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Securities code: 9790
May 31, 2024
(Commencement date of electronic
provision measures: May 30, 2024)

To Shareholders with Voting Rights:

Koichi Sato
Representative Director and Group CEO
FUKUICOMPUTER HOLDINGS, Inc.
1-2501 Takagi-chuo, Fukui-shi, Fukui, Japan

**NOTICE OF
THE 45th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We would like to express our deepest sympathy to those who have been severely affected by the 2024 Noto Earthquake and wish for their quick recovery from the catastrophic event.

We hereby inform you that the 45th Annual General Meeting of Shareholders of FUKUICOMPUTER HOLDINGS, Inc. (the “Company”) will be held as described below.

The Company has taken electronic provision measures in convening this General Meeting of Shareholders and has posted the matters subject to electronic provision measures on the following website on the Internet as “Notice of the 45th Annual General Meeting of Shareholders” and “Other Matters Provided Electronically for the 45th Annual General Meeting of Shareholders (Matters Omitted from the Paper Copy).”

The Company’s website

https://hd.fukuicompu.co.jp/ir/holders_meeting.html

In addition to the above, such matters have also been posted on the website of Tokyo Stock Exchange, Inc., as follows. Please access the following website, search for “FUKUI COMPUTER HOLDINGS” in the issue name (company name) or “9790” in the securities code field, and select “Basic information,” “Documents for public inspection/PR information” and “Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting” to review the information.

Website of Tokyo Stock Exchange, Inc. (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Instead of attending the meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders posted in the matters subject to electronic provision measures, and exercise your voting rights by no later than Thursday, June 20, 2024, 6:00 p.m. Japan time in accordance with the following guidance.

- 1. Date and Time:** Friday, June 21, 2024 at 10:00 a.m. Japan time
- 2. Place:** 8th floor of AOSSA, Fukui Prefecture Kenmin Hall
1-4-1 Teyose, Fukui-shi, Fukui, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 45th Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 45th Fiscal Year (April 1, 2023 - March 31, 2024)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

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- When attending the meeting, please submit the enclosed voting rights exercise form at the reception desk.
 - The document sent to you also serves as a document describing matters subject to electronic provision measures based on a request for delivery of document. In accordance with provisions of laws and regulations as well as Article 18 of the Company's Articles of Incorporation, the following matters are not stated. Accordingly, these documents are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing the audit report.
 - "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
 - Should the matters subject to electronic provision measures require any revisions, such revisions will be posted on the respective websites where said matters are posted.

Guide to Exercising Voting Rights

Exercising voting rights in writing

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it to us so that it arrives by the exercise deadline. If there is no indication of approval or disapproval of proposals on the voting form, it will be treated as an intention of approval.

Exercise deadline: To arrive by 6:00 p.m. on Thursday, June 20, 2024

Exercising voting rights via the Internet

Please refer to the “Guide to Exercising Voting Rights via the Internet, etc.” on the next page, access the website for exercising voting rights, and enter your approval or disapproval by the exercise deadline.

To exercise your voting rights via smartphone, please use the “Smart Exercise” function.

Exercise deadline: 6:00 p.m. on Thursday, June 20, 2024

Exercise of voting rights by attending the meeting in person

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Date and Time of the General Meeting of Shareholders: 10 a.m. on Friday, June 21, 2024

(Reception starts at 9 a.m.)

- If you exercise your voting rights both in writing and via the Internet, etc., we will treat the exercise via the Internet, etc. as a valid exercise of your voting rights. If you exercise your voting rights more than once via the Internet, etc., we will treat the last exercise as a valid exercise of your voting rights.
- Internet-related costs (connection fees, communication fees, etc.) shall be borne by the shareholder.
- You may not be able to use the voting rights exercise website depending on your Internet environment, the services you subscribe to or the model you use.

Guide to Exercising Voting Rights via the Internet, etc.

How to read a QR code

“Smart Exercise”

You can log in to the voting website without entering your voting code and password.

1. Please scan the QR code on the bottom right corner of the voting form.
2. After that, please follow the on-screen instructions to indicate your vote for or against the proposals.
 - “Approve” all Company proposals
 - Vote on each proposal individually

You may exercise your voting rights only once using the “Smart Exercise” function.

If you wish to change the details of your vote after exercising your voting rights, please log in and exercise your voting rights again by entering the “Voting Code” and “Password” indicated on the Voting Rights Exercise Form in accordance with the “How to enter the Voting Code and Password for exercising voting rights” shown on the right.

* If you scan the QR code again, you can access the website for exercising voting rights shown on the right.

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

How to enter the Voting Code and Password for exercising voting rights

Voting rights exercise website:

<https://www.web54.net>

1. Access the voting rights exercise website and click “Continue.”
2. Please enter the “Voting Code” shown on the lower left-hand side of the back of the Voting Rights Exercise Form and click “Login.”
3. Please enter the “Password” indicated on the lower left-hand side of the back of the Voting Rights Exercise Form.
Enter the “Initial Password,” and then set a new password that you will actually use.
Click “Register.”
4. After that, please follow the on-screen instructions to indicate your vote for or against the proposals.

For inquiries regarding the exercise of voting rights via the Internet

If you have any questions regarding the exercise of voting rights via the internet, please contact the following.

Securities Agent Web Support Hotline, Sumitomo Mitsui Trust Bank Limited

Telephone: 0120-652-031 (toll free) Business hours: 9:00 a.m. to 9:00 p.m.

For other inquiries, including requests for forms, please contact 0120-782-031 (toll free).

Business hours: 9:00 a.m. to 5:00 p.m.

To Institutional Investors

You may also exercise your voting rights electronically via the “Platform for Electronic Voting Rights Exercise” operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We would like to appropriate our surplus as follows.

Matters concerning year-end dividend

Our basic dividend policy is to distribute dividends, emphasizing the return of profits to our shareholders. Concerning the year-end dividend for the fiscal year under review, we would like to pay an ordinary dividend of 65 yen per share as follows.

(1) Type of dividend property

Cash

(2) Matters concerning allotment of dividend property and total amount thereof

65 yen per share of common stock of the Company for a total dividend amount of 1,343,888,650 yen

(3) Effective date of distribution of surplus

June 24, 2024

Proposal 2: Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding the Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Therefore, in order to ensure transparent corporate management and to further reinforce its corporate governance, the Company proposes to increase the number of Outside Directors by one (1) and to elect six (6) Directors. Please refer to page 20 for the opinion of the Audit and Supervisory Committee regarding this proposal.

The candidates for Director are as follows.

No.	Name	Current positions at the Company	
1	Koichi Sato	Representative Director and Group CEO President and Executive officer	[Reappointment]
2	Akira Hashimoto	Managing Director and Group CFO/CHRO Managing Executive Officer General Manager, Corporate Management Division	[Reappointment]
3	Tadashi Sugita	Director	[Reappointment]
4	Kenji Sakaguchi	Outside Director	[Reappointment] [Outside] [Independent]
5	Rin Shinonome	Outside Director	[Reappointment] [Outside] [Independent]
6	Aya Ozasa		[New appointment] [Outside] [Independent]


[New appointment] New candidate for Director


[Reappointment] Candidate for reappointment as Director


[Outside] Candidate for Outside Director


[Independent] Independent Director stipulated by the rules of the stock exchange

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
1	 <p data-bbox="194 689 446 761">Koichi Sato (December 16, 1963)</p> <p data-bbox="194 795 446 840">[Reappointment]</p> <p data-bbox="194 873 446 996">[Attendance at the Board of Directors meetings] 16/16</p>	<p data-bbox="470 273 1260 302">April 1998 Joined the Company</p> <p data-bbox="470 313 1260 342">October 2007 General Manager, Kansai Office, the Company</p> <p data-bbox="470 353 1260 414">February 2008 Executive Officer and General Manager, Kansai Office, the Company</p> <p data-bbox="470 425 1260 486">April 2012 Executive Officer and General Manager, Sales Management Division, the Company</p> <p data-bbox="470 497 1260 580">July 2012 Director and General Manager, Sales Headquarters, FUKUICOMPUTER ARCHITECT, Inc</p> <p data-bbox="470 591 1260 795">November 2017 Director, the Company Representative Director and President, FUKUICOMPUTER ARCHITECT, Inc Director, FUKUICOMPUTER, Inc Director, FUKUICOMPUTER SMART, Inc Director, FUKUICOMPUTER.COM, Inc Director, FUKUICOMPUTER SYSTEM, Inc</p> <p data-bbox="470 806 1260 866">February 2022 Representative Director and President, the Company</p> <p data-bbox="470 878 1260 907">April 2022 Director, FUKUICOMPUTER ARCHITECT, Inc</p> <p data-bbox="470 918 1260 1001">June 2023 Representative Director and Group CEO, and President and Executive officer, the Company (to present)</p> <p data-bbox="470 1012 1260 1075">[Significant concurrent positions] —</p>	5,200
<p data-bbox="194 1120 774 1149">[Reason for nomination as a candidate for Director]</p> <p data-bbox="194 1160 1460 1366">Mr. Koichi Sato has a wealth of experience and knowledge in corporate management and administration, having served in important positions in sales divisions of the Company, such as the general manager of a branch office and General Manager of the Sales Headquarter, as well as Representative Director and President of FUKUICOMPUTER ARCHITECT, Inc. The Company has nominated him as a candidate for a Director since it believes, based on his experience and achievements, that he will be able to demonstrate strong leadership in the growth of future business of the Group and the enhancement of corporate value and to energetically lead the entire Group.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
2	 <p data-bbox="215 913 427 985">Akira Hashimoto (April 28, 1964)</p> <p data-bbox="223 1025 419 1057">[Reappointment]</p> <p data-bbox="215 1102 427 1227">[Attendance at the Board of Directors meetings] 15/16</p>	<p data-bbox="470 273 609 297">October 1990</p> <p data-bbox="694 273 893 297">Joined the Company</p> <p data-bbox="470 309 577 333">April 2001</p> <p data-bbox="694 309 1248 333">General Manager, Sales Planning Division, the Company</p> <p data-bbox="470 342 577 367">June 2001</p> <p data-bbox="694 342 1236 394">Executive Officer and General Manager, Sales Planning Division, the Company</p> <p data-bbox="470 403 577 427">June 2005</p> <p data-bbox="694 403 1273 454">Director and General Manager, Sales Planning Division, the Company</p> <p data-bbox="470 463 577 488">April 2006</p> <p data-bbox="694 463 1264 515">Director, General Manager, CAD Promotion Division, and General Manager, Support Center, the Company</p> <p data-bbox="470 524 577 548">April 2011</p> <p data-bbox="694 524 1184 575">Director and General Manager, CS/CRM Business Division, the Company</p> <p data-bbox="470 584 577 609">July 2012</p> <p data-bbox="694 584 1257 663">Director, General Manager, Business Promotion Division, and General Manager, Customer Support Center, FUKUICOMPUTER, Inc</p> <p data-bbox="470 669 577 694">April 2013</p> <p data-bbox="694 669 1248 721">Director and General Manager, Customer Support Center, FUKUICOMPUTER, Inc</p> <p data-bbox="470 730 577 754">July 2013</p> <p data-bbox="694 730 1066 781">Representative Director and President, FUKUICOMPUTER SMART, Inc</p> <p data-bbox="470 790 577 815">June 2016</p> <p data-bbox="694 790 1264 842">Executive Officer and General Manager in charge of Sales Headquarters, FUKUICOMPUTER, Inc</p> <p data-bbox="470 848 635 873">November 2017</p> <p data-bbox="694 848 1216 900">Director, General Manager, Corporate Administration Headquarters, the Company</p> <p data-bbox="694 909 1177 960">Director, FUKUICOMPUTER ARCHITECT, Inc</p> <p data-bbox="694 969 1034 1021">Director, FUKUICOMPUTER, Inc</p> <p data-bbox="694 1030 1129 1081">Director, FUKUICOMPUTER SMART, Inc</p> <p data-bbox="694 1090 1098 1142">Director, FUKUICOMPUTER.COM, Inc</p> <p data-bbox="470 1151 609 1176">January 2018</p> <p data-bbox="694 1151 1136 1202">Director, FUKUICOMPUTER SYSTEM, Inc</p> <p data-bbox="470 1211 577 1236">June 2020</p> <p data-bbox="694 1211 1273 1263">Audit & Supervisory Board Member, FUKUICOMPUTER ARCHITECT, Inc (to present)</p> <p data-bbox="694 1272 1273 1323">Audit & Supervisory Board Member, FUKUICOMPUTER, Inc (to present)</p> <p data-bbox="694 1332 1273 1384">Audit & Supervisory Board Member, FUKUICOMPUTER SMART, Inc</p> <p data-bbox="694 1393 1273 1444">Audit & Supervisory Board Member, FUKUICOMPUTER SYSTEM, Inc (to present)</p> <p data-bbox="470 1453 577 1478">June 2022</p> <p data-bbox="694 1453 1168 1505">Managing Director, General Manager, Corporate Management Division, the Company</p> <p data-bbox="470 1514 577 1538">April 2023</p> <p data-bbox="694 1514 1145 1565">Director and COO, and Executive Officer, FUKUICOMPUTER SMART, Inc (to present)</p> <p data-bbox="470 1574 577 1599">June 2023</p> <p data-bbox="694 1574 1264 1626">Managing Director and Group CFO/CHRO, and Managing Executive Officer, General Manager, Corporate Management Division (to present)</p> <p data-bbox="470 1635 801 1659">[Significant concurrent positions]</p> <ul data-bbox="478 1668 1273 1780" style="list-style-type: none"> • Audit & Supervisory Board Member, FUKUICOMPUTER ARCHITECT, Inc • Audit & Supervisory Board Member, FUKUICOMPUTER, Inc • Director and COO, and Executive Officer, FUKUICOMPUTER SMART, Inc • Audit & Supervisory Board Member, FUKUICOMPUTER SYSTEM, Inc 	4,000
<p data-bbox="194 1610 778 1635">[Reason for nomination as a candidate for Director]</p> <p data-bbox="194 1644 1455 1823">Mr. Akira Hashimoto has been involved in sales planning, promotion, support services and business management operations, and has experience and extensive knowledge in the various divisions of the Group through serving as Directors of Group companies. He is also responsible for audit and supervision of the management as Audit & Supervisory Board Member of Group companies. The Company has nominated him as a candidate for Director since it believes that he can contribute to future business management of the Group.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
3	 <p data-bbox="231 801 414 873">Tadashi Sugita (July 14, 1964)</p> <p data-bbox="223 913 422 945">[Reappointment]</p> <p data-bbox="215 981 430 1108">[Attendance at the Board of Directors meetings] 16/16</p>	<p data-bbox="470 273 1257 1182"> November 1987 Joined the Company April 1998 General Manager, Kyushu Office, the Company April 2004 Executive Officer and General Manager, Chubu Office, the Company October 2006 Executive Officer and General Manager in charge of Civil Engineering, the Company April 2011 Executive Officer and General Manager, Civil Engineering and Surveying Sales Management Division, the Company April 2012 Executive Officer, General Manager, Sales Headquarters, and General Manager, Civil Engineering and Surveying Sales Management Division, the Company June 2012 Director, the Company July 2012 Representative Director and President, FUKUICOMPUTER, Inc June 2016 Managing Executive Officer, the Company April 2018 Representative Director and President, FUKUICOMPUTER, Inc Director, FUKUICOMPUTER ARCHITECT, Inc Director, FUKUICOMPUTER SMART, Inc June 2019 Director, the Company (to present) June 2020 Director, FUKUICOMPUTER SYSTEM, Inc (to present) June 2023 Representative Director and CEO, and President and Executive officer, FUKUICOMPUTER, Inc (to present) </p> <p data-bbox="470 1193 1189 1344"> [Significant concurrent positions] • Representative Director and Group CEO, and President and Executive officer, FUKUICOMPUTER, Inc • Director, FUKUICOMPUTER SYSTEM, Inc </p>	13,400
<p data-bbox="194 1377 1452 1635"> [Reason for nomination as a candidate for Director] Mr. Tadashi Sugita has served in the sales division since joining the Company, and possesses a wide range of operational experience and management knowledge. He is currently the Representative Director and CEO, and President and Executive officer of FUKUICOMPUTER, Inc, leading the company as a whole and playing a central role in promoting civil engineering and surveying-related businesses. The Company has nominated him as a candidate for Director since it believes that he can utilize his experience and achievements in the business management of the Group. </p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
4	 <p>Kenji Sakaguchi (October 10, 1979)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 13/13</p>	<p>September 2015 Established ProfitMakers, inc., Director</p> <p>September 2015 Joined wizpra Inc. (currently EmotionTech Inc.)</p> <p>September 2016 Representative Director, ProfitMakers, inc. (to present)</p> <p>September 2016 Director, wizpra Inc. (currently EmotionTech Inc.)</p> <p>July 2019 Director, Hands-on, inc. (to present)</p> <p>May 2020 Director, Beauty Terminal, inc. (to present)</p> <p>June 2023 Outside Director, the Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative Director, ProfitMakers, inc. • Director, Hands-on, inc. • Director, Beauty Terminal, inc. 	—
<p>[Reason for nomination as a candidate for Outside Director and outline of expected role]</p> <p>Mr. Kenji Sakaguchi has been engaged in the development and operation of services utilizing advanced technologies as Representative Director and Directors of companies that develop businesses with strengths in the IT field, particularly engineering, and has advanced technical capabilities and business acumen. The Company has nominated him as a candidate for Outside Director with the expectation that he will draw on this experience and provide useful advice on the formulation of the Company's technology strategy, the implementation of the Company's business strategy, and issues to be addressed by the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
5	 <p>Rin Shinonome (January 18, 1977)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 13/13</p>	<p>April 2009 Research Fellowship, Japan Society for the Promotion of Science</p> <p>April 2011 Assistant Professor, College of Business Administration, Ritsumeikan University</p> <p>April 2013 Visiting Researcher, University of Padua (Italy)</p> <p>June 2013 Visiting Researcher, The Australian National University</p> <p>April 2015 Lecturer, School of Commerce, Meiji University</p> <p>September 2015 Researcher, Aarata Institute, PricewaterhouseCoopers Aarata, (currently PricewaterhouseCoopers Japan LLC) (to present)</p> <p>April 2018 Associate Professor, School of Commerce, Meiji University</p> <p>April 2023 Professor, School of Commerce, Meiji University (to present)</p> <p>June 2023 Outside Director, the Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Researcher, Aarata Institute, PricewaterhouseCoopers Japan LLC • Professor, School of Commerce, Meiji University 	—
<p>[Reason for nomination as a candidate for Outside Director and outline of expected role]</p> <p>Ms. Rin Shinonome has served as a visiting researcher and a professor at universities in Japan and overseas. The Company believes that she will be able to provide appropriate advice at the Company's Board of Directors meetings from a wide range of perspectives, including internationality, environmental and social aspects, and diversity, for the further promotion of the Company's sustainability-oriented management. In addition, in expectation that she will demonstrate an appropriate supervisory function by leveraging her extensive experience thus far in light of the external environment that is changing significantly on a global basis, the Company has nominated her as a candidate for Outside Director. Although she has never been directly involved in corporate management, the Company believes that she will be able to appropriately perform duties as an Outside Director for the above reasons.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
6	 <p>Aya Ozasa (January 28, 1977)</p> <p>[New appointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] —</p>	<p>April 1999 Joined Recruit Co., Ltd.</p> <p>June 2006 Joined Google Inc. (current Google LLC)</p> <p>June 2009 Chief Executive Officer, Nine Slash One, Inc.</p> <p>March 2011 Chief Operating Officer (COO), EventRegist Inc.</p> <p>January 2012 Director and Chief Operating Officer (COO), EventRegist Inc.</p> <p>July 2018 Senior Partner, Colorful LLC (to present)</p> <p>March 2021 Outside Director (Audit and Supervisory Committee Member), Metaps, Inc.</p> <p>July 2023 Outside Director, Metaps, Inc.</p> <p>February 2024 Director, Association for Promotion of Community Marketing (to present)</p> <p>March 2024 Outside Director, JINUSHI Co., Ltd. (Audit and Supervisory Committee Member) (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Senior Partner, Colorful LLC • Director, Association for Promotion of Community Marketing • Outside Director, JINUSHI Co., Ltd. (Audit and Supervisory Committee Member) 	—
<p>[Reason for nomination as a candidate for Outside Director and outline of expected role]</p> <p>Having a wealth of experience and achievements in managing a company and marketing, Ms. Aya Ozasa has involved herself in establishing more than one company so far. She also manages her company. The Company has nominated her as a candidate for Outside Director, expecting that, using her knowledge and experience, she will provide the Company with valuable advice on establishing a business strategy for the development and marketing of the Company's new products and services and how to develop the products and services in and out of the Company in the future. At the same time, the Company also expects that she will perform the supervisory function appropriately from a neutral point of view from outside of the Company.</p>			

- Notes:
1. Ms. Aya Ozasa is a new candidate for Outside Director.
 2. Ms. Yao Jun changed her name to Rin Shinonome when she acquired Japanese nationality on October 24, 2023.
 3. There are no special interests between each candidate and the Company.
 4. Mr. Kenji Sakaguchi, Ms. Rin Shinonome and Ms. Aya Ozasa are candidates for Outside Director.
 5. Mr. Kenji Sakaguchi and Ms. Rin Shinonome are currently Outside Directors of the Company, and their terms of office will be one (1) year at the conclusion of this General Meeting of Shareholders.
 6. Mr. Kenji Sakaguchi, Ms. Rin Shinonome and Ms. Aya Ozasa satisfy the requirements for Independent Directors as stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Independent Directors” stipulated by the Company. The Company has already notified the Tokyo Stock Exchange of the appointment of Mr. Kenji Sakaguchi and Ms. Rin Shinonome as its Independent Directors and upon approval of their reappointment at the General Meeting of Shareholders, they will remain in their positions in the coming fiscal year as well. Upon approval of the election of Ms. Aya Ozasa as the Company’s Independent Director at the General Meeting of Shareholders, she will officially be an Independent Director of the Company. For the “Criteria for Independence of Independent Directors,” please refer to page 20.
 7. The Company plans to conclude a contract limiting the liability for damage stipulated in Article 423, Paragraph 1 of the Companies Act with each of Mr. Kenji Sakaguchi and Ms. Rin Shinonome based on the provisions of Article 427, Paragraph 1 of the same Act. The limit amount of liability for damage based on the contract concerned shall be the minimum limit amount of liability stipulated in Article 425, Paragraph 1 of the same Act. The liability limitation contract will be continued for Mr. Kenji Sakaguchi and Ms. Rin Shinonome, upon approval of their reappointment at the General Meeting of Shareholders. For Ms. Aya Ozasa, a liability limitation contract will be signed with her with the same terms and conditions as that for the two reappointed Independent Directors, upon approval of her appointment at the General Meeting of Shareholders.
 8. The Company has entered into a directors and officers liability insurance contract with an insurance company that insures all Directors and Executive Officers of the Company and of its subsidiaries as stipulated in Article 430-3, Paragraph 1 of the Companies Act. Under the said insurance contract, damage caused as a result of the insured Directors and Executive Officers assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities shall be covered. However, there are certain exemptions. For example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered. In addition, the premiums are paid by the Company, including riders. Therefore, the insured parties do not bear the actual premiums. Each candidate will be included as the insured under the relevant insurance policy, which is scheduled to be renewed with the same conditions during the term of office.

Proposal 3: Election of three (3) Directors Including Directors Who Are Audit and Supervisory Committee Members

The terms of office of all four (4) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders.

Hence, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

The Company has obtained the consent of the Audit and Supervisory Committee regarding this proposal. The candidates for Directors who are Audit and Supervisory Committee Members are as follows:


No.	Name	Current positions at the Company	
1	Masaru Takahashi	Outside Directors, Audit and Supervisory Committee Member	[Reappointment] [Outside]
2	Kisei Kanda	Outside Directors, Audit and Supervisory Committee Member	[Reappointment] [Outside] [Independent]
3	Akifumi Mitsuhashi		[New appointment] [Outside] [Independent]


[New appointment] New candidate for Director

[Reappointment] Candidate for reappointment as Director

[Outside] Candidate for Outside Director

[Independent] Independent Director stipulated by the rules of the stock exchange

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
1	 <p>Masaru Takahashi (December 6, 1952)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 16/16</p>	<p>October 1980 Joined Tohmatsu Awoki & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>August 1984 Registered as Certified Public Accountant</p> <p>August 1988 Resided at Deloitte U.S. Chicago Office</p> <p>July 1994 Resided at Deloitte China Shanghai Office</p> <p>June 2003 Assumed the post of Representative Member (current Partner), Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>April 2014 Specially Appointed professor (international accounting and audit theory) at Graduate School of Asian and International Business Strategy, Asia University</p> <p>December 2017 Resigned from the post of Partner, Deloitte Touche Tohmatsu LLC</p> <p>January 2018 Representative, Masaru Takahashi Certified Public Accountant Office (to present)</p> <p>June 2018 Outside Director, Audit and Supervisory Committee Member, the Company (to present)</p> <p>April 2020 Outside Auditor, Mental Health Technologies Co., Ltd. (to present)</p> <p>April 2020 Lecturer at Graduate School of Professional Accountancy, Meiji University</p> <p>March 2021 Managing Partner, Cenxus Inc. (to present)</p> <p>July 2021 Outside Director, NISSIN FOODS COMPANY LIMITED (to present)</p> <p>April 2022 Audit Steering Committee Member, Certified Public Accountant Final Examination (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative, Masaru Takahashi Certified Public Accountant Office • Outside Auditor, Mental Health Technologies Co., Ltd. • Managing Partner, Cenxus Inc. • Outside Director, NISSIN FOODS COMPANY LIMITED • Audit Steering Committee Member, Certified Public Accountant Final Examination 	-
<p>[Reason for nomination as a candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected role]</p> <p>Mr. Masaru Takahashi has a wealth of experience and knowledge as a certified public accountant at auditing firms etc., and the Company has nominated him as a candidate for Outside Director who is Audit and Supervisory Committee Member since it believes that he will be able to provide the Company with valuable advice and guidance about the strengthening of the governance structure of the Group and business administration through the supervision of management in an independent, fair position. Mr. Takahashi acceded to the post of Nomination and Compensation Committee Member in May 2019 and has been participating in the election of candidates for Directors and Executive Officers and the determination of compensation for Directors in an objective, neutral position, and the Company expects that he will continue to make a contribution to strengthening the governance structure of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
2	 <p>Kisei Kanda (October 11, 1983)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 16/16</p>	<p>September 2011 Passed the bar examination</p> <p>December 2012 Completed training at the Legal Training and Research Institute of the Supreme Court of Japan</p> <p>December 2012 Joined Nasu & Iwasaki Law Firm</p> <p>January 2018 Opened Kanda Law Office, Representative Lawyer (to present)</p> <p>June 2018 Outside Director, Audit and Supervisory Committee Member, the Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative lawyer, Kanda Law Office 	—
<p>[Reason for nomination as a candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected role]</p> <p>The Company has nominated him as a candidate for Outside Director who is Audit and Supervisory Committee Member since it expects that he, as a lawyer, will make a contribution to strengthening audits and supervision of the Board of Directors from a legal standpoint etc., and also believes that he is young and will be able to provide advice about future management of the Company from the viewpoint of the young generation. Mr. Kanda acceded to the post of Nomination and Compensation Committee Member in May 2019 and has been participating in the election of candidates for Directors and Executive Officers and the determination of compensation for Directors in an objective, neutral position, and the Company expects that he will continue to make a contribution to strengthening the governance structure of the Company with his expertise in the judicial field.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities at the Company	Number of shares of the Company held
3	 <p>Akifumi Mitsuhashi (October 15, 1974)</p> <p>[New appointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] —</p>	<p>October 2002 Joined Ernst & Young ShinNihon LLC (current Ernst & Young ShinNihon LLC).</p> <p>December 2006 Registered as Certified Public Accountant.</p> <p>August 2018 Representative at Akifumi Mitsuhashi Certified Public Accountant Office. (to present)</p> <p>April 2019 Part-time CFO, Kabushiki Kaisha Iwabuchi Chikusan (to present)</p> <p>May 2019 Outside auditor, FCE Holdings (current FCE) (to present)</p> <p>October 2019 Outside Auditor, Space Link Co., Ltd.</p> <p>December 2019 Representative, Bridge Accounting Services, LLC (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative at Akifumi Mitsuhashi Certified Public Accountant Office • Part-time CFO, Kabushiki Kaisha Iwabuchi Chikusan • Outside auditor, FCE Holdings (current FCE) • Representative, Bridge Accounting LLC 	—
<p>[Reason for nomination as a candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected role]</p> <p>Having a wealth of experience and expertise as a certified public accountant, Mr. Akifumi Mitsuhashi has been assigned to a corporate financial manager or auditor at many companies before. He is involved in the management of companies internally and externally. He has also involved himself in the establishment of more than one venture companies. The Company has nominated him as a candidate for Outside Director who is Audit and Supervisory Committee Member, expecting that he will perform a supervisory function appropriately from an objective and neutral point of view, by providing valuable advice and revealing problems, if any, on the business strategy building of this Company including the development of new businesses.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
 2. Mr. Masaru Takahashi, Mr. Kisei Kanda, and Mr. Akifumi Mitsuhashi are candidates for Outside Directors.
 3. Mr. Akifumi Mitsuhashi is a new candidate for Outside Director.
 4. Each of Mr. Masaru Takahashi and Mr. Kisei Kanda is currently an Outside Company Director who is an Audit and Supervisory Committee Member, and their terms of office will be six (6) years at the conclusion of this General Meeting of Shareholders.
 5. Each of Mr. Masaru Takahashi, Mr. Kisei Kanda, and Mr. Akifumi Mitsuhashi satisfies the requirements for Independent Directors as stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Independent Directors” stipulated by the Company. The Company has designated each of them as an Independent Director and notified the Exchange of his designation. If the reappointment of Mr. Kisei Kanda is approved, the Company plans to maintain his designation as an Independent Director. Upon approval of the appointment of Mr. Akifumi Mitsuhashi at the General Meeting of Shareholders, he will be added to the Independent Directors of the Company. For the “Criteria for Independence of Independent Directors,” please refer to page 20.
 6. The Company has concluded a contract limiting the liability for damage stipulated in Article 423, paragraph 1 of the Companies Act with Mr. Masaru Takahashi and Mr. Kisei Kanda based on the provisions of Article 427, paragraph 1 of the same Act, and the limit amount of liability for damage based on the contract concerned shall be the minimum limit amount of liability stipulated in Article 425, paragraph 1 of the same Act. The liability limitation contract with them will be continued, upon approval of their reappointment at the General Meeting of Shareholders. A new liability limitation contract will be signed with Mr. Akifumi Mitsuhashi under the same terms and conditions as the one for the two reappointed independent directors, upon approval of his appointment at the General Meeting of Shareholders.
 7. The Company has entered into a directors and officers liability insurance contract with an insurance company that insures all Directors and Executive Officers of the Company and of its subsidiaries as stipulated in Article 430-3, Paragraph 1 of the Companies Act. Under the said insurance contract, damage caused as a result of the insured Directors and Executive Officers assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities shall be covered. However, there are certain exemptions. For example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered. In addition, the premiums are paid by the Company, including riders. Therefore, the insured parties do not bear the actual premiums. Each candidate will be included as the insured under the relevant insurance policy, which is scheduled to be renewed with the same conditions during the term of office.

Organizational Changes after Approval of Proposal 2 and Proposal 3

Name	Current Positions at the Company	Corporate Management	Sales & Industry	Development and R & D	Finance and Accounting	Legal and Compliance	Sustainability
Koichi Sato	President and Executive Officer	●	●	●			
Akira Hashimoto	Managing Executive Officer	●	●		●		●
Tadashi Sugita	Director	●	●				
Kenji Sakaguchi	Outside Director	●		●			
Rin Shinonome	Outside Director				●		●
Aya Kozasa	Outside Director	●	●				
Masaru Takahashi	Outside Director (Full-time Audit and Supervisory Committee Member)	●			●		
Kisei Kanda	Outside Director (Audit and Supervisory Committee Member)	●				●	
Akifumi Mitsuhashi	Outside Director (Audit and Supervisory Committee Member)	●			●		

* Sustainability includes elements of human resources strategy, ensuring diversity, and corporate governance.

* If Proposal 2 and Proposal 3 are passed and approved as originally proposed, there will be three Internal Directors and six (6) Outside Directors out of nine (9) Directors. Five (5) of the six (6) Outside Directors will be Independent Directors.

Opinion of the Audit and Supervisory Committee

The Audit and Supervisory Committee has discussed the election and compensation of the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply), including the confirmation of the discussion that took place at the Nomination and Compensation Committee. The Company has determined that each of the candidates are qualified as a candidate for Director based on an evaluation of the status of their business execution, business performance and other factors during the fiscal year under review. In addition, with regard to the compensation of Directors, the Company believes that the content of the compensation, etc. is appropriate, having confirmed the compensation structure, specific method of calculating compensation, and other matters.

Criteria for Independence of Independent Directors

To protect general shareholders, the Company has established the criteria for the independence of Independent Directors as follows, and appoints Independent Directors from among those who are determined to be independent in light of the criteria.

1. A person is not currently an executive (Note 1) of the Group (the Company and its consolidated subsidiaries) nor had not been an executive thereof in the past ten years.
2. The person him/herself does not currently fall nor in the past three years had fallen under any of the following:
 - (1) An executive of a major business partner (Note 2) of the Group.
 - (2) An executive of a major lender (Note 3) to the Group.
 - (3) A consultant, an accounting professional, such as a certified public accountant, or a legal professional, such as an attorney, who receives a significant amount of money or other property (Note 4) from the Group other than as director compensation (in the case of an organization, such as a legal entity or a partnership, a person who belongs to such organization).
 - (4) A person from a company that has a relationship of reciprocal appointment of outside officers (Note 5) with the Company.
 - (5) A person who has received a significant amount of donations (Note 6) from the Group (in the case of an organization, such as a legal entity, an executive of such organization).
3. A spouse or a relative within the second degree of kinship does not fall under either 1. or 2. above.

- Notes:
1. An "executive" refers to an executive director, corporate officer, executive officer, manager or other employees.
 2. A "major business partner" refers to a business partner that received a payment from the Group equivalent to 2% or more of consolidated net sales of said business partner in the most recent business year, or a business partner that made a payment to the Group equivalent to 2% or more of consolidated net sales of the Group in the most recent business year.
 3. A "major lender" is a financial institution that lends money to the Group in an amount equivalent to 2% or more of consolidated total assets of the Group.
 4. A "significant amount of money or other property" refers to money and/or property that, in the aggregate, amount to 10 million yen or more per business year.
 5. A "reciprocal appointment of outside officers" refers to cases where a person from the Group serves as an outside officer of another company, while at the same time a person from such company serves as an outside officer of the Company.
 6. A "significant amount of donations" refers to donations in an average amount of 10 million yen per year over the past three business years or 30% of the organization's total annual expenses, whichever is greater.