAttenda Inc. Director (part-time), Qualysite Technologies Inc.</p> <p>July 2013 Director, Ftime Corporation</p> <p>June 2015 Managing Director, Ftime Corporation</p> <p>June 2021 External Director, the Company (current position)</p>	0
<p>[Reason for nomination as candidate for External Director and a description of the expected roles]</p> <p>Having held multiple important positions including Representative Director at other companies, Mr. AKIBA Toshiyuki has a large network of contacts including IT vendors, abundant experience, and a broad range of knowledge in the information and communication industry, and the Company expects him to leverage his abilities to provide supervision and advice, particularly from the expert viewpoint, concerning the execution of duties by Directors in business expansion and in the creation of growth opportunities including new customer acquisition and alliance expansion; thus, the Company has renominated him as a candidate for External Director. In addition, as a member the voluntary Nomination and Remuneration Committee, he has played an important role for the committee to formulate recommendations to the Board of Directors by offering objective opinions from an independent standpoint. The period for which Mr. AKIBA Toshiyuki has served as an External Director for the Company will be three (3) years at the conclusion of this meeting.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	 <p>GAO Yongdong (November 14, 1964)</p> <p>[New candidate] [External]</p> <p>Number of years served as Director: – years (at the conclusion of this meeting)</p>	<p>August 1998 Participated in establishment of BNIS Co., Ltd., Director and Vice President</p> <p>December 2002 Vice Chairman and General Manager, Wuxi Huaxia Computer Technology Co., Ltd.</p> <p>April 2011 Vice Chairman and General Manager, Wuxi NTT DATA Co., Ltd.</p> <p>January 2013 Chairman, Wuxi NTT DATA Co., Ltd.</p> <p>January 2015 President, NTT DATA (China) Information Technology Co., Ltd.</p> <p>June 2017 Chairman and President, NTT DATA (China) Information Technology Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Chairman and President, NTT DATA (China) Information Technology Co., Ltd. Director (part-time), NTT DATA (China) Investment Co., Ltd. Director (part-time), NTT DATA (China) Co., Ltd. Director (part-time), NTT DATA Information Technology Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for External Director and a description of the expected roles]</p> <p>Mr. GAO Yongdong has accumulated abundant experience in the IT industry, including important positions at a major Japanese SI group company, and the Company expects that he will provide supervision, advice, etc., on the execution of duties by Directors from the expert viewpoint; thus, the Company has nominated him as a candidate for External Director. In addition, he is a foreign national with a wealth of business experience in China, and the Company has judged that he can be expected to strengthen the functions of the Board of Directors of the Company by pointing out and making proposals on issues related to the overall management of the Company based on his global insight.</p>			

Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members


If Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved as originally proposed, the Company will become a company with an Audit & Supervisory Committee. Accordingly, the election of three (3) Directors who are Audit & Supervisory Committee Members is proposed.

We note that the Company has obtained consent from the Audit & Supervisory Board about this proposal.


This proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal 1: Partial Amendments to the Articles of Incorporation (1) becoming effective. The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name	Gender	Current positions at the Company	Attendance at the Board of Directors meetings
1	YABUSHITA Masami [New candidate]	Male	Full-time Audit & Supervisory Board Member	12/12 (100%)
2	MOGAMI Jiro [New candidate]	Male	External Audit & Supervisory Board Member [External] [Independent]	14/14 (100%)
3	MACHIDA Misa [New candidate]	Female	– [External] [Independent]	–

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. In accordance with its Articles of Incorporation, the Company has concluded an agreement with Mr. MOGAMI Jiro limiting liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act. The limit of the amount of liability for damages under the agreement shall be the amount stipulated by laws and regulations. If each candidate is elected, the Company plans to enter into the agreement with them.
 3. The directors and officers liability insurance is as described in “Outline of Contents of Directors and Officers Liability Insurance Contract” in the Business Report. If each candidate is elected, they will be included in the insured persons of this contract.
 4. The Company has provided notification that Mr. MOGAMI Jiro is an Independent Director in accordance with the regulations of the Tokyo Stock Exchange. If he is elected, the Company plans that he remains an Independent Director. In addition, Ms. MACHIDA Misa satisfies the requirements for Independent Directors. If her election is approved, the Company will register her as an Independent Director with the Tokyo Stock Exchange.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 YABUSHITA Masami (June 3, 1965) [New candidate]	April 1989 Joined the Company April 2014 General Manager, Logistics Business Division, the Company April 2015 General Manager, Western Japan System Integration Business Division 2, the Company June 2023 Full-time Audit & Supervisory Board Member, the Company (current position)	7,600
<p>[Reason for nomination as candidate for Director who is Audit & Supervisory Committee Member]</p> <p>Mr. YABUSHITA Masami has an outstanding personality and high ethical standards. As he is expected to conduct highly effective audits by leveraging the high level of expertise based his experience of working in the Company's software business in western Japan for many years, he was appointed as a full-time Audit & Supervisory Board Member of the Company in 2023. Based on his experience and achievements, the Company judged that he continues to be an indispensable person for ensuring that performance of duties by the Company's Directors is audited accurately and fairly. Accordingly, the Company has nominated him as a candidate for Director who is Audit & Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	 <p>MOGAMI Jiro (August 2, 1978)</p> <p>[New candidate] [External] [Independent]</p>	<p>November 2007 Joined LEGAL PROFESSIONAL CORPORATION HONRYU</p> <p>February 2011 Joined Yamashita Kawazoe Law Office</p> <p>July 2013 Joined the Kanon Law Office (current position)</p> <p>June 2014 External Audit & Supervisory Board Member, the Company (current position)</p> <p>[Significant concurrent positions] Representative member and attorney, Kanon Law Office</p>	0
<p>[Reason for nomination as candidate for External Director who is Audit & Supervisory Committee Member and overview of the expected roles]</p> <p>Mr. MOGAMI Jiro was appointed as an External Audit & Supervisory Board Member of the Company in 2014 as a person suitable for a position to monitor management of the Company based on his abundant experience as an attorney. The Company has nominated him as a candidate for External Director who is Audit & Supervisory Committee Member because the Company expects that he will perform audits, supervision, etc. based on his abundant legal knowledge as the Company strengthens a system to realize more transparent management and more accurately meet the expectations of stakeholders in Japan and overseas. The Company notes that, although Mr. MOGAMI does not have the experience of being directly involved in the management of a company, the Company judged that he will be able to appropriately perform the duty as a Director who is Audit & Supervisory Committee Member of the Company, because of the above reason. In addition, as a member the voluntary Nomination and Remuneration Committee, he has offered objective opinions from an independent standpoint at its meetings and played an important role in providing recommendations to the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 <p>MACHIDA Misa (October 11, 1978)</p> <p>[New candidate] [External] [Independent]</p>	<p>October 2003 Joined Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>June 2007 Established Machida Accounting Office (current position)</p> <p>November 2019 External Director, ING Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Representative, Machida Accounting Office External Director, ING Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for External Director who is Audit & Supervisory Committee Member and overview of the expected roles]</p> <p>In consideration of the skills, etc. that the Company's Board of Directors should have, the Company expects that Ms. MACHIDA Misa will be able to utilize her knowledge related to accounting and tax affairs in general from the expert viewpoint as a certified public accountant and certified public tax accountant in the auditing system of the Company. In addition, she has high ethical standards and a high degree of sympathy for the Company's management philosophy. Therefore, the Company expects that she will be able to utilize her knowledge at the Company's Board of Directors meetings, and accordingly, has nominated her as a candidate for External Director who is Audit & Supervisory Committee Member. The Company notes that, although Ms. MACHIDA does not have the experience of being directly involved in the management of a company, the Company judged that she will be able to appropriately perform the duty as a Director who is Audit & Supervisory Committee Member of the Company, because of the above reason.</p>			

Proposal 5: Election of One (1) Substitute Director who is Audit & Supervisory Committee Member

If Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved as originally proposed, the Company will become a company with an Audit & Supervisory Committee. Accordingly, the election of one (1) substitute Director who is Audit & Supervisory Committee Member is proposed, to prepare for a case of a shortfall in the number of Directors who are Audit & Supervisory Committee Members prescribed by laws and regulations.

The effectiveness of the election may be cancelled by resolution of the Board of Directors, with the consent of the Audit & Supervisory Committee, provided it is prior to the candidate’s assumption of office.

In addition, we note that the Company has obtained consent from the Audit & Supervisory Board about this proposal.

This proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal 1: Partial Amendments to the Articles of Incorporation (1) becoming effective.

The candidate for substitute Director who is Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
YAMAMOTO Keizo (February 3, 1970)	April 1993 Joined MITA Industrial Co., Ltd. (now KYOCERA Document Solutions Inc.) October 1997 Joined the Osaka office of Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC) August 2001 Joined Idomoto Taiji Tax Accountant Firm (now IDM Tax Accountant Corporation) May 2017 Representative Member, IDM Tax Accountant Corporation (current position) [Significant concurrent positions] Outside Company Auditor, Shibutani Co., Ltd. Outside Director, Nippo Co., Ltd.	0

[Reason for nomination as candidate for substitute External Director who is Audit & Supervisory Committee Member and overview of the expected roles]

Mr. YAMAMOTO Keizo has been nominated as a substitute Director who is Audit & Supervisory Committee Member as he is appropriate to serve as External Director in case the number of Directors who are Audit & Supervisory Committee Members falls short, considering the high level of his expertise on all areas of accounting and taxation, which he developed as a certified public accountant and certified public tax accountant. The Company notes that, although Mr. YAMAMOTO does not have the experience of being directly involved in the management of a company, the Company judged that he will be able to appropriately perform the duty as a Director who is Audit & Supervisory Committee Member of the Company, because of the above reason.

- Notes:
1. There is no special interest between Mr. YAMAMOTO Keizo and the Company.
 2. Mr. YAMAMOTO Keizo is a candidate for substitute External Director who is Audit & Supervisory Committee Member.
 3. In accordance with its Articles of Incorporation, the Company plans to conclude an agreement with Mr. YAMAMOTO Keizo limiting liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act if he takes office as Director who is Audit & Supervisory Committee Member. The limit of the amount of liability for damages under the agreement shall be the amount stipulated by laws and regulations.
 4. The directors and officers liability insurance contract is as described in “Outline of Contents of Directors and Officers Liability Insurance Contract” in the Business Report. If Mr. YAMAMOTO Keizo assumes office as Director who is Audit & Supervisory Committee Member, he will be included in the insured persons of this contract.
 5. In addition, Mr. YAMAMOTO Keizo satisfies the requirements for Independent Directors as prescribed by the Tokyo Stock Exchange. If his election is approved, the Company will register him as an Independent Director with the Tokyo Stock Exchange.

(Reference) Expertise and experience of the Directors (Skill matrix)

Name	Position after the conclusion of the meeting (planned)	Attribute	Expertise and experience					
		Independence	Corporate management	IT DX	Global business	Finance Accounting	Legal affairs Governance	Brand strategy Marketing
HIRABAYASHI Takeaki	Representative Director		●	●	●			●
BAN Hiroaki	Director Vice President		●	●	●			●
TSUCHIYA Yuji	Director Executive Officer		●	●	●			●
MUGURUMA Chiharu	Director Executive Officer		●	●	●			●
HIRABAYASHI Taku	Director Senior Officer		●	●		●		●
HOSOE Yutaka	External Director	●	●	●	●			
AKIBA Toshiyuki	External Director	●	●	●				●
GAO Yongdong	External Director		●	●	●			
YABUSHITA Masami	Director Full-time Audit & Supervisory Committee Member			●				●
MOGAMI Jiro	External Director Audit & Supervisory Committee Member	●	●				●	
MACHIDA Misa	External Director Audit & Supervisory Committee Member	●				●		

Note:

The table above does not represent all the knowledge and experience.

Proposal 6: Determination of the Amount of Remuneration, etc., for Directors (excluding Directors who are Audit & Supervisory Committee Members)

It was resolved at the 36th Annual General Meeting of Shareholders held on June 20, 2008 that the amount of remuneration, etc., for Directors of the Company shall be 300 million yen or less per year (excluding employee salary). However, if Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved as originally proposed, the Company will transition to a company with Audit & Supervisory Committee. Therefore, the Company requests for reapproval to set the amount of remuneration, etc., for Directors (excluding Directors who are Audit & Supervisory Committee Members; hereinafter the same shall apply in this proposal) to 300 million yen or less per year (of which, 30 million yen or less for External Directors) after the transition to a company with Audit & Supervisory Committee, and to leave the determination of the specific amounts for and the timing of payment to each Director, among other things, to the resolution by the Board of Directors. This remuneration, etc. shall not include employee salaries.

The outline of the content of the policy for decisions regarding the details of remuneration, etc. for individual Directors of the Company is as described in “Remuneration, etc. of Directors and Audit & Supervisory Board Members” of the Business Report. However, at the Board of Directors meeting to be held after the conclusion of this General Meeting of Shareholders, it is planned to make a change to the effect that “Directors (excluding Directors who are Audit & Supervisory Committee Members)” shall be substituted for “Directors” for the eligible persons, and thus, there will be no substantial change. The Company has judged that the content of this proposal is appropriate, because it has been determined by the Board of Directors after receiving a report from the voluntary Nomination and Remuneration Committee, in comprehensive consideration of such matters as the business scale, officers’ remuneration system and the level of payment thereunder, the number of incumbent officers and future developments of the Company.

The current number of Directors is ten (10). If Proposal 1: Partial Amendments to the Articles of Incorporation (1) and Proposal 3: Election of Eight (8) Directors (excluding Directors Who Are Audit & Supervisory Committee Members) are approved as originally proposed, the number of Directors will be eight (8) (including three (3) External Directors).

The content of this proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal 1: Partial Amendments to the Articles of Incorporation (1) becoming effective.

Proposal 7: Determination of the Amount of Remuneration, etc., for Directors Who Are Audit & Supervisory Committee Members

If Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, the Company requests for approval to set the amount of remuneration, etc., for Directors who are Audit & Supervisory Committee Members to 60 million yen or less per year after the transition to a company with an Audit & Supervisory Committee, and that the determination of the specific amount for and the timing of payment to each Director who is Audit & Supervisory Committee Member, among other things, shall be made through consultation among Directors who are Audit & Supervisory Committee Members. The Company has judged that the amount of remuneration, etc. in this proposal is appropriate in light of the duties of Directors who are Audit & Supervisory Committee Members.

If Proposal 1: Partial Amendments to the Articles of Incorporation (1) and Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members are approved as originally proposed, the number of Directors who are Audit & Supervisory Committee Members will be three (3).

The content of this proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal 1: Partial Amendments to the Articles of Incorporation (1) becoming effective.

Proposal 8: Establishment of the Remuneration Limit Related to the Performance-linked Stock Remuneration Plan for Directors

1. Reasons for the proposal and reasons why the proposal is reasonable

At the 46th Annual General Meeting of Shareholders of the Company held on June 26, 2018, the introduction of the “Board Benefit Trust (BBT)” stock remuneration plan for Directors (excluding External Directors) (hereinafter referred to as the “Current BBT Plan”) was approved. At the 49th Annual General Meeting of Shareholders held on June 25, 2021, the revision of the Current BBT Plan was approved, and the revision has been in effect to the present (hereinafter, the resolution at the above General Meeting of Shareholders is referred to as the “Original Resolution”).

Subject to the approval and passing of Proposal 1: Partial Amendments to the Articles of Incorporation (1) as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Accordingly, the Company requests for approval to abolish the current remuneration limit for Directors (excluding External Directors) under the Current BBT Plan, and introduce a “Board Benefit Trust-Restricted Stock (BBT-RS)” plan (hereinafter referred to as the “Plan”), which imposes transfer restrictions on shares to be delivered until retirement, in order for Directors (excluding Directors who are Audit & Supervisory Committee Members and External Directors; hereinafter the same shall apply in this proposal, unless otherwise stated) and officers with specific titles (hereinafter collectively referred to as the “Directors, etc.”) to make further efforts to enhance corporate value.

The purpose of this proposal is, as in the case of the Original Resolution, to further clarify the linkage between the remuneration for the Directors, etc. and the business performance and stock value of the Company, and allow Directors, etc. to share the benefit from the stock price hike and the risk of stock price drop with shareholders, so that Directors, etc. have a stronger awareness of contributing to the improvement of the medium- to long-term business performance and an increase in corporate value. The Company believes that the content of this proposal is appropriate because it is consistent with the policy (described below) for the determination regarding the details of remuneration, etc. for individual Directors of the Company resolved at a meeting of the Board of Directors of the Company in the case where this proposal is approved as originally proposed. In addition, the Company has received a report from the voluntary Nomination and Remuneration Committee that the introduction of the Plan is appropriate in view of the purpose of the Plan, the effect of providing incentives for improving medium - to long-term corporate value, etc.

In this proposal, remuneration based on the Plan is to be paid to Directors of the Company separately from the determination of the amount of remuneration, etc., for Directors (excluding Directors who are Audit & Supervisory Committee Members), which has been requested for approval as Proposal 6. Accordingly, the Company requests approval for the specific method of calculating the amount of remuneration, etc., and the specific content thereof. It is also proposed that the details of the Plan be left to the discretion of the Board of Directors, within the limits described in 2. below.

If Proposal 1: Partial Amendments to the Articles of Incorporation (1) and Proposal 3: Election of Eight (8) Directors (excluding Directors Who Are Audit & Supervisory Committee Members) are approved and passed as originally proposed, the number of Directors eligible for the Plan will be five (5).

The resolution of this proposal shall become effective on the condition that Proposal 1: Partial Amendments to the Articles of Incorporation (1) is approved and passed as originally proposed and the partial amendments to the Articles of Incorporation based on the resolution become effective.

2. Specific calculation method and details of the amount of remuneration, etc., pertaining to the Plan

(1) Outline of the Plan

The Plan is a performance-linked stock remuneration plan in which the Company's shares are acquired through a trust using money contributed by the Company (hereinafter, a trust established based on the Plan is referred to as the "Trust"), and the Company's shares and money equivalent to the value of the Company's shares converted at market value (hereinafter, the "Company Shares, etc.") are provided to Directors, etc. through the Trust in accordance with the Regulations on the Provision of Shares to Executives established by the Company. In principle, Directors, etc. shall receive the Company's shares at a certain time every year, and in principle, Directors, etc. shall receive money equivalent to the Company's shares converted at market value at the time of their retirement. In conjunction with the introduction of the Plan, the points already granted to Directors under the Current BBT Plan will be delivered as the Company's Shares, etc. at a time separately determined by the Company after this Annual General Meeting of Shareholders, subject to the approval of this proposal. In the event that Directors, etc. receive the Company's shares during their terms of office, Directors, etc. shall enter into a transfer restriction agreement with the Company prior to the delivery of the Company's shares, as described in 3. below. As a result, the disposal of the Company's shares received by Directors, etc. during their terms of office through transfer, etc. will be restricted until their retirement.

(2) Persons eligible for the Plan

Directors and officers with specific titles

Directors who are Audit & Supervisory Committee Members and External Directors shall not be eligible for the Plan.

(3) Trust period

From December 2018 until the termination of the Trust (No specific termination date is set for the trust period of the Trust, and the Trust shall continue as long as the Plan continues. The Plan shall be terminated due to delisting of the Company's shares, abolition of the Regulations on the Provision of Shares to Executives, etc.)

(4) Amount of trust

Pursuant to the Current BBT Plan, the Company has contributed funds necessary for the Trust to acquire in advance for a certain period the number of shares that are reasonably expected to be necessary for the purpose of delivering the shares, and established the Trust. At the start of the trust period (December 2018), the Company contributed 89,915,000 yen to the Trust as funds for the acquisition of the Company's shares by the Trust, in order to deliver Directors of the Company with the Company's shares for the three fiscal years from the fiscal year ended March 31, 2019 to the fiscal year ended March 31, 2021, within the range approved by the Original Resolution. Subsequently, an additional contribution of 88,000,000 yen was made to the Trust in December 2021. The Trust shall continue to exist as a trust under the Plan based on the resolution of this proposal.

Subject to the approval of this proposal, in order to deliver the Company Shares, etc. to Directors, etc. based on the Plan for the two fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2026 (hereinafter, such two fiscal-year period is referred to as the "Initial Applicable Period," and the period of every three fiscal years starting after the expiration of the Initial Applicable Period is referred to as the "Next and Subsequent Applicable Periods," and the Initial Applicable Period and the Next and Subsequent Applicable Periods are collectively referred to as the "Applicable Periods") and each subsequent Applicable Period, the Company shall contribute the following money to the Trust as funds for the acquisition of the Company's shares by the Trust.

The Company shall make an additional contribution to the Trust in an amount of money expected to be necessary for the Initial Applicable Period. The maximum number of points to be granted to Directors, etc. based on the Plan is 100,000 points for the Initial Applicable Period, as described in (6) below. Therefore, at the time of additional contribution, the Company shall contribute to the Trust funds that are reasonably expected to be necessary to acquire the Company's common stock, with the maximum number of shares to be acquired being 100,000 shares, taking into consideration the closing price of the Company's common stock in regular transactions on the Tokyo Stock Exchange immediately prior to the additional contribution. For your information, the above necessary funds shall be about 169 million yen if the closing price of 1,691 yen as of May 22, 2024 is applied. However, in the case where such additional contribution is made, if there are the Company's shares (excluding the Company's shares equal to the number of points granted to Directors, etc. for which the delivery of shares, etc. to Directors, etc. has not yet been completed) (hereinafter referred to as the "Remaining Shares") and money (hereinafter, together with the Remaining

Shares, referred to as the “Remaining Shares, etc.”) remaining in the Trust immediately prior to the commencement of the Initial Applicable Period, the Remaining Shares, etc. shall be appropriated to the funds for delivery based on the Plan in the Initial Applicable Period, and the amount of additional contribution shall be calculated in consideration of the Remaining Shares, etc. If the Company decides to make an additional contribution, it shall make a timely and appropriate disclosure.

In addition, even after the Initial Applicable Period has passed, for each Next and Subsequent Applicable Period in principle, the Company shall make an additional contribution to the Trust of funds deemed necessary for the Trust to acquire shares in advance by reasonably estimating the number of shares necessary to provide benefits to Directors, etc. based on the Plan, until the termination of the Plan. However, in the case where such additional contribution is made, if there are Remaining Shares, etc., the Remaining Shares, etc. shall be appropriated to the funds for delivery based on the Plan in the subsequent Applicable Periods, and the amount of additional contribution shall be calculated in consideration of the Remaining Shares, etc. If the Company decides to make an additional contribution, it shall make a timely and appropriate disclosure.

(Note) The amount of money actually contributed by the Company to the Trust shall be the sum of the aforementioned funds for acquiring shares and the estimated amount of necessary expenses such as trust fees.

(5) Method of acquisition of the Company’s shares by the Trust and the number of shares to be acquired

The Trust shall acquire the Company’s shares through the stock exchange market or by accepting the disposal of the Company’s treasury shares, using the funds contributed in accordance with (4) above as capital source. The Trust acquired 49,000 shares in December 2018 and 28,800 shares in December 2021.

The maximum number of points to be granted to Directors, etc. is 100,000 points for the Initial Applicable Period and 160,000 points for each Next and Subsequent Applicable Period, as described in (6) below. Therefore, the maximum number of shares of the Company to be acquired by the Trust for the Initial Applicable Period is 100,000 shares, and the maximum number of shares of the Company to be acquired by the Trust for each Next and Subsequent Applicable Period is 160,000 shares. Details of the acquisition of the Company’s shares by the Trust shall be disclosed in a timely and appropriate manner.

(6) Maximum number of the Company Shares, etc., to be delivered to Directors, etc.

For each fiscal year, Directors, etc. shall be granted a number of points determined in consideration of their position, degree of achievement of business performance, etc. in accordance with the Regulations on the Provision of Shares to Executives. The maximum total number of points to be granted to Directors, etc. shall be 100,000 points (of which 88,000 points shall be granted to Directors) for the Initial Applicable Period, and 160,000 points (of which 110,000 points shall be granted to Directors) for each of the Next and Subsequent Applicable Periods. This number was determined by comprehensively taking into consideration the current level of remuneration for officers, trends in the number of Directors, etc., future prospects, and other factors, and is deemed to be appropriate.

One point granted to Directors, etc. shall be converted to one share of common stock of the Company when the Company Shares, etc. are delivered as per (7) below. (However, if the Company’s shares are subject to a share split, gratis allotment of shares, share consolidation, etc. after this proposal is approved, the maximum number of points and the number of points already granted or the conversion ratio shall be reasonably adjusted according to the ratio, etc.).

The ratio of the number of voting rights, 880, associated with the shares corresponding to the maximum number of points to be granted to Directors during the Initial Applicable Period to the number of voting rights, 248,172, associated with the total number of issued shares (as of March 31, 2024) is approximately 0.35%, and the ratio of the number of voting rights, 1,100, associated with the shares corresponding to the maximum number of points to be granted to Directors during each Next and Subsequent Applicable Period to the number of voting rights, 248,172, associated with the total number of issued shares (as of March 31, 2024) is approximately 0.44%.

The number of points held by Directors, etc. which serves as the basis for delivery of the Company Shares, etc. in (7) below shall be, in principle, the number of points granted to the Directors, etc. by the time of determination of beneficial interest stipulated in (7) below (hereinafter, the points calculated in such way shall be referred to as the “Determined Number of Points”).

(7) Delivery of the Company Shares, etc. and the specific method of calculating the amount of remuneration, etc.

Directors, etc. who meet the beneficiary requirements shall, in principle, receive the Company’s shares from the Trust at a certain time every year according to the Determined Number of Points, which is, in principle, determined in accordance with the provisions in (6) above, by following the prescribed

procedures to determine beneficiaries. However, if the requirements set forth in the Regulations on the Provision of Shares to Executives are satisfied, Directors, etc. shall, in principle, receive cash payment equivalent to the market value of the Company's shares at the time of retirement, in lieu of the delivery of the Company's shares, for a certain percentage. The Company's shares may be sold by the Trust in order to provide cash payment.

Furthermore, in the event that Directors, etc. receive the Company's shares during their terms of office, Directors, etc. shall enter into a transfer restriction agreement with the Company prior to the delivery of the Company's shares, as described in 3. below. As a result, the disposal of the Company's shares received by Directors, etc. during their terms of office through transfer, etc. will be restricted until their retirement.

In addition, if a Director, etc., who has been granted points is dismissed by a resolution at the General Meeting of Shareholders or the Board of Directors meeting, retires due to certain illegal acts committed during his or her term of office, or commits an inappropriate act, etc., that causes damage to the Company during his or her term of office, he or she shall not acquire any of the rights to receive the Company's shares.

The amount of remuneration, etc. to be received by Directors shall be based on the amount obtained by multiplying the total number of points to be granted to Directors by the book value per share of the Company held by the Trust at the time of granting points (however, in the event that the Company's shares are subject to a share split, gratis allotment of shares, share consolidation, etc., a reasonable adjustment shall be made according to the ratio, etc.). In addition, in cases where cash is exceptionally provided in accordance with the provisions of the Regulations on the Provision of Shares to Executives, if it is deemed appropriate, the amount shall be the amount to which said amount is added.

(8) Exercise of voting rights

Voting rights pertaining to the Company's shares held in the Trust account shall not be exercised without exception in accordance with the instructions of the trust administrator. By adopting such a method, the Company intends to ensure neutrality toward management of the Company with regard to the exercise of voting rights pertaining to the Company's shares held in the Trust account.

(9) Treatment of dividends

Dividends on the Company's shares held in the Trust account shall be received by the Trust, and shall be allocated to the payment for the acquisition of the Company's shares, trust fees for the trustee of the Trust, etc. If the Trust is terminated, the dividends, etc. remaining in the Trust shall be distributed to the Directors, etc. in office at that time in proportion to the number of points held by each Director, etc., in accordance with the provisions of the Regulations on the Provision of Shares to Executives.

(10) Treatment at the time of termination of the trust

The Trust shall be terminated in the event of delisting of the Company's shares and abolition of the Regulations on the Provision of Shares to Executives, and for any other reasons.

Of the residual assets of the Trust at the time of termination of the Trust, the Company plans to acquire all of the Company's shares without consideration and cancel them by a resolution of the Board of Directors. Of the residual assets of the Trust at the time of termination of the Trust, the amount of money remaining after deducting the money to be provided to Directors, etc. in accordance with (9) above shall be provided to the Company.

3. Outline of the transfer restriction agreement related to the Company's shares to be granted to Directors, etc.

In the event that Directors, etc. receive delivery of the Company's shares during their terms of office, Directors, etc. shall enter into a transfer restriction agreement (hereinafter referred to as the "Transfer Restriction Agreement") with the Company prior to the delivery of the Company's shares. The outline of the agreement shall be as follows. (Directors, etc. shall receive delivery of the Company's shares on the condition that the Transfer Restriction Agreement is entered into.) However, in the event that Directors, etc. have already retired at the time of the delivery of shares, etc., the Company's shares may be delivered without concluding the Transfer Restriction Agreement.

(i) Details of transfer restrictions

A Director, etc. shall not transfer, create a security interest on, or otherwise dispose of the Company's shares received from the date on which the Director, etc. received the Company's shares until the date on which he or she retires from all positions as an officer of the Company.

(ii) Acquisition by the Company without consideration

The Company shall acquire such shares without consideration in the event of certain illegal acts, etc., or in the event that the requirements for lifting the transfer restrictions in (iii) below are not satisfied.

(iii) Lifting of transfer restrictions

In the event that a Director, etc., retires from all of his or her positions as an officer of the Company due to a justifiable reason or due to death, the transfer restriction shall be lifted at that time.

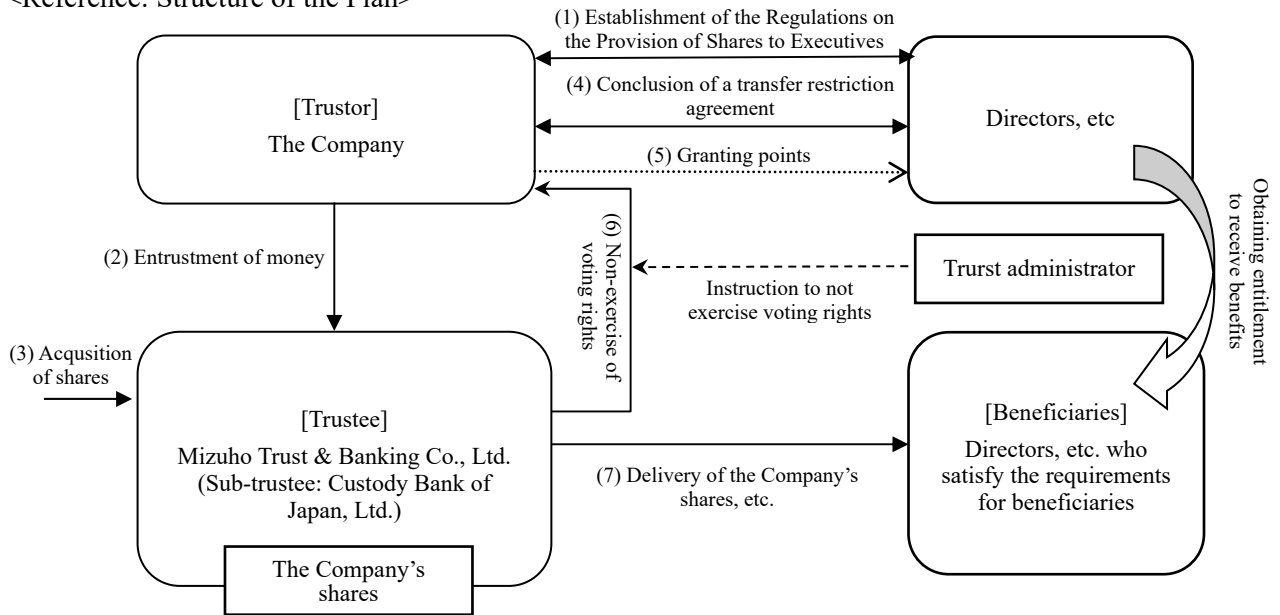
(iv) Treatment in the event of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company becomes a non-surviving company or any other matter related to organizational restructuring, etc. is approved at the General Meeting of Shareholders, etc. of the Company, the transfer restrictions shall be lifted by a resolution of the Board of Directors of the Company immediately before the business day immediately preceding the effective date of such organizational restructuring, etc.

Furthermore, during the transfer restriction period, the Company's shares subject to the transfer restriction under the Transfer Restriction Agreement will be managed in a dedicated account opened by the eligible Directors, etc. at a securities company designated by the Company so that they may not be transferred, secured, or otherwise disposed of during the transfer restriction period.

In addition to the above, the content of the Transfer Restriction Agreement shall include the method of manifestation of intention and notification under the Transfer Restriction Agreement, the method of revision of the Transfer Restriction Agreement, and other matters to be determined by the Board of Directors.

<Reference: Structure of the Plan>



- (1) The Company shall establish the Regulations on the Provision of Shares to Executives within the scope of the framework approved in this proposal.
- (2) The Company will entrust money within the range approved for this proposal.
- (3) The Trust shall acquire the Company's shares through the stock exchange market or by accepting the disposal of the Company's treasury shares, using the money entrusted in (2) as capital source.
- (4) Directors, etc. shall enter into a transfer restriction agreement with the Company to the effect that the disposal by transfer, etc. of the Company's shares received during their terms of office shall be restricted until the retirement of the Directors, etc., and that includes certain provisions regarding acquisition by the Company without consideration, among other things.
- (5) The Company shall grant points to Directors, etc. in accordance with the Regulations on the Provision of Shares to Executives.
- (6) In accordance with the instructions of the trust administrator who is independent from the Company, the Trust shall not exercise voting rights pertaining to the Company's shares held in the Trust account.
- (7) The Trust shall, at a certain time every year, deliver the Company's shares to Directors, etc. who meet the beneficiary requirements set forth in the Regulations on the Provision of Shares to Executives (hereinafter referred to as the "Beneficiaries"), in accordance with the number of points granted to the Beneficiaries. However, if Directors, etc. meet the requirements set forth in the Regulations on the Provision of Shares to Executives, cash equivalent to the market value of the Company's shares shall be paid at the time of their retirement, for a certain percentage of the points.

<Reference: Policy for determining the content of remuneration, etc. for individual Directors (draft)>

At the Board of Directors meeting, the Company has resolved a new policy for determining the content of remuneration, etc. for individual Directors after the transition to a company with Audit & Supervisory Committee, subject to the approval of Proposal 1: Partial Amendments to the Articles of Incorporation (1), Proposal 6: Determination of the Amount of Remuneration, etc. for Directors (excluding Directors Who Are Audit & Supervisory Committee Members), Proposal 7: Determination of the Amount of Remuneration, etc., for Directors Who Are Audit & Supervisory Committee Members, and Proposal 8: Establishment of the Remuneration Limit Related to the Performance-linked Stock Remuneration Plan for Directors. An overview of the policy is as follows. The policy was submitted to consultation to the voluntary Nomination and Remuneration Committee, and report from said Committee to the effect that it is appropriate has been obtained.

a. Basic policy

- It heightens awareness of improving medium- to long-term business performance and enhancing corporate value of the Company.
- It provides an appropriate remuneration level, not an excessive treatment, compared with companies of the same scale and/or industry.
- It provides a remuneration level which enables us to retain human resources for officers required to enhance corporate value of the Company.
- It is a transparent and objective remuneration scheme.

b. Overview of the contents of the policy

- Remuneration for Directors of the Company (excluding External Directors and Directors who are Audit & Supervisory Committee Members) shall be monetary remuneration as well as non-monetary remuneration based on the Board Benefit Trust (BBT-RS).
- The monetary remuneration shall be fixed monthly remuneration and performance-linked bonuses.
- The fixed monthly remuneration shall be determined based on the rank, role, and the degree of contribution to management of relevant Directors.
- The performance-linked bonuses shall be determined based on the evaluation of the degree of achievement of performance indicators related to sales, profits, etc.
- The monetary remuneration for Directors shall be determined with reference to statistical information on remuneration, etc. of companies of the same scale and industry.
- The non-monetary remuneration for Directors shall be determined based on objective indicators regarding the rank of the Directors, the degree of achievement of consolidated operating results for a single fiscal year, and the degree of achievement of targets set in the medium-term plan.
- The standards for the levels, evaluation, forms, etc. of the monetary remuneration and the non-monetary remuneration for Directors as well as the determination method thereof, among other things, shall be prescribed in the Regulations for Officers' Remuneration and Delivery of Shares to Officers.
- Details such as the allocation to individuals shall be determined by the Board of Directors' meetings held every fiscal year with an eye on the operating results and trends in the industry and similar companies, and in accordance with said Regulations.
- External Directors and Directors who are Audit & Supervisory Committee Members shall only receive fixed monthly remuneration.