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Stock Exchange Code: 9438  
December 5, 2023

**To Shareholders with Voting Rights:**

Toshihiro Maeta  
President and Chief Executive Officer  
MTI Ltd.  
3-20-2 Nishi-Shinjuku, Shinjuku-ku,  
Tokyo, Japan

**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 MTI Ltd. (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. Matters subject to measures for electronic provision are provided as the “Notice of the 28th Annual General Meeting of Shareholders” and the “Other Matters of the 28th Annual General Meeting of Shareholders for Electronic Provision (Matters Omitting Those Provided As Written Materials)” on the below website.

The Company’s website: [https://ir.mti.co.jp/eng/stocks/shareholders\\_meeting/](https://ir.mti.co.jp/eng/stocks/shareholders_meeting/)

In addition to the above website, the Company has also disclosed matters for electronic provision on the below website of the Tokyo Stock Exchange.

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

Please access the above website, enter and search for the Company’s name (MTI) or securities code (9438), then select “Basic information,” “Documents for public inspection/PR information,” and view “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting.”

Even if you refrain from attending the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 4:00 p.m. on Friday, December 22, 2023 in accordance with the guide to exercising voting rights included in this Notice.

- 1. Date and Time:** Saturday, December 23, 2023 at 10:00 a.m. Japan time
- 2. Place:** Conference rooms No. 1 and No. 2  
on the seventh floor of Tokyo Opera City Tower  
20-2 Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:** The Business Report, Consolidated Financial Statements for the Company’s 28th Fiscal Year (October 1, 2022 – September 30, 2023), results of audits by the Accounting Auditor and the Board of Statutory Auditors of the

Consolidated Financial Statements and Non-consolidated Financial  
Statements for the Company's 28th Fiscal Year

**Proposals to be resolved:**

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of ten (10) directors
- Proposal 3:** Election of one (1) statutory auditor

◎ Notes

**(1) Exercise of voting rights by proxy**

If you are unable to attend the meeting, you can delegate another shareholder as a proxy, who also owns voting rights of the Company, to attend the General Meeting of Shareholders. In such a case, please have your proxy submit a written power of attorney, as well as the Voting Rights Exercise Form at the reception desk. If attending online by proxy, please submit a written power of attorney and documents to prove your proxy's identity by post within the following reception period:

Reception period: Tuesday, December 5, 2023 at 10:00 a.m. to Friday, December 15, 2023 at 4:00 p.m. Japan time

Postal address: MTI Ltd. General Affairs Department,  
3-20-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-1435, Japan

**(2) If you do not indicate your approval or disapproval of each proposal on the returned Voting Rights Exercise Form, we will assume that you have indicated your approval.**

**(3) Method to announce revisions in the matters for electronic provision**

Should the matters for electronic provision require revisions, the revised versions will be posted on each relevant website.

**(4) Measures taken at the venue**

- 1) If you appear to be in poor health, we may have to restrict your admission to the venue.
- 2) Please note that you may not be able to enter the venue when the seats are full, as the number of seats is limited.
- 3) If there are any changes in the proceedings of the meeting, they will be notified on the Company's website ([https://ir.mti.co.jp/eng/stocks/shareholders\\_meeting/](https://ir.mti.co.jp/eng/stocks/shareholders_meeting/)).

**(5) Response to the electronic provision system**

With the enforcement of the revised Companies Act on September 1, 2022 and the approval of partial amendments to the Company's Articles of Incorporation at the 27th Annual General Meeting of Shareholders held on December 24, 2022, it is now possible to provide materials for the General Meeting of Shareholders electronically via the Internet.

For shareholders who have difficulty in using the Internet, etc., it is possible to receive the materials of the General Meeting of Shareholders in writing by following the prescribed procedures. Shareholders who require the materials should contact their securities company or shareholder registry administrator (Mitsubishi UFJ Trust and Banking Corporation) to receive the materials in writing (request for delivery of written materials). (A separate fee may be charged for this service.)

In light of the fact that the electronic provision system has not yet taken root, the convocation notice for this General Meeting of Shareholders will be uniformly sent in writing as in the past, regardless of whether or not a request for delivery of the written notice is made. The Company has not yet decided how it will respond to requests for the General Meeting of Shareholders for the 29th fiscal year and subsequent fiscal years.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

**Proposal 1:** Appropriation of surplus

The Company positions the increase of its market capitalization through the creation and enhancement of corporate value and continuous distribution of profits to shareholders as priority management issues.

Dividends are proposed as follows from the standpoint of maintaining stable dividend payment.

As a result, the annual dividend per share for the current fiscal year is 16 yen.

Matters concerning the year-end dividend:

- (1) Matters concerning the allotment of dividend property to shareholders and total amount thereof:  
8 yen per share of the Company's common stock, in a total amount of 440,462,928 yen
- (2) The effective date of the dividend of surplus  
December 25, 2023

**Proposal 2:** Election of ten (10) directors

All ten (10) directors will resign at the conclusion of this Annual General Meeting of Shareholders due to the expiration of their terms of office. Accordingly, the election of ten (10) directors is proposed.

The candidates for directors are as follows:

No.	Name/Attributes	Current position at the Company	Attendance at the Board of Directors meetings
1	Toshihiro Maeta Male Reelected	President and Chief Executive Officer	16/16 (100%)
2	Hiroshi Izumi Male Reelected	Executive Vice President	16/16 (100%)
3	Hiroshi Matsumoto Male Reelected	Senior Managing Director	15/16 (93.8%)
4	Koichi Ishikawa Male Newly elected	Managing Operating Officer	—
5	Muzhi Zhou Male Reelected External director Independent director	External Director	16/16 (100%)
6	Hikaru Yamamoto Female Reelected External director Independent director	External Director	16/16 (100%)
7	Ryosuke Tsuchiya Male Reelected External director Independent director	External Director	16/16 (100%)
8	Satoshi Fujita Male Reelected External director Independent director	External Director	16/16 (100%)
9	Yoshinori Yokoyama Male Reelected External director Independent director	External Director	14/16 (87.5%)
10	Hideaki Wada Male Reelected External director	External Director	11/13 (84.6%)

(Note) The attendance at the Board of Directors meetings for External Director Mr. Hideaki Wada reflects his attendance after assuming the office on December 24, 2022.

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
1	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelected</div> Toshihiro Maeta (January 19, 1965)	April 1987      Joined Japan IBM, Ltd. December 1988      Joined HIKARI TSUSHIN, INC. August 1989      Director of HIKARI TSUSHIN, INC. July 1994      Managing Director of HIKARI TSUSHIN, INC. August 1996      Established the Company President and Chief Executive Officer (current position) Reason for election as a candidate for director Since founding the Company in 1996, Mr. Maeta has played a leading role in expanding its business as Representative Director. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company, and his leadership over all the officers, drawing on his knowledge and experience in overall management he has gained to date.	11,875,700

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
2	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelected</div> Hiroshi Izumi (February 26, 1965)	April 1987      Joined Japan IBM, Ltd. June 1997      Joined Microsoft Japan Co., Ltd. February 1999      Joined the Company November 1999      Operating Officer and General Manager of IT Business Department of the Company November 2002      Operating Officer and General Manager of Mobile Service Division of the Company December 2002      Director and General Manager of Mobile Service Division of the Company December 2004      Director, Senior Managing Operating Officer and General Manager of Mobile Service Division of the Company January 2007      Director, Operating Vice President and General Manager of Mobile Service Division of the Company December 2009      Executive Vice President and General Manager of Mobile Service Division of the Company February 2010      Executive Vice President of the Company June 2012      Executive Vice President and General Manager of Healthcare Business Division of the Company February 2014      Executive Vice President, General Manager of Mobile Service Division, and General Manager of Healthcare Business Division of the Company July 2014      Executive Vice President and General Manager of Life and Healthcare Business Division of the Company April 2015      Executive Vice President and General Manager of Digital Content Division of the Company February 2016      Executive Vice President, General Manager of Lifestyle Business Division, and General Manager of Digital Content Division of the Company January 2017      Executive Vice President and General Manager of Life and Entertainment Business Division of the Company April 2018      Executive Vice President and General Manager of Life, Entertainment and Sports Business Division of the Company July 2019      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, and General Manager of Technology Division of the Company December 2019      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, and General Manager of Technology Division (in charge of Solution Business Department) of the Company April 2021      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, General Manager of Technology Division, and General Manager of System Architect Department (in charge of Solution Business Department) of the Company December 2022      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, General Manager of Technology Division, and General Manager of System Architect Department (in charge of Solution Business Department and Cyber Risk Management Office) of the Company January 2023      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, General Manager of Technology Division (in charge of Solution Business Department, Cyber Risk Management Office, and Strategic DX Business Office) of the Company October 2023      Executive Vice President, General Manager of Life, Entertainment and Sports Business Division, General Manager of Technology Division (in charge of Solution Business Department, Cyber Risk Management Office, Strategic DX Business Office, and + Design Department) of the Company (current position)	343,800

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
		<p>Reason for election as a candidate for director</p> <p>Mr. Izumi assumed the office of the Company's director in 2002 and of Executive Vice President from 2009. Drawing on his business experience at a major IT vendor, he has held key positions in IT development of the Company, in addition to service planning. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company, due to his broad expertise in overall IT service from planning to development.</p>	



No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
3	<p><u>Reelected</u></p> <p>Hiroshi Matsumoto (August 17, 1969)</p>	<p>April 1992    Joined The Fuji Bank (current Mizuho Financial Group, Inc.)</p> <p>May 1999     Joined CAC Corporation (current CAC Holdings Corporation)</p> <p>October 2002    Joined USJ Co., Ltd.</p> <p>October 2004    Joined the Company</p> <p>February 2008    Operating Officer, General Manager of Corporate Planning Office and General Manager of Public Relations and IR Office of the Company</p> <p>January 2009    Operating Officer and General Manager of Corporate Planning Division of the Company</p> <p>January 2010    Senior Operating Officer and General Manager of Corporate Planning Division of the Company</p> <p>May 2010       Senior Operating Officer and General Manager of Corporate Support Division of the Company</p> <p>December 2010    Director and General Manager of Corporate Support Division of the Company</p> <p>February 2013    Director of the Company</p> <p>December 2016    Managing Director of the Company</p> <p>December 2018    Senior Managing Director (in charge of IR Office and business alliance) of the Company (current position)</p>	169,400
<p>Reason for election as a candidate for director</p> <p>Mr. Matsumoto assumed the office of the Company's director in 2010. After joining the Company, he has served as General Manager of Corporate Planning Division and General Manager of Corporate Support Division. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company by drawing on his expertise in the fields of M&amp;A, finance and investor relations, in addition to his experience in overall administrative work.</p>			
4	<p><u>Newly elected</u></p> <p>Koichi Ishikawa (February 13, 1975)</p>	<p>February 1998    Joined Prodicts Co., Ltd.</p> <p>December 1999    Joined the Company</p> <p>April 2003       Sole proprietor</p> <p>September 2004    Joined ITSUMO Ltd.</p> <p>November 2005    General Manager of Contents Distribution Business Department of DIGIMERCE Inc.</p> <p>August 2007      Joined Gunners LLC</p> <p>May 2010        Joined the Company</p> <p>October 2012     General Manager of entag! Business Department of the Company</p> <p>March 2014      General Manager of Amusement Business Department of the Company</p> <p>January 2016     Operating Officer and General Manager of Amusement Business Department of the Company</p> <p>May 2017        General Manager of Smart Contents Business Department of the Company</p> <p>January 2019     Managing Operating Officer and General Manager of Smart Contents Business Department of the Company (current position)</p>	4,700
<p>Reason for election as a candidate for director</p> <p>Mr. Ishikawa has a wealth of experience and achievements as a person in charge of the contents business, and has contributed to the business growth of the Company and its Group companies through his involvement in the management of the Group companies. The Company elected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company.</p>			

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
5	<p><u>Reelected</u></p> <p>Muzhi Zhou (July 2, 1963)</p> <p><u>External director</u> <u>Independent director</u></p>	<p>June 1995 Principal Researcher of International Development Center of Japan</p> <p>April 2002 Associate Professor, Faculty of Economics, Tokyo Keizai University</p> <p>January 2005 Guest Researcher of Policy Research Institute, Ministry of Finance</p> <p>April 2007 Professor, Faculty of Economics, Tokyo Keizai University (current position)</p> <p>April 2007 Visiting Professor of Massachusetts Institute of Technology</p> <p>May 2008 Guest Researcher of Harvard University</p> <p>April 2010 Visiting Professor of University of International Business and Economics</p> <p>April 2012 Specially-appointed Professor of The Chinese Academy of Sciences</p> <p>December 2015 External Director of the Company (current position)</p> <p>Significant concurrent position Professor, Faculty of Economics, Tokyo Keizai University</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Muzhi Zhou is engaged in the research on East Asian economies and digital economy at universities. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.			
6	<p><u>Reelected</u></p> <p>Hikaru Yamamoto (October 2, 1973)</p> <p><u>External director</u> <u>Independent director</u></p>	<p>April 2004 Assistant at Graduate School of Economics, Faculty of Economics, The University of Tokyo</p> <p>April 2005 Lecturer, Faculty of Economics, Seikei University</p> <p>April 2008 Associate Professor, Faculty of Economics, Seikei University</p> <p>April 2014 Associate Professor, Graduate School of Business Administration, Keio University</p> <p>December 2015 External Director of the Company (current position)</p> <p>April 2019 Vice President, Japan Marketing Academy (current position)</p> <p>March 2020 Outside Director of POLA ORBIS HOLDINGS INC. (current position)</p> <p>April 2023 Professor, Faculty of Business and Commerce, Keio University (current position)</p> <p>Significant concurrent positions Professor, Faculty of Business and Commerce, Keio University Vice President, Japan Marketing Academy Outside Director of POLA ORBIS HOLDINGS INC.</p>	—
Reason for election as a candidate for external director and outline of expected roles Ms. Hikaru Yamamoto is engaged in the research on marketing and consumer behavior at universities. She gives advice on the Company's management policies based on her insight and supervises the execution of operation from an independent standpoint. The Company continues to expect her to play the above roles and reelected her as a candidate for external director.			

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
7	<p><b>Ryosuke Tsuchiya</b> (January 16, 1946)</p> <p><b>Reelected</b></p> <p><b>External director</b> <b>Independent director</b></p>	<p>April 2006 Head of the Central Hospital of the National Cancer Center (current National Cancer Center Hospital)</p> <p>February 2011 Director of the Japan Research Promotion Society for Cardiovascular Diseases (current Sakakibara Heart Foundation) (current position)</p> <p>April 2011 Director of the Japanese Foundation for Cancer Research</p> <p>April 2014 Chief Director of Kanagawa Prefectural Hospital Organization</p> <p>June 2014 Director of the Japan Health Sciences Foundation</p> <p>December 2018 External Director of the Company (current position)</p> <p>November 2019 External Director of MNES Inc. (current position)</p> <p>April 2021 Vice President of Kokusai Gakuen Education Institute</p> <p>April 2022 President of Kokusai Gakuen Education Institute (current position)</p> <p>Significant concurrent positions Director of the Sakakibara Heart Foundation External Director of MNES Inc. President of Kokusai Gakuen Education Institute</p> <p>Reason for election as a candidate for external director and outline of expected roles Mr. Ryosuke Tsuchiya is engaged in medical research at various institutions, and also has experience in organizational management. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.</p>	—
8	<p><b>Satoshi Fujita</b> (March 3, 1944)</p> <p><b>Reelected</b></p> <p><b>External director</b> <b>Independent director</b></p>	<p>July 1969 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>October 1997 President of NTT International Network Company</p> <p>June 2002 Executive Vice President and General Manager of Global Service Business, NTT Communications Corporation</p> <p>June 2003 Full-time Audit &amp; Supervisory Board Member of NTT DOCOMO, INC.</p> <p>April 2006 President and CEO of Alcatel-Lucent Japan Ltd.</p> <p>June 2008 Director of IT-it CO., LTD.</p> <p>March 2009 President of Infinera Japan K.K.</p> <p>September 2011 Advisor of the Company</p> <p>April 2016 Executive Advisor of Juniper Networks, Inc. (current position)</p> <p>December 2020 External Director of the Company (current position)</p> <p>Significant concurrent position Executive Advisor of Juniper Networks, Inc.</p> <p>Reason for election as a candidate for external director and outline of expected roles Mr. Satoshi Fujita has a wealth of experience and deep insight as a manager. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.</p>	4,000

No.	Name (Date of birth)	Past experience, significant concurrent positions, positions and responsibilities at the Company	Number of shares of the Company held
9	<p>Yoshinori Yokoyama (September 16, 1942)</p> <p><b>Reelected</b></p> <p><b>External director</b> <b>Independent director</b></p>	<p>September 1986 Senior Partner, McKinsey &amp; Company</p> <p>September 1988 Managing Partner Japan, McKinsey &amp; Company</p> <p>July 2002 Representative Director of I Grec SSDI Co., Ltd. (current position)</p> <p>April 2008 Chief Event Promotor, The University of Tokyo Executive Management Program</p> <p>July 2016 Dean, Hiroshima Business and Management School, Prefectural University of Hiroshima (current position)</p> <p>July 2017 External Director of airweave inc. (current position)</p> <p>October 2020 Special Research Advisor, Institute of Industrial Science, The University of Tokyo (current position)</p> <p>December 2020 External Director of the Company (current position)</p> <p>Significant concurrent positions Representative Director of I Grec SSDI Co., Ltd. Dean, Hiroshima Business and Management School, Prefectural University of Hiroshima External Director of airweave inc. Special Research Advisor, Institute of Industrial Science, The University of Tokyo</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Yoshinori Yokoyama has a wealth of experience and deep insight as a manager. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.			
10	<p>Hideaki Wada (December 13, 1973)</p> <p><b>Reelected</b></p> <p><b>External director</b></p>	<p>April 1997 Joined HIKARI TSUSHIN, INC.</p> <p>June 2004 Director of HIKARI TSUSHIN, INC.</p> <p>April 2007 Managing Director of HIKARI TSUSHIN, INC.</p> <p>June 2009 Managing Executive Officer and General Manager of Information and Communications Business Division, HIKARI TSUSHIN, INC.</p> <p>April 2012 Representative Director of Hello Communications, Inc.</p> <p>June 2012 Managing Director of HIKARI TSUSHIN, INC.</p> <p>April 2013 Representative Director of Telecom Service Co., Ltd.</p> <p>June 2015 Director of Water Direct Corporation (current Premium Water Holdings Inc.) (current position)</p> <p>June 2017 Vice President and Director of HIKARI TSUSHIN, INC.</p> <p>June 2018 Director of FTGroup CO., LTD.</p> <p>February 2019 Director of ACTCALL INC.</p> <p>June 2019 President and Representative Director of HIKARI TSUSHIN, INC. (current position)</p> <p>June 2020 Director of Hikari Tsushin K.K. (current position)</p> <p>March 2021 Representative Director of HCMA Alpha Inc.</p> <p>December 2022 External Director of the Company (current position)</p> <p>September 2023 Representative Director of HCMA Alpha Inc. (current position)</p> <p>Significant concurrent positions President and Representative Director of HIKARI TSUSHIN, INC. Director of Premium Water Holdings Inc. Director of Hikari Tsushin K.K. Representative Director of HCMA Alpha Inc.</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Hideaki Wada has a wealth of achievements and experience and deep insight as a manager. The Company expects him to give advice on the Company's management policy, based on his insight, to sustainably enhance corporate value, and elected him as a candidate for external director.			

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, Mr. Ryosuke Tsuchiya, Mr. Satoshi Fujita, Mr. Yoshinori Yokoyama and Mr. Hideaki Wada are candidates for external director. The reasons for election as candidates for external director are

described in the columns below the past experiences of each candidate for external director. In addition, concerning Mr. Muzhi Zhou, Ms. Hikaru Yamamoto and Mr. Ryosuke Tsuchiya, although they have never been involved in corporate management other than as external director, the Company believes that they are capable of adequately executing their duties as external director as mentioned in the “Reason for election as a candidate for external director and outline of expected roles.”

3. The candidates Mr. Muzhi Zhou and Ms. Hikaru Yamamoto will have held the position of external director of the Company for eight (8) years as at the conclusion of this Annual General Meeting of Shareholders. The candidate Mr. Ryosuke Tsuchiya will have held the position of external director of the Company for five (5) years as at the conclusion of this Annual General Meeting of Shareholders. The candidates Mr. Satoshi Fujita and Mr. Yoshinori Yokoyama will have held the position of external director of the Company for three (3) years as at the conclusion of this Annual General Meeting of Shareholders. The candidate Mr. Hideaki Wada will have held the position of external director of the Company for one (1) year as at the conclusion of this Annual General Meeting of Shareholders.
4. The Company has filed a notice to the Tokyo Stock Exchange for appointing Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, Mr. Ryosuke Tsuchiya, Mr. Satoshi Fujita and Mr. Yoshinori Yokoyama as independent directors. If their election is approved as originally proposed, they will continue to serve as independent directors.
5. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, Mr. Ryosuke Tsuchiya, Mr. Satoshi Fujita, Mr. Yoshinori Yokoyama and Mr. Hideaki Wada to limit their liability for compensation of damages due to the failure to perform their duties, to the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the said Act. If their election is approved as originally proposed, the Company intends to continue the agreements with them.
6. The Company has purchased a directors and officers liability insurance policy from an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that the insured will be legally liable for and dispute costs including litigation expenses, lawyer fees, and arbitration / settlement costs (including those arising from losing a derivative lawsuit and claims for damages from the Company). Each candidate for director, with the exception of Mr. Kochi Ishikawa, is insured under the insurance policy as incumbent directors of the Company. Moreover, all directors of the Company elected under this proposal will be insured under the insurance policy. The Company plans to renew the insurance policy with the same content during the terms of office of the directors included in this proposal.
7. MNES Inc., where Mr. Ryosuke Tsuchiya holds a concurrent position, was an equity-method affiliate of the Company, however as of June 30, 2023, it no longer is an equity-method affiliate of the Company.
8. HIKARI TSUSHIN, INC., where Mr. Hideaki Wada holds a concurrent position, is an affiliate (other) of the Company.

**Proposal 3:** Election of one (1) statutory auditor

Statutory auditor Ms. Takako Okuda will resign at the conclusion of this Annual General Meeting of Shareholders due to the expiration of her term of office. Accordingly, the election of one (1) statutory auditor is proposed.

In addition, the Board of Statutory Auditors has previously given its approval to this proposal.

The candidate for statutory auditor is as follows:

Name (Date of birth)	Past experience, significant concurrent positions and positions at the Company	Number of shares of the Company held
<p><b>Reelected</b></p> <p>Takako Okuda (May 7, 1956)</p> <p><b>External statutory auditor</b> <b>Independent statutory</b> <b>auditor</b></p>	<p>April 1979     Suntory Limited</p> <p>April 2000     Manager of Wine Business Division, Suntory Limited</p> <p>April 2003     Manager of Tokyo Customer Center, Customer Communications Department, Suntory Limited</p> <p>September 2005     Manager of Kurashi-no-Lab Group, Marketing &amp; Customer Relations Department, Marketing &amp; Sales Division, Tokyo Electric Power Company</p> <p>April 2016     General Manager of CS Department, TEPCO Energy Partner, Incorporated</p> <p>June 2019     Outside Director of ITOCHU-SHOKUHIN Co., Ltd. (current position)</p> <p>December 2021     External Statutory Auditor of the Company (current position)</p> <p>Significant concurrent position Outside Director of ITOCHU-SHOKUHIN Co., Ltd.</p> <p>Reason for election as a candidate for external statutory auditor Ms. Takako Okuda has been engaged in operations that contribute to improving customer satisfaction and stakeholder credibility at major companies over many years, in addition to having insight into marketing, and has a wide range of experience and knowledge. The Company elected her as a candidate for external statutory auditor in the hope that she will apply such experience and knowledge to the Company's audits and provide advice for the continuous improvement of the Company's corporate value.</p>	<p>—</p>

(Notes)

1. There are no special interests between the candidate and the Company.
2. The candidate for statutory auditor, Ms. Takako Okuda, is a candidate for external statutory auditor. The reasons for her election as a candidate for external statutory auditor are described in the column below the past experience. Although Ms. Takako Okuda has no experience involving corporate management directly other than serving as an external director, the Company believes that she is capable of adequately executing her duties as an external statutory auditor, as mentioned in the "Reason for election as a candidate for external statutory auditor".
3. The candidate for statutory auditor, Ms. Takako Okuda, will have held the position of external statutory auditor of the Company for two (2) years as at the conclusion of this Annual General Meeting of Shareholders. In addition, the Company has filed a notice to the Tokyo Stock Exchange for appointing her as an independent statutory auditor. If her election is approved as originally proposed, she will continue to serve as an independent statutory auditor.
4. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Takako Okuda to limit her liability for compensation of damages due to the failure to perform her duties, to the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the said Act. If her election is approved as originally proposed, the Company intends to continue the agreement with her.
5. The Company has purchased a directors and officers liability insurance policy from an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that the insured will be legally liable for and dispute costs including litigation expenses, lawyer fees, and arbitration / settlement costs (including those arising from losing a derivative lawsuit and claims for damages from the Company). The candidate for statutory auditor, Ms. Takako Okuda, is insured under the insurance policy as an incumbent statutory auditor of the Company, and she will continue to be insured under the insurance policy if she is elected under this proposal. The Company plans to renew the insurance policy with the same content during the term of office of the statutory auditor included in this proposal.

(Reference) Management structure subject to approval of Proposal 2 and Proposal 3 (plan)

- The table below does not represent all kinds of knowledge held by candidates.

Name	Attributes	Expertise / Experience							
		Corporate management/ Business Strategy	Marketing	Technology development/ Market development	IT/ Security	Finance and accounting/ M&A	Personnel & labor affairs/ Organization/ Human resources development	Legal affairs/ Risk management	Global experiences
Directors									
Toshihiro Maeta		●	●	●	●		●		
Hiroshi Izumi		●	●	●	●				●
Hiroshi Matsumoto		●				●	●	●	
Koichi Ishikawa		●	●	●	●				
Muzhi Zhou	External Independent	●	●		●				●
Hikaru Yamamoto	External Independent		●	●					
Ryosuke Tsuchiya	External Independent		●				●		
Satoshi Fujita	External Independent	●		●	●				●
Yoshinori Yokoyama	External Independent	●		●		●	●		●
Hideaki Wada	External	●	●	●		●	●	●	
Statutory auditors									
Yasuhiko Niwa	External Independent	●				●			●
Chie Kasahara	External Independent				●			●	●
Nariki Yasuda	External Independent	●							●
Takako Okuda	External Independent		●				●		

(Reference: Proposal 2 and Proposal 3)

[Policies and procedures for nominating candidates for director]

It is the Company's policy to elect candidates for director who have the knowledge, experience, and abilities necessary to create medium- to long-term corporate value, in addition to excellent personality and high ethical standards, and who can appropriately fulfill their roles and responsibilities. In accordance with this policy, when nominating a candidate for director, the representative director prepares a draft proposal of candidates for director, consults with the Nomination and Remuneration Committee, and submits the proposal to the Board of Directors based on a report from the Nomination and Remuneration Committee, and once the Board of Directors approves the proposal, it is presented to the general meeting of shareholders. The majority of members of the Nomination and Remuneration Committee are external officers or external experts to ensure the objectivity, timeliness, and transparency of the Company's decision-making.

As for the policy for electing external directors, the Company seeks to offer positions to people who have a high degree of expertise and meet the criteria stipulated in the Company's "Standard for Determining the Independence of External Officers," in addition to the above qualities.

[Policies and procedures for nominating candidates for statutory auditor]

Candidates for statutory auditor are recommended by representative directors to the Board of Statutory Auditors, considering their personality, knowledge, experience, abilities, and expertise. After deliberation by the Board of Statutory Auditors, a proposal of candidates consented by the Board of Statutory Auditors is submitted to the Board of Directors, and once the Board of Directors approves the proposal, it is presented to the general meeting of shareholders.

As for the policy for electing external statutory auditors, the Company seeks to offer positions to people who meet the criteria stipulated in the Company's "Standard for Determining the Independence of External Officers."

[Standard for Determining the Independence of External Officers]

To establish a corporate governance structure that enables highly transparent management and a strong management oversight function and to improve corporate value, the following criteria is used for determining the independence of the Company's external officers (external directors and external statutory auditors). (A person who does not fall under any of the following categories is considered to be independent.)

1. A person who is currently or has been over the past ten years a director (excluding external directors), statutory auditor (excluding external statutory auditors), operating officer, other employee and the like (collectively, "executive") of the Company, its current subsidiaries and affiliates (collectively, the "Group")
2. A person who falls or has fallen under over the past three years any of a through j below
  - a. A major shareholder of the Company (a person holding, directly or indirectly, 10% or more of all voting rights of the Company; the same hereinafter), or an executive of that shareholder if it is a corporate entity
  - b. An executive of a company for which the Company is a major shareholder
  - c. A person for whom the Group is a major business partner (a person who has recorded 2% or more of its annual consolidated sales for the most recent fiscal year or 100 million yen, whichever is greater, from the Group) or an executive of that corporate entity if it is a corporate entity
  - d. A major business partner of the Company (a person who pays the Company the amount exceeding 2% of the Company's total annual consolidated sales for the most recent fiscal year), or an executive of that business partner if it is a corporate entity
  - e. An entity who receives donations or aid from the Group in excess of a certain amount (an average of 10 million yen per year for the past three fiscal years or 30% of the average annual total cost of the organization, whichever is greater), or an executive of that entity if it is a type of organization
  - f. A major creditor of the Company, or an executive of the creditor if it is a corporate entity
  - g. A certified public accountant of the audit corporation for the Group or a person who belongs to the audit corporation
  - h. An entity who receives annual remuneration of 10 million yen or more in addition to officer remuneration from the Group as a lawyer, certified public accountant, tax accountant, and consultant, or an executive of that entity if it is a type of organization
  - i. A spouse or a relative within the second degree of kinship of a person who falls under any



of a through h above (excluding those who are not important)

- j. An officer of a company that receives officers (meaning directors or statutory auditors; the same hereinafter) from the Group
- 3. Any other person who may permanently have a substantial conflict of interest with general shareholders of the Company due to circumstances other than those considered in the categories 1 and 2 above
- 4. Even if a person falls under any of the items in the category 2 above, the Company may designate the person as its independent officer if the person is considered to present effectively no risk of conflict of interest with general shareholders, provided that the Company explains publicly why the person is deemed to satisfy the requirements of external directors or external statutory auditors in accordance with the Companies Act and to be suitable as an independent officer of the Company.