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Securities Code: 4284

March 11, 2022

To our shareholders:

Akira Nagao
President and Representative Director
SOLXYZ Co., Ltd.
1-21 Shibaura 3-chome, Minato-ku, Tokyo

Notice of the 42nd Annual General Meeting of Shareholders

You are cordially invited to attend the 42nd Annual General Meeting of Shareholders (the “Meeting”) of SOLXYZ Co., Ltd. (the “Company”), which will be held as indicated below.

Furthermore, from the perspective of ensuring the safety of shareholders and preventing the spread of novel coronavirus disease (COVID-19), we ask that you refrain from attending the Meeting on the day, regardless of the condition of your health, and consider exercising your voting rights in writing or via the internet. Accordingly, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m. on Monday, March 28, 2022 (JST).

- 1. Date and Time:** Tuesday, March 29, 2022, at 10:00 a.m. (JST)
- 2. Venue:** La Salle Royale, second basement floor, AURUM
26-2 Higashi Ueno 1-chome, Taito-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported

- (1) The Business Report and the Consolidated Financial Statements for the 42nd fiscal year (from January 1, 2021 to December 31, 2021), and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
- (2) The Non-consolidated Financial Statements for the 42nd fiscal year (from January 1, 2021 to December 31, 2021)

Matters to be resolved

< Company Proposals (Proposal Nos. 1 to 4) >

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Amendment to the Articles of Incorporation
Proposal No. 3: Election of 11 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
Proposal No. 4: Election of Five Directors Who Are Audit & Supervisory Committee Members

< Shareholder Proposals (Proposal Nos. 5 and 6) >

- Proposal No. 5:** Election of One Director Who Is an Audit & Supervisory Committee Member
Proposal No. 6: Acquisition of Own Shares

4. Notes Regarding the Exercise of Voting Rights

- If there is no indication of a vote for or against any proposal, it shall be treated as an indication of a vote “for” proposals submitted by the Company, and a vote “against” proposals submitted by shareholders.
- If Proposal No. 4 (company proposal) and Proposal No. 5 (shareholder proposal) are both passed and approved, the maximum number of Directors who are Audit & Supervisory Committee Members prescribed by the Articles of Incorporation of the Company will be exceeded.

Accordingly, in principle, candidates who obtain a majority of consenting votes, including votes submitted in writing and via electromagnetic means (the internet, etc.), will be elected, but if, as a result of voting, the number of candidates who obtain a majority of consenting votes exceeds the maximum number prescribed in the Articles of Incorporation, candidates will be elected in order, starting with the candidate who has the most consenting votes, and continuing until the maximum number of Directors who are Audit & Supervisory Committee Members, as prescribed in the Articles of Incorporation, is reached.

- If you attend the Meeting, please submit the enclosed voting form at the reception desk.
- In accordance with the provisions of laws and regulations, and Article 15 of the Articles of Incorporation of the Company, among the documents to be attached to the Notice of the 42nd Annual General Meeting of Shareholders, Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are posted on the website of the Company and therefore, they shall not be stated on the documents attached to this notice. Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Committee when they prepared the audit report.
- Revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements will be announced on the Company’s website.

The Company’s website: https://www.solxyz.co.jp/
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Reference Documents for the General Meeting of Shareholders

Company Proposal

Proposal No. 1: Appropriation of Surplus

The Company recognizes the return of profit to its shareholders as a key management priority, while striving to build stable management infrastructure, in pursuit of balanced corporate management.

The Company seeks to distribute dividends in accordance with its performance, with consideration to dividend payout ratio, and maintains a policy of making the utmost effort to pay stable dividends on a continual basis.

In accordance with this policy, the Company proposes to appropriate surplus for the fiscal year as follows:

Matters Regarding Year-end Dividend

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and aggregate amount thereof
¥12.0 per common share of the Company
Total payment: ¥293,679,144
- (3) Effective date of dividend of surplus
March 30, 2022

Company Proposal

Proposal No. 2: Amendment to the Articles of Incorporation

1. Reasons for Proposal

- (1) Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company will make amendments as follows, in order to prepare for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
 - (i) Article 15, paragraph 1 of the proposed amendment stipulates that the Company shall take measures to provide information that constitutes the content of the reference documents for the general meeting of shareholders, etc., in electronic format.
 - (ii) Article 15, paragraph 2 of the proposed amendment establishes a provision limiting the scope of matters that will be provided in paper-based documents delivered to shareholders who have requested the delivery of paper-based documents.
 - (iii) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc., (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
 - (iv) Accompanying the aforementioned new establishment and deletion, supplementary provisions regarding the effective date, etc., will be established.
- (2) In order to strengthen systems for audits by the Audit & Supervisory Committee and further enhance corporate governance, the maximum number of Directors who are Audit & Supervisory Committee Members in Article 19 of the Articles of Incorporation will be amended from four to five, and thus increased by one.

2. Details of the Amendment

The details of the amendment are as follows:

(Underlined sections indicate amended parts.)

Current Articles of Incorporation	Proposed Amendment
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 15. When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, financial statements and/or consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures to Provide Information in Electronic Format, Etc.)</u></p> <p><u>Article 15.</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures to provide information that constitutes the content of the reference documents for the general meeting of shareholders, etc., in electronic format.</u></p> <p><u>2. Among matters for which the measures for providing information in electronic format will be taken, the Company may exclude some or all of those matters designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date for voting rights.</u></p>
<p>(Number of Directors)</p>	<p>(Number of Directors)</p>
<p>Article 19. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company shall be no more than 11, and the number of Directors who are Audit and Supervisory Committee Members shall be no more than <u>four</u>.</p>	<p>Article 19. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company shall be no more than 11, and the number of Directors who are Audit and Supervisory Committee Members shall be no more than <u>five</u>.</p>

Current Articles of Incorporation	Proposed Amendment
(Newly established)	<p data-bbox="804 248 1075 277"><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="818 293 1394 712">1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation prior to the amendment and the new establishment of Article 15 of the amended Articles of Incorporation (Measures to Provide Information in Electronic Format, Etc.) shall take effect from September 1, 2022, which is the date of enforcement of the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Date of Enforcement”).</u> <li data-bbox="818 730 1394 898">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 of the Articles of Incorporation prior to the amendment shall remain effective in relation to any general meeting of shareholders held on a date within six months of the Date of Enforcement.</u> <li data-bbox="818 916 1394 1084">3. <u>These Supplementary Provisions shall be deleted on the date when six months have passed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Company Proposal

Proposal No. 3: Election of 11 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)


The term of office of all 11 Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of the Meeting. Therefore, the Company proposes the election of 11 Directors (excluding Directors who are Audit & Supervisory Committee Members).


With regard to this proposal, the Audit & Supervisory Committee has stated its opinion that all of the candidates for Director (excluding Directors who are Audit & Supervisory Committee Members) are qualified.


Candidates for Director (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

Candidate No.	Name		Age	Gender	Current position in the Company
1	Akira Nagao	Re-election	67	Male	President and Representative Director
2	Toshihiko Kayanuma	Re-election	63	Male	Managing Director
3	Yoshiaki Nagao	Re-election	62	Male	Managing Director
4	Hiroki Akiyama	Re-election	58	Male	Managing Director
5	Yoshio Komori	Re-election	62	Male	Director
6	Hiroki Kannari	Re-election	64	Male	Director
7	Hiroyuki Watanabe	Re-election	59	Male	Director
8	Toshiyasu Kabashima	Re-election	60	Male	Director
9	Kenya Eguchi	Re-election	54	Male	Director
10	Tsunekazu Ichikawa	Re-election	52	Male	Director
11	Motoko Kai	Re-election	49	Female	Director


Note: The respective ages stated for each candidate are current as of the date of the Meeting.


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 <p data-bbox="365 898 564 958">Akira Nagao (February 23, 1955)</p> <p data-bbox="405 992 525 1016">Re-election</p>	<p data-bbox="632 293 1182 383">Mar. 1983 Established Total System Consultant Co., Ltd. Director</p> <p data-bbox="632 394 967 418">Apr. 1997 Managing Director</p> <p data-bbox="632 430 1206 580">Jan. 1998 Senior Managing Director and Representative of System Division of the Company due to a merger between the Company and Total System Consultant Co., Ltd.</p> <p data-bbox="632 591 1182 647">Jan. 2000 Managing Director and Representative of Business Division</p> <p data-bbox="632 658 1134 714">Mar. 2000 Senior Managing Director and Representative of Business Division</p> <p data-bbox="632 725 1123 781">Jan. 2004 Representative Director and Senior Managing Officer</p> <p data-bbox="632 792 1171 848">Mar. 2005 Representative Director and Senior Vice President</p> <p data-bbox="632 860 1150 916">Mar. 2006 President and Representative Director (current position)</p> <p data-bbox="632 927 1206 1328">(Significant concurrent positions outside the Company) Chairman and Representative Director of FFSOL Co., Ltd. Chairman and Representative Director of E.I.SOL Co., Ltd. Chairman and Director of Infinite Consulting Co., Ltd. Chairman and Representative Director of NEUMANN Co., Ltd. Chairman and Director of eXmotion Co., Ltd. Chairman and Representative Director of CORE NEXT Co., Ltd. Director of ASWARE Co., Ltd. Chairman and Representative Director of Fleekdrive Co., Ltd. Director of Ariadne International Consulting Co., Ltd.</p>	1,119,448
<p data-bbox="316 1339 810 1364">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1375 1390 1581">Akira Nagao has served for the management of the Company group (the “Group”) since assuming the position of President and Representative Director of the Company in 2006. He has played a leading role in implementing management strategies of the Group, including strategic specialization of the Group companies, promotion of a stock-type business, and working on cutting-edge technology such as FinTech and IoT. He is expected to contribute to the Group’s further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	 <p data-bbox="359 887 571 947">Toshihiko Kayanuma (March 6, 1959)</p> <p data-bbox="408 981 523 1010">Re-election</p>	<p data-bbox="632 293 735 322">Nov. 1983</p> <p data-bbox="778 293 979 322">Joined the Company</p> <p data-bbox="632 329 727 358">Jan. 2005</p> <p data-bbox="778 329 1129 389">General Manager of PMO Office of Business Promotion Division</p> <p data-bbox="632 396 727 425">July 2007</p> <p data-bbox="778 396 954 425">Operating Officer</p> <p data-bbox="632 432 727 461">July 2007</p> <p data-bbox="778 432 1153 517">General Manager of PMO Office and General Manager of HR Development Office</p> <p data-bbox="632 524 727 553">Apr. 2008</p> <p data-bbox="778 524 1098 553">General Manager of PMO Office</p> <p data-bbox="632 560 727 589">Jan. 2009</p> <p data-bbox="778 560 1153 620">Representative of Business Promotion Division</p> <p data-bbox="632 627 727 656">Mar. 2011</p> <p data-bbox="778 627 863 656">Director</p> <p data-bbox="632 663 727 692">Jan. 2012</p> <p data-bbox="778 663 1185 748">Representative of Business Promotion Division and General Manager of Internal Audit Office</p> <p data-bbox="632 754 727 784">Jan. 2013</p> <p data-bbox="778 754 1209 840">Representative of Sales Promotion Division and Representative of Business Promotion Division</p> <p data-bbox="632 846 727 875">Jan. 2015</p> <p data-bbox="778 846 1209 875">Representative of Sales Promotion Division</p> <p data-bbox="632 882 735 911">Aug. 2016</p> <p data-bbox="778 882 1217 967">Representative of Cloud Solution Division and Department Manager of Cloud Business Development Department</p> <p data-bbox="632 974 727 1003">Jan. 2017</p> <p data-bbox="778 974 1193 1003">Representative of Cloud Solution Division</p> <p data-bbox="632 1010 727 1039">Mar. 2017</p> <p data-bbox="778 1010 1139 1039">Managing Director (current position)</p> <p data-bbox="632 1046 727 1075">Jan. 2020</p> <p data-bbox="778 1046 1147 1131">Representative of Career Promotion Division and General Manager of HR Development Office</p> <p data-bbox="632 1137 727 1167">Jan. 2022</p> <p data-bbox="778 1137 1209 1198">Representative of Sales Promotion Division (current position)</p> <p data-bbox="632 1205 1169 1234">(Significant concurrent positions outside the Company)</p> <p data-bbox="632 1240 916 1270">Director of E.I.SOL Co., Ltd.</p> <p data-bbox="632 1276 940 1305">Director of Fleekdrive Co., Ltd.</p>	151,500
<p data-bbox="316 1317 810 1346">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1352 1329 1413">Toshihiko Kayanuma has acquired experience and a track record in various areas of the Group including business promotion and PMO.</p> <p data-bbox="316 1420 1369 1594">He has served in positions starting up new departments in the Company, namely as Representative of Cloud Solution Division from 2016 and Representative of Career Promotion Division from 2020, and is engaged in organizational reforms in the Sales Promotion Division of the Company, using his proven ability to put organizations on a promising trajectory. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his wide range of experience. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 <p data-bbox="389 757 544 815">Yoshiaki Nagao (April 9, 1959)</p> <p data-bbox="408 853 525 875">Re-election</p>	<p data-bbox="632 297 735 320">Aug. 1984</p> <p data-bbox="632 331 727 353">Jan. 2004</p> <p data-bbox="632 394 727 416">Jan. 2006</p> <p data-bbox="632 495 727 517">Jan. 2008</p> <p data-bbox="632 528 727 551">Jan. 2011</p> <p data-bbox="632 591 727 613">Mar. 2014</p> <p data-bbox="632 624 727 647">Apr. 2014</p> <p data-bbox="632 658 735 680">Aug. 2016</p> <p data-bbox="632 761 727 784">Jan. 2017</p> <p data-bbox="632 824 727 846">Mar. 2017</p> <p data-bbox="632 857 727 880">Mar. 2020</p> <p data-bbox="632 891 727 913">Jan. 2021</p> <p data-bbox="632 954 1166 976">(Significant concurrent positions outside the Company)</p> <p data-bbox="632 987 1018 1010">Director of Infinite Consulting Co., Ltd.</p> <p data-bbox="632 1021 1153 1043">Director of Ariadne International Consulting Co., Ltd.</p>	152,308
<p data-bbox="316 1059 810 1081">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1093 1401 1301">Yoshiaki Nagao has abundant experience and a track record in the credit-related system development of the Group. Since assuming office as Representative of SI & Solution Division in 2017, he has played a leading role in all aspects of the outsourced system development of the Company. In addition, since 2020, he has also supervised the Sales Promotion Division, and has focused on building more strategic and efficient organizational systems. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	 <p data-bbox="373 674 560 734">Hiroki Akiyama (January 25, 1964)</p> <p data-bbox="408 770 525 792">Re-election</p>	<p data-bbox="632 293 979 315">Jan. 1987 Joined the Company</p> <p data-bbox="632 329 1174 383">Apr. 2004 General Manager of Business Promotion Office</p> <p data-bbox="632 396 1198 483">Apr. 2008 Representative of Business Promotion Division and General Manager of Business Promotion Office</p> <p data-bbox="632 497 1190 551">Jan. 2009 General Manager of Technical & Business Promotion Office</p> <p data-bbox="632 564 954 586">Jan. 2011 Operating Officer</p> <p data-bbox="632 600 1206 687">Apr. 2011 General Manager of Planning & Control Office and General Manager of Technical & Business Promotion Office</p> <p data-bbox="632 701 1174 754">Jan. 2013 General Manager of Planning & Control Office (current position)</p> <p data-bbox="632 768 863 790">Mar. 2015 Director</p> <p data-bbox="632 804 1139 826">Mar. 2020 Managing Director (current position)</p> <p data-bbox="632 840 1166 884">(Significant concurrent positions outside the Company) Director of NEUMANN Co., Ltd.</p>	58,988
<p data-bbox="316 898 810 920">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 934 1398 1135">Hiroki Akiyama has acquired experience and a track record in various areas of the Group including business strategy, management planning and publicity. He has led numerous measures to increase the Company's corporate value since assuming the position of Director in 2015, and has also responded appropriately as Chairman of the Company's Risk Management Committee, including measures to tackle the spread of COVID-19. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his wide range of experience. Therefore, the Company has nominated him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 <p data-bbox="359 741 571 801">Yoshio Komori (November 29, 1959)</p> <p data-bbox="408 835 521 860">Re-election</p>	<p data-bbox="632 297 1203 353">Apr. 1978 Joined Nikko Securities Co., Ltd. (current SMBC Nikko Securities Inc.)</p> <p data-bbox="632 365 979 389">Sept. 2005 Joined the Company</p> <p data-bbox="632 400 1203 456">Jan. 2006 Deputy Representative of Finance Business Division</p> <p data-bbox="632 468 954 492">July 2007 Operating Officer</p> <p data-bbox="632 504 1203 560">Jan. 2011 Department Manager of 2nd Finance Business Department of Business Division</p> <p data-bbox="632 571 1034 595">Mar. 2011 Director (current position)</p> <p data-bbox="632 607 1203 631">Apr. 2011 Deputy Representative of Business Division</p> <p data-bbox="632 642 1203 725">Aug. 2016 Deputy Representative of SI & Solution Division and Department Manager of 2nd Finance Business Department</p> <p data-bbox="632 736 1203 853">Jan. 2017 Deputy Representative of SI & Solution Division and Department Manager of Securities and Insurance Business Department</p> <p data-bbox="632 864 1203 947">Jan. 2021 Deputy Representative of SI & Solution Division and Representative of FinTech Solution Division (current position)</p> <p data-bbox="632 958 1166 1014">(Significant concurrent positions outside the Company) Director of CORE NEXT Co., Ltd.</p>	74,100
<p data-bbox="316 1021 810 1046">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1057 1382 1296">Based on his abundant experience acquired in securities-related system development, Yoshio Komori supervised system development in the securities and insurance areas of the Group. In 2017, he built a highly competitive organizational structure by consolidating the resources of securities and insurance system development. In 2021, he established the FinTech Solution Division and has been performing a role actively utilizing the resources of the Group to respond to accelerating demand relating to digital transformation in the financial industry. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	 <p data-bbox="384 741 549 801">Hiroki Kannari (August 3, 1957)</p> <p data-bbox="408 835 525 864">Re-election</p>	<p data-bbox="632 297 1158 387">Apr. 1980 Joined The Long-Term Credit Bank of Japan, Limited (current Shinsei Bank, Limited)</p> <p data-bbox="632 398 983 427">July 2008 Joined the Company</p> <p data-bbox="632 432 954 461">Apr. 2009 Operating Officer</p> <p data-bbox="632 465 1206 555">Apr. 2009 Deputy Representative of Control Division and General Manager of Affiliate Company Management Department</p> <p data-bbox="632 560 1206 685">Apr. 2011 Deputy Representative of Control Division, General Manager of Accounting Department, and General Manager of Affiliate Company Management Department</p> <p data-bbox="632 689 1158 719">Jan. 2012 General Manager of President's Office</p> <p data-bbox="632 723 1206 813">Jan. 2013 Deputy Representative of Control Division and General Manager of General Affairs Department</p> <p data-bbox="632 817 1206 887">Jan. 2015 Representative of Control Division (current position)</p> <p data-bbox="632 891 1038 920">Mar. 2017 Director (current position)</p> <p data-bbox="632 925 1190 1014">(Significant concurrent positions outside the Company) Audit & Supervisory Board Member of NEUMANN Co., Ltd.</p>	24,800
<p data-bbox="316 1021 810 1050">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1055 1398 1234">Since joining the Company, Hiroki Kannari has experienced various operations in the management and administrative area including Planning & Control Office, Accounting Department and General Affairs Department. Since 2015, he has served as Representative of Control Division. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his wide range of experience and insights into corporate management and financial and legal operations. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	 <p data-bbox="363 591 569 645">Hiroyuki Watanabe (December 11, 1962)</p> <p data-bbox="408 680 525 707">Re-election</p>	<p data-bbox="632 293 1034 320">June 1996 Joined OGIS-RI Co., Ltd.</p> <p data-bbox="632 327 1211 380">Sept. 2008 Senior Managing Director of eXmotion Co., Ltd.</p> <p data-bbox="632 387 1002 414">Dec. 2013 President and Director</p> <p data-bbox="632 421 1150 474">Feb. 2017 President and Representative Director (current position)</p> <p data-bbox="632 481 1198 508">Mar. 2019 Director of the Company (current position)</p> <p data-bbox="632 515 1166 618">(Significant concurrent positions outside the Company) President and Representative Director of eXmotion Co., Ltd.</p>	40,000
<p data-bbox="316 719 810 745">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 752 1390 922">Hiroyuki Watanabe is Representative Director of eXmotion Co., Ltd., a company of the Group. eXmotion Co., Ltd., mainly engaged in IT consulting specialized in embedded software, has been a Tokyo Stock Exchange Mothers-listed company since July 2018. He also contributes to the industry energetically, for example, as a founder of ET Software Design Robot Contest. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his superior insights and high name recognition. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	 <p data-bbox="360 624 572 685">Toshiyasu Kabashima (December 11, 1961)</p> <p data-bbox="408 719 525 748">Re-election</p>	<p data-bbox="632 293 979 322">Aug. 1991 Joined the Company</p> <p data-bbox="632 327 1139 387">Jan. 2004 General Manager of Industrial 3rd SI Department</p> <p data-bbox="632 392 1123 452">Jan. 2006 General Manager of Finance 4th SI Department</p> <p data-bbox="632 456 954 486">Jan. 2011 Operating Officer</p> <p data-bbox="632 490 1150 551">Jan. 2011 Department Manager of Development Business Department</p> <p data-bbox="632 555 1094 616">Jan. 2017 Department Manager of Product Development Department</p> <p data-bbox="632 620 1034 649">Mar. 2020 Director (current position)</p> <p data-bbox="632 654 1166 714">Mar. 2020 Deputy Representative of SI & Solution Division (current position)</p> <p data-bbox="632 719 1166 786">(Significant concurrent positions outside the Company) Director of NEUMANN Co., Ltd.</p>	6,680
<p data-bbox="316 792 810 822">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 826 1398 1039">Toshiyasu Kabashima has acquired a track record in various development projects of the Group. With his proven ability to raise the level of technological skills of the Fukuoka Regional Office to that of the Company's core near-shore business center, he has led the Product Development Department as a cross-sectional development force. In 2020, he assumed the position of Deputy Representative of SI & Solution Division, and he has been utilizing his insight in a wide range of development projects. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	 <p>Kenya Eguchi (December 18, 1967)</p> <p>Re-election</p>	<p>Mar. 1992 Joined the Company</p> <p>Jan. 2010 General Manager of Industrial 2nd SI Department</p> <p>Jan. 2015 Department Manager of 2nd Industrial Business Department</p> <p>Jan. 2016 Operating Officer</p> <p>Jan. 2017 Department Manager of Cloud Business Development Department (current position)</p> <p>Mar. 2020 Director (current position)</p> <p>Mar. 2020 Deputy Representative of Cloud Solution Division (current position)</p> <p>Jan. 2022 Representative of Cloud Solution Division (current position)</p>	24,484
<p>[Reasons for nomination as candidate for Director]</p> <p>Kenya Eguchi has been utilizing abundant experience in the industrial system development and acquired a track record in the Group.</p> <p>As Department Manager of Cloud Business Development Department since 2017, he has focused on acquiring cloud-driven development projects in addition to conventional outsourced system development projects, achieving steady results. Since assuming the position of Representative of Cloud Solution Division in January 2022, he has been working on further promoting the cloud business. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
10	 <p data-bbox="363 589 566 645">Tsunekazu Ichikawa (May 24, 1969)</p> <p data-bbox="406 678 523 712">Re-election</p>	<p data-bbox="632 297 730 320">Oct. 1990</p> <p data-bbox="778 297 981 320">Joined the Company</p> <p data-bbox="632 331 730 353">Jan. 2013</p> <p data-bbox="778 331 1193 387">General Manager of Technical & Business Promotion Office (current position)</p> <p data-bbox="632 398 730 421">Jan. 2018</p> <p data-bbox="778 398 954 421">Operating Officer</p> <p data-bbox="632 432 730 454">Mar. 2020</p> <p data-bbox="778 432 1034 454">Director (current position)</p> <p data-bbox="632 465 730 488">Jan. 2022</p> <p data-bbox="778 465 1153 555">Representative of Career Promotion Division and General Manager of HR Development Office (current position)</p>	17,800
<p data-bbox="316 723 810 745">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 757 1393 1025">Since joining the Company, Tsunekazu Ichikawa has demonstrated his technological capability in a number of development projects. He has been engaged in the research and development since 2005. He has accumulated a track record as a central person supporting the Company's technological capabilities, including promoting the FinTech Business, training engineers, and supporting existing development projects, particularly in relation to technical research in areas such as AI, blockchains, and RPA. Since assuming the position of Representative of Career Promotion Division in January 2022, he has been working on the recruitment of human resources and improving their development at the Group. He is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with his abundant experience and track record. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
11	 Motoko Kai (July 8, 1972) Re-election	Sept. 1999 Joined the Company Jan. 2015 General Manager of Accounting Department (current position) Apr. 2019 Operating Officer Mar. 2021 Director (current position) Mar. 2021 Deputy Representative of Control Division (current position) (Significant concurrent positions outside the Company) Audit & Supervisory Board Member of FFSOL Co., Ltd. Auditor of E.I.SOL Co., Ltd. Director (Audit & Supervisory Committee Member) of eXmotion Co., Ltd. Audit & Supervisory Board Member of CORE NEXT Co., Ltd. Audit & Supervisory Board Member of Fleekdrive Co., Ltd. Audit & Supervisory Board Member of Ariadne International Consulting Co., Ltd.	8,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Since joining the Company, Motoko Kai has been appropriately fulfilling her duties in the Accounting Department. As General Manager of the Accounting Department since 2015, she has been implementing various measures aimed at creating firm financial foundations for the Group. She is expected to contribute to the Group's further growth and increased medium- to long-term corporate value with her advanced expertise. Therefore, the Company has nominated her as a candidate for Director.</p>			

- Notes:
1. The Company is in a competitive relationship with FFSOL Co., Ltd. and E.I.SOL Co., Ltd., organizations where Akira Nagao serves as Representative Director, in the contracting of system development, and outsources its system development operation, etc. to these companies.
 2. The Company is outsourced system development operations by NEUMANN Co., Ltd., where Akira Nagao serves as Representative Director, and guarantees its debts, etc.
 3. The Company is in a competitive relationship with CORE NEXT Co., Ltd., where Akira Nagao serves as Representative Director, in the contracting of system development, and is outsourced and outsources system development operations. The Company also guarantees debts, etc. of CORE NEXT Co., Ltd.
 4. The Company outsources the sales of its systems, as well as development operations and maintenance operations, to Fleekdrive Co., Ltd., where Akira Nagao serves as Representative Director.
 5. There is no special interest between any other candidates for Director and the Company.
 6. The Company has entered into a directors and officers liability insurance (D&O) policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties or claims pertaining to the pursuit of such liability.
The candidates will be included in the insured persons under this insurance policy.
In addition, the Company intends to renew this policy with the same content when it is next due for renewal.

Proposal No. 4: Election of Five Directors Who Are Audit & Supervisory Committee Members

The term of office of all four Directors who are Audit & Supervisory Committee Members will expire at the conclusion of the Meeting. Therefore, the Company proposes the election of five Directors who are Audit & Supervisory Committee Members, including one new candidate, in order to strengthen systems for audit by the Audit & Supervisory Committee and further enhance corporate governance.


The consent of the Audit & Supervisory Committee has been obtained for this proposal.

Furthermore, this proposal shall take effect subject to the amendment to the Articles of Incorporation (Article 19) in Proposal No. 2 becoming effective.

Candidates for Director who is Audit & Supervisory Committee Member are as follows:


Candidate No.	Name		Age	Gender	Current position in the Company
1	Hozumi Ishida	Re-election	72	Male	Director who is full-time Audit & Supervisory Committee Member
2	Kiyomi Nakata	Re-election	66	Male	Outside Director who is Audit & Supervisory Committee Member
3	Yuji Maeda	Re-election	63	Male	Outside Director who is Audit & Supervisory Committee Member
4	Yoshitaka Sano	Re-election	68	Male	Outside Director who is Audit & Supervisory Committee Member
5	Mitsuru Aoki	New election	64	Male	None


Note: The respective ages stated for each candidate are current as of the date of the Meeting.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 <p data-bbox="379 589 561 647">Hozumi Ishida (January 20, 1950)</p> <p data-bbox="411 683 529 712">Re-election</p>	<p data-bbox="638 295 1200 385">Apr. 1974 Joined The Long-Term Credit Bank of Japan, Limited (current Shinsei Bank, Limited)</p> <p data-bbox="638 394 986 423">Jan. 2002 Joined the Company</p> <p data-bbox="638 427 1200 486">Jan. 2005 Operating Officer and General Manager of Planning & Control Office</p> <p data-bbox="638 495 1150 553">Mar. 2011 Full-time Audit & Supervisory Board Member</p> <p data-bbox="638 562 1190 647">Mar. 2016 Director who is full-time Audit & Supervisory Committee Member (current position)</p>	28,600
<p data-bbox="319 719 1294 748">[Reasons for nomination as candidate for Director who is Audit & Supervisory Committee Member]</p> <p data-bbox="319 752 1401 902">Hozumi Ishida gained experience in operational planning, system development, etc., at a financial institution, then joined the Company in January 2002. Subsequently, he served in positions such as General Manager of the Planning & Control Office, before being appointed full-time Audit & Supervisory Board Member in March 2011, then serving in his current position as full-time Audit & Supervisory Committee Member from March 2016.</p> <p data-bbox="319 911 1401 1061">Through his professional experience, he has gained wide-ranging insight into areas such as corporate planning, finance and accounting, and system development, and since being appointed full-time Audit & Supervisory Board Member and Audit & Supervisory Committee Member of the Company, he has appropriately fulfilled his duties as Director through such means as attending meetings of the Board of Directors and other important meetings, and providing his opinions as necessary.</p> <p data-bbox="319 1070 1401 1128">Based on the above, the Company has judged that he will be able to continue appropriately supervising the fulfillment of duties by Directors of the Company as Audit & Supervisory Committee Member of the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
	 <p data-bbox="389 607 550 667">Kiyomi Nakata (April 16, 1955)</p> <p data-bbox="411 701 528 725">Re-election</p>	<p data-bbox="635 293 1166 353">July 1999 Retired from Tokyo Regional Taxation Bureau</p> <p data-bbox="635 360 1166 421">Sept. 1999 Established Nakata Certified Public Tax Accountant Office (current position)</p> <p data-bbox="635 427 1166 488">July 2008 Established Nakata Certified Public Tax Accountant Corporation</p> <p data-bbox="635 495 1166 555">Mar. 2013 Outside Audit & Supervisory Board Member of the Company</p> <p data-bbox="635 562 1166 645">Mar. 2016 Outside Director who is Audit & Supervisory Committee Member (current position)</p> <p data-bbox="635 651 1166 741">(Significant concurrent positions outside the Company) Representative of Nakata Certified Public Tax Accountant Office</p>	27,700
2	<p data-bbox="320 757 1187 784">[Reasons for nomination as candidate for outside Director and summary of expected role]</p> <p data-bbox="320 790 1410 943">Kiyomi Nakata has many years of experience as a certified public tax accountant at the Tokyo Regional Taxation Bureau, etc., and following his appointment as outside Audit & Supervisory Board Member of the Company in March 2013, he was appointed outside Director who is an Audit & Supervisory Committee Member in March 2016. Subsequently, he has used his wide range of knowledge and experience to provide appropriate guidance for decision-making by the Board of Directors.</p> <p data-bbox="320 949 1378 1070">The Company has judged that he may be expected to continue fulfilling a role in advising and supervising the management of the Company based on his wide-ranging insight and abundant experience, and has therefore nominated him as a candidate for outside Director who is an Audit & Supervisory Committee Member and proposes his election.</p> <p data-bbox="320 1077 1310 1167">In addition, if he is re-elected, the Company expects that he will play a role in enhancing objectivity in procedures for making decisions related to nomination and remuneration as a member of the Audit & Supervisory Committee.</p> <p data-bbox="320 1173 1394 1256">He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as outside Director who is an Audit & Supervisory Committee Member based on the above reasons.</p>		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 <p data-bbox="376 589 564 647">Yuji Maeda (October 18, 1958)</p> <p data-bbox="411 680 529 712">Re-election</p>	<p data-bbox="639 293 1145 353">July 2000 Established Maeda Certified Public Accountant Office (current position)</p> <p data-bbox="639 360 1171 454">Mar. 2016 Outside Director who is Audit & Supervisory Committee Member of the Company (current position)</p> <p data-bbox="639 461 1177 492">(Significant concurrent positions outside the Company)</p> <p data-bbox="639 499 1161 551">Representative of Maeda Certified Public Accountant Office</p> <p data-bbox="639 557 1007 584">Partner of Grant Thornton Taiyo LLC</p> <p data-bbox="639 591 1050 618">Director of One Nine Consulting Co., Ltd.</p>	8,100
<p data-bbox="320 719 1187 745">[Reasons for nomination as candidate for outside Director and summary of expected role]</p> <p data-bbox="320 752 1390 875">Yuji Maeda has expert knowledge and many years of experience as a certified public accountant, and since his appointment as outside Director who is an Audit & Supervisory Committee Member in March 2016, he has conducted audits from a wide-ranging and advanced perspective, and has used his abundant knowledge and experience to provide appropriate guidance for decision-making by the Board of Directors.</p> <p data-bbox="320 882 1382 1005">The Company has judged that he may be expected to continue fulfilling a role in advising and supervising the management of the Company based on his wide-ranging insight and abundant experience, and has therefore nominated him as a candidate for outside Director who is an Audit & Supervisory Committee Member and proposes his election.</p> <p data-bbox="320 1012 1315 1095">In addition, if he is re-elected, the Company expects that he will play a role in enhancing objectivity in procedures for making decisions related to nomination and remuneration as a member of the Audit & Supervisory Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
	 <p data-bbox="363 589 577 647">Yoshitaka Sano (September 28, 1953)</p> <p data-bbox="411 683 529 712">Re-election</p>	<p data-bbox="635 293 1219 353">July 1991 Established Sano Certified Public Accountant Office (current position)</p> <p data-bbox="635 360 1219 421">Mar. 2002 Outside Audit & Supervisory Board Member of the Company</p> <p data-bbox="635 427 1219 517">Mar. 2018 Outside Director who is Audit & Supervisory Committee Member (current position)</p> <p data-bbox="635 524 1219 647">(Significant concurrent positions outside the Company) Representative of Sano Certified Public Accountant Office Audit & Supervisory Board Member of Sinyo Corporation Auditor of IDX Co., Ltd.</p>	34,136
4	<p data-bbox="320 719 1187 748">[Reasons for nomination as candidate for outside Director and summary of expected role]</p> <p data-bbox="320 754 1385 936">Yoshitaka Sano has many years of experience as a certified public accountant, and he was appointed to the position of outside Audit & Supervisory Board Member of the Company in March 2002, in order to utilize his expert knowledge and experience. Subsequently, he retired once in 2015, but since his appointment as outside Director who is an Audit & Supervisory Committee Member in March 2018, he has conducted audits from a wide-ranging and advanced perspective, and has used his abundant knowledge and experience to provide appropriate guidance for decision-making by the Board of Directors.</p> <p data-bbox="320 943 1385 1066">The Company has judged that he may be expected to continue fulfilling a role in advising and supervising the management of the Company based on his wide-ranging insight and abundant experience, and has therefore nominated him as a candidate for outside Director who is an Audit & Supervisory Committee Member and proposes his election.</p> <p data-bbox="320 1072 1315 1162">In addition, if he is re-elected, the Company expects that he will play a role in enhancing objectivity in procedures for making decisions related to nomination and remuneration as a member of the Audit & Supervisory Committee.</p> <p data-bbox="320 1169 1394 1256">He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as outside Director who is an Audit & Supervisory Committee Member based on the above reasons.</p>		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 Mitsuru Aoki (June 3, 1957) New election	Apr. 1981 Joined FUJITSU LIMITED Apr. 2010 General Manager of Mizuho Business Division Jun. 2014 Executive Officer of FUJITSU FSAS INC. Apr. 2017 Managing Director (Significant concurrent positions outside the Company) None	0
<p>[Reasons for nomination as candidate for outside Director and summary of expected role]</p> <p>Mitsuru Aoki has many years of insight and experience in the SI business developed at a major IT company, as well as experience as an officer of an operating company, as described in his career summary. Based on his abundant knowledge and experience, particularly in relation to the SI business, the Company has judged that he is a necessary person to enhance the corporate value of the Group, and therefore proposes his election newly as an outside Director who is an Audit & Supervisory Committee Member.</p> <p>In future, the Company expects that he will play a role in supervising and auditing all aspects of corporate operations and risk management utilizing his abundant experience, and also play a role in enhancing objectivity in procedures related to nomination and remuneration, as Audit & Supervisory Committee Member.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Kiyomi Nakata, Yuji Maeda, Yoshitaka Sano, and Mitsuru Aoki are candidates for outside Director.
 - At the conclusion of the Meeting, Mr. Nakata's tenure since assuming office as Director who is Audit & Supervisory Committee Member of the Company will have been six years.
 - At the conclusion of the Meeting, Mr. Maeda's tenure since assuming office as Director who is Audit & Supervisory Committee Member of the Company will have been six years.
 - At the conclusion of the Meeting, Mr. Sano's tenure since assuming office as Director who is Audit & Supervisory Committee Member of the Company will have been four years.
 - The Company and Mr. Nakata entered into a corporate tax accountant contract as of November 1, 1999, but it was cancelled upon his assumption of office as outside Audit & Supervisory Board Member of the Company in March 2013.
Since the amount of the contract was less than 0.01% of the Company's consolidated net sales, and insignificant from our business scale point of view, it is considered to have had no material impact on his independence as outside Director.
 - The Company and Mr. Sano entered into a consulting contract concerning M&As, business alliances and other strategic investment deals as of December 1, 2016, but it was cancelled upon his assumption of office as Director who is Audit & Supervisory Committee Member of the Company in March 2018.
Since the amount of the contract was less than 0.01% of the Company's consolidated net sales, and insignificant from our business scale point of view, it is considered to have had no material impact on his independence as outside Director.
 - The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Nakata, Mr. Maeda and Mr. Sano have been designated as independent officers as provided for by the aforementioned exchange. If the re-election of these individuals is approved, the Company plans for their designation as an independent officer to continue.
 - Mr. Aoki satisfies the criteria for independent officers as provided for by the Tokyo Stock Exchange, Inc., and if his election is approved, the Company plans to designate him as an independent officer.
 - The Company has entered into a directors and officers liability insurance (D&O) policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties or claims pertaining to the pursuit of such liability.

The candidates will be included in the insured persons under this insurance policy.
In addition, the Company intends to renew this policy with the same content when it is next due for renewal.

[Reference] “Independence Standards for Outside Directors” of the Company

1. The Company sets forth these standards as criteria for designating outside Directors of the Company (*1) as “independent officers” as stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange.
2. Persons who do not fall under any of the criteria (i) through (viii) set forth below shall, in principle, be deemed not to have any material interests in the Company, and may be designated as independent officers.
 - (i) Persons who execute business (“executives”) for the Company or the Group (*2).
 - (ii) Persons for whom the Company is a major business partner (*3) or executives thereof.
 - (iii) Major business partners of the Company or executives thereof.
 - (iv) Consultants, certified public accountants, attorneys, or other professionals who receive remuneration other than officer remuneration from the Company, and for whom the aggregate amount of remuneration paid other than officer remuneration from the Company in the most recent fiscal year exceeds ¥10 million; provided, however, that even when the amount of remuneration is ¥10 million or less, it shall be treated as a significant amount of remuneration in cases when it exceeds 50% of the annual income of those persons.
 - (v) Major shareholders of the Company (those directly or indirectly holding 10% or more of the total voting rights) or executives thereof.
 - (vi) Persons from organizations with which there is a relationship of mutual appointment of outside officers.
 - (vii) Persons who, in the ten years prior to their appointment, fell under category (i), and persons who fell under any of the categories (ii) through (vi) in the one year prior to the appointment.
 - (viii) Relatives within the second degree of kinship of any of the persons listed in the above categories (i) through (vii) (limited only to those in important positions (*4)).

- * 1. “Outside Directors” are as defined in the Companies Act. (Article 2, item (xv) of the Companies Act)
- * 2. “Executives” refer to Directors other than outside Directors (excluding Directors who are Audit & Supervisory Committee Members), Operating Officers, and employees.
- * 3. “Major business partners” refer to cases when the amount of transactions exceeds 2% of annual consolidated net sales in the most recent fiscal year.
- * 4. “Persons in important positions” refer to Directors, Operating Officers, and other persons of General Manager rank or higher who execute important business operations.

Proposal Nos. 5 and 6 have been submitted by one shareholder (number of voting rights: 650).
The Board of Directors opposes both the proposals submitted by the shareholder.
The content of and reasons for each proposal are provided as written on the shareholder proposal form submitted by the proposing shareholder, excluding some minor spelling and notation matters and the omission of a photograph.

Shareholder Proposal

Proposal No. 5: Election of One Director Who is an Audit & Supervisory Committee Member

Candidate for Director

< Note from the Company: A photograph of the candidate has been omitted, with the consent of the proposing shareholder. >

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Tomoki Maeda (April 30, 1980)	Mar. 2003 Graduated from College of Policy Science, Ritsumeikan University Apr. 2003 Joined Future Venture Capital Co., Ltd. Nov. 2006 Outside Director of Medicine Plus Co., Ltd. Sept. 2008 Joined SBI Investment Co., Ltd. Apr. 2011 Hyogo Prefectural Assembly Member, Three Terms (current position) Oct. 2018 Representative Partner, Catalyst LLC (current position)	65,000

Reasons for nomination as candidate for Director:
The candidate has participated in many venture investments and management meetings as a venture capitalist, and possesses insight regarding management and business from an investor's perspective. In addition, he has also monitored and supervised public administration as a prefectural assembly member, and possesses an abundant and diverse range of insights related to governance from his experience as an outside director.
The skill set of the three outside Directors of the Company is concentrated in the taxation and accounting fields, and when their service as outside Audit & Supervisory Board Members is included, their terms in office are becoming prolonged. Therefore, an improvement in the composition is required.
The candidate in this proposal is qualified to enhance corporate value from an investor's perspective, strengthen the start-up investment and incubation business utilizing his experience as a venture capitalist, and strengthen monitoring functions as an outside Director elected via shareholder proposal.

< Views of the Board of Directors in relation to Proposal No. 5 >

The Board of Directors of the Company “opposes this proposal” for the following reasons.

As a company with audit and supervisory committee, the Company intends to propose the election of five candidates (of whom four are candidates for outside Director) in the proposal concerning the election of Directors who are Audit & Supervisory Committee Members (Proposal No. 4), which is a company proposal.

This will increase the number of candidates for outside Director by one, to four candidates, and as all four candidates fulfill the standards for independent officers as provided for by the Tokyo Stock Exchange, Inc., the Company believes that it will be able to build a structure that will further strengthen corporate governance functions.

The three candidates who will be re-elected possess highly specialized insight in the professional fields of accounting and taxation, as well as experience in a wide range of operational fields. In their activities to date, these candidates have also sufficiently fulfilled the roles and responsibilities expected of them, including providing appropriate monitoring and advice on management from the perspective of maintaining and enhancing corporate governance systems, and enhancing corporate value over the medium- to long-term.

In addition, the one candidate for new election possesses wide-ranging insight and experience in the SI business and corporate management, and the Company expects that he will provide supervision and advice that will contribute to enhancing the corporate value of the Group.

Accordingly, the Company believes that the structure of the Board of Directors based on the company proposal for the election of Directors who are Audit & Supervisory Committee Members is the optimal structure for ensuring the effectiveness of corporate governance and maximizing corporate value, and the Board of Directors of the Company thus opposes this proposal.

Shareholder Proposal

Proposal No. 6: Acquisition of Own Shares

Outline of Subject:

Pursuant to the provisions of Article 156, paragraph (1) of the Companies Act, the Company will acquire a maximum of up to 700,000 shares of the Company's common shares for a total acquisition amount of up to ¥300 million (provided, however, that if the total acquisition amount permitted by the Companies Act (the "Distributable Amount" as set forth in Article 461 of the Companies Act) is less than this amount, it shall be the maximum acquisition amount permitted by the Companies Act), in exchange for the delivery of cash, within 150 days of the conclusion of the Meeting.

Key Points of Proposal:

Japan, a country where share prices rise less than the US.

I believe that one of the main reasons is because of the low proportion of share repurchases within total payout ratio by dividends and share repurchase.

As shown below, Japanese companies use shareholder return policies that are weighted toward dividends.

2019 Companies in S&P 500 Dividends 41%: Share repurchases 59%

FY2019 Companies listed on First Section of TSE Dividends 65%: Share repurchases 35% *Source

(* Source: "Advantages Associated With Long-Term Investments in US Stocks," Masatoshi Kikuchi)

As shareholder returns, the Company announced a dividend increase twice in the previous fiscal year, and its dividend payout ratio was 27% with these dividend increases alone.

In order to increase market capitalization, it is necessary to take steps to increase the proportion of share repurchases and increase EPS (earnings per share), which shareholders will benefit from over the long term.

In addition, I believe that the proportion of dividends and share repurchases in the total payout ratio should be determined while taking into consideration factors such as the price-to-earnings (P/E) ratio, price/earnings-to-growth (PEG) ratio and price-to-book ratio (PBR). The Company's market capitalization remains based on a market valuation as a low-growth S1er. The increase in the P/E ratio as a result of the Company's future increase in the proportion of earnings from cash cow businesses and its expansion into the edge computing domain, as well as its medium-term management plan, in which ordinary profit will increase significantly, from the target of ¥1.1 billion for the fiscal year ended December 31, 2021, to ¥1.7 billion for the fiscal year ending December 31, 2023, are not being appropriately valued. This proposal concerns a proactive share repurchase as an investment, taking advantage of the current low market valuation as a chance to increase EPS at low cost.

In addition, this proposal is also a necessary measure for maintaining a listing on the Prime Market.

In the "Plan for Compliance With the Listing Standards for the New Market Segments" announced by the Company in November 2021, the tradable share market capitalization of the Company was ¥6.56 billion, which is lower than the criteria of ¥10.0 billion for the Prime Market.

In the same plan, a three-year historical average P/E ratio of 30.4 times was used in the calculation of the theoretical share price, but I believe this is optimistic, taking into consideration the P/E ratios of comparable companies and industry peers, as well as the current level of the Company's P/E ratio. Accordingly, in order to comply with the Prime Market, the Company must increase its EPS through continuous share repurchases, in addition to the four initiatives in the plan.

As of September 30, 2021, the Company had good financial foundations, with cash and deposits of ¥5,343 million and trade notes receivable and accounts receivable of ¥1,886 million, for an aggregate amount of ¥7,229 million, compared with trade notes payable and accounts payable of ¥429 million and short-term and long-term borrowings of ¥1,799 million, for an aggregate amount of ¥2,228 million. In addition, even taking into consideration recent statements of cash flows and growth investments, it is fully possible for the Company to allocate capital of ¥300 million for a share repurchase.

I actually believe that the Company should conduct a share repurchase of ¥600 million, but I am proposing half of that amount in this proposal, and will entrust the remainder to the Board of Directors to decide after identifying circumstances in businesses and the market environment.

< Views of the Board of Directors in relation to Proposal No. 6 >

The Board of Directors of the Company **“opposes this proposal”** for the following reasons.

The Company recognizes that the acquisition of its own shares, as described in this shareholder proposal, is a powerful method for returning profits to shareholders alongside dividend measures, and it also believes it will contribute to enhancing capital efficiency. In addition, the Company is also aware that some level of positive effect can be expected on the equity market.

On the other hand, the acquisition of its own shares may have a negative impact on the tradable share market capitalization through the reduction of the number of tradable shares, and as the Company aims to increase its tradable share market capitalization, it believes it must consider the timely and appropriate timing, number of shares, and amount for the acquisition of its own shares, while sufficiently taking into consideration its management circumstances and the market environment.

In accordance with the provisions of the Company’s Articles of Incorporation, it is possible for the Company to flexibly acquire its own shares by resolution of the Board of Directors, and the Board of Directors of the Company has therefore judged that it is not necessary to separately pass a resolution at a General Meeting of Shareholders in relation to its own shares, as requested by the proposing shareholder.

Accordingly, the Board of Directors of the Company opposes this proposal.