

**Translation:**

Please note that the following purports to be a translation from the Japanese original Notice of the 14<sup>th</sup> Annual General Shareholders Meeting of TIS Inc. prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

(Securities Code: 3626)

June 1, 2022

To Our Shareholders:

**TIS Inc.**

17-1, Nishi-shinjuku 8-chome, Shinjuku-ku, Tokyo

President and Representative Director: Yasushi Okamoto

## Notice of the 14<sup>th</sup> Annual General Meeting of Shareholders

We are pleased to invite you to attend the 14<sup>th</sup> Annual General Meeting of Shareholders of TIS Inc. (the “Company”) to be held as described below.

**If you are unable to attend the meeting, you may exercise your voting rights by means of either of the methods described on the next page. We would appreciate it if you could review the “Reference Materials for the General Meeting of Shareholders” (attached below) and exercise your voting rights no later than 5:30 p.m. JST on Thursday, June 23, 2022.**

### Schedule of the Annual General Meeting of Shareholders

**1. Date & Time** Friday, June 24, 2022 at 10 a.m. JST

**2. Place** Meeting room on the 1<sup>st</sup> floor of the Bellesalle Shinjuku Ground  
17-3, Nishi-shinjuku 8-chome, Shinjuku-ku, Tokyo

### **3. Agenda:**

#### **Matters for Report:**

1. Business Report, Consolidated Financial Statements and Accounting Auditor’s Report and the Audit & Supervisory Board’s Report on the Audit of the Consolidated Financial Statements for the 14<sup>th</sup> Fiscal Year of the Company (from April 1, 2021 to March 31, 2022)
2. Non-Consolidated Financial Statements for the 14<sup>th</sup> Fiscal Year of the Company (from April 1, 2021 to March 31, 2022)

#### **Matters for Approval:**

- Proposition No. 1** Appropriation of Retained Earnings
- Proposition No. 2** Partial Amendments to the Articles of Incorporation
- Proposition No. 3** Election of Nine (9) Directors
- Proposition No. 4** Election of One (1) Audit & Supervisory Board Member

### **4. Exercising Voting Rights**

If you are unable to attend the meeting, you may exercise your voting rights by means of either of the methods described below.

#### **[Exercising Voting Rights via Mail]**

Please indicate your approval or disapproval for the propositions below on the enclosed form, and return the form to the Company no later than 5:30 p.m. JST on Thursday, June 23, 2022.

#### **[Exercising Voting Rights via Internet, etc.]**

Please check the description entitled “Guidance for the Exercise of Voting Rights via the Internet, etc.”, access the designated site for exercising your voting rights (<https://evote.tr.mufg.jp/>; available only in Japanese), and indicate your approval or disapproval of each of the items no later than 5:30 p.m. JST on Thursday, June 23, 2022. (*The English translation of the “Guidance” is intentionally omitted as the Internet voting service is only available in Japan in the Japanese language.*)

## 5. Matters to be determined at the Meeting

Please refer to the “Guidance for Exercising Voting Rights via the Internet”. *(The English translation of the “Guidance” is intentionally omitted as the Internet voting service is only available in Japan in the Japanese language.)*

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- \* Please present the enclosed voting form at the reception on the day of the meeting.
  - \* A shareholder who is unable to attend the meeting may exercise his/her voting rights by authorizing another shareholder with voting rights to act as his/her proxy, provided that a document evidencing his/her power of representation for each general meeting of shareholders is submitted.
  - \* The following matters are not stated in the documents attached to this Notice of the 14<sup>th</sup> Annual General Meeting of Shareholders since they are posted on our website, based on relevant laws, regulations and Article 16 of the Articles of Incorporation.
    - (1) “Organizational Design to Ensure Appropriateness of Business Operations and State of Implementation of the Same” and “Results of Analysis and Evaluation of the Effectiveness of the Board of Directors” in the Business Report
    - (2) Notes to Consolidated Financial Statements
    - (3) Notes to Non-Consolidated Financial Statements

Therefore, the documents attached to this Notice of the 14<sup>th</sup> Annual General Meeting of Shareholders are a portion of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditors during the course of preparing accounting audit reports, and by the Audit & Supervisory Board Members during the course of preparing auditing reports. *(Available only with the original Japanese Notice of the 14<sup>th</sup> Annual General Meeting of Shareholders documents)*

- \* Please note that any amendments to the Reference Materials for the General Meeting of Shareholders, and the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements will be provided on the Company’s website (<https://www.tis.co.jp/>).

## Reference Materials for the General Meeting of Shareholders

### Propositions and Reference Matters

#### Proposition No. 1 Appropriation of Retained Earnings

The Company recognizes returns to shareholders as an important management issue and strives for a sustainable and stable dividend payout in consideration of consolidated business performance while maintaining a level of retained earnings appropriate for business development over a mid- to long-term management perspective.

Based on this policy, in regard to the Medium-term Management Plan (Fiscal 2021 to Fiscal 2023), the Company is raising our total return ratio target from 40% to 45% and has a policy to continually enhance the dividend per share, while balancing the promotion of investment for growth, the maintenance of fiscal health and the strengthening of shareholder returns. In order to continually enhance the return of profits to shareholders, the Company believes it is desirable to return to shareholders based on profits from business activities that are not affected by one-off profits..

In regard to the year-end dividend, as earnings growth this fiscal year is above plan, we would like to propose raising the year-end dividend from the original plan of 27 yen per share by 4 yen per share to 31 yen per share as follows; combined with the interim dividend, which has already been paid out, this will bring the annual dividend to 44 yen per share.

(1) Dividend Types

Cash dividend

(2) Allotment of Dividend and Total Amount of Dividends

31 yen per share of common stock in the Company for a total sum of 7,785,948,220 yen

(3) Effective Date for the Payment of Dividend from Retained Earnings

June 27, 2022

Moreover, the Company has acquired 1,430,400 treasury shares (the aggregate acquisition amount is 4,470 million yen) during the fiscal year under review; this brought our consolidated total return ratio to 39.3% for the aforementioned year. However, the consolidated total return ratio calculated according to the thinking described above is 43.1%, in line with our basic policy.

#### (Reference) Transition of annual dividends, etc. per share

Category	The 11th Fiscal year ended March 31, 2019	The 12th Fiscal year ended March 31, 2020	The 13th Fiscal year ended March 31, 2021	The 14th Fiscal year ended March 31, 2022 (current fiscal year)
Annual dividend per share (Yen)	23.3	30	35	44
Annual dividends paid (Millions of yen)	5,941	7,571	8,823	11,051
Payout ratio (%)	22.7	25.7	31.9	27.9
Total return ratio (%)	39.0	39.8	42.8	39.3

Note: The Company conducted a stock split effective April 1, 2020, whereby one (1) ordinary share was split into three (3) shares. For this reason, the “Annual dividend per share (Yen)” for the 11th to 12th Fiscal Years has been calculated as if the stock split had taken place as of the beginning of the 11th Fiscal Year.

**Proposition No. 2** Partial Amendments to the Articles of Incorporation

We would like to propose partial amendments to the Articles of Incorporation as follows.

1. Reason for the Proposed Amendments

- (1) As the amendment provisions of the proviso clause of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be in effect as of September 1, 2022, in response to the introduction of a system for providing materials for general meetings of shareholders in an electronic format, we propose to amend the Articles of Incorporation of the Company as outlined in (i) through (iv) below:
  - (i) As the Company will be required to stipulate in the Articles of Incorporation that it shall take measures to provide in an electronic format the information that should otherwise be included in the reference materials for general meeting of shareholders, we propose to establish such a provision as in Article 16 (Measures to Provide Information in an Electronic Format), paragraph 1 of the proposed amendment.
  - (ii) We also propose to establish Article 16 (Measures to Provide Information in an Electronic Format), paragraph 2 to prescribe that when a shareholder has requested the delivery in a paper-based format of information that should be included in the reference materials for general meeting of shareholders, the Company may choose to limit the scope of matters included in the paper document to be delivered to the shareholder to the scope prescribed in Ministry of Justice Order if they are provided in an electronic format.
  - (iii) We propose the deletion of the provisions of Article 16 (Internet Disclosure of Reference Materials for General Meeting of Shareholders and Deemed Provision) of the current Articles of Incorporation as they will no longer be necessary following the introduction of the system for providing materials for general meeting of shareholders in an electronic format.
  - (iv) Supplementary provisions will be established to prescribe the effective date in relation to the new provisions and the deletion of existing provisions mentioned above. These supplementary provisions will be deleted upon the expiration of a set period.
- (2) In addition, we propose the deletion of Article 19 (Method of Notice for Diverse Exercise Vote) of the current Articles of Incorporation to enable the prior notice of diverse exercise vote to be given via the Internet.
- (3) We also propose to make necessary changes in Article numbers in connection with the deletions mentioned above.

2. Content of the Amendments

The details of the amendments are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
Article 1 } (text omitted) Article 15  <u>(Internet Disclosure of Reference Materials for General Meeting of Shareholders and Deemed Provision)</u> <u>Article 16</u> <u>Upon convening a general meeting of shareholders, the Company may be deemed to have provided information related to the matters to be described or indicated in the reference materials for a general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements (hereinafter referred to as the “Reference Materials”) to the shareholders by disclosure through the Internet pursuant to the applicable Ordinance of the Ministry of Justice.</u>  (New provision)	Article 1 } (no changes) Article 15  (Deleted)          <u>(Measures to Provide Information in an Electronic Format)</u> <u>Article 16</u> 1. <u>In convening a general meeting of shareholders,</u>

<p>Article 17  } (text omitted)  Article 18</p> <p><u>(Method of Notice for Diverse Exercise Vote)</u>  <u>Article 19</u>  <u>A notice provided in Article 313 (2) of the Companies Act shall be given in written form.</u></p> <p>Article 20  } (text omitted)  Article 50</p> <p>(New provision)</p>	<p><u>the Company shall take measures to provide in an electronic format such information that falls under reference materials for general meeting ofshareholders.</u></p> <p>2. <u>When a shareholder has requested the delivery of materials in a paper-based format by the record date of voting rights, the Company may choose not to include in the paper document to be delivered to the shareholder the whole or part of matters prescribed in Ministry of JusticeOrder if they are provided in an electronic format.</u></p> <p>Article 17  } (no changes)  Article 18</p> <p>(Deleted)</p> <p>Article 19  } (no changes)  Article 49</p> <p><u>Supplementary Provisions</u></p> <p>1. <u>The deletion of Article 16 (Internet Disclosureof Reference Materials for General Meeting ofShareholders and Deemed Provision) of the Articles of Incorporation before amendment and the new establishment of Article 16 (Measures to Provide Information in an Electronic Format) of the proposed amendmentshall take effect on September 1, 2022.</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, the provisions of Article 16 of the Articles of Incorporation before amendment shall remain in full force and effect for any general meeting of shareholders held within six (6) months from September 1,2022.</u></p> <p>3. <u>These Supplementary Provisions shall be deleted on the later of the day on which six (6) months have passed since September 1, 2022 and the day on which three (3) months have passed since the date of the general meeting of shareholders referred to in the preceding paragraph.</u></p>
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**Proposition No. 3** Election of Nine (9) Directors

The term of office of all nine (9) current Directors will expire at the close of this Annual General Meeting of Shareholders.

To ensure an effective corporate governance structure toward sustainable growth and medium- to long-term increase in corporate value, the Board of Directors is composed of Directors with abundant management experience, high insight, and varied and highly specialized skills and capabilities. To enhance the supervisory function of the Board of Directors, the Company also elects 1/3 or more of all the Directors from persons who fulfil the Company's Criteria Concerning Independence of External Officers.

Accordingly, we would like to propose that nine (9) Directors including three (3) External Directors be elected.

The candidates for Directors and Skills Matrix of the Directors are as follows:

## List of candidates for Directors

Candidate No.	Name of Candidates for Directors	Current Position and Responsibility at the Company	Rate of Attendance at the Board Meeting (Number of Attendances)
1	Toru Kuwano (Reappointed)	Chairman and Director	100% (Attended all 22 meetings)
2	Yasushi Okamoto (Reappointed)	President and Representative Director, in charge of Auditing Dept.	100% (Attended all 22 meetings)
3	Masahiko Adachi (Reappointed)	Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Technology & Innovation SBU, System Development & Quality Management Innovation SBU	100% (Attended all 22 meetings)
4	Josaku Yanai (Reappointed)	Representative Director, Executive Vice President, in charge of Digital Transformation Promotion SBU, Financial Industry SBU, Industries & Public Solutions SBU, Digital Transformation Business Unit, Enterprise Consulting Business Unit, IT Platform SBU, Business Innovation Unit, Digital Society Service Planning Unit, and Global Div., and Director of Global Div.	100% (Attended all 22 meetings)
5	Takayuki Kitaoka (Reappointed)	Director	100% (Attended all 22 meetings)
6	Akira Shinkai (Reappointed)	Director	95.5% (Attended 21 out of 22 meetings)
7	Koichi Sano (Reappointed, External, Independent)	Director (External Director)	100% (Attended all 22 meetings)
8	Fumio Tsuchiya (Reappointed, External, Independent)	Director (External Director)	100% (Attended all 22 meetings)
9	Naoko Mizukoshi (Reappointed, External, Independent)	Director (External Director)	100% (Attended all 22 meetings)

(Notes)

1. (Reappointed) refers to candidates reappointed as Directors, (External) refers to candidates for External Directors, and (Independent) refers to Directors who have been filed with the Tokyo Stock Exchange as Independent Officers.

## Board of Directors Skills Matrix

Candidate No	Name of Candidates for Directors	Position after close of this Annual General Meeting of Shareholders	Company Management	Industry Knowledge	International Experience	Finance/Accounting	Legal/Intellectual Property
1	Toru Kuwano	Chairman and Director (Reference: Chair of Board of Directors)	●	●	●		
2	Yasushi Okamoto	President and Representative Director	●	●	●		
3	Masahiko Adachi	Representative Director	●	●		●	
4	Josaku Yanai	Representative Director	●	●	●		
5	Takayuki Kitaoka	Director	●	●			
6	Akira Shinkai	Director	●	●			
7	Koichi Sano	Director (External Director)	●			●	
8	Fumio Tsuchiya	Director (External Director)	●	●	●		
9	Naoko Mizukoshi	Director (External Director)		●	●		●

<Reference> Policy and Procedures for Election, Dismissal, and Nomination of Directors, etc.

In order to realize effective corporate governance and contribute to the sustainable growth of the Company as well as the enhancement of its medium- to long-term corporate value, in nominating candidates for directors and audit & supervisory board members etc., the Board of Directors, following the report from the Nomination Committee whose members comprise a majority of independent external directors will nominate the candidates based on election criteria determined by the Company under which they are selected as directors or audit & supervisory board members. The Board of Directors will nominate candidates with abundant experience, a high level of insight and advanced specialization, while also considering aspects of diversity such as gender and internationality.

If a situation arises where a management executive should be dismissed, the Board of Directors shall resolve upon a dismissal proposal. However, the dismissal of a director shall be conducted in accordance with the Companies Act and other relevant provisions.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company	
1	Toru Kuwano (May 3, 1952)  <Reappointment Candidate>	April 1976	Joined Toyo Information Systems Co., Ltd. *1	171,400 shares
		June 2000	Director of Toyo Information Systems Co., Ltd.	
		April 2004	Executive Director of TIS Inc.	
		April 2008	Executive Managing Director of TIS Inc.	
		April 2010	Executive Vice President and Representative Director of TIS Inc.	
		April 2011	President and Representative Director of TIS Inc.	
		April 2013	Chairman, President and Representative Director of TIS Inc.	
		June 2013	Chairman, President and Representative Director of TIS Inc. Director of the Company *2	
		June 2016	Chairman, President and Representative Director of TIS Inc. President and Representative Director of the Company	
	July 2016	President and Representative Director of the Company, in charge of Auditing Dept.		
	<Number of Years in Office> 9 years	June 2018	Chairman, President and Representative Director of the Company, in charge of Auditing Dept.	
		April 2021	Chairman and Director of the Company(to present)	

[Reasons for the Selection of Candidate for Director]

After assuming the office of President and Representative Director of the Group company, Toru Kuwano was appointed as a Director of the Company in June 2013 and President and Representative Director in June 2016. Since April 2021, he has assumed the office of Chairman and Director of the Company. He has a wealth of experience and knowledge about the Company's and its Group's business, as well as in business administration.

Since April 2021, he has also assumed the position of Chairman and Director as a non-executive Director, in order to realize fair management supervision. He has promoted a stronger and more effective corporate governance structure and worked toward the sustainable growth and increase in the medium- to long-term corporate value of the Company. He is nominated as a candidate for Director since he is highly expected to continue to fulfill the duties of significant decision-making for the Company's Group as well as the administration and oversight of business management.

\*1. Toyo Information Systems Co., Ltd. changed its trade name to TIS Inc. on January 1, 2001.

\*2. As of June 2013, the Company's trade name was IT Holdings Corporation.

Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.



Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company	
2	Yasushi Okamoto (March 3, 1962)  <Reappointment Candidate>	April 1985	Joined Toyo Information Systems Co., Ltd.* <sup>1</sup>	55,356 shares
		April 2010	Managing Executive Officer, Department Manager of Corporate Planning and Management Department of SORUN CORPORATION* <sup>2</sup>	
		April 2011	Executive Officer, Department Manager of Corporate Planning & Control Dept. of TIS Inc.* <sup>2</sup>	
		October 2011	Executive Officer, Department Manager of Corporate Planning & Control Dept. and Section Manager of Global Business Planning Office of TIS Inc.	
		January 2012	Executive Officer, Department Manager of Corporate Planning & Control Dept. and Section Manager of Global Business Planning Office of TIS Inc. Managing Director of TISI (Singapore) Pte. Ltd.	
		April 2013	Managing Executive Officer, Division Manager of IT Solutions Services SBU of TIS Inc.	
		April 2016	Senior Managing Executive Officer, Division Manager of Industries & Solutions SBU of TIS Inc.	
		July 2016	Senior Managing Executive Officer, Division Manager of Industries & Solutions SBU of the Company* <sup>3</sup>	
		April 2017	Senior Managing Executive Officer, in charge of Industries & Solutions SBU, Business Innovation Div., Division Manager of Business Innovation Div. of the Company	
		April 2018	Senior Managing Executive Officer, Sector Director of Service Strategy Sector of the Company	
		June 2018	Director, Senior Managing Executive Officer, Sector Director of Service Strategy Sector of the Company	
	April 2020	Director, Executive Vice President, Sector Director of Service Strategy Sector of the Company		
<Number of Years in Office> 4 years	April 2021	President and Representative Director of the Company, in charge of Auditing Dept. (to the present)		

[Reasons for the Selection of Candidate for Director]

Yasushi Okamoto served as Senior Managing Executive Officer and Division Manager of the planning and development department of industrial systems from July 2016, and as Director from June 2018, after having been engaged in corporate business in the corporate planning department of the Company for many years. He was appointed to the office of President and Representative Director in April 2021.

Based on these experiences, he is a person who can exert leadership to further promote the sustainable growth and increase in corporate value of the Group through the steady implementation of the current Medium-Term Management Plan (2021-2023). He is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Group and oversight of business management.

\*1. Toyo Information Systems Co., Ltd. changed its trade name to TIS Inc. on January 1, 2001.

\*2. Effective as of April 1, 2011, a merger took effect with TIS Inc., the Company's wholly-owned subsidiary, being the surviving company and UFIT Co., Ltd., and SORUN CORPORATION being the absorbed companies.

\*3. Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
3	<p data-bbox="261 1115 574 1240">Masahiko Adachi (May 9, 1956) &lt;Reappointment Candidate&gt;</p>	<p data-bbox="628 309 1369 362">April 1981      Joined the Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p>	45,000 shares
		<p data-bbox="628 394 1369 470">April 2001      General Manager of Sugamo Branch and General Manager of Corporate Sales Department of Sanwa Bank, Limited</p>	
		<p data-bbox="628 501 1369 577">January 2006    Deputy General Manager of Human Resources Department of Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p>	
		<p data-bbox="628 613 1369 689">October 2006    General Manager of Osaka Sales Department No. 1 of Osaka Sales Division of Bank of Tokyo-Mitsubishi UFJ, Ltd.</p>	
		<p data-bbox="628 725 1369 779">January 2010    Manager of Corporate Planning and Management Department of UFIT Co., Ltd. <sup>*1</sup></p>	
		<p data-bbox="628 810 1369 887">April 2010      Executive Officer, Department Manager of Corporate Planning and Management Department of UFIT Co., Ltd.</p>	
		<p data-bbox="628 918 1369 994">June 2010      Director and Executive Officer, Department Manager of Corporate Planning and Management Department of UFIT Co., Ltd.</p>	
		<p data-bbox="628 1025 1369 1079">April 2011      Executive Officer, Division Manager of Corporate Management Div. of TIS Inc. <sup>*1</sup></p>	
		<p data-bbox="628 1115 1369 1169">April 2013      Managing Executive Officer, Division Manager of Financial Industry SBU 1 of TIS Inc.</p>	
		<p data-bbox="628 1196 1369 1303">April 2016      Senior Managing Executive Officer, Division Manager of Financial Industry SBU 1 and Division Manager of Financial Industry SBU 3 of TIS Inc.</p>	
		<p data-bbox="628 1339 1369 1447">July 2016      Senior Managing Executive Officer, Division Manager of Financial Industry SBU 1 and Division Manager of Financial Industry SBU 3 of the Company <sup>*2</sup></p>	
		<p data-bbox="628 1473 1369 1581">April 2018      Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Division Manager of Corporate Planning SBU of the Company</p>	
		<p data-bbox="628 1617 1369 1751">June 2018      Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Division Manager of Corporate Planning SBU of the Company</p>	
		<p data-bbox="628 1787 1369 1944">April 2020      Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Operation SBU, and Global SBU, and Division Manager of Corporate Planning SBU of the Company</p>	
	<p data-bbox="261 2051 574 2105">&lt;Number of Years in Office&gt; 4 years</p>	<p data-bbox="628 1980 1369 2087">April 2021      Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Operation SBU, System Development &amp;</p>	

		<p>October 2021</p> <p>April 2022</p>	<p>Quality Management Innovation SBU, Technology &amp; Innovation SBU of the Company</p> <p>Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Operation SBU, System Development &amp; Quality Management Innovation SBU, Technology &amp; Innovation SBU, Group Operation Innovation Project of the Company</p> <p>Representative Director, Executive Vice President, in charge of Corporate Planning SBU, Human Resources SBU, Corporate Management SBU, Technology &amp; Innovation SBU, System Development &amp; Quality Management Innovation SBU of the Company (to the present)</p>	
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[Reasons for the Selection of Candidate for Director]

Masahiko Adachi has been in the office of Representative Director since June 2018 following the office of Division Manager of the corporate department and the financial system department of a financial institution and the Group company. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to promote the sustainable growth and increase in corporate value of the Group through the steady implementation of the current Medium-Term Management Plan (2021-2023), enhance and promote group governance centered on the corporate function, and fulfill the duties of significant decision-making for the Group and oversight of business management.

- \*1. Effective as of April 1, 2011, a merger took effect with TIS Inc., the Company's wholly-owned subsidiary, being the surviving company and UFIT Co., Ltd., and SORUN CORPORATION being the absorbed companies.
- \*2. Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
4	<p style="text-align: center;">Josaku Yanai (November 14, 1963) &lt;Reappointment Candidate&gt;</p>	April 1987      Joined The Long-Term Credit Bank of Japan, Limited	58,600 Shares
		January 2000      Joined Toyo Information Systems Co., Ltd. *1	
		April 2009      Executive Officer, Department Manager of Corporate Planning & Control Dept., Corporate Planning & Control Div. of TIS Inc.	
		April 2011      Executive Officer, Division Manager of Corporate Planning Division of the Company *2	
		May 2015      Managing Executive Officer, Division Manager of Corporate Planning Division of the Company	
		June 2016      Director, Managing Executive Officer and Division Manager of Corporate Planning SBU of the Company	
		July 2016      Director, Managing Executive Officer, in charge of Corporate Planning SBU and Corporate Management SBU and Division Manager of Corporate Planning SBU of the Company	
		April 2018      Director, Senior Managing Executive Officer and Sector Director of Industry Strategy Sector of the Company	
		April 2020      Director, Executive Vice President and Sector Director of Industry Strategy Sector of the Company	
		April 2021      Representative Director, Executive Vice President, in charge of Financial Industry SBU, Industries & Public Solutions SBU, Digital Transformation Business Unit, Enterprise Business Unit, Business Innovation Unit, Digital Society Service Planning Unit, IT Platform SBU, and Global Div., and Director of Global Div. of the Company	
	<Number of Years in Office> 6 years	April 2022      Representative Director, Executive Vice President, in charge of Digital Transformation Promotion SBU, Financial Industry SBU, Industries & Public Solutions SBU, Digital Transformation Business Unit, Enterprise Consulting Business Unit, IT Platform SBU, Business Innovation Unit, Digital Society Service Planning Unit, and Global Div., and Director of Global Div. of the Company (to the present)	

[Reasons for the Selection of Candidate for Director]

Josaku Yanai was mainly engaged in the corporate section in the corporate planning department of the Company and its Group company for many years. He assumed the office of Executive Officer and Division Manager of corporate planning division of the Company in April 2011. He became a Director of the Company in June 2016 and a Representative Director in April 2021. He has a wealth of experience and knowledge about the business of the Company and its Group, as well as in business administration. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to further promote the sustainable growth and increase in corporate value of the Group through the steady implementation of the current Medium-Term Management Plan (2021-2023) and fulfill the duties of significant decision-making for the Group and the administration and oversight of business management.

\*1. Toyo Information Systems Co., Ltd. changed its trade name to TIS Inc. on January 1, 2001.

\*2. As of April 2011, the Company's trade name was IT Holdings Corporation.

Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
5	Takayuki Kitaoka (December 14, 1960)  <Reappointment Candidate>	<p>April 1984      Joined INTEC Inc.</p> <p>January 2005    General Manager of Product Solutions Marketing Dept. of INTEC Inc.</p> <p>April 2008      Manager of N&amp;O Business Promotion Dept. of INTEC Inc.</p> <p>April 2012      Manager of Corporate Planning Department of the Company *1</p> <p>April 2015      General Manager of BPO Division of INTEC Inc.</p> <p>April 2016      Executive Officer, General Manager of Corporate Planning Division of INTEC Inc.</p> <p>April 2017      Managing Executive Officer, General Manager of Corporate Planning Division of INTEC Inc.</p> <p>April 2018      President and Representative Director of INTEC Inc. (to the present)</p> <p>June 2018      Director of the Company (to the present)</p>	15,662 shares
	<Number of Years in Office> 4 years	(Other Important Concurrent Positions) Chairman of Telecom Services Association	

[Reasons for the Selection of Candidate for Director]

Takayuki Kitaoka was engaged in business related to IT infrastructure of INTEC Inc., the Company's major subsidiary, and served in management administration of the Group companies at the Company for three years from April 2012. Furthermore, he has assumed the office of President and Representative Director of INTEC Inc. since April 2018 and the office of Director of the Company since June 2018. He is nominated as a candidate for Director since he is highly expected to continue to promote the duties of INTEC Inc. assigned by the current Medium-Term Management Plan (2021-2023) and to fulfill the duties of significant decision-making for the Group and the administration and oversight of business management, based on the above experiences and from the viewpoint of Group management.

\*1. As of April 2012, the Company's trade name was IT Holdings Corporation.

Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company	
6	Akira Shinkai (March 24, 1959)  <Reappointment Candidate>	February 1986	Joined Yokogawa U System Corporation * <sup>1</sup>	18,500 shares
		April 2000	Joined YDC Corporation * <sup>2</sup>	
		June 2001	Director of YDC Corporation	
		October 2009	Joined Nippon System Gijutsu Co., Ltd. * <sup>3</sup>	
		June 2010	Director and Managing Executive Officer of Nippon System Gijutsu Co., Ltd.	
		April 2011	Deputy General Manager of NSG Department of INTEC Inc.	
		June 2012	Executive Officer of INTEC Inc.	
		May 2015	Managing Executive Officer, INTEC Inc.	
		April 2018	Director, Executive Vice President, in charge of Corporate Information Department, Business Strategy Promotion Division, and Metropolitan Distribution Service Headquarters, and General Manager of Metropolitan Distribution Service Headquarters of INTEC Inc.	
		June 2018	Director of the Company (to present) Director, Executive Vice President, in charge of Corporate Information Department, Business Strategy Promotion Division, and Metropolitan Distribution Service Headquarters, and General Manager of Metropolitan Distribution Service Headquarters of INTEC Inc.	
		April 2019	Director, Executive Vice President, in charge of Business Strategy Promotion Division, Consulting Division, Production Technology Dept., Social Infrastructure Business Division of INTEC Inc.	
		April 2020	Director, Executive Vice President, in charge of Technology & Marketing SBU, Business Innovation Division, and Social Infrastructure Business Division of INTEC Inc.	
	October 2020	Director, Executive Vice President, in charge of Technology & Marketing SBU, Quality Management Innovation Div, Business Innovation Unit of the Company		
<Number of Years in Office> 4 years	April 2021	Director, Executive Vice President, in charge of Quality Management Innovation Div of the Company (to the present)		

[Reasons for the Selection of Candidate for Director]

Akira Shinkai was engaged in business of new service planning and marketing and has assumed the office of Director and Executive Vice President of INTEC Inc., the Company's major subsidiary, since April 2018, and the office of Director of the Company since June 2018. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to continue to promote the current Medium-Term Management Plan (2021-2023), and fulfill the duties of significant decision-making for the Group and the administration and oversight of business management.

\*1. As of October 1, 1990, Yokogawa U System Corporation merged with Digital Computer Corporation and changed its trade name to Yokogawa Digital Computer Corporation (currently DTS INSIGHT CORPORATION).

- \*2. YDC Corporation was established as at April 1, 2000 with the acquisition of operation resources including inter alia goodwill of Yokogawa Digital Computer Corporation.
- \*3. Effective as of April 1, 2011, INTEC Inc. as a surviving company merged with Nippon System Gijutsu Co., Ltd. and INTEC Systems Institute, Inc. as the absorbed companies.



Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company	
7	Koichi Sano (August 30, 1948)  <Reappointment Candidate> <b>External Director Candidate</b> <b>Independent Officer Candidate</b>	April 1971	Joined Mitsui Petrochemical Industries, Ltd. (currently Mitsui Chemicals, Inc.)	3,600 Shares
		June 2003	Executive Officer and Manager of Finance Department of Mitsui Chemicals, Inc.	
		June 2005	Executive Director of Mitsui Chemicals, Inc.	
		June 2009	Executive Vice President and Representative Director of Mitsui Chemicals, Inc.	
		June 2013	Senior Councilor of Mitsui Chemicals, Inc.	
		June 2015	Retired from Mitsui Chemicals, Inc.	
	<Number of Years in Office> 6 years	June 2016	External Director of the Company *1 (to the present)	

[Reasons for the Selection of Candidate for External Director and Expected Role]

Koichi Sano worked mainly in the finance and accounting departments, and served as Executive Vice President and Representative Director of Mitsui Chemicals, Inc., and has a wide range of experience and a wealth of expertise in corporate management. Since assuming the office of External Director of the Company in June 2016, he has given advice and suggestions from an independent perspective by utilizing these experiences and expertise in the Company's business to ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate. He is nominated as candidate for External Director as he is highly expected to be a person who will continue to contribute to the increase of the corporate value and enhancement of the corporate governance of the Company.

[Items Pertaining to Independence]

While the Company has business transactions with Mitsui Chemicals, Inc. ("MC"), which Mr. Sano belonged to until June 2015, MC's consolidated sales to the Company represent 0.3% and 0.6% of the Company's consolidated and non-consolidated sales, respectively. Because Mr. Sano satisfies the requirements of the "Criteria Concerning Independence of External Officers of the Company" and the proportion of sales is minimal, we have determined that his independence as an External Director is sufficiently secured.

\*1. As of June 2016, the Company's trade name was IT Holdings Corporation.

Effective as of July 1, 2016, an absorption-style merger took effect with the Company (formerly IT Holdings Corporation) being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company. With the merger, the trade name of the Company was changed from IT Holdings Corporation to TIS Inc.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company	
8	Fumio Tsuchiya (May 10, 1948)  <Reappointment Candidate> <b>External Director Candidate</b> <b>Independent Officer Candidate</b>	July 1971	Joined Japan Airlines Co., Ltd.	-
		July 1995	Regional Manager of Madrid Branch of Japan Airlines Co., Ltd.	
		May 1999	Director and Section Manager of Personnel & Corporate Planning Section of JAL Hotels Co., Ltd. (currently Okura Nikko Hotel Management Co., Ltd.)	
		April 2001	Manager of Corporate Planning Section of Japan Airlines Co., Ltd.	
		October 2002	Executive Officer, Deputy Section Manager of Corporate Planning Section of Japan Airlines System, Inc. (currently Japan Airlines Co., Ltd.)	
		April 2004	Executive Officer and Section Manager of Corporate Planning Section of Japan Airlines System, Inc.	
		June 2004	Director and Section Manager of Corporate Planning Section of Japan Airlines Corporation (currently Japan Airlines Co., Ltd.)	
		April 2006	Managing Director, in charge of PR & IR, Legal Affairs and General Affairs of Japan Airlines Co., Ltd.	
		June 2007	President & CEO of JALCard, Inc.	
		June 2010	Retired from JALCard, Inc.	
		August 2010	Section Manager of Internal Auditing Office of Faith, Inc.	
	June 2011	Full-time Audit & Supervisory Board Member of Faith, Inc.		
<Number of Years in Office> 5 years	June 2017	External Director of the Company (to the present)	- shares	

[Reasons for the Selection of Candidate for External Director and Expected Role]

Fumio Tsuchiya previously worked in an important position in overseas offices and the Corporate Planning Department of Japan Airlines Co., Ltd. ("JAL"). After having assumed the office of Director of JAL in June 2004, he served as Managing Director and was thereafter appointed as President & CEO of JALCard, Inc. in June 2007, which is a group company of JAL. He has a wide range of experience and a wealth of expertise in corporate management.

Since assuming the office of External Director of the Company in June 2017, he has given advice and suggestions from an independent perspective by utilizing these experiences and expertise in the Company's business to ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate. He is nominated as a candidate for External Director as he is highly expected to be a person who will continue to contribute to the increase in corporate value and enhancement of the corporate governance of the Company.

[Items Pertaining to Independence]

While the Company has business transactions with JALCard, Inc. ("JALCard"), which Mr. Tsuchiya belonged to until June 2010, JALCard's consolidated sales to the Company represent 0.1% and 0.3% of the Company's consolidated and non-consolidated sales, respectively. Because Mr. Tsuchiya satisfies the requirements of the "Criteria Concerning Independence of External Officers of the Company" and the proportion of sales is minimal, we have determined that his independence as an External Director is sufficiently secured.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
9	Naoko Mizukoshi (September 23, 1967)  <Reappointment Candidate> <b>External Director Candidate</b> <b>Independent Officer Candidate</b>	<p>April 1993 Entered the Legal Training and Research Institute of Supreme Court of Japan</p> <p>April 1995 Registered as a lawyer with Osaka Bar Association Joined Miyazaki Sogo Law Office (currently Legal Professional Corporation Miyazaki Sogo Law Office)</p> <p>April 1998 Registered as a lawyer with Yokohama Bar Association (currently Kanagawa Bar Association) Joined Legal Department of Nomura Research Institute, Ltd.</p> <p>September 1999 Registered as a lawyer with Daini Tokyo Bar Association Joined Legal Department of Autodesk, Ltd.</p> <p>September 2002 Joined Legal Headquarters of Microsoft Co., Ltd. (currently Microsoft Japan Co., Ltd.) Registered as a lawyer in the State of California, U.S.A.</p> <p>November 2006 Joined TMI Associates</p> <p>January 2008 Partner of TMI Associates (resigned February 2010)</p> <p>March 2010 Founded Endeavour Law Office Partner of Endeavour Law Office</p> <p>June 2018 External Director of the Company (to the present) Partner of Endeavour Law Office (resigned December 2018)</p> <p>December 2018 Partner of Leftright Law &amp; IP (to the present)</p> <p>(Other Important Concurrent Positions) External Director of Nabtesco Corporation</p>	1,200 shares
	<Number of Years in Office> 4 years		

**[Reasons for the Selection of Candidate for External Director and Expected Role]**

Naoko Mizukoshi is a qualified lawyer and has a wealth of professional knowledge of, and experiences in, intellectual property, ICT and international transactions.

Since assuming the office of External Director in June 2018, she has given advice and suggestions from an independent perspective to ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate by utilizing these experiences and expertise in the Company's business. Since February 2021 she has acted as Chairperson of the Nomination and Remuneration Committees which are voluntary advisory bodies to the Board of Directors, and fulfils an important role in the deliberation and advice to the Board of Directors on the nomination and remuneration of directors etc. She is highly expected to be a person who will continue to contribute to the increase in corporate value and enhancement of corporate governance of the Company. She has not participated in corporate management but has expertise in corporate legal works. Therefore, she is nominated as a candidate for External Director since she could discharge duly the duties of External Director.

**[Items Pertaining to Independence]**

There is no business relationship between the Company and Leftright Law & IP to which Ms. Mizukoshi currently belongs. She fulfils the "Criteria Concerning Independence of External Officers of the Company" and the Company believes that she has no conflict of interest with any shareholders.

**(Notes)**

1. None of the Director candidates above has any special interest with the Company.
2. The Company has concluded a directors and officers liability insurance agreement provided for in Paragraph 1, Article 430-

3 of the Companies Act with an insurance company. In the event of a claim for damages due to an action (including in-action) by the insured as part of their duties as directors etc., damages including compensation for damages and legal expenses to be borne by the insureds shall be compensated under the said insurance agreement. The insurance premiums, including coverage of special conditions, will be fully borne by the Company. The director candidates are the insureds in the said insurance agreement.

3. Messrs. Koichi Sano, Fumio Tsuchiya and Ms. Naoko Mizukoshi are candidates for External Directors as set forth under Item 7, Paragraph 3, Article 2 of the Regulations for the Enforcement of the Companies Act.

Furthermore, in accordance with the procedures, the Company has designated Messrs. Koichi Sano, Fumio Tsuchiya and Ms. Naoko Mizukoshi as independent officers and filed accordingly with the Tokyo Stock Exchange. If the re-election of Messrs. Koichi Sano, Fumio Tsuchiya and Ms. Naoko Mizukoshi is approved, the Company will renew this filing. The Company's independence criteria of External Officers are described on page 23.

4. Limited Liability Agreement with External Directors

So that External Directors may fully fulfil their expected roles, the Company has entered into an agreement with Messrs. Koichi Sano, Fumio Tsuchiya and Ms. Naoko Mizukoshi to limit their liability for damages as outlined under Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act and Article 33 of the Articles of Incorporation. The maximum amount of liability under said agreement is the minimum liability amount as provided in laws and regulations. If the reappointment of all three individuals is approved at this Annual General Meeting of Shareholders, the Company will renew the agreement with each of them.

5. The registered family name of Ms. Naoko Mizukoshi is Ms. Naoko Suzuki.
6. The number of shares of the Company that are held by each of the candidates for Directors includes the unit shares held by each candidate in the Directors' Shareholdings Association of TIS INTEC Group.

**Proposition No. 4** Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Sadahei Funakoshi will expire at the close of this Annual General Meeting of Shareholders due to his resignation. Accordingly, we would like to propose that one (1) Audit & Supervisory Board Member be elected.

As the Audit & Supervisory Board Member candidate is being elected as a substitute for Audit & Supervisory Board Member Sadahei Funakoshi, the candidate's term of office will be the remaining term of her predecessor. The Audit & Supervisory Board has already agreed to the submission of this proposition in advance.

The candidate for Audit & Supervisory Board member is as follows:

Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
<p style="text-align: center;">Hiroko Kudo (February 28, 1968)</p> <p style="text-align: center;">&lt;Newly Appointed&gt; <b>External Audit &amp; Supervisory Board Member Candidate</b> <b>Independent Officer Candidate</b></p>	April 1995 Full-time lecturer, Aichi Shukutoku University Faculty of Modern Society	- shares
	April 1996 Part-time lecturer, Waseda University School of International Studies (now School of International Liberal Studies) (to the present)	
	April 1998 Full-time lecturer, Waseda University School of Education	
	July 1998 Obtained Doctorate in Public Policy Studies from Venice University	
	October 2001 Visiting researcher, Cabinet Office Economic and Social Research Institute	
	April 2002 Audit Committee member, Chiyoda City	
	April 2003 Assistant Professor, Waseda University School of Education .	
	April 2005 Professor, Chuo University Faculty of Law (to the present)	
	April 2008 Part-time lecturer, University of Tokyo Graduate School of Public Policy	
	April 2016 Senior visiting researcher, Ministry of Finance Policy Research Institute	
	May 2018 Visiting Professor, Newcastle Business School	
April 2020 Visiting Professor, University of Ljubljana Faculty of Public Administration (to the present)		
<Number of Years in Office> - years	(Other Important Concurrent Positions) Ad hoc member, Ministry of Finance Fiscal System Council, National Public Service Personnel Mutual Aid Association Subcommittee Committee member, Tokyo Metropolitan Government Tax Commission	

(Notes)

1. The Audit & Supervisory Board Member candidate above has no special interest relationship with the Company.
2. Audit & Supervisory Board Member candidate Hiroko Kudo is a candidate for External Audit & Supervisory Board Member as set forth under Item 8, Paragraph 3, Article 2 of the Regulations for the Enforcement of the Companies Act. She meets the independence criteria of the Company for external officers, and the Company believes that she has no risk of conflict of interest with any shareholders. If her election is approved, the Company will file her status as an independent officer with the Tokyo Stock Exchange.  
The Company's independence criteria for External Officers of the Company are described on page 23.
3. The Company has concluded a directors and officers liability insurance agreement provided for in Paragraph 1, Article 430-3

of the Companies Act with an insurance company. In the event of a claim for damages due to an action (including in-action) by the insured as part of their duties as officers etc., damages including compensation for damages and legal expenses to be borne by the insureds shall be compensated under the said insurance agreement. The insurance premiums, including coverage of special conditions, will be fully borne by the Company. When Ms. Hiroko Kudo's appointment is approved, she will be an insured in the said insurance agreement.

4. The Company is able to enter into an agreement with external Audit & Supervisory Board members to limit their liability for damages as outlined under Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act and Article 43 of the Articles of Incorporation. The maximum amount of liability under said agreement is the minimum liability amount as provided in laws and regulations. If Hiroko Kudo's election is approved, the Company intends to enter into an agreement with her.

<Reference>

If Proposition No. 4 is approved as originally proposed, the composition of the Audit & Supervisory Board will be as follows. The number of Audit & Supervisory Board Members will remain unchanged (Internal: 2; External: 3).

Name	Current Position of the Company	Attendance of the meetings of the Board of Directors	Attendance of the meetings of the Audit & Supervisory Board
Tetsuya Asano Currently in office	Full-Time Audit & Supervisory Board Member	100% (Attended all 22 meetings)	100% (Attended all 12 meetings)
Tatsufumi Matsuoka Currently in office	Full-Time Audit & Supervisory Board Member	100% (Attended all 22 meetings)	100% (Attended all 12 meetings)
Yukio Ono Currently in office External Independent	External Audit & Supervisory Board Member	100% (Attended all 22 meetings)	100% (Attended all 12 meetings)
Akiko Yamakawa Currently in office External Independent	External Audit & Supervisory Board Member	100% (Attended all 22 meetings)	100% (Attended all 12 meetings)
Hiroko Kudo Newly-Appointed External Independent	—	—	—

(Notes)

1. External refers to External Audit & Supervisory Board Members and candidates for the same, and Independent refers to Audit & Supervisory Board Members who have been or will be filed with the Tokyo Stock Exchange as Independent Officers.

<Reference> Criteria Concerning Independence of External Officers of the Company (revised on December 21, 2016)

In order to reinforce the supervisory function of its Board of Directors, the Company has established as follows the judgment criteria for ensuring the independence of its external directors and external audit & supervisory board members (hereafter, the "external officers") as described below, with reference to the rules of the Tokyo Stock Exchange, etc., in addition to the requirements of the Companies Act.

1. External directors (including candidates) are defined by Article 2, Paragraph 15 of the Companies Act (Requirements of External Directors) and have never served as an executive director, manager or other employee of the TIS INTEC Group (Note 1) even in the past.
2. External audit & supervisory board members (including candidates) are defined by Article 2, Paragraph 16 of the Companies Act (Requirements of External Company Auditors) and have never served as a director, manager or other employee of the TIS INTEC Group even in the past.
3. In the current fiscal year and during the past three fiscal years, external officers shall fall under none of each of the following items.
  - i. A counterparty which has transactions principally with the Company (Note 2) or a person who executes that counterparty's business
  - ii. A counterparty which has transactions principally with the TIS INTEC Group (Note 3) or a person who executes that counterparty's business
  - iii. A consultant, accounting professional or legal professional who has received a large amount of money or other assets (Note 4) other than remuneration of officers from the Company. In addition, when these are received by an organization such as a corporation or partnership, this includes persons who belong to the applicable organization.
  - iv. A major shareholder of the Company (Note 5). In addition, when the major shareholder is a corporation, this includes a person who executes the business of the corporation.
  - v. A person other than those in (i), (ii) and (iii) above who executes the business of a counterparty of the Company (Note 6)
  - vi. A person who was formerly a member of a counterparty which is in a situation of cross-assumption of offices of external officers
  - vii. A counterparty or former member of the counterparty that receives donations from the Company
4. External officers must not be a relative within the second degree of a person who falls under each of the following items.
  - i. A person mentioned in (i) to (iii) of the previous clause
  - ii. A person who executes the business of a subsidiary of the Company
  - iii. A non-executive director of a subsidiary of the Company (limited to external audit & supervisory board members)
  - iv. A person who fell under (ii) or (iii) above or a person who executes the business of the Company (including a non-executive director in the case of an audit & supervisory board member) recently (in the current fiscal year and during the past four fiscal years)
5. In addition to the above, there exist no circumstances in which duties imposed on an independent external officer are reasonably deemed not to be achieved.

Note 1: The "TIS INTEC Group" means the Company and its subsidiaries.

Note 2: A "counterparty which has transactions principally with the Company" means a counterparty which provides products or services to the Company and whose payments from the Company constitute at least 2% of the sales of such counterpart in one fiscal year. The main bank (MUFG Bank, Ltd.) and the lead managing underwriters (Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co, Ltd., and SMBC Nikko Securities Inc.) of the Company shall also each be a "counterpart which has transactions principally with the Company," regardless of the transaction amount.

Note 3: A "counterparty which has transactions principally with the TIS INTEC Group" means a counterparty with sales exceeding 2% of the total consolidated sales of the TIS INTEC Group.

Note 4: "A large amount of money or other assets" means the total value exceeds 10 million yen per fiscal year. This shall apply also to a consultant, accounting professional or legal professional that enters a consulting agreement or similar arrangement and periodically pays an amount of money or other assets, regardless of the amount.

Note 5: A "major shareholder" means a person or company, and the like, that directly or indirectly holds 10% or more of total voting rights. However, the Company's leading shareholders (the top 10 approximately) shall be treated as "major shareholders."

Note 6: A "counterparty which has transactions with the Company" means the case when transactions with the Company per fiscal year constitute at least 2% of non-consolidated sales of the Company.

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