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Securities code: 3666

**To Shareholders with Voting Rights:**

Takashi Yoshioka  
President and Representative Director  
Tecnos Japan Incorporated  
Tokyo Opera City Tower 14F,  
3-20-2 Nishishinjuku, Shinjuku-ku,  
Tokyo

**NOTICE OF  
THE 28TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 28th Annual General Meeting of Shareholders of Tecnos Japan Incorporated (the “Company”) will be held as described below.

Taking appropriate measures to prevent COVID-19, we will hold the Meeting. You may exercise your voting rights in writing or via the Internet, etc. in lieu of attending the Meeting. Please review the attached Reference Documents for the General Meeting of Shareholders and indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 6:00 p.m. on Thursday, June 23, 2022, Japan time or exercise your voting rights via the Internet, etc., by the deadline.

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. Japan time  
(The reception desk opens at 9:30 a.m.)
- 2. Place:** Rooms 3 and 4 on 26th floor, Taiyo Life Nihombashi Building,  
located at 2-11-2 Nihombashi, Chuo-ku, Tokyo
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company’s 28th Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
  2. Non-consolidated Financial Statements for the Company’s 28th Fiscal Year (April 1, 2021 - March 31, 2022)
- Proposals to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member
- Proposal 5:** Determination of Remuneration for Granting Performance-Based Stock Remuneration for Directors
- Proposal 6:** Election of Accounting Auditor

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- When attending the Meeting, please submit the enclosed Voting Rights Exercise Form to the reception desk.
  - Exercising voting rights by Voting Rights Exercise Form may involve the risk of infection due to the return process for the Form or vote counting process. You are kindly requested to exercise your voting rights via the Internet, etc. as much as possible when exercising your voting rights in advance.
  - Among the documents to be provided with this Notice, “System to Ensure Appropriate Business Execution and Its Operational Status” in the Business Report, “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements, and “Non-consolidated Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.tecnos.co.jp>) in accordance with the provisions of laws and regulations and Article 12 of the Company’s Articles of Incorporation, and therefore are not included in the documents provided in this Notice. The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit and Supervisory Committee and the Accounting Auditor are matters included in the documents provided in this Notice as well as matters posted on the Company’s website above.
  - Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements be revised, the revised versions will be posted on the Company’s website (<https://www.tecnos.co.jp>).

The Company’s website: <https://www.tecnos.co.jp/>

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Partial Amendments to the Articles of Incorporation

#### 1. Reason for the proposal

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 16, Paragraph 1 provides that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 16, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure and deemed provision of the reference documents for the general meeting of shareholders, etc. (Article 16 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

#### 2. Details of the amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation pursuant to this proposal shall come into effect as of the date as stated in Paragraph 1 of the supplementary provisions.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 to Article 15 (Provisions omitted)</p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 16</u> <u>The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance</u></p>	<p>Article 1 to Article 15 (Unchanged)</p> <p style="text-align: center;">&lt;Deleted&gt;</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>with the provisions provided for in the Ordinance of the Ministry of Justice.</u></p> <p>&lt;Newly established&gt;</p>	<p><u>(Measures for Electronic Provision, Etc.)</u></p> <p><u>Article 16</u> The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</p> <p>2. <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>
<p>Article 17 to Article 35 (Provisions omitted)</p> <p>&lt;Newly established&gt;</p>	<p>Article 17 to Article 35 (Unchanged)</p> <p><u>(Supplementary provisions)</u></p> <p><u>The deletion of Article 16 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) and the establishment of Article 16 in the amended Articles of Incorporation (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022.</u></p> <p>2. <u>Notwithstanding the provision of the preceding paragraph, Article 16 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain in force with respect to any general meeting of</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p data-bbox="991 219 1401 293"><u>shareholders held on or before the end of February 2023.</u></p> <p data-bbox="887 300 1401 573">3. <u>These supplementary provisions shall be deleted after March 1, 2023 or the date when three months have passed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors who are not Audit and Supervisory Committee Members will expire at the close of the Meeting. Accordingly, the Company proposes the election of seven (7) Directors who are not Audit and Supervisory Committee Members.

The candidates for Directors who are not Audit and Supervisory Committee Members are as follows:

No.	Name	Current positions and responsibilities at the Company	Term of office as Director	Attendance rate at meetings of Board of Directors
1	Takashi Yoshioka [Reappointment]	President and Representative Director	5 years	100% (13/13)
2	Makoto Yamashita [Reappointment]	Director	8 years	100% (13/13)
3	Kiyoshi Kobayashi [Reappointment]	Director	8 years	100% (13/13)
4	Minoru Ishida [Reappointment]	Director	5 years	100% (13/13)
5	Takanori Chiba [Reappointment]	Director	7 years	100% (13/13)
6	Yasuhiro Horibe [Reappointment] [Outside] [Independent]	Director	4 years	92% (12/13)
7	Tomoko Ota [Reappointment] [Outside] [Independent]	Director	3 years	100% (13/13)

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Takashi Yoshioka (November 16, 1976)  [Reappointment]	April 1999      Joined the Company	27,000
		April 2013      Manager, East Japan Solution Center; Leader, SCM Group	
		October 2014    Executive Officer; Manager, East Japan Solution Center	
		April 2016      Executive Officer; Manager, West Japan Solution Center	
		June 2016      Managing Executive Officer	
		November 2016   Manager, Solution Center	
		April 2017      President and Executive Officer	
		June 2017      President, Representative Director, and Executive Officer June 2019      President and Representative Director (current position)	
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takashi Yoshioka possesses a high level of insight into the business area to which the Company belongs. He has supervised and led the Group's management as Representative Director of the Company since June 2017, contributing to the enhancement of the Company's corporate value. Based on these achievements, the Company continues to propose his election as Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Makoto Yamashita (February 10, 1972)</p> <p>[Reappointment]</p>	<p>November 1996    Joined the Company</p> <p>October 2011    Leader, Manufacturing Solution Group, Tokyo Solution Center</p> <p>April 2013        Executive Officer; Vice Manager, Tokyo Solution Center</p> <p>June 2013         Director, Okinawa Tecnos Inc.</p> <p>October 2013     Senior Managing Director, Tecnos Data Science Marketing Co., Ltd. (currently TDSE Inc.)</p> <p>April 2014        President, Executive Officer, and Chief Operating Officer (COO), the Company</p> <p>June 2014         President, Director, and Executive Officer</p> <p>February 2017    Representative Director, Tecnos Global Company K.K.</p> <p>November 2017   CEO, Tecnos Global Company of America, Inc. (current position)</p> <p>June 2018         Director, the Company (current position) CEO, Lirik, Inc. Director, Lirik Infotech Private Limited (current position)</p> <p>July 2018         Director, Lirik Software Services Canada Ltd. (current position)</p> <p>April 2019        In charge of Solution Center, Global Promotion Division, and DX Promotion Division, the Company</p> <p>October 2019     In charge of East Japan Division No. 2 and East Japan Division No. 3</p> <p>April 2020        In charge of Technology Department</p> <p>January 2021     Chairman, Lirik, Inc. (current position)</p> <p>April 2021        In charge of management and operations systems, Solution Center, the Company</p> <p>April 2022        Head of supervision of cloud solutions; in charge of cloud solutions, Solution Center (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>- CEO, Tecnos Global Company of America, Inc.</li> <li>- Chairman, Lirik, Inc.</li> <li>- Director, Lirik Infotech Private Limited</li> <li>- Director, Lirik Software Services Canada Ltd.</li> </ul>	132,200
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Makoto Yamashita has contributed to the management of the Company, utilizing his years of experience in the ERP implementation business and extensive global insight. The Company has determined that these achievements and insight will be utilized in the management of the Company, and therefore proposes his election as Director.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Kiyoshi Kobayashi (August 11, 1964)  [Reappointment]	April 1987      Joined Harima Ceramic Co., Ltd. (currently Krosaki Harima Corporation) April 2001      Transferred to Harima System Create K.K. (currently Cypress Solutions Corporation) November 2007      Joined Kobe Tecnos K.K. (currently the Company) April 2010      Manager, Corporate Planning Office, the Company June 2012      Executive Officer April 2013      Leader, Administration Group June 2014      Director (current position) April 2015      In charge of Administration Department June 2016      Director, Okinawa Tecnos Inc. February 2017      Director, Tecnos Global Company K.K. April 2017      Leader, Administration Supervision Group, the Company October 2018      In charge of Administration Department April 2019      In charge of Administration Division January 2020      Audit and Supervisory Board Member, Acc Co., Ltd. April 2020      In charge of Administration Department, the Company April 2022      Head of supervision of Business Administration Department; in charge of Business Administration Department (current position)	27,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Kiyoshi Kobayashi possesses a wealth of experience and high level of insight in the corporate divisions including finance and personnel fields and has contributed to the management of the Company. The Company has determined that these achievements and insight will be utilized in the management of the Company, and therefore proposes his election as Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Minoru Ishida (December 28, 1962)  [Reappointment]	April 1985      Joined GE Yokogawa Medical Systems Ltd. (currently GE Healthcare Japan Corporation) April 2003      Joined the Company April 2009      Manager, ERP Systems Business Department No. 2 June 2010        Executive Officer October 2011    Manager, Tokyo Solution Center April 2013        Managing Executive Officer October 2014    Executive Manager for Solution Sales June 2016        President and Representative Director, Okinawa Tecnos Inc. (current position) June 2017        Director, the Company (current position) April 2018        In charge of Solution Center April 2019        In charge of East Japan Division, West Japan Division, and Sales Alliance Division at Solution Center October 2019    In charge of West Japan Division, East Japan Division No. 1, and Sales Alliance Division April 2020        In charge of Sales Department April 2021        In charge of Sales, Procurement, and Alliance Departments April 2022        Head of supervision of digital solutions; in charge of digital solutions (current position)  [Significant concurrent positions] - President and Representative Director, Okinawa Tecnos Inc. - Director, Okinawa Software Center K.K.	25,300
[Reason for nomination as candidate for Director] Mr. Minoru Ishida has been involved in the business for many years as head of the sales department and is well-versed in the business area to which the Company belongs, and has contributed to the management of the Company. The Company has determined that these achievements and insight will be utilized in the management of the Company, and therefore proposes his election as Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p>Takanori Chiba (September 21, 1967)</p> <p>[Reappointment]</p>	<p>April 1990      Joined Software Consultant Corporation</p> <p>May 1994        Joined the Company</p> <p>April 2011      Leader, Technical Group</p> <p>April 2013      Executive Officer; Vice Manager, Tokyo Solution Center</p> <p>April 2014      Manager, R&amp;D Center</p> <p>April 2015      Managing Executive Officer; Supervisor of Solutions Technology; Manger, New Technology Promotion Center</p> <p>June 2015       Director (current position)</p> <p>April 2016      Supervisor of Solutions Technology</p> <p>November 2016   Manager, Project Promotion Center</p> <p>April 2017      Vice Leader, Administration Supervision Group; Manager, Project Management Office</p> <p>October 2018    Leader, Project Management Group</p> <p>April 2019      In charge of Project Management Division; General Manager, Project Management Division</p> <p>April 2021      In charge of infrastructure and project management, legal affairs, Solution Center</p> <p>April 2022      Head of supervision of operations management, personnel, legal affairs, and group systems; in charge of Business Corporate Center; in charge of group systems, infrastructure, and securities (current position)</p>	252,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takanori Chiba has contributed to the management of the Company, utilizing his years of experience in the ERP implementation business and extensive insight into legal affairs, project management, etc. The Company has determined that these achievements and insight will be utilized in the management of the Company, and therefore continues to propose his election as Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Yasuhiro Horibe (July 18, 1956)  [Reappointment]	<p>April 1981      Joined Mitsubishi Research Institute, Inc.</p> <p>December 2008      Executive Officer; General Manager, Planning and Administration Office, Solutions Business Division</p> <p>January 2011      Joined JDA Software Japan Co., Ltd.</p> <p>April 2017      Joined SAP Japan Co., Ltd.</p> <p>June 2018      Director, the Company (current position)</p> <p>October 2018      Executive Officer; General Manager, Planning and Solution Sales Division, PCI Solutions Inc.</p> <p>December 2019      Representative Director and President (current position)</p> <p>December 2020      Managing Director, PCI Holdings, Inc. (current position)</p> <p>[Significant concurrent positions] - Managing Director, PCI Holdings, Inc. - Representative Director and President, PCI Solutions, Inc.</p>	-
<p>[Reason for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Mr. Yasuhiro Horibe has served as Managing Director of PCI Holdings, Inc. and has been involved in corporate management himself. He is also well-versed in information systems operations. As he has provided accurate advice on overall management of the Company by utilizing his experience and knowledge mentioned above, the Company determined that he will continue to appropriately execute his duties as Outside Director. Therefore, the Company proposes his election as Outside Director, with the expectation that he will continue to fulfill his supervisory function over the Company from such perspective.</p>			
7	Tomoko Ota (September 7, 1969)  [Reappointment]	<p>April 1995      Joined Ministry of Economy, Trade and Industry</p> <p>August 2002      International student at Princeton University, USA</p> <p>July 2004      Returned to Ministry of Economy, Trade and Industry</p> <p>June 2010      Temporarily assigned to Ministry of Foreign Affairs; Counselor, Permanent Mission of Japan to the International Organizations in Geneva</p> <p>July 2013      Returned to Ministry of Economy, Trade and Industry; Head, Office for Trade Remedy Investigations, Trade Control Department, Trade and Economic Cooperation Bureau</p> <p>August 2017      Registered as patent attorney; joined Nakamura &amp; Partners (current position)</p> <p>June 2019      Director, the Company (current position)</p> <p>[Significant concurrent position] - Patent attorney, Nakamura &amp; Partners</p>	-
<p>[Reason for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Although Ms. Tomoko Ota has not been directly involved in corporate management, she possesses a wealth of experience in the Ministry of Economy, Trade and Industry and high level of insight as a patent attorney. As she has provided appropriate advice on overall management of the Company by utilizing her experience and knowledge mentioned above, the Company determined that she will continue to appropriately execute her duties as Outside Director. Therefore, the Company proposes her election as Outside Director, with the expectation that she will continue to fulfill her supervisory function over the Company from such perspective.</p>			

- Notes: 1. There are no special interests between each candidate and the Company.
2. Candidates Mr. Yasuhiro Horibe and Ms. Tomoko Ota are candidates for Outside Directors as specified in Article 2, Paragraph 3, Item 7 of the Regulations for Enforcement of the Companies Act.

Mr. Yasuhiro Horibe and Ms. Tomoko Ota will have served as Outside Director of the Company for four years and three years, respectively, at the close of the Meeting.

3. The Company has designated candidates Mr. Yasuhiro Horibe and Ms. Tomoko Ota as Independent Officers in accordance with the rules of the Tokyo Stock Exchange, and reported to the Exchange accordingly.
4. In accordance with the provisions of the Company's Articles of Incorporation, the Company has entered into a liability limitation agreement with candidates Mr. Yasuhiro Horibe and Ms. Tomoko Ota that limits liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the same act. If their reelection is approved at the Meeting, the Company intends to continue said agreement with each of them.

The limit of liability for damages under the agreement shall be the minimum amount set forth by laws and regulations.

5. The Company has enrolled in a directors and officers liability insurance policy with the candidates as the insured, and intends to renew the policy in December 2022. An outline of the insurance policy is as stated on page 34 of the Business Report (available in Japanese only). If election of each candidate is approved at the Meeting, he/she will be included as an insured under said policy.

**Proposal 3.** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire at the close of the Meeting. Accordingly, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members. The Company has obtained the prior consent of the Audit and Supervisory Committee for the submission of this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Shigeru Kubota (May 14, 1955)  [Reappointment]	<p>April 1979      Joined Nippon Electronics Development Co., Ltd. (currently Keyware Solutions Inc.)</p> <p>April 1985      Transferred to Software Consultant Corporation</p> <p>July 1995        Joined System Software Associates Japan Limited</p> <p>April 1997      Joined Adobe Systems Co., Ltd.</p> <p>June 2000      Joined Nihon Exelon K.K. (currently Nihon Progress K.K.)</p> <p>April 2001      Joined the Company</p> <p>July 2004        Executive Officer</p> <p>June 2009      Director; General Manager, Sales Promotion Division</p> <p>June 2011      President and Representative Director, Okinawa Tecnos Inc.</p> <p>June 2016      Full- time Audit and Supervisory Board Member, the Company</p> <p>June 2020      Director who is an Audit and Supervisory Committee Member) (current position)</p>	32,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shigeru Kubota is well-versed in a wide range of fields of the Company's operations and also has a wealth of experience as President of a subsidiary of the Company. Based on the above, the Company has determined that he is capable of conducting audit, etc. of the business execution of the Company from an objective perspective as Director who is an Audit and Supervisory Committee Member, and therefore proposes his election.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Masato Mori (January 28, 1956)  [Reappointment]	<p>April 1979      Joined Kokusai Denshin Denwa Co., Ltd. (currently KDDI Corporation)</p> <p>September 2000      Joined Japan Telecom Co., Ltd. (currently SoftBank Corp.)</p> <p>July 2006      Joined Chuo-Aoyama Audit Corporation (name changed to Misuzu Audit Corporation)</p> <p>June 2007      Joined Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>October 2013      President and Representative Director, Crowe Horwath Global Risk Consulting K.K.</p> <p>April 2017      Professor, Department of Global Innovation Studies, Faculty of Global and Regional Studies, Toyo University (current position)</p> <p>June 2018      Audit and Supervisory Board Member, the Company</p> <p>March 2019      Outside Auditor, VELTRA Corporation (current position)</p> <p>June 2020      Director who is an Audit and Supervisory Committee Member) (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>- Outside Auditor, VELTRA Corporation</li> <li>- Outside Director (Audit and Supervisory Committee Member), Success Holders, Inc.</li> <li>- Professor, Faculty of Global and Regional Studies, Toyo University</li> </ul>	-
<p>[Reason for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Mr. Masato Mori has experience working at major audit corporations as well as serving as the head of a company. As he has actively provided comments and advice at the meetings of the Board of Directors and Audit and Supervisory Committee, utilizing his wealth of experience and knowledge, the Company has determined that he will continue to appropriately execute his duties as Outside Director. Therefore, the Company proposes his election as Outside Director, with the expectation that he will continue to fulfill his supervisory and auditing function over the Company objectively from a fair, neutral, third-party perspective.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Yoshitaka Oshima (February 22, 1952)  [Reappointment]	<p>April 1975      Joined Kawasaki Heavy Industries, Ltd.</p> <p>April 2005      Joined Bando Chemical Industries, Ltd.</p> <p>April 2008      Executive Officer; General Manager, Management Information System Division</p> <p>April 2009      Executive Officer; Chief Financial Officer</p> <p>April 2016      Adviser</p> <p>August 2018     President, Consulting Oshima Co., Ltd. (current position)</p> <p>April 2019      Outside Director, TOHO Co., Ltd. (current position)</p> <p>June 2019      Director, the Company</p> <p>June 2020      Director who is an Audit and Supervisory Committee Member) (current position)</p> <p>[Significant concurrent positions]</p> <p>- President, Consulting Oshima Co., Ltd.</p> <p>- Outside Director, TOHO Co., Ltd.</p>	-
<p>[Reason for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Mr. Yoshitaka Oshima is well-versed in accounting, finance, and capital policy as he has served as Executive Officer and Chief Financial Officer at Bando Chemical Industries, Ltd. As he has actively provided comments and advice at the meetings of the Board of Directors and Audit and Supervisory Committee, utilizing his wealth of experience and high level of insight, the Company has determined that he will continue to appropriately execute his duties as Outside Director. Therefore, the Company proposes his election as Outside Director, with the expectation that he will continue to fulfill his supervisory and auditing function over the Company objectively from a fair, neutral, third-party perspective.</p>			

- Notes: 1. There are no special interests between each candidate and the Company.
2. Candidates Mr. Masato Mori and Mr. Yoshitaka Oshima are candidates for Outside Directors who are Audit and Supervisory Committee Members.
- Mr. Masato Mori will have served as Outside Director of the Company for two years and as Outside Director who is an Audit and Supervisory Committee Member for two years at the close of the Meeting.
- Mr. Yoshitaka Oshima will have served as Outside Director of the Company for three years and as Outside Director who is an Audit and Supervisory Committee Member for two years at the close of the Meeting.
3. The Company has designated candidates Mr. Masato Mori and Mr. Yoshitaka Oshima as Independent Officers in accordance with the rules of the Tokyo Stock Exchange, and reported to the Exchange accordingly.
4. In accordance with the provisions of the Company's Articles of Incorporation, the Company has entered into a liability limitation agreement with candidates Mr. Masato Mori and Mr. Yoshitaka Oshima that limits liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the same act. If their reelection is approved at the Meeting, the Company intends to continue said agreement with each of them.
5. The Company has enrolled in a directors and officers liability insurance policy with the candidates for Directors who are Audit and Supervisory Committee Members as the insured,



and intends to renew the policy in December 2022. An outline of the insurance policy is as stated on page 34 of the Business Report (available in Japanese only). If election of each candidate is approved at the Meeting, he/she will be included as an insured under said policy.

(Reference) Diversity of Directors

The expertise and experience possessed by Directors of the Company are as follows:

No.	Name	Current positions and responsibilities at the Company	Expertise							
			Management	Industry	HR	Finance	Sales	Legal	International	Control
1	Takashi Yoshioka	Representative Director Executive function	◎	○	○					
2	Makoto Yamashita	Director Executive function		◎					○	
3	Kiyoshi Kobayashi	Director Executive function			○	◎				○
4	Minoru Ishida	Director Executive function		○			◎			
5	Takanori Chiba	Director Executive function		○				◎		○
6	Yasuhiro Horibe	Outside Director Supervisory function, Independent Director	○	◎			○			
7	Tomoko Ota	Outside Director Supervisory function, Independent Director						◎	○	
	Shigeru Kubota	Director and Audit and Supervisory Committee Member Supervisory function, audit function					◎		○	○
	Masato Mori	Outside Director and Audit and Supervisory Committee Member Supervisory function, audit function, Independent Auditor				○			○	◎
	Yoshitaka Oshima	Outside Director and Audit and Supervisory Committee Member Supervisory function, audit function, Independent Auditor	○			◎				○

Main skill: ◎

Subskill: ○

Management: corporate management, management strategy

Finance: finance, accounting, capital policy

International: overseas experience, global business

Industry: ICT, industry knowledge

Sales: sales, marketing

Control: internal control, risk management, governance

HR: personnel and labor affairs, human resource development

Legal: legal affairs, government

**Proposal 4:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

To prepare for any situation in which the number of Directors who are Audit and Supervisory Committee Members falls below the number prescribed by laws and regulations, the Company proposes the election of one (1) Substitute Director who is an Audit and Supervisory Committee Member.

The effectiveness of the election based on this proposal; however, can be revoked by the resolution of the Board of Directors, with the consent of the Audit and Supervisory Committee, provided that such cancellation is made prior to the assumption of office. In addition, the Company has obtained the consent of the Audit and Supervisory Committee for this proposal.

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
Yasuhiro Horibe (July 18, 1956)	April 1981      Joined Mitsubishi Research Institute, Inc. December 2008      Executive Officer; General Manager, Planning and Administration Office, Solutions Business Division January 2011      Joined JDA Software Japan Co., Ltd. April 2017      Joined SAP Japan Co., Ltd. June 2018      Director, the Company (current position) October 2018      Executive Officer; General Manager, Planning and Solution Sales Division, PCI Solutions Inc. December 2019      Representative Director and President (current position) December 2020      Managing Director, PCI Holdings, Inc. (current position) [Significant concurrent positions] - Managing Director, PCI Holdings, Inc. - Representative Director and President, PCI Solutions, Inc.	-
[Reason for nomination as candidate for Outside Director and outline of the expected role] Mr. Yasuhiro Horibe has served as Managing Director of PCI Holdings, Inc. and has been involved in corporate management himself. He is also well-versed in information systems operations. As he has provided accurate advice on overall management of the Company by utilizing his experience and knowledge mentioned above, the Company determined that he will continue to appropriately execute his duties as Outside Director. Therefore, the Company proposes his election as Outside Director, with the expectation that he will continue to fulfill his supervisory function over the Company from such perspective.		

Notes: 1. There are no special interests between the candidate and the Company.

Mr. Yasuhiro Horibe will assume the office of Director who is not an Audit and Supervisory Committee Member if Proposal 2 is approved as originally proposed; however, in the event that the number of Directors who are Audit and Supervisory Committee Members falls below the number prescribed by laws and regulations, he will resign as Director who is not an Audit and Supervisory Committee Member and assume the office of Director who is an Audit and Supervisory Committee Member.

2. Mr. Yasuhiro Horibe is a candidate for Substitute Outside Director who is an Audit and Supervisory Committee Member. The Company has designated him as Independent Officer in

accordance with the rules of the Tokyo Stock Exchange, and reported to the Exchange accordingly. The Company intends to continue to designate him as Independent Officer if he is elected as Director who is Audit and Supervisory Committee Member.

3. Mr. Yasuhiro Horibe has served as Managing Director of PCI Holdings, Inc. and is well-versed in business operations. He has provided appropriate advice on overall management of the Company as Outside Director of the Company. The Company believes that he will continue to appropriately execute his duties as Outside Director, and therefore proposes his election as Substitute Outside Director who is Audit and Supervisory Committee Member.

Mr. Yasuhiro Horibe will have served as Outside Director of the Company for four years at the close of the Meeting.

4. If Mr. Yasuhiro Horibe assumes the office of Director who is Audit and Supervisory Committee Member, the Company intends to newly enter into a liability limitation agreement with him that limits liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the same act.

The limit of liability for damages under the agreement shall be the minimum amount set forth by laws and regulations.

5. The Company has enrolled in a directors and officers liability insurance policy with Mr. Yasuhiro Horibe as the insured, and intends to renew the policy in December 2022. An outline of the insurance policy is as stated on page 34 of the Business Report (available in Japanese only).

**Proposal 5:** Determination of Remuneration for Granting Performance-Based Stock Remuneration for Directors

At the 26th Annual General Meeting of Shareholders held on June 25, 2020, it was approved that the total amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be set within 200 million yen per annum, and that, separately from the abovementioned remuneration limit, the total amount of remuneration related to stock acquisition rights as stock remuneration-type stock options to be allotted to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) shall be set within 75 million yen per annum.

This time, the Company proposes to introduce a new remuneration plan that uses performance share unit as performance-based stock remuneration plan (hereinafter referred to as the “Plan”) for the Company’s Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members, hereinafter referred to as “Eligible Director(s)”), in lieu of the stock remuneration-type stock option plan, separately from the abovementioned remuneration limit, with the purpose of providing Eligible Directors with incentives to achieve performance targets and sustainably enhance the Company’s corporate value as well as promoting further value sharing between Eligible Directors and shareholders by further clarifying the link between the remuneration of Eligible Directors and the performance of the Company.

If this proposal is approved, the stock remuneration-type stock option plan for Eligible Directors shall be abolished, and new allotments of stock acquisition rights as stock remuneration-type stock options to Eligible Directors shall cease to be implemented in the future, except for those that have already been allotted.

Currently, the number of Eligible Directors is five (5), and if Proposal 5 is approved as originally proposed, the number of Eligible Directors will remain unchanged at five (5).

1. Outline of the Plan

The Plan is to grant common shares of the Company (hereinafter referred to as the “Company’s Shares”) to Eligible Directors in accordance with the achievement level of performance targets during the period specified by the Board of Directors of the Company (hereinafter referred to as the “Evaluation Period”), and the Company’s Shares will be delivered through the issuance of new shares or the disposal of treasury shares after the completion of the Evaluation Period.

The issuance or disposal of the Company’s Shares under the Plan shall be conducted without requiring payment of money or provision of property contributed in kind as remuneration, etc. for Eligible Directors, and the total number of the Company’s Shares to be issued or disposed of for Eligible Directors based on this proposal shall be up to 80,000 shares and the total amount shall be up to 75 million yen per annum. Provided; however, that if the total number of issued shares of the Company increases or decreases due to a reverse share split or a share split (including the allotment of shares without contribution) of the Company’s common shares, such total number shall be adjusted in accordance with the ratio of such increase or decrease.

Specific timing and details of allotment to each Eligible Director shall be determined by the Board of Directors following the deliberations of the Nomination and Remuneration Committee.

The initial Evaluation Period will be three fiscal years from April 1, 2022 to March 31, 2025; however, as the Plan is to deliver the Company’s Shares in accordance with the achievement level of performance targets, at the time of introduction of the Plan, it has not been determined whether or not the Company’s Shares will be delivered to each Eligible Director. In addition, Directors elected after the start of the Evaluation Period may also be included in Eligible Directors based on the decision of the Board of Directors.

## 2. Outline of calculation method of remuneration, etc. under the Plan

Under the Plan, the number of Company's Shares to be delivered to each Eligible Director is calculated based on the following formula. However, reasonable adjustment shall be made based on the length of term of office of Eligible Director in the Evaluation Period.

[Number of the Company's Shares to be delivered to each Eligible Director] \*1  
Standard number of shares to be delivered (\*2) x achievement level of performance targets (\*3)

- \*1 If the calculation results in a number of shares less than 100, the number is rounded up to the nearest 100 shares.
- \*2 The standard number of shares to be delivered to each Eligible Director shall be determined by the Board of Directors of the Company taking into account the position, etc. of each Eligible Director. If the calculation results in a number of shares less than 100, the number is rounded up to the nearest 100 shares.
- \*3 The achievement level of performance targets shall be a percentage determined by the Board of Directors in accordance with the achievement level, etc. of performance targets established for indicators set by the Board of Directors. The indicators set by the Board of Directors shall consist of one or more of each of the following indicators: profit status, market price of stock or net sales, etc. taking into account the Company's management objectives, performance, etc. If the calculation results in a number of shares less than 100, the number is rounded up to the nearest 100 shares.

## 3. Requirements for delivery of shares to Eligible Directors

The Company shall deliver the Company's Shares to an Eligible Director if he/she satisfies all of the following requirements.

- (1) An Eligible Director has continuously held the position of Director of the Company or other position set by the Board of Directors of the Company during the Evaluation Period.
- (2) An Eligible Director has not engaged in certain misconduct as set by the Board of Directors of the Company.
- (3) Other requirements set by the Board of Directors of the Company as necessary to achieve the purpose of the Plan.

## 4. Handling of resignation, etc. of Eligible Directors during the Evaluation Period

In the event that an Eligible Director loses his/her position as Director of the Company or other positions of the Company as set by the Board of Directors of the Company during the Evaluation Period due to a reason deemed as reasonable by the Board of Directors of the Company, if the Board of Directors of the Company deems it reasonable, the Company may grant the number of the Company's Shares reasonably determined by the Board of Directors at a time reasonably determined by the Board of Directors, or provide the amount of money reasonably determined by the Board of Directors in lieu of granting the Company's Shares, within the abovementioned remuneration limit for the Plan.

## 5. Handling in cases of reorganizations, etc.

In the event that a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly-owned subsidiary, or any other matter relating to reorganization, etc. is approved at the General Meeting of

Shareholders of the Company (or at a meeting of the Board of Directors of the Company if such reorganization, etc. does not require the approval of General Meeting of Shareholders of the Company), the Company may provide the amount of money reasonably determined by the Board of Directors in lieu of granting the Company's Shares under the Plan, within the abovementioned remuneration limit for the Plan.

6. Adjustment due to a reverse share split or a share split

In the event that the total number of issued shares of the Company increases or decreases due to a reverse share split or a share split (including the allotment of shares without contribution) of the Company's common shares before the delivery of shares under the Plan, the number of shares relating to the calculation under the Plan shall be adjusted by multiplying the ratio of such reverse share split or share split.

[Reason for believing that this proposal is reasonable]

The Company established a policy for determining details of remuneration, etc. for Directors on an individual basis at the Board of Directors meeting held on May 14, 2021. If this proposal is approved, the Company intends to change the policy to one under which remuneration shall be granted in accordance with this proposal. This proposal comprises necessary and reasonable details for granting remuneration to Directors in line with the revised policy for determining details of remuneration, etc. for Directors. In addition, the maximum number of shares to be issued or disposed of in one year under this proposal will be 0.4% of the total number of issued shares of the Company (as of March 31, 2022), and therefore the dilution rate is minimal.

Therefore, the Company believes that details of this proposal are reasonable.

**Proposal 6: Election of Accounting Auditor**

The term of office of Deloitte Touche Tohmatsu LLC, the Accounting Auditor, will expire at the close of the Meeting. Accordingly, the Company proposes the election of Grant Thornton Taiyo LLC as a new Accounting Auditor. This proposal is submitted based on the resolution of the Audit and Supervisory Committee.

- Reason that the Audit and Supervisory Committee has elected Grant Thornton Taiyo LLC as a candidate for Accounting Auditor to replace Deloitte Touche Tohmatsu LLC

The current Account Auditor has been performing audits for many years, and in addition to that it is expected to have audits conducted from a new perspective through the appointment of Grant Thornton Taiyo LLC, as a result of comprehensive consideration of its expertise, independence, appropriateness, and quality control systems by the Audit and Supervisory Committee, the Company has determined that the candidate is appropriate as the new Accounting Auditor.

- Name of the candidate for Accounting Auditor

(As of March 31, 2022)

Name	Grant Thornton Taiyo LLC	
Offices	Major office	22the floor, AKASAKA K-TOWER, 1-2-7 Motoakasaka, Minato-ku, Tokyo, Japan
	Other offices	10 offices including the Osaka office
History	September 1971	Taiyo Audit Corporation established
	October 1994	Joined Grant Thornton International
	January 2006	Merged with ASG Audit Corporation to become Grant Thornton Taiyo ASG
	January 2006	Transitioned to a limited liability organization form - Grant Thornton Taiyo ASG LLC
	July 2012	Merged with Eisho Audit Corporation
	October 2013	Merged with Kasumigaseki Audit Corporation
	October 2014	Changed company name to Grant Thornton Taiyo LLC
	July 2018	Merged with YUSEI Audit & Co. until present
Outline	Senior partners/employees: 88 Designated employees: 4 Certified public accountant: 304 Persons passing CPA exam: 246 Other specialists: 181 Office employees: 89 Contract employees: 224 Total: 1,136 Financial Instruments and Exchange Act/Companies Act Audit: 299 companies	