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Securities Code: 4384

October 4, 2023

To our shareholders:

Yo Nagami  
Representative Director, President and CEO  
**RAKSUL INC.**  
2-24-9 Kami-Osaki, Shinagawa-ku, Tokyo

## Notice of the 14th Annual General Meeting of Shareholders

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

You are cordially informed of the 14th Annual General Meeting of Shareholders (the “General Meeting of Shareholders”) of RAKSUL INC. (the “Company”), which will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has adopted measures to electronically provide information contained in the Reference Documents, etc. for the General Meeting of Shareholders (Matters Concerning Electronic Provision), which are posted on each of the following websites; please access any of the below mentioned websites to confirm the information.

### The Company’s website

<https://corp.raksul.com/> (Japanese): Select “IR/Investor Relations” and then “IR News”

<https://corp.raksul.com/en/> (English): Select “IR”

### Shareholders’ Meeting Documents website

<https://d.sokai.jp/4384/teiji/>

### The Tokyo Stock Exchange website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the Tokyo Stock Exchange website above, enter and search by the stock name (Company name) “RAKSUL” or the Company’s code “4384” then click “Basic Information” and select “Documents for Public Inspection/PR information.” The information is available in “Notice of Annual General Meeting of Shareholders/ Shareholders’ Meeting Documents” under “Documents for Public Inspection.”

You can exercise your voting rights via the Internet or in writing (by mail). Please examine the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights via the Internet by 7:00 p.m. on Wednesday, October 25, 2023 (JST), or by returning the voting form so that it arrives by no later than 7:00 p.m. on Wednesday, October 25, 2023 (JST).

Pre-registration is required to attend the meeting.

Please refer to page 4 for details regarding how to exercise your voting rights via the Internet.

- 1. Date and Time:** Thursday, October 26, 2023, 10:00 a.m. (JST)
- 2. Venue:** EVENT SPACE EBiS303 Conference Space A, B, C  
Ebisu Subaru Building 5F, 1-20-8 Ebisu, Shibuya-ku, Tokyo
- 3. Purpose of the Meeting**  
**Matters to be reported:**
  1. The Business Report, the Consolidated Financial Statements, and the Results of Audit of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Committee for the 14th Fiscal Year (from August 1, 2022 to July 31, 2023)
  2. The Non-Consolidated Financial Statements for the 14th Fiscal Year (from August 1, 2022 to July 31, 2023)

**Resolution Items:**

<b>Proposal No.1</b>	Election of Five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members)
<b>Proposal No.2</b>	Election of Three (3) Directors who are Audit & Supervisory Committee Members
<b>Proposal No.3</b>	Determination of Amount of Remuneration for Allotment of Post-Delivery Restricted Stock Unit for Representative Director, President and CEO
<b>Proposal No.4</b>	Revision of Restricted Stock-based Compensation Plan for Directors (excluding Directors who are Audit & Supervisory Committee Members)
<b>Proposal No.5</b>	Revision of Amount of Remuneration for Allotment of Restricted Stock to Directors who are Audit & Supervisory Committee Members
<b>Proposal No.6</b>	Election of Accounting Auditor

**4. Exercise of Voting Rights**

In the event that no indication of approval or disapproval on the voting form (by mail) has been made, this shall be treated as the intent of approval for the proposal.

If you exercise your voting rights in duplicate, both in writing and online, your electronic vote (via the Internet) shall be treated as valid.

If you exercise your voting rights online multiple times, only the last vote exercised shall be treated as valid.

◎ Pursuant to the relevant laws and regulations and Article 13 of the Company's Articles of Incorporation, the following items are posted on the Company's website (<https://corp.raksul.com/ir/stock/>) and therefore not included in this notice (available in Japanese only). The documents provided with this notice constitute a part of the Business Report and Financial Statements audited by the Audit & Supervisory Committee when preparing the Audit Report, as well as a part of the Financial Statements audited by the Financial Auditor when preparing the Financial Audit Report.

- (1) Business Report: Status of share acquisition rights, etc.; System to ensure the appropriateness of operations and the operational status of said system; Basic policy on control of the Company; and Policy on decision making on the determination of dividends of surplus, etc.
- (2) Consolidated Financial Statements: Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements
- (3) Financial Statements: Statement of Changes in Net Assets, Notes to Financial Statements

◎ If any revisions to the Matters Concerning Electronic Provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the above websites (available in Japanese only).

## Instructions for Exercising Voting Rights via the Internet

If you wish to exercise your voting rights via the Internet, please examine the following items, and exercise your voting rights.

If you are attending the General Meeting of Shareholders in person, you do not need to exercise your voting rights by mail (voting form) or via the Internet.

### 1. Website for exercising voting rights

- (1) To exercise your voting rights via the Internet, please access the website for exercising voting rights designated by the Company (<https://evote.tr.mufg.jp/>) using a computer or a smartphone. Please be aware, however, that the service is suspended daily from 2:00 a.m. to 5:00 a.m. (JST).
- (2) Depending on the Internet environment, some shareholders may not be able to use the service due to firewalls, antivirus software, or proxy server interfering with access to the service.
- (3) Although the Company will accept all votes cast via the Internet by 7:00 p.m. on Wednesday, October 25, 2023 (JST), you are cordially requested to exercise your voting rights as early as possible to facilitate the counting of votes. If you have any inquiries, please contact the helpdesk indicated in 5. below.

### 2. Method of exercising voting rights via the Internet

#### (1) By computer

- Please use the “Login ID” and “Temporary Password,” provided on the voting form, enter the information on the website for exercising your voting rights (<https://evote.tr.mufg.jp/>), and indicate your approval or disapproval for each proposal by following the instructions on the screen.
- To prevent unauthorized access (so-called “spoofing attack”) and falsification of the details of the votes by a third party (other than yourself), you will be asked to change your “Temporary Password” on the website.

#### (2) By smartphone

- You can exercise your voting rights by scanning the “Login QR Code,” provided on the enclosed voting form, using a smartphone to automatically access the website for exercising voting rights. (“Login ID” and “Temporary Password” will not be required.)
- Depending on the model of your smartphone, you may not be able to login with a QR code. If you are unable to login with the QR code, please exercise your voting rights by following the instructions in “2. (1) By computer” above.

\* QR code is a registered trademark of DENSO WAVE INCORPORATED.

### 3. Handling of duplicate votes

- (1) If you exercise your voting rights both by mail and via the Internet, then your Internet vote will be the vote to be recorded.
- (2) If you exercise your voting rights via the Internet more than once, the last vote received shall be deemed valid.

### 4. Costs arising from accessing the website for exercising voting rights

Please note that any costs arising from accessing the website for exercising voting rights (such as the internet connection fees) shall be borne by the shareholders.

### 5. Contact

Stock Transfer Agency Division, Mitsubishi UFJ Trust and Banking Corporation (helpdesk)

Phone: 0120-173-027 (toll-free within Japan)

Business hours: from 9:00 a.m. to 9:00 p.m. (JST)

[To Institutional Investors]

Institutional investors may use the “Electronic Voting Platform” operated by ICJ, Inc. in exercising their voting rights.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Election of five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of nine (9) Directors (excluding Directors who are Audit & Supervisory Committee members but including Outside Directors; applicable to the rest of this proposal) will expire at the conclusion of this General Meeting of Shareholders. In that regard, the Company proposes to elect five (5) Directors.

The selection of candidates for the Board of Directors is made after consultation with the Nomination and Remuneration Committee, which is composed of majority of independent outside directors. This proposal was reviewed by the Audit & Supervisory Committee, and no opinions were expressed.

The candidates for Directors are as follows:

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company shares held
1	Yo Nagami (August 11, 1980)	April 2004      Joined Mizuho Securities Co., Ltd. August 2006      Joined Carlyle Japan LLC September 2013      Joined DeNA Co., Ltd. April 2014      Joined the Company, and assumed office as General Manager of Corporate Planning Department October 2014      Director, CFO (to present) June 2020      Outside Director at Bridge C Capital Inc. (currently CREAL Inc.) October 2020      Auditor at Peraichi Inc. August 2022      SVP of Corporate August 2022      Director at HACOPELL INC. (to present) August 2023      Representative Director, President and CEO (to present)	516,700 shares
2	Yasukane Matsumoto (October 10, 1984)	April 2008      Joined A.T. Kearney September 2009      Established the Company, and assumed office as Representative Director, President and CEO July 2020      Director at RAKSUL INDIA PRIVATE LIMITED (to present) November 2020      Head of Raksul Business February 2022      Director at NOVASELL INC. (to present) February 2022      Representative Director at JOSYS INC. (to present) August 2023      Representative Director and Chairman (to present)	7,569,900 shares
3	Yoshihiko Miyauchi (September 13, 1935)	August 1960      Joined Nichimen Co., Ltd. (currently Sojitz Corporation) April 1964      Joined Orient Leasing Co., Ltd. (currently ORIX Corporation) March 1970      Director of Orient Leasing Co., Ltd. December 1980      Representative Executive Officer, President and Chief Executive Officer of Orient Leasing Co., Ltd. April 2000      Representative Executive Officer, Chairman and Chief Executive Officer of ORIX Corporation June 2003      Director, Representative Executive Officer, Chairman and Chief Executive Officer of ORIX Corporation April 2006      Outside Director of ACCESS CO., LTD. (to present) June 2014      Senior Chairman of ORIX Corporation (to present) June 2017      Outside Director of Calbee, Inc. (to present) October 2019      Outside Director of the Company (to present) May 2020      Outside Director of Nitori Holdings Co., Ltd. (to present)	5,960 shares

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company shares held
4	Kenji Kobayashi (May 11, 1978)	April 2005 Joined Corporate Directions, Inc. April 2009 Executive Officer of DeNA Co., Ltd. June 2011 Member of the Board of DeNA Co., Ltd. June 2015 Executive Officer of DeNA Co., Ltd. July 2017 Co-Founder of Signifiant Inc. (to present) October 2020 Outside Director of the Company (to present)	7,280 shares
5	Yumiko Murakami (February 6, 1965)	August 1989 United Nations Development Programme (Barbados) January 1991 United Nations Secretariat (New York) September 1991 United Nations Transitional Authority in Cambodia (Phnom Penh) August 1994 Vice President of Goldman Sachs International (London) May 1997 Managing Director of Goldman Sachs and Co. (New York) April 2008 Managing Director of Goldman Sachs Japan Co., Ltd. September 2009 Managing Director of Credit Suisse Securities (Japan) Limited September 2013 Head of OECD (Organization for Economic Co-operation and Development) Tokyo Centre May 2021 Founder and General Partner of MPower Partners Fund L.P. (to present) June 2021 Outside Director at Daiwa Securities Group Inc. (to present) October 2021 Outside Director of the Company (to present)	3,320 shares

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Reasons for nominations as candidates for Directors:
    - (1) Mr. Yo Nagami has a wealth of knowledge, insight and experience in finance, investment, and the overall corporate financial strategies. As a CFO, he has taken charge of the capital policy and overall business administration to drive the Company's growth. Accordingly, the Company judges that from now on, as a representative director, he is qualified to make decisions regarding important management matters and to supervise business execution, and therefore proposes his election as a Director.
    - (2) As the founder of the Company, Mr. Yasukane Matsumoto has led the Company with excellent foresight and strong leadership. He has also taken an initiative to establish the Company's business model of offering the B2B sharing platform. Accordingly, the Company judges that he is qualified to continue making decisions regarding important management matters and to supervise business execution, and therefore proposes his election as a Director.
  3. Mr. Yoshihiko Miyauchi, Mr. Kenji Kobayashi and Ms. Yumiko Murakami are candidates for Outside Directors.
  4. Reasons for nominations as candidates for Outside Directors and expected roles:
    - (1) Mr. Yoshihiko Miyauchi can be expected to provide advice on the Company's overall management based on his wealth of experience and a wide range of knowledge and insights as a corporate manager gained through his career of serving as a representative director of a listed company. Accordingly, the Company judges that he is qualified to make decisions regarding important management matters and supervise business execution, and therefore proposes his election as an Outside Director. He is expected to continue to share opinions from a broader perspective on our overall corporate governance system, which we will evolve and improve in the future.
    - (2) Mr. Kenji Kobayashi can be expected to provide advice on the Company's overall management based on his wealth of experience and a wide range of knowledge and insights as a corporate manager gained through his career of serving as manager at a listed company. Accordingly, the Company judges that he is qualified to make decisions regarding important management matters and supervise business execution, and therefore proposes his election as an Outside Director. He is expected to continue to strengthen the Company's governance system from both offensive and defensive perspectives in portfolio management as a listed company.
    - (3) Ms. Yumiko Murakami can be expected to provide advice on the Company's overall management based on her wealth of experience and a wide range of knowledge and insights at international organizations and global companies. Accordingly, the Company judges that she is qualified to make decisions regarding important management matters and supervise business execution, and therefore proposes her election as an Outside Director. She is expected to contribute to the Company's management with respect to the globalization of the Company's organization, the perspectives as an investor towards portfolio management, and the promotion of

diversity which is a precondition for sustainable growth.

5. Mr. Yoshihiko Miyauchi, Mr. Kenji Kobayashi and Ms. Yumiko Murakami are current Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Mr. Miyauchi will have been in office as Outside Director for four years, Mr. Kobayashi for three years, and Ms. Murakami for two years.
6. The Company has registered Mr. Yoshihiko Miyauchi, Mr. Kenji Kobayashi and Ms. Yumiko Murakami as independent officers as provided for by the Tokyo Stock Exchange. If their reelections are approved, the Company will continue to designate them as independent officers.
7. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with Mr. Yoshihiko Miyauchi, Mr. Kenji Kobayashi and Ms. Yumiko Murakami to limit their liability for damages under Article 423, paragraph (1) of the same Act. If the reelection is approved, the Company plans to renew the aforementioned agreement with them.
8. Outline of the contents of the liability insurance contract for directors & officers  
The Company has entered into a directors & officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. The outline of the contents of the contract is as stated in the Business Report “3. Directors and Officers of the Company (3) Summary of the contents of the liability insurance policy for directors and officers.” If the election of the candidates for this proposal is approved, the candidates will be included in the insured party of the relevant insurance contract.
9. “Number of the Company shares held” is current as of July 31, 2023.

## Proposal No. 2: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

The terms of office of three (3) Directors who are Audit & Supervisory Committee members were elected at the 12<sup>th</sup> General Meeting of Shareholders held on October 21, 2021, and will expire at the conclusion of this General Meeting of Shareholders. In that regard, the Company proposes to elect three (3) Directors.

The selection of candidates for the Board of Directors is made after consultation with the Nomination and Remuneration Committee, which is composed of majority of independent outside directors. This proposal was reviewed by the Audit & Supervisory Committee, and no opinions were expressed.

The candidates for Directors are as follows:

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company shares held
1	Naomi Mori (May 12, 1972)	<p>October 1997     Joined Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>November 1998     Joined Asahi &amp; Co. (currently KPMG AZSA LLC)</p> <p>December 2013     Joined Makoto Sato Accounting Office</p> <p>October 2014     Outside Corporate Auditor at the Company</p> <p>July 2016     Established Naomi Mori CPA Office, and assumed office as Chief (to present)</p> <p>October 2019     Outside Director (Audit &amp; Supervisory Committee Member) of the Company (to present)</p> <p>December 2020     Auditor at DAMBALL ONE, INC.</p> <p>December 2022     Outside Director (Audit &amp; Supervisory Committee Member) at Atrac, Inc. (to present)</p>	21,440 shares
2	Masahiro Kotosaka (January 14, 1982)	<p>September 2004     Joined McKinsey &amp; Company, Inc.</p> <p>April 2013     Associate Professor of College of Business Administration, Ritsumeikan University</p> <p>April 2015     Outside Director at Appirits Inc. (to present)</p> <p>April 2016     Associate Professor at Faculty of Policy Management, Keio University (to present)</p> <p>June 2017     Outside Corporate Auditor at the Company</p> <p>December 2018     Outside Director at Euglena Co., Ltd. (to present)</p> <p>October 2019     Outside Director (Audit &amp; Supervisory Committee Member) of the Company (to present)</p> <p>June 2023     Outside Director (Audit &amp; Supervisory Committee Member) at SRE Holdings Corporation (to present)</p>	1,440 shares
3	Junko Utsunomiya (June 1, 1971)	<p>April 2000     Registered as attorney at law, joined law firm Nagashima Ohno &amp; Tsunematsu</p> <p>October 2007     Temporarily transferred to Tokyo Stock Exchange, Inc.</p> <p>November 2011     Established Utsunomiya Law Office</p> <p>June 2012     Independent Statutory Auditor at START TODAY CO., LTD. (currently ZOZO, Inc.)</p> <p>February 2018     Established a law firm, Utsunomiya Shimizu &amp; Haruki, and assumed office as Partner (to present)</p> <p>October 2018     Outside Corporate Auditor at the Company</p> <p>October 2019     Outside Director (Audit &amp; Supervisory Committee Member) of the Company (to present)</p> <p>June 2020     Outside Director at Heiwa Real Estate Co., Ltd. (to present)</p> <p>March 2021     Outside Director, Audit &amp; Supervisory Committee Member at PeptiDream Inc. (to present)</p> <p>June 2023     Outside Director (Audit &amp; Supervisory Committee Member) at ZOZO, Inc. (to present)</p>	1,440 shares

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Ms. Naomi Mori, Mr. Masahiro Kotosaka and Ms. Junko Utsunomiya are candidates for Outside Directors.
  3. Reasons for nominations as candidates for Outside Directors and expected roles:
    - (1) Ms. Naomi Mori is a certified public accountant who has expertise in finance and accounting as well as wealth

of experience in auditing. The Company thus expects that she will reinforce the Company's governance system by leveraging such expertise and experience to audit and supervise the Company's overall management and has appointed her as an Outside Director. Based on her insights in finance, accounting, auditing, etc., she is expected to continue her contribution in the Company's governance towards establishing a responsible management foundation as a public institution of society. Ms. Mori has never in the past been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an Outside Director based on the above reasons.

- (2) Mr. Masahiro Kotosaka has wealth of experience in corporate management and consulting as well as professional knowledge and insight in business administration. The Company thus expects that he will contribute to reinforce the Company's governance system by monitoring and providing effective advice on the Company's overall management based on such experience, knowledge and insight, and has appointed him as an Outside Director. Based on his insights in management strategy and academic research, etc., he is expected to continue his contribution in the Company's governance towards establishing a responsible management foundation as a public institution of society.
  - (3) Ms. Junko Utsunomiya has considerable expertise and broad insight as an attorney-at-law and is an expert in corporate law. The Company thus expects that she will reinforce the Company's governance system by providing appropriate advice and suggestions regarding overall management and has appointed her as an Outside Director. Based on her insights in legal and compliance matters, etc., she is expected to continue her contribution in the Company's governance towards establishing a responsible management foundation as a public institution of society. Ms. Utsunomiya has never in the past been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an Outside Director based on the above reasons.
4. Ms. Naomi Mori, Mr. Masahiro Kotosaka and Ms. Junko Utsunomiya are currently Outside Directors who are Audit & Supervisory Committee members of the Company. At the conclusion of this meeting, their tenures since assuming office as Outside Directors who are Audit & Supervisory Committee members will have been four years. Based on the resolution of the 10th General Meeting of Shareholders held on October 17, 2019, the Company transitioned to a company with an Audit & Supervisory Committee, and Ms. Naomi Mori, Mr. Masahiro Kotosaka and Ms. Junko Utsunomiya were Outside Corporate Auditors of the Company prior to the conclusion of the aforementioned meeting. Their tenures since assuming office as Outside Corporate Auditors will have been nine years for Ms. Naomi Mori, six years and four months for Mr. Masahiro Kotosaka and five years for Ms. Junko Utsunomiya.
  5. The Company has registered Ms. Naomi Mori, Mr. Masahiro Kotosaka and Ms. Junko Utsunomiya as independent officers as provided for by the Tokyo Stock Exchange. If the election of these three Outside Director candidates is approved, the Company plans to submit notification to the TSE concerning their appointment as independent officers.
  6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Ms. Naomi Mori, Mr. Masahiro Kotosaka and Ms. Junko Utsunomiya to limit their liability for damages under Article 423, paragraph (1) of the same Act. If the election of these candidates is approved, the Company plans to renew the aforementioned agreements with them. In addition, the maximum amount of liability for damages under the aforementioned agreement is the minimum liability amount provided for under Article 425, paragraph (1) of the said Act.
  7. Outline of the contents of the liability insurance contract for directors & officers  
The Company has entered into a directors & officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. The outline of the contents of the contract is as stated in the Business Report "3. Directors and Officers of the Company (3) Summary of the contents of the liability insurance policy for directors and officers." If the election of the candidates for this proposal is approved, the candidates will be included in the insured party of the relevant insurance contract.
  8. Junko Utsunomiya resigned from the position of Outside Director of Adventure Inc. on September 24, 2020, however, during her term of office, it was discovered that an employee of a subsidiary of Adventure Inc. had committed an act of embezzlement. Although she was not aware of this fact in advance, she has been appropriately fulfilling her responsibilities by making recommendations from the perspective of legal compliance and compliance management at Adventure Inc. on a daily basis, requesting a thorough investigation and the formulation of measures to prevent recurrence after the fact was discovered, and supervising the company's actions.
  9. "Number of the Company shares held" is current as of July 31, 2023.



(Reference) Expertise and Experience of Candidates of Outside Directors of the Company

Candidate No.	Proposal No.1					Proposal No. 2 (Audit & Supervisory Committee Members)		
	1	2	3	4	5	1	2	3
Names of Candidates	Yo Nagami	Yasukane Matsumoto	Yoshihiko Miyuchi	Kenji Kobayashi	Yuniko Murakami	Naomi Mori	Masahiro Kotosaka	Junko Utsunomiya
Independent/Outside Officers ("I/O")			I/O	I/O	I/O	I/O	I/O	I/O
Business Management/ Business Strategies	○	○	○	○			○	
Entrepreneurship		○	○					
Digital Platform Management		○		○				
M&A Strategy	○		○	○	○			
Sales and Marketing		○						
Finance & Accounting	○		○	○	○	○		
Legal, Compliance, Risk Management						○	○	○
Global Management		○	○		○		○	
Sustainability/ESG	○		○	○	○		○	○

## (Reference) Criteria for Independence of Outside Directors of the Company

To ensure the independence of those who will serve as Outside Directors, thereby establishing a sound corporate governance system, the Company has set out the Criteria for Independence of Outside Directors as follows. The Company shall deem an Outside Director to have independence from the Company and no conflict of interest with ordinary shareholders if the said Outside Director is found not to fall under any of the following items as a result of an investigation conducted by the Company to a reasonably practicable extent.

1. Personnel executing the business of the Company  
Personnel executing the business of the Company or its subsidiaries (hereinafter collectively referred to as the “Group”)
  - “Personnel executing the business” shall mean executive directors, executive officers, officers who execute the business of another legal entity or organization, employees, or any other related personnel.
2. Major business partners
  - (1) A major business partner of the Group or its executive members
    - A “major business partner of the Group” shall mean a party who has made payments to the Group in a total amount that exceeds 2% of the Group’s annual consolidated revenue for the most recent fiscal year. If consolidated accounting is not adopted by the Group, the annual non-consolidated revenue for the year of the Company shall be employed in place of the annual consolidated revenue for the year.
  - (2) A party who considers the Group as a major business partner or its executive members
    - A “party who considers the Group as a major business partner” shall mean a party who has received payments from the Group in a total amount that exceeds 2% of the party’s annual consolidated revenue for the most recent fiscal year. If consolidated accounting is not adopted by the partner, the annual non-consolidated revenue for the year of the partner shall be employed in place of the annual consolidated revenue for the year.
  - (3) A major lender of the Group or its executive members
    - A “major lender of the Group” shall mean a lender from whom the Group has borrowed an amount that exceeds 2% of its total consolidated assets at the end of the most recent fiscal year. If consolidated accounting is not adopted by the Group, an amount of total non-consolidated assets of the Company shall be employed in place of total consolidated assets for the year.
3. Professional service providers
  - (1) Consultants, accounting professionals such as certified public accountants or certified public tax accountants, or legal professionals such as attorneys-at-law who receive a large amount of monetary consideration or other property from the Group in addition to the compensation as an officer (if the recipient of such property is a legal entity, partnership or any other organization, a person who is a member of such organization)
    - Receiving a “large amount of monetary consideration or other property” indicates cases when (1) the professional service provider is an individual, and the total amount of such property received from the Group, excluding compensation as an officer, exceeds 10 million yen per year in the most recent fiscal year; or (2) the professional service provider is a legal entity, partnership or other such organization, and the total amount of such property received from the Group exceeds either (a) 2% of the organization’s annual consolidated revenue or total annual income, or (b) 10 million yen, in the most recent fiscal year, whichever is higher. If consolidated accounting is not adopted by the said organization, the annual non-consolidated revenue for the year of said organization shall be employed in place of the annual consolidated revenue for the year.
  - (2) A person who belongs to an audit firm appointed as Financial Auditor of the Group
4. Voting rights holders
  - (1) A party who directly or indirectly holds 10% or more of the Company’s total voting rights or its executive members
  - (2) A party of which the Group directly or indirectly holds 10% or more of the total voting rights or its executive members

5. Parties receiving donation or grant  
A person or a director of organizations such as a legal entity or partnership that has received a large amount of donation or grant from the Group, or its executive members
  - A “large amount of donation or grant” shall mean a donation or a grant at or in excess of 10 million yen per year
  
6. Parties who have fallen under aforementioned items in the past
  - (1) A party who has fallen under the item 1. above in the past ten years
  - (2) A party who has fallen under the items 2. to 5. above in the past three years
  - (3) A spouse or relative within the second degree of kinship of an important person who has fallen under the items 1. to 5. above
    - An “important person” shall mean executive director, executive officer, officer, or employee who executes important operations such as a leading a business unit

### **Proposal No. 3: Determination of Amount of Remuneration for Allotment of Post-Delivery Restricted Stock Unit for Representative Director, President and CEO**

The maximum amount of remuneration for the directors (excluding directors that are Audit & Supervisory Committee members) was resolved at the 10th Annual General Meeting of Shareholders held on October 17, 2019, to be no more than 300 million yen per year (including no more than 30 million yen for Outside Directors). Separately, at the same Annual General Meeting of Shareholders, it was resolved that the annual amount of remuneration for the allotment of restricted stock shall be no more than 500 million yen (including 50 million yen for Outside Directors), and the total number of restricted stocks to be allotted shall be no more than 266,000 shares (including 26,000 shares for Outside Directors). (In this proposal, resolutions relating to monetary compensation and remuneration for the allotment of restricted stock are collectively referred to as “Initial Remuneration Resolution”) \*The number of shares has been adjusted for the stock split on February 1, 2023.

The resolution for this proposal can only take effect under the condition that Yo Nagami (hereinafter referred to as the “Subject Director”) is elected as Director as part of Proposal No. 1. With the aim of promoting further value sharing with our shareholders, as well as to encourage Yo Nagami (hereinafter referred to as the “Subject Director”), who assumed the position of Representative Director, President and CEO on August 1, 2023, to exercise strong leadership to achieve discontinuous growth towards the realization of the Company’s vision, “BETTER SYSTEMS, BETTER WORLD,” we request for your approval for introducing this new Post-Delivery Restricted Stock Unit Plan (hereinafter referred to as the “Plan”).

As described below, since the Plan is designed to match the above objectives, and is to be allotted to the Subject Director as stock-based compensation for the execution of his duties for 10 fiscal years. In addition, as the proposal is based on deliberations by the Nomination and Remuneration Committee, including performance conditions, the Company considers that the contents of this Proposal are appropriate.

The Plan is introduced separately from the Initial Remuneration Resolution, and the number of Directors subject to the Plan is one; the Subject Director.

In addition, the Company has established a policy for determining the content of remuneration, etc., for each individual director, a summary of which is provided in “Business Report, 3. Status of Company Directors (4) Remuneration etc. for Directors”; if the proposal is approved, the Company plans to change this policy to reflect the Plan.

#### 1. Summary of the Plan

The Plan is a post-delivery type stock-based compensation plan under which the rights to the shares are granted to the Subject Director only when certain conditions are met each year and the rights for the portion granted for the fiscal year are vested as compensation for the performance of his duties during the 10 fiscal years from FY2023 (August 1, 2023 to July 31, 2024), when he assumed the position of Representative Director, President & CEO, to FY2032 (August 1, 2032 to July 31, 2033). The conditions under which the shares are to be delivered are that the Subject Director shall continuously hold office as Representative Director, President and CEO until the end of the relevant fiscal year (hereinafter referred to as the “Service Conditions”) and that he shall achieve the performance condition previously determined by the Nomination and Remuneration Committee (hereinafter referred to as the “Performance Conditions”); provided, however, that the number of shares to be delivered does not vary according to the degree of performance achieved. In addition, there is no plans at this time to enter into an agreement between the Company and the Subject Director regarding the transfer restrictions of shares when the shares are delivered.

#### 2. Details of Remuneration under the Plan

##### (1) Calculation Method for Remuneration under the Plan

The Company shall grant the Subject Director 87,700 Restricted Stock Units (hereinafter referred to as “RSU”), representing 87,700 shares, which is approximately 0.15% of the Company’s 58,476,092 total outstanding shares, per fiscal year. RSU will be granted for the 10 fiscal years from FY2023 to FY2032. Only if both the Service Conditions and Performance Conditions have been satisfied for each fiscal year, the rights will be vested at the conclusion of the Annual General Meeting of Shareholders for the relevant fiscal year.

The Performance Conditions established by the Board of Directors in response to the proposal by the Nomination and Remuneration Committee are as follows:

[Performance Conditions]

Consolidated gross profit growth for the subject fiscal year shall be more than 15% YoY.

However, if the Board of Directors of the Company recognizes by a resolution that the year’s growth rate is less than 15% due to acquisitions, etc., made in the previous fiscal year of the relevant fiscal year, an average annual growth rate of more than 15% for two years shall suffice.

Upon the vesting of RSU, the Company shall, at the first Board of Directors’ meeting held after the vesting, decide to issue new shares or dispose of treasury shares in the number of the Company’s common stock equivalent to one share per one RSU unit for the relevant fiscal year, which shall be delivered to the Subject Director without compensation. After the gratis delivery of shares, if the performance for the relevant fiscal year is revised and the

revised performance does not satisfy the Performance Conditions, the Company may request the return of the delivered shares.

In principle, RSU for each fiscal year shall expire if the Service Conditions are not fulfilled, however, as an exception, if the position of Representative Director, President and CEO is forfeited for reasons deemed justifiable by a resolution of the Board of Directors of the Company, the Board of Directors shall separately determine the percentage of shares to be issued in consideration of the percentage of the tenure of the Subject Director during the relevant fiscal year.

In the event of a loss of the position of Representative Director, President and CEO due to death (including death before vesting), RSU for the relevant fiscal year shall be paid in cash, converted at the market value of the Company's shares at the time of death, to the successor in title designated from among his heirs.

In addition, in the event of approval of a merger in which the Company becomes a dissolving company, a split-off type corporate split in which the Company becomes a split company, a share exchange in which the Company becomes a wholly owned subsidiary, a share transfer, a reverse stock split, or other means in which the Company becomes private, settlement shall be made in the amount of money reasonably calculated under certain conditions.

## (2) Upper Limit of Remuneration under the Plan

The total number of shares to be delivered to the Subject Director under the Plan through RSU for the 10 fiscal years between FY2023 and FY2032 shall be 877,000 shares or less. However, if the total number of outstanding shares of the Company increases or decreases due to a reverse stock split or a stock split (including the allotment of shares without compensation) after the resolution of the General Meeting of Shareholders and before the delivery of shares, the ratio shall be adjusted according to the ratio of the reverse stock split or stock split.

## (3) Reasons for Forfeiture of the Right to Receive Remuneration under the Plan

The Subject Director shall forfeit the right to receive remuneration under the Plan in the event of certain misconduct as determined by the Board of Directors or resignation for certain reasons as determined by the Board of Directors, and in the event of such misconduct, the Company may demand the Subject Director to return the shares already delivered.

## 3. Opinion of the Audit Committee on the CEO's Remuneration Package Plan, including this Proposal

The remuneration package for the CEO was designed by the Nomination and Remuneration Committee with the expectation that the new CEO would serve as the "founder" for the next decade of corporate value growth. The Nomination and Remuneration Committee also includes two Audit Committee members, who participate in the discussions at the Nomination and Remuneration Committee meetings. The Audit Committee also reviewed the process from designing the remuneration package, submitting it to the Board of Directors, up to the resolution at the Board of Directors. Furthermore, the Audit Committee considered the composition, amount, conditions of achievement, and duration of the package etc. to ensure that they are reasonable and would not cause material disadvantage to shareholders considering the Company's circumstances.

First, the Nomination and Remuneration Committee that designed this remuneration package consists of majority independent directors including two Audit Committee members, and although the new CEO was given an opportunity to voice his opinions regarding the remuneration package, he did not participate in discussions and resolutions in determining the design. In addition, the Nomination and Remuneration Committee reached its conclusion for the design after communicating with other independent directors who are not part of the committee and believe that the appropriateness of the design procedures has been ensured. Furthermore, the CEO remuneration package, including this proposal, is intended to enable the new CEO to exercise his leadership and improve corporate value, and the Nomination and Remuneration Committee has confirmed the rationality of this objective. In designing this, the Nomination and Remuneration Committee referenced other company's examples, including those of U.S. and European companies, and incorporated the perspectives of outside experts with knowledge in executive remuneration, and has confirmed that it has followed a rational process in achieving the objective. Although the final terms of the remuneration package are yet to be determined and there are still areas remaining that require further consideration, the overview that has been determined at this stage is that, after securing the basic monetary remuneration, the stock based compensation is to be designed to align the new CEO's incentives and his commitment to mid-to-long term shareholder value; in addition to service conditions and performance conditions, the paid stock options are designed to also combine the stock price targets, and we believe that the terms and conditions of the grant can be reasonably determined to be consistent with the purposes of this remuneration package.

In addition to the above, the dilutive effect from the stock-based compensation included in this remuneration package on the existing shareholders is considered to be within a reasonable range in light of the Company's corporate value at the time of the achievement of the conditions. Furthermore, although a certain amount of stock-based compensation expenses will be recorded as a result of granting the stock-based compensation, if the conditions are fulfilled, the existing shareholders will be able to enjoy the benefits of increased corporate value as described above, and if the conditions are not fulfilled, even the stock-based compensation already recorded in the accounting will be recorded as gain in reversal; furthermore, with respect to the loan to the new CEO for the

purchase of the Company's shares, the appropriate asset protection measures have been set. Taking into consideration the overall conditions, the Company has determined that that this remuneration package will not materially disadvantage its shareholders.

(Reference)

In addition to the Plan, the Company intends to provide loans to Yo Nagami, who has assumed the position of Representative Director, President and CEO, for the purchase of paid stock options and shares of the Company's stock with stock price conditions and performance conditions, subject to the approval of the Plan at the General Meeting of Shareholders.

The paid stock options are designed to be exercisable in stages, with the conditions for exercise set at market capitalization exceeding 500 billion yen to one (1) trillion yen and adjusted EBITDA exceeding 10 billion yen to 20 billion yen by fiscal year 2032, in order to provide an incentive plan for the long-term increase of business performance and corporate value.

With respect to financing for the purchase of the Company's shares, Nagami personally plans to acquire the Company's outstanding shares in the amount of 1.2 billion yen through an Over the Counter transaction with Yasukane Matsumoto, the Chairman and Representative Director, and purchase from the market, which will be executed as a transaction by Nagami personally. The actual purchase from the market will be made at the discretion of a securities company within a certain price and conditions. For the purchase, the Company plans to provide loans to Nagami personally for the purchase with appropriate asset protection measures in place.

As of July 31, 2023, Nagami held 1,058,300 shares (1.8% of outstanding shares), including dilutive shares; after the completion of the purchase, the number of shares Nagami holds will be 1,935,300 shares (3.3% of outstanding shares). In addition, if all of the shares delivered under the Plan and the paid stock options are exercised, the total number of shares Nagami holds will be 3,689,300 (6.3% of outstanding shares).

**Proposal No. 4: Revision of Restricted Stock-based Compensation Plan for Directors**  
(excluding Directors who are Audit & Supervisory Committee Members)

1. Reasons for Revision

At the 10<sup>th</sup> Annual General Meeting of Shareholders held on October 17, 2019, the Company received approval for “Proposal No.6: Determination of Remuneration for Allocation of Restricted Stocks to directors (excluding directors who are Audit & Supervisory Committee members)” (hereinafter referred to as the “Initial Resolution” for the resolution regarding this proposal at the same Annual General Meetings of Shareholders). The Restricted Stock-based Compensation Plan (hereinafter referred to as the “Plan” in this Proposal) was introduced to directors (excluding directors who are Audit & Supervisory Committee members; the same applies hereinafter) with the aim of providing incentives that would sustainably improve the corporate value, and further increase their motivation to contribute to the increase of stock price and corporate value.

In accordance with the revision of the Companies Act effective March 1, 2021, for the purpose of enabling flexible operation when granting Restricted Stock, we would like to request your approval to change Performance-linked Restricted Stock Compensation Plan and Restricted Stock Compensation Plan to allow the use of Free Distribution Method, and to reflect the 2-for-1 stock split of common stock which was implemented on February 1, 2023, after the implementation of this Plan.

We believe that this proposal is appropriate in light of the purpose of the above revision.

Representative Director, President and CEO, Yo Nagami, will be excluded from this Plan. Therefore, if Proposal No. 1 “Election of Five (5) directors (excluding Directors who are Audit & Supervisory Committee Members)” is approved as proposed, the number of Directors subject to this Plan will be 4 (including 3 outside directors).

In addition, the Company has established a policy for determining the content of remuneration, etc., for each individual director, a summary of which is provided in “Business Report, 3. Status of Company Directors (4) Remuneration etc. for Directors.”

2. Summary of Revision

This plan allocates restricted shares of the Company's common stock to the Company's Directors (excluding Representative Director, President and CEO; the same applies hereinafter) by either (i) receiving the issuance or disposal of shares of the Company's common stock as compensation for the Directors' performance of their duties, without requiring payment of money or other benefits in exchange for shares for subscription (hereinafter referred to as “Free Distribution Method”), or (ii) receiving the issuance or disposal of shares of the Company's common stock by delivering all monetary compensation claims provided by the Company as compensation as assets contributed in kind (hereinafter referred to as “In-kind Contribution Method”).

Furthermore, based on the Plan, the total number (maximum) of restricted shares to be allotted to the Directors has been approved as “133,000 shares per year (including 13,000 shares for Outside Directors)” in the initial resolution; as part of the adjustment due to a 2-for-1 stock split of common stock effective as of February 1, 2023, the total number of restricted shares (maximum) will be changed to “266,000 shares per year (including 26,000 shares for Outside Directors).”

Except for the above revisions, there are no other changes to the contents of the initial resolution.

Revisions	Initial Resolutions	Proposed Changes
Method of Receiving Allocations	In-kind Contribution Method	Free Distribution Method or In-kind Contribution Method
Total Number of Restricted Shares (Maximum)	133,000 shares per year (including 13,000 shares for Outside Directors)	266,000 shares per year (including 26,000 shares for Outside Directors)

**Proposal No. 5: Revision of Amount of Remuneration for Allotment of Restricted Stock to Directors Who Are Audit and Supervisory Committee Members**

1. Reasons for Revision

At the 10<sup>th</sup> Annual General Meeting of Shareholders held on October 17, 2019, the Company received approval for “Proposal No. 7: Determination of Remuneration for Allocation of Restricted Stocks to directors who are Audit & Supervisory Committee members” (hereinafter referred to as the “Initial Resolution” for the resolution regarding this proposal at the same Annual General Meetings of Shareholders). The Restricted Stock-based Compensation Plan (hereinafter referred to as the “Plan” in this Proposal) was introduced to directors who are Audit & Supervisory Committee members with the aim of providing incentives to increase the Company’s corporate value through the prevention of damage to corporate value, and to properly ensure the supervisory function of judging the appropriateness of business execution from an objective standpoint.

In accordance with the revision of the Companies Act effective March 1, 2021, for the purpose of enabling flexible operation when granting Restricted Stock, we would like to request your approval to change Performance-linked Restricted Stock Compensation Plan and Restricted Stock Compensation Plan to allow the use of Free Distribution Method, and to reflect the 2-for-1 stock split of common stock which was implemented on February 1, 2023, after the implementation of this Plan.

We believe that this proposal is appropriate in light of the purpose of the above revision.

If Proposal No. 2 “Election of Three (3) Directors who are Audit & Supervisory Committee Members” is approved as proposed, the number of Directors subject to this Plan will be three (3) directors.

2. Summary of Revision

This plan allocates restricted shares of the Company's common stock to the Company's Directors by either (i) receiving the issuance or disposal of shares of the Company's common stock as compensation for the Directors' performance of their duties, without requiring payment of money or other benefits in exchange for shares for subscription (hereinafter referred to as “Free Distribution Method”), or (ii) receiving the issuance or disposal of shares of the Company's common stock by delivering all monetary compensation claims provided by the Company as compensation as assets contributed in kind (hereinafter referred to as “In-kind Contribution Method”).

Furthermore, based on the Plan, the total number (maximum) of restricted shares to be allotted to the directors has been approved as “13,000 shares per year” in the initial resolution; as part of the adjustment due to a 2-for-1 stock split of common stock effective as of February 1, 2023, the total number of restricted shares (maximum) will be changed to “26,000 shares per year.”

Except for the above revisions, there are no other changes to the contents of the initial resolution.

Revisions	Initial Resolutions	Proposed Changes
Method of Receiving Allocations	In-kind Contribution Method	Free Distribution Method or In-kind Contribution Method
Total Number of Restricted Shares (Maximum)	13,000 shares per year	26,000 shares per year



## Proposal No.6: Election of Accounting Auditor

The term of office of Ernst & Young ShinNihon LLC, the Company's accounting auditor, will expire at the conclusion of the 14th Annual General Meeting of Shareholders, therefore, the Company requests approval for the election of Deloitte Touche Tohmatsu LLC as the new Accounting Auditor in accordance with the decision of the Audit Committee.

### 1. Reasons for the Audit Committee's nomination of Deloitte Touche Tohmatsu LLC as the candidate for Accounting Auditor

The Company has determined that Deloitte Touche Tohmatsu LLC is qualified considering that the firm has an auditing structure that is suitable for the future global business development and governance structure of the Company, as well as the expertise, independence, and quality control system required in light of the Company's election standards for nominees for Accounting Auditor; and that the audits from a new perspective can be expected as a result of the change in Accounting Auditor.

### 2. Overview of the Accounting Auditor candidate

(As of May 31, 2023)

Name	Deloitte Touche Tohmatsu LLC	
Location	Marunouchi Nijubashi Building, 3-2-3 Marunouchi, Chiyoda-ku, Tokyo	
Corporate History	May 1968	Tohmatsu Awoki & Co. established
	May 1975	Joined Touche Ross International ("TRI") Alliance (currently Deloitte Touche Tohmatsu Limited "DTTL")
	February 1990	Change the company name to Tohmatsu & Co.
	July 2009	Converted to a limited liability company and changed company name to Deloitte Touche Tohmatsu LLC
Overview	Contributed capital:	JPY 1,138MM
	Partners (Certified Public Accountants):	486
	Specified partners:	58
	Staff: Certified Public Accountants	2,543
	Successful applicants of the CPA examination, including junior Certified Public Accountants	1,359
	Other professional staff	3,309
	Administrative staff	90
	Total:	7,845