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Securities Code: 9928

June 9, 2023

To Our Shareholders:

Hiroki Koreeda, Chief Executive Officer, President
MIROKU JYOHO SERVICE CO., LTD.
4-29-1, Yotsuya, Shinjuku-ku, Tokyo

Notice of the 46th Annual General Meeting of Shareholders

We are pleased to announce the 46th Annual General Meeting of Shareholders of Miroku Jyoho Service Co., Ltd. (the “Company”), which will be held as follows.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 46th Annual General Meeting of Shareholders” on the websites below. Please access each website by using the Internet address shown below to review the information.

Company website:

<https://www.mjs.co.jp/en/ir/shareholders-meeting/>

(Please access the above website and select “Notice of the 46th Annual General Meeting of Shareholders” to confirm the information.)

Website where information materials for the general meeting of shareholders are posted:

<https://d.sokai.jp/9928/teiji/> (in Japanese)

Tokyo Stock Exchange website (TSE Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “MIROKU JYOHO SERVICE” in “Issue name (company name)” or the Company’s securities code “9928” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]”).

If you are unable to attend the meeting, you may exercise your voting rights via the Internet or in writing (mail). Please review the reference documents for the general meeting of shareholders below and exercise your voting rights by 5:00 p.m. (JST) on Wednesday, June 28, 2023.

[When exercising your voting rights via the Internet]

Please access the website for exercising voting rights designated by the Company (<https://www.tosyodai54.net>), use the voting rights exercise code and password indicated on the voting rights exercise form that will be sent together with this meeting notice, and follow the instructions on the screen to enter your approval or disapproval of the proposals by the exercise deadline above.

When exercising your voting rights via the Internet, please confirm the instructions for exercising voting rights via the Internet (in Japanese only).

[When exercising your voting rights in writing (mail)]

Please indicate your approval or disapproval of the proposals listed in the voting rights exercise form and return the form so that it arrives by the above exercise deadline.

1. Date and Time: Thursday, June 29, 2023 at 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)

2. Venue: Belle Salle Nishi-shinjuku, Room 1
2nd Floor, 3 Gokan (Wing 3)
Sumitomo Realty & Development Nishi-shinjuku Building
4-15-3, Nishi-shinjuku, Shinjuku-ku, Tokyo

3. Matters to be discussed at the Meeting

Matters to be reported:

1. Business Report for the 46th Business Term (from April 1, 2022 to March 31, 2023), a report on Consolidated Financial Statements, and a report on the results of the audit of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. Report on the Non-consolidated Financial Statements for the 46th Business Term (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of 12 Directors |
| Proposal No. 4 | Election of Two Substitute Audit & Supervisory Board Members |
| Proposal No. 5 | Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Outside Directors) |

4. Matters to be decided upon convocation (instructions for exercising voting rights)

- (1) If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the voting rights exercise form, it will be treated as an indication of approval.
 - (2) If you exercise your voting rights via the Internet multiple times, the final exercise of voting rights will be treated as the valid vote.
 - (3) If you vote both via the Internet and in writing (mail), the exercise of voting rights via the Internet will be treated as the valid vote, regardless of the arrival date of the voting form.
 - (4) If you exercise your voting rights through a representative, one shareholder who possesses voting rights may attend the General Meeting of Shareholders as a representative. However, please note that this will require the presentation of a document proving representation rights.
- ⊙ When attending in person, please present the voting rights exercise form to the reception desk.
- ⊙ If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the aforementioned websites and the TSE website.
- ⊙ Shareholders who have requested the delivery of the document will also receive a document stating the matters subject to measures for electronic provision. However, this document will exclude the following matters in accordance with laws and regulations and Article 16 of the Company's Articles of Incorporation.
- (i) Business Report, "Matters Concerning New Share Acquisition Rights, etc. of the Company"
 - (ii) Business Report, "Outline of the System for Ensuring the Appropriateness of Business Operations and the Status of Operation of the System"
 - (iii) Consolidated Financial Statements, "Consolidated Statement of Changes in Equity"
 - (iv) Consolidated Financial Statements, "Notes to Consolidated Financial Statements"
 - (v) Non-consolidated Financial Statements, "Non-consolidated Statement of Changes in Equity"
 - (vi) Non-consolidated Financial Statements, "Notes to Non-consolidated Financial Statements"
- Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements written in this document are part of the documents included in the scope of audits by the Financial Auditor and the Audit & Supervisory Board Members when they create their respective audit reports.
- Note that, for this general meeting of shareholders, paper-based documents stating matters for which measures for providing information in electronic format are to be taken, excluding the above matters, will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company follows the basic policy of paying dividends stably to its shareholders over the long term while giving consideration to a comprehensive range of matters including business performance, strengthening of the financial structure, and future business development.

In accordance with this policy, the Company proposes to pay year-end dividends for the fiscal year under review as follows:

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount
The Company proposes to pay a dividend of ¥45 per common share of the Company.
In this event, the total dividends will be ¥1,343,623,770.
- (3) Effective date of dividends of surplus
The effective date of dividends will be June 30, 2023.

Proposal No. 2 Amendment to the Articles of Incorporation

1. Reasons for the Amendment

In order to further strengthen the management and corporate governance structure, the maximum number of directors stipulated in Article 19 (Number of Directors) is to be increased by two (2), from 11 to 13.

2. Details of the Amendments

The details of the amendments are as follows:

(Changes are indicated by an underline.)

Current Articles of Incorporation	Proposed amendments
Article 19. (Number of Directors) The Company shall have no more than <u>11</u> Directors.	Article 19. (Number of Directors) The Company shall have no more than <u>13</u> Directors.

Proposal No. 3 Election of 12 Directors

The terms of office of all ten Directors will expire at the conclusion of this General Meeting of Shareholders. In addition, Toshimitsu Yui, a Director, resigned in March 2023. In that regard, on condition that Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted as proposed, the Company proposes the election of 12 Directors, increasing the number of Directors by one to enhance the management and corporate governance structure.

The candidates for Director are as follows:

Candidate No.	Name	Candidate attributes	Current position and responsibilities in the Company	Attendance at Board of Directors Meetings (FY2022)
1	Nobuhiko Koreeda (Male)	Re-election	Representative Director, Chairman and Chairman of the Board of Directors	16/17 times
2	Hiroki Koreeda (Male)	Re-election	Chief Executive Officer and President Chief Executive Officer and Chief Operating Officer	14/17 times
3	Masanori Suzuki (Male)	Re-election	Vice Chairman of the Board Officer in Charge of DX Business Strategy Office Officer in Charge of Promotion of Compliance	17/17 times
4	Keishi Terasawa (Male)	Re-election	Director and Managing Executive Officer General Manager of Business Administration Department and Chief Manager of President’s Office Chief Financial Officer and Chief Information Officer	17/17 times
5	Tetsushi Ishikawa (Male)	New election	Managing Executive Officer General Manager of Sales and Marketing Head Office	-
6	Eiichi Takada (Male)	New election	Managing Executive Officer General Manager of Product Development and Customer Support Head Office Chief Technology Officer	-
7	Toshiharu Okubo (Male)	Re-election	Director Acting Chief of MJS Tax and Accounting System Research Institute	16/17 times
8	Takahiro Iwama (Male)	Re-election	Director Deputy Director of MJS Tax and Accounting System Research Institute	17/17 times
9	Hirofumi Gomi (Male)	Re-election Outside Independent	Outside Director	16/17 times
10	Takao Kitabata (Male)	Re-election Outside Independent	Outside Director	11/13 times
11	Takuma Ishiyama (Male)	Re-election Outside Independent	Outside Director	11/13 times
12	Aki Yamauchi (Female)	New election Outside Independent	-	-

New election: Candidate for Director to be newly appointed

Re-election: Candidate for Director to be reappointed

Outside: Candidate for Outside Director

Independent: Independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
1	Nobuhiko Koreeda (September 11, 1937) [Re-election]	Nov. 1977	Established the Company, Director	1,036,732
		Nov. 1980	Representative Director and President	
		Dec. 1988	Director of N.K. Kosan Limited (currently NK Holdings Co., Ltd.) (current position)	
		June 1992	Representative Director, Chairman and President of the Company	
		June 2004	Representative Director, Chairman, President and Chief Executive Officer	
		Apr. 2005	Representative Director, Chairman and Chief Executive Officer	
		Apr. 2015	Representative Director, Chairman and Chairman of the Board of Directors (current position)	
[Reasons for nomination as a candidate for Director] Mr. Nobuhiko Koreeda has consistently managed the Company since its establishment and possesses excellent management skills. We request his continued appointment as a Director to utilize his wealth of experience and achievements to strengthen the Company's management and the decision-making and supervisory functions of the Board of Directors.				
2	Hiroki Koreeda (February 24, 1964) [Re-election]	Mar. 1991	Director of NK. Kikaku Co., Ltd. (currently NK Holdings Co., Ltd.) (current position)	246,580
		June 1994	Director of the Company	
		Apr. 1997	Representative Director of Voicemail Co., Ltd. (currently Newphoriacretes Co., Ltd.)	
		June 1999	Managing Director of the Company	
		May 2001	Senior Managing Director	
		Dec. 2002	Representative Director of NTC Co., Ltd.	
		Apr. 2003	Vice President and Director of the Company	
		June 2004	Representative Director, Vice President and Chief Operating Officer	
		Apr. 2005	Representative Director, President, and Chief Operating Officer	
		Apr. 2015	Representative Director, President and Chief Executive Officer	
		Apr. 2023	Representative Director, President, Chief Executive Officer and Chief Operating Officer (current position)	
[Reasons for nomination as a candidate for Director] Mr. Hiroki Koreeda has been in charge of the Company's management for many years and possesses knowledge of overall business management and strong business execution skills. We request his continued appointment as a Director to utilize his wealth of experience and achievements to strengthen the Company's management and the decision-making and supervisory functions of the Board of Directors.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Masanori Suzuki (October 9, 1954) [Re-election]	<p>Apr. 1978 Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>July 2008 Director-General of Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry</p> <p>July 2010 Director-General of Manufacturing Industries Bureau</p> <p>Aug. 2011 Commissioner of Small and Medium Enterprise Agency</p> <p>June 2013 Retired from Ministry of Economy, Trade and Industry</p> <p>Oct. 2013 Advisor of JGC Corporation (currently JGC Holdings Corporation)</p> <p>July 2014 Director, Executive Officer, and Acting General Manager of Sales Department of JGC Corporation (currently JGC Holdings Corporation)</p> <p>Sept. 2014 Director of MJS M&A Partners Co., Ltd.</p> <p>Sept. 2016 Director, Senior Executive Officer, and Acting Chief of the Global Strategy Office of JGC JAPAN CORPORATION (current JGC Holdings Corporation)</p> <p>June 2018 Outside Director of NAGANO KEIKI CO., LTD. (current position)</p> <p>Oct. 2020 Outside Director of United Semiconductor Japan Co., Ltd. (current position)</p> <p>May 2021 Chairman of the Board of MJS M&A Partners Co., Ltd. (current position)</p> <p>June 2021 Director of the Company</p> <p>June 2022 Vice Chairman of the Board, Officer in Charge of DX Business Strategy Office</p> <p>Apr. 2023 Vice Chairman of the Board, Officer in Charge of DX Business Strategy Office, Officer in Charge of Promotion of Compliance (current position)</p>	885
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Masanori Suzuki has a wealth of experience and achievements as a former Commissioner of the Small and Medium Enterprise Agency, considerable knowledge of business strategy, and experience with corporate rehabilitation and new business development as Director of other companies. We request his continued appointment as a Director in order to utilize the above to further strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Keishi Terasawa (September 27, 1959) [Re-election]	<p>May 2001 Section Chief of Finance Group and Information Management Group of Administration Department of the Company</p> <p>Apr. 2002 Section Chief of Development Business Management Group of Development Department</p> <p>Apr. 2005 Manager of Business Administration Division of Business Administration Department</p> <p>Apr. 2009 Head of President's Office and Manager of Corporate Planning Group and Corporate Planning and Control Team</p> <p>June 2014 Deputy Chief Manager of President's Office and Manager of the Corporate Planning Group</p> <p>Apr. 2015 Managing Executive Officer, General Manager of Business Administration Department and Chief Financial Officer</p> <p>Apr. 2016 Managing Executive Officer, General Manager of Business Administration Department, Manager of Personnel & General Affairs Division, Chief Manager of President's Office, and Chief Financial Officer</p> <p>June 2016 Director, Managing Executive Officer, General Manager of Business Administration Department, Chief Manager of President's Office, and Chief Financial Officer</p> <p>Oct. 2017 Director, Managing Executive Officer, General Manager of Business Administration Department, Manager of Personnel & General Affairs Division, Chief Manager of President's Office, and Chief Financial Officer</p> <p>Apr. 2018 Director, Managing Executive Officer, General Manager of Business Administration Department, Manager of Information Systems Division, Chief Manager of President's Office, Chief Financial Officer, and Chief Information Officer</p> <p>Jan. 2019 Representative Director of MJS Finance & Technology Co., Ltd.</p> <p>Apr. 2020 Director, Managing Executive Officer, General Manager of Business Administration Department, Chief Manager of President's Office, Chief Financial Officer, and Chief Information Officer of the Company (current position)</p> <p>May 2023 Representative Director and Chairman of MJS Finance & Technology Co., Ltd. (current position)</p>	19,759
<p>[Reasons for nomination as a candidate for Director] Mr. Keishi Terasawa has extensive experience in the Company's business administration and development sectors and has considerable knowledge of business management in general and systems. We request his continued appointment as a Director in order to utilize the above to strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Tetsushi Ishikawa (November 21, 1962) [New election]	<p>May 2001 Head of Nagoya General Branch Nagoya No. 3 Branch Office, in charge of East Japan, Sales and Marketing Head Office of the Company</p> <p>Apr. 2002 Head of Nagoya General Branch Nagoya No. 2 Branch Office, Chubu and Hokuriku District, Sales and Marketing Head Office</p> <p>Apr. 2005 Head of Saitama General Branch Saitama No. 2 Branch Office, Hokuto District , Sales and Marketing Head Office</p> <p>Apr. 2006 Head of Kanto-Shinetsu District, Corporation Solutions Business, Sales and Marketing Head Office</p> <p>Apr. 2009 Head of Nagoya Branch, Chubu District, Accounting Office Channel Package Department</p> <p>Apr. 2012 Chubu and Hokuriku District Deputy Chief Manager and Head of Nagoya Branch, Accounting Office Channel Package Department</p> <p>Apr. 2014 Chubu and Hokuriku District Chief Manager, Sales and Marketing Head Office</p> <p>Apr. 2015 Executive Officer and Chubu and Hokuriku District Manager, Sales and Marketing Head Office</p> <p>Apr. 2016 Executive Officer and Tokyo Metropolitan District Chief Manager, Sales and Marketing Head Office</p> <p>Apr. 2020 Managing Executive Officer, Deputy General Manager of Sales and Marketing Head Office and Chief Manager of Marketing Promotion Office</p> <p>Mar. 2023 Managing Executive Officer, Deputy General Manager of Sales and Marketing Head Office, Chief Manager of Marketing Promotion Office and Hokuto District Chief Manager</p> <p>Apr. 2023 Managing Executive Officer and General Manager of Sales and Marketing Head Office (current position)</p>	600
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Tetsushi Ishikawa has been involved in the operations of the Company's sales sector for many years and has a wealth of experience and achievements in this area. We newly request his appointment as a Director in order to utilize the above to strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Eiichi Takada (August 16, 1966) [New election]	<p>Apr. 1990 Joined Andersen Consulting (currently Accenture Japan Ltd.)</p> <p>Feb. 2003 Chief Executive Officer of Accenture Technology Solutions</p> <p>May 2012 Transferred to Accenture Japan Ltd. due to the merger of Accenture Technology Solutions and Accenture Japan Ltd.</p> <p>Apr. 2013 Joined Arata Audit Corporation (currently PricewaterhouseCoopers Aarata LLC.)</p> <p>July 2016 Chief Information Officer of PwC Japan Group Partners</p> <p>Nov. 2020 Executive Officer, Chief Executive Officer, Head of Delivery of Avanade Japan K.K.</p> <p>May 2023 Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer of the Company (current position)</p>	0
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Eiichi Takada has management experience as chief executive officer of other companies as well as a wealth of experience related to supervision in the field of IT. We newly request his appointment as a Director in order to utilize the above to strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	Toshiharu Okubo (December 18, 1955) [Re-election]	<p>Apr. 1992 Manager of CS Division of Development Department of the Company</p> <p>Oct. 1996 Manager of Development Management Division of Development Department</p> <p>June 1999 Director and Deputy General Manager of Planning and Development Department (in charge of development)</p> <p>Apr. 2002 Executive Officer and Manager of Corporate Management Systems Business Division, Sales and Marketing Head Office</p> <p>Apr. 2004 Executive Officer and Manager of Accounting Office Channel Business Division, Sales and Marketing Head Office</p> <p>Apr. 2006 Managing Executive Officer and General Manager of Marketing Department</p> <p>Apr. 2007 Managing Executive Officer and General Manager of Development & Support Department</p> <p>June 2008 Director, Managing Executive Officer, and General Manager of Development & Support Department</p> <p>Apr. 2009 Director, Managing Executive Officer, and General Manager of Solution Business Department</p> <p>June 2012 Managing Director and General Manager of Solution Business Department</p> <p>Apr. 2014 Managing Director and General Manager of Development Department</p> <p>Apr. 2015 Director of the Company and Acting Chief of MJS Tax and Accounting System Research Institute (current position)</p>	10,000
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Toshiharu Okubo has been involved in the operations of the Company's development sector for many years and also served as Acting Chief of MJS Tax and Accounting System Research Institute, a think tank of the Company, and has a wealth of knowledge and experience in systems development, finance, accounting, tax, and commercial law. We request his continued appointment as a Director in order to utilize the above to strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Takahiro Iwama (August 24, 1966) [Re-election]	<p>July 2015 Executive Officer belongs to Product Development and Customer Support Head Office of the Company</p> <p>Apr. 2016 Executive Officer, Deputy General Manager of Product Development and Customer Support Head Office, and Manager of Cloud Product Development Division</p> <p>Apr. 2017 Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer in charge of Bizsky Business Division</p> <p>Apr. 2018 Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer in charge of R&D Center</p> <p>June 2018 Director, Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer in charge of R&D Center</p> <p>Apr. 2019 Director, Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer</p> <p>May 2019 Director, Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, Head of Support Center, and Chief Technology Officer</p> <p>Oct. 2019 Director, Managing Executive Officer, General Manager of Product Development and Customer Support Head Office, and Chief Technology Officer</p> <p>May 2023 Director Deputy Director of MJS Tax and Accounting System Research Institute (current position)</p>	3,580
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Takahiro Iwama has highly specialized knowledge as a certified public accountant and tax accountant and extensive experience in systems development, risk management, and auditing. We request his continued appointment as a Director in order to utilize the above to strengthen the management of the Company and the decision-making and supervisory functions of the Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	<p style="text-align: center;">Hirofumi Gomi (May 13, 1949) [Re-election] [Outside] [Independent officer]</p>	<p>Apr. 1972 Entered former Ministry of Finance July 1996 Director of Research Division, Banking Bureau, former Ministry of Finance June 1998 Director-General of the Inspection Department, Financial Supervisory Agency July 2000 Secretary-General of the Securities and Exchange Surveillance Commission, Financial Services Agency July 2001 Director-General of the Inspection Bureau, Financial Services Agency July 2002 Director-General of the Supervisory Bureau, Financial Services Agency July 2004 Commissioner of Financial Services Agency July 2007 Left Financial Services Agency Oct. 2007 Counselor of Nishimura & Asahi Oct. 2009 CEO, PricewaterhouseCoopers Research Institute (Japan) Co., Ltd. Nov. 2009 Special Guest Professor at Aoyama Gakuin University (current position) June 2011 Audit & Supervisory Board Member of the Company Jan. 2014 Advisor of Nishimura & Asahi Sept. 2014 Audit & Supervisory Board Member of MJS M&A Partners Co., Ltd. (current position) Feb. 2015 Senior Advisor of Boston Consulting Group June 2015 Outside Director of AIDA ENGINEERING, LTD. (current position) June 2016 Director of the Company (current position) June 2016 Outside Director of Infoteria Corporation (currently Asteria Corporation) (current position) May 2018 Audit & Supervisory Board Member of MJS Finance & Technology Co., Ltd. June 2019 Outside Director of ZUU Co., Ltd. (current position) May 2020 Director of MJS Finance & Technology Co., Ltd. (current position) June 2020 Outside Director of The Fukushima Bank, Ltd. Feb. 2022 Chairman of the Board of Shinsei Bank, Limited (currently SBI Shinsei Bank, Limited) (current position)</p>	0
<p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles] Mr. Hirofumi Gomi has a wealth of experience and achievements as a former Commissioner of the Financial Services Agency, considerable knowledge of business strategy and corporate rehabilitation, and experience with business management as a director of other companies. We expect that he will utilize the above for the management of the Company and we request his continued appointment as an Outside Director. He will have been in office as an Outside Director of the Company for seven years at the conclusion of this General Meeting of Shareholders.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
10	Takao Kitabata (January 10, 1950) [Re-election] [Outside] [Independent officer]	<p>Apr. 1972 Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>June 2004 Director-General of Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>July 2006 Vice-Minister of Economy, Trade and Industry</p> <p>July 2008 Retired from Ministry of Economy, Trade and Industry</p> <p>Oct. 2008 Special Adviser of Nippon Life Insurance Company</p> <p>June 2010 Outside Director of Kobe Steel, Ltd. Outside Audit & Supervisory Board Member of Marubeni Corporation</p> <p>June 2013 Outside Director of Marubeni Corporation</p> <p>June 2014 Outside Director of SEIREN CO., LTD. (current position) Outside Director of Zeon Corporation (current position)</p> <p>Apr. 2020 Director and President of Kaishi Professional University (current position)</p> <p>June 2022 Director of the Company (current position)</p>	0
<p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles]</p> <p>Mr. Takao Kitabata has extensive insight and a wealth of knowledge as he held various important positions in government service for many years, including Vice-Minister of Economy, Trade and Industry, and has been engaged in fostering highly skilled personnel as Director and President of the university after his retirement. We expect that he will utilize the above for the management of the Company and we request his continued appointment as an Outside Director. He will have been in office as an Outside Director of the Company for one year at the conclusion of this General Meeting of Shareholders. Although he has never been involved in corporate management in any way other than being an outside officer, for the reasons stated above, we believe that he will be able to appropriately perform his duties as an Outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
11	Takuma Ishiyama (February 17, 1947) [Re-election] [Outside] [Independent officer]	Apr. 1986 Professor of Faculty of Law, Dokkyo University Apr. 1991 Professor of School of Commerce, Waseda University July 2003 Counselor of MJS Tax and Accounting System Research Institute (current position) Apr. 2004 Professor of Graduate School of law, Nihon University June 2010 Outside Director of Oki Electric Industry. Co., Ltd. June 2015 Director of Yoshida Hideo Memorial Foundation (current position) Apr. 2017 Visiting Professor of Graduate School of Law, Nihon University Apr. 2018 Professor of Ohara Graduate School of Accounting (current position) Sept. 2020 President of Life Underwriting Academy (current position) Apr. 2021 President of Ohara Graduate School of Accounting (current position) June 2022 Director of the Company (current position)	0
<p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles]</p> <p>Mr. Takuma Ishiyama has extensive insight and knowledge as a person with relevant expertise and a lawyer, and is engaged in fostering professionals in the fields of law, accounting and insurance as President of the graduate school. We expect that he will utilize his wealth of knowledge and experience for the management of the Company and we request his continued appointment as an Outside Director. He will have been in office as an Outside Director of the Company for one year at the conclusion of this General Meeting of Shareholders. Although he has never been involved in corporate management in any way other than being an outside officer, for the reasons stated above, we believe that he will be able to appropriately perform his duties as an Outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
12	Aki Yamauchi (November 5, 1974) [New election] [Outside] [Independent officer]	<p>Mar. 2003 Completed M.A. at Graduate School of Commerce, Waseda University</p> <p>Mar. 2006 Withdrew with completion of course requirements from the Doctoral Program of the Graduate School of Commerce, Waseda University</p> <p>Apr. 2006 Assistant Professor at School of Management and Information Sciences, Tama University</p> <p>Aug. 2006 Visiting Researcher of MJS Tax and Accounting System Research Institute (current position)</p> <p>Apr. 2007 Associate Professor at School of Management and Information Sciences, Tama University</p> <p>Apr. 2009 Associate Professor at School of Commerce, Senshu University</p> <p>Apr. 2012 Associate Professor at School of Commerce, Waseda University</p> <p>Apr. 2016 Professor at School of Commerce, Waseda University (current position)</p>	0
<p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles]</p> <p>Ms. Aki Yamauchi possesses a wealth of experience as an academic expert in the field of accounting. We expect that she will utilize the above for the management of the Company and we newly request her appointment as an Outside Director to ensure diversity in aspects such as gender and generation at the Board of Directors. If she is elected, the Company plans for her to be involved in selecting candidates for the Company's officers and deciding their remuneration, etc. as well as promoting compliance from an objective and neutral standpoint as a member of the Nominating Advisory Committee, the Remuneration Advisory Committee, and Compliance Advisory Committee. Although she has never been involved in corporate management in any way other than being an outside officer, for the reasons stated above, we believe that she will be able to appropriately perform her duties as an Outside Director.</p>			

- (Notes) 1. SBI Shinsei Bank, Limited, where Hirofumi Gomi concurrently serves as Chairman of the Board, is a shareholder in the Company, holding 1.0% of the total number of issued shares of the Company (excluding treasury shares). However, this will not affect his ability to perform his duties as an Outside Director of the Company. Furthermore, although the Company has signed an API contract concerning digital payment services with that company, the Company has determined that, in light of the scale and nature of the transactions with that company, the transactions are immaterial and will not influence the judgment of shareholders and investors. In addition, although the Company has signed an advisory contract in order to receive technical advice with Asteria Corporation, where Hirofumi Gomi concurrently serves as Outside Director, as well as a contract for the Company to use Asteria Corporation's products, the Company has determined that, in light of the scale and nature of the transactions with that company, the transactions are immaterial and will not influence the judgment of shareholders and investors. The Company holds shares of the aforementioned company but this shareholding ratio is 3.2%. Likewise, there are no special relationships between the Company and AIDA ENGINEERING, LTD. and ZUU Co., Ltd., where Hirofumi Gomi concurrently serves as Outside Director.
2. Although the Company has signed an agreement concerning vocational education with the educational corporation Kaishi Professional University, where Takao Kitabata is concurrently employed, the Company has determined that, in light of the scale and nature of the transactions with that educational corporation, the transactions are immaterial and will not influence the judgment of shareholders and investors. In addition, there are no special relationships between the Company and SEIREN CO., LTD. and Zeon Corporation, where Takao Kitabata is concurrently employed.
3. There are no special relationships between the Company and Ohara Graduate School of Accounting and Life Underwriting Academy where Mr. Takuma Ishiyama concurrently works.
4. There is no special interest between any other candidates and the Company.
5. Hirofumi Gomi, Takao Kitabata, Takuma Ishiyama, and Aki Yamauchi are candidates for Outside Director.
6. In October 2017, Kobe Steel, Ltd. and its group companies, where Takao Kitabata served as an Outside Director until June 2022, announced that they had committed inappropriate acts, such as falsifying inspection results, with respect to products that did not meet official standards or customer specifications. In March 2019, they were convicted of violating the Unfair Competition Prevention Act in connection with part of the relevant acts. Although he was unaware of this fact until the issue was brought to light, as an Outside Director, he had been always making recommendations and pointing out issues concerning the ideal form of a company or from the viewpoint of compliance. After the occurrence of the above fact, he expressed various opinions at the company's Board of Directors meeting regarding the appropriateness and validity of the investigation method as well as the investigation of the cause and verification of safety, and also contributed to the formulation of measures to prevent recurrence as a member of the Quality Governance Restructuring Committee of the

company. Beginning in June 2018, he served as the chairman of the company's Board of Directors and appropriately monitored various initiatives and fulfilled responsibilities at the Board of Directors by receiving regular reports and making suggestions regarding efforts to restore trust in the company, including the implementation of measures to prevent recurrence, governance reforms at the company, and employee awareness reform. We have confirmed that the company's preventive measures have been implemented sequentially and are progressing as planned through the company's published materials, etc.

7. Limited liability agreement with candidates for Outside Director

With respect to the liability for damages stipulated in Article 423, Paragraph (1) of the Companies Act, the Company has entered into an agreement (limited liability agreement) with Hirofumi Gomi, Takao Kitabata, and Takuma Ishiyama which limits their liability for damages if the requirements stipulated in laws and regulations are met, and the maximum amount of liability for damages under such agreement is the minimum liability amount provided in laws and regulations. If the reappointments of Hirofumi Gomi, Takao Kitabata, and Takuma Ishiyama are approved, the Company will retain the limited liability agreement with them. If the appointment of Aki Yamauchi is approved, the Company will enter into a limited liability agreement with her under the same terms and conditions.

8. Summary of contents of directors and officers liability insurance policy

The Company has concluded a directors and officers liability insurance policy with insurance companies as stipulated in Article 430-3, Paragraph (1) of the Companies Act, and a summary of the details of such insurance contract is provided in "III. Matters Concerning Company Directors and Officers, 3. Summary of Contents of Directors and Officers Liability Insurance Policy" of the Business Report (in Japanese only). If the reappointment of each Director candidate is approved, each Director candidate will continue to be insured under the relevant insurance policy. If the appointment of Aki Yamauchi is approved, she will be insured under the relevant insurance policy.

The policy is scheduled to be renewed under the same terms and conditions at the next renewal.

9. Independence of outside officers

The Company has registered Hirofumi Gomi, Takao Kitabata, and Takuma Ishiyama as independent officers pursuant to the rules of the Tokyo Stock Exchange. If their reappointments are approved, the Company will continue to appoint them as independent officers. Aki Yamauchi meets the requirements for independent officer stipulated by the Tokyo Stock Exchange, and if her appointment is approved, the Company intends to register her as an independent officer with the Exchange.

<Reference> Skill Matrix for the Board of Directors (after the candidates are appointed as proposed in this General Meeting of Shareholders)

The Board of Directors of the Company has defined “Support for mid-sized companies, smaller enterprises and small business operators,” “Marketing/IT/Consulting sales (existing business areas)” and “Creation of new businesses” as important areas for ensuring the implementation of “Vision 2025 Medium-Term Management Plan” and the continuous improvement of our corporate value, and “Corporate management/Business strategy,” “Finance/Accounting/Taxation” and “Legal affairs/Risk management/Compliance” as important areas in terms of corporate management.

Based on the above, three areas and one area of skills that the Company particularly expects of the Directors and the Audit & Supervisory Board Members, respectively, are selected.

The Company believes that we have elected a team of Directors and Audit & Supervisory Board Members possessing a fine balance of necessary skills to enable evolution of the existing ERP business/innovative business models and innovation in new businesses.

This skill matrix does not present all of the skills of the Directors and Audit & Supervisory Board Members. Please refer to [Reasons for nomination as a candidate for Director] described in the career summaries and others between pages 37 and 45.

Name	Position in the Company	Corporate management/ Business strategy	Finance/ Accounting/ Taxation	Support for mid-sized companies, smaller enterprises and small business operators	Marketing/IT/ Consulting sales	Creation of new businesses	Legal affairs/Risk management/ Compliance
Nobuhiko Koreeda	Director	●		●			●
Hiroki Koreeda	Director	●			●	●	
Masanori Suzuki	Director	●		●			●
Keishi Terasawa	Director	●	●				●
Tetsushi Ishikawa	Director		●	●	●		
Eiichi Takada	Director	●			●	●	
Toshiharu Okubo	Director	●		●	●		
Takahiro Iwama	Director		●		●	●	
Hirofumi Gomi	Outside Director	●	●				●
Takao Kitabata	Outside Director			●		●	●
Takuma Ishiyama	Outside Director	●	●				●
Aki Yamauchi	Outside Director		●	●			●
Hiroshi Makino	Audit & Supervisory Board Member						●
Nobuaki Usui	Outside Audit & Supervisory Board Member		●				
Keiichi Tadaki	Outside Audit & Supervisory Board Member						●

Proposal No. 4 Election of Two Substitute Audit & Supervisory Board Members

In preparation for the event of a shortage in the number of Audit & Supervisory Board Members between the closure of this General Meeting of Shareholders and the beginning of the next Annual General Meeting of Shareholders, the Company proposes the election of two substitute Audit & Supervisory Board Members in advance.

The Company proposes the election of the candidate Shin Inoue as a substitute for full-time Audit & Supervisory Board Member, Hiroshi Makino, and the candidate Hiroyoshi Ofuchi as a substitute for Outside Audit & Supervisory Board Member, Nobuaki Usui, and Outside Audit & Supervisory Board Member, Keiichi Tadaki.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for substitute Audit & Supervisory Board Member are as follows:

Candidate No.	Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Shin Inoue (November 11, 1952)	<p>Apr. 1991 Manager of Product Planning Department Section 2, Planning Department of the Company</p> <p>Apr. 1992 Manager of Development and Planning Division, Development Department</p> <p>June 1993 In charge of project to rebuild the sales and planning group contract system, Sales and Planning Division, Sales Management Department</p> <p>Oct. 1997 Manager of MIC11 Promotion Office, Corporate Planning Office</p> <p>Apr. 1998 Manager of Planning and Control Group, Corporate Planning Office</p> <p>May 2001 Executive Officer, Deputy Manager of Marketing Department, Manager of Marketing Strategy Office, Manager of Product Planning Group, and Manager of Financial Business</p> <p>June 2004 Representative Director of Kyoei Consulting Group Co., Ltd.</p> <p>Apr. 2010 Acting Chief of MJS Tax and Accounting System Research Institute of the Company</p> <p>Apr. 2014 Manager of Accounting Office Management Support Office, Accounting Office Channel Package Department</p> <p>Apr. 2016 Advisor to Corporate Planning and Public Relations & IR Group, President's Office (current position)</p>	0
<p>[Reasons for nomination as a candidate for substitute Audit & Supervisory Board Member]</p> <p>Mr. Shin Inoue has held important positions and participated in a wide variety of tasks in the Company's sales, development, and corporate planning divisions, as well as MJS Tax and Accounting System Research Institute, a think tank of the Company, and has a wide breadth of experience and achievements. To utilize the above to strengthen the Company's auditing system if he assumes office as an Audit & Supervisory Board Member, we request his election as a substitute Audit & Supervisory Board Member.</p>			

Candidate No.	Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Hiroyoshi Ofuchi (January 21, 1944)	<p>Apr. 1981 Litigation Section of Office of Rulings and Legal Affairs, Direct Tax Department, National Tax Agency</p> <p>July 1986 Special Officer for Lawsuits of Office of Rulings and Legal Affairs, Direct Tax Department, National Tax Agency</p> <p>Apr. 1987 Part-time Lecturer (Tax Law) of Meiji Gakuin University</p> <p>July 1990 Special Examiner of Large Enterprise Examination Department No. 1, Tokyo Regional Taxation Bureau</p> <p>July 1992 Professor of National Tax College</p> <p>Apr. 1995 Professor of Faculty of Commerce, Chuo University</p> <p>Nov. 2003 Counselor of MJS Tax and Accounting System Research Institute (current position)</p> <p>Apr. 2014 Professor Emeritus of Chuo University (current position)</p> <p>June 2015 Registered as a tax accountant</p> <p>Nov. 2021 Chairman of Sozei Soshou Gakkai (current position)</p>	0
<p>[Reasons for nomination as a candidate for substitute Outside Audit & Supervisory Board Member]</p> <p>Mr. Hiroyoshi Ofuchi has a wealth of experience in the National Tax Agency and Tokyo Regional Taxation Bureau and deep insight into tax affairs as an academic expert and tax accountant. To utilize the above to strengthen the Company's auditing system if he assumes office as an Audit & Supervisory Board Member, we request his election as a substitute Outside Audit & Supervisory Board Member. Although he has never been involved in corporate management, for the reasons stated above, we believe that he will be able to appropriately perform his duties as an Outside Audit & Supervisory Board Member.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Hiroyoshi Ofuchi is a candidate for substitute Outside Audit & Supervisory Board Member.
 3. Limited liability agreement with candidates for substitute Outside Audit & Supervisory Board Members
With respect to the liability for damages stipulated in Article 423, Paragraph (1) of the Companies Act, if Hiroyoshi Ofuchi assumes office as an Audit & Supervisory Board Member, the Company plans to enter into an agreement (limited liability agreement) with him that limits his liability for damages if the requirements stipulated by laws and regulations are met. The maximum amount of liability for damages under such agreement is the minimum liability amount stipulated by laws and regulations.
 4. Summary of directors and officers liability insurance policy
The Company has concluded a directors and officers liability insurance policy with insurance companies as stipulated in Article 430-3, Paragraph (1) of the Companies Act, and a summary of the details of such insurance contract is provided in "III. Matters Concerning Company Directors and Officers, 3. Summary of Contents of Directors and Officers Liability Insurance Policy" of the Business Report (in Japanese only). If Shin Inoue or Hiroyoshi Ofuchi is appointed as an Audit & Supervisory Board Member, each of them will be insured under such insurance policy.
 5. Hiroyoshi Ofuchi meets the requirements for independent officer stipulated by the Tokyo Stock Exchange, and if his appointment is approved, the Company intends to register him as an independent officer with the Exchange.

Proposal No. 5 Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Outside Directors)

At the 45th Annual General Meeting of Shareholders held on June 29, 2022, the amount of remuneration, etc. for Directors of the Company was approved to be no more than ¥450 million per year (including no more than ¥80 million per year for Outside Directors, not including the portion of employee salaries for Directors who serve concurrently as employees).

As part of a review of its director remuneration system, the Company proposes to provide new remuneration for the grant of restricted shares to Directors (excluding Outside Directors; hereinafter referred to as the “Subject Directors”), separate from the above-mentioned remuneration, for the purpose of providing them with incentives to continuously improve the corporate value of the Company and to further promote value sharing with the Company’s shareholders.

The remuneration to be paid to the Subject Directors for the grant of restricted shares pursuant to this proposal shall be a monetary claim, the total amount of which shall not exceed ¥100 million per year (excluding, however, the employee’s portion of salary for Directors who concurrently serve as employees). Furthermore, the specific timing of payment and allocation to each Subject Director shall be determined by the Board of Directors.

The current number of Directors (excluding Outside Directors) is six. However, if Proposal No. 2 “Amendment to the Articles of Incorporation” and Proposal No. 3 “Election of 12 Directors” are approved and adopted as proposed, the number of Directors (excluding Outside Directors) will be eight.

The Subject Director shall pay all of the monetary claims to be paid under this proposal as assets contributed in kind and shall be issued or disposed of shares of common stock of the Company, and the total number of shares of common stock of the Company to be issued or disposed of as a result thereof shall not exceed 50,000 shares per year. However, in the event of a stock split (including gratis allotment of shares of common stock of the Company) or reverse stock split of shares of common stock of the Company or any other event requiring adjustment of the total number of shares of common stock of the Company to be issued or disposed of as shares with restrictions on transfer, the total number shall be adjusted to a reasonable extent.

The amount paid per share shall be determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution by the Board of Directors (or the closing price of the immediately preceding trading day if no trading was conducted on that date) to an extent not particularly advantageous to the Directors who subscribe to this common stock. In addition, the issuance or disposal of shares of common stock of the Company and the payment of monetary claims as assets contributed in kind through this transaction shall be subject to the execution of a restricted share allotment agreement (hereinafter, the “Allotment Agreement”) between the Company and the Subject Director, and shall include the following details. In addition, the maximum amount of remuneration, total number of shares of the Company’s common stock to be issued or disposed of, and other terms and conditions of the grant of restricted shares to the Subject Directors pursuant to this proposal will be determined in accordance with the above objectives, the Company’s business conditions, and the Company’s policy regarding the determination of remuneration and other details for each individual Director (if this proposal is approved, the policy will be changed to the details described in the “Reference” column below so that they are also consistent with those approved by the Company).

[Overview of the Allotment Agreement]

- (1) **Transfer Restriction Period**
Subject Directors may not transfer, pledge or otherwise dispose of (hereinafter the “transfer restriction”) the shares of common stock of the Company allotted under the Allotment Agreement (hereinafter the “allotted shares”) during the period (hereinafter the “transfer restriction period”) from the day of issuance or disposition of shares of common stock of the Company under the Allotment Agreement to the time immediately following their retirement or resignation from their position as an officer or employee of the Company or its subsidiary, as determined in advance by the Board of Directors. However, if the time immediately following such retirement or resignation comes before the time when three months have

passed since the end of the fiscal year that includes the date on which the allotted shares are to be allotted, the termination date of the transfer restriction period may be adjusted within reasonable limits.

(2) Treatment in the case of retirement or resignation

If the Subject Director resigns or retires from his/her position as an officer or employee of the Company or its subsidiary before the expiration of the period (hereinafter the “service period”) predetermined by the Board of Directors of the Company, the Company will naturally acquire the allotted shares without compensation, unless there are justifiable reasons for such resignation or retirement, such as the expiration of his/her term of office, death, or other reason.

(3) Cancellation of the Transfer Restriction

The Company will cancel the transfer restriction of all allotted shares upon the expiration of the transfer restriction period, provided that the Subject Director has continuously held a position as an officer or employee of the Company or its subsidiary, as previously determined by the Board of Directors of the Company, during the service period. However, in the event that (1) a Subject Director resigns or retires from the position of an officer or employee of the Company or its subsidiary as predetermined by the Board of Directors of the Company prior to the conclusion of the service period for a justifiable reason, or (2) a Subject Director resigns or retires from the position of an officer or employee of the Company or its subsidiary as predetermined by the Board of Directors of the Company for any reason other than justifiable reasons before the completion of the transfer restriction period, even after the completion of the service period, the number of allotted shares to be released from the transfer restriction and the timing of release of the transfer restriction shall be rationally adjusted as necessary. In addition, the Company will naturally acquire the allotted shares for no compensation immediately after the transfer restrictions are lifted in accordance with the above provisions, if the transfer restrictions have not yet been lifted.

(4) Treatment during organizational restructuring, etc.

Regardless of the provisions of (1) above, if, during the transfer restriction period, the Company’s shareholders approve a merger agreement under which the Company becomes a defunct company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matters related to organizational restructuring, etc. (However, if the Company’s shareholders’ meeting is not required to approve such organizational restructuring, etc., the Company’s Board of Directors shall approve such matters.), the Company’s Board of Directors shall, by a resolution of the Board of Directors, cancel the transfer restriction of the allotted shares in a number reasonably determined based on the period from the commencement date of the transfer restriction period to the date of approval of the organizational restructuring, etc., prior to the effective date of this organizational restructuring. In addition, the Company will naturally acquire the allotted shares for no compensation immediately after the transfer restriction is lifted in accordance with the above provisions, if the transfer restriction has not yet been lifted.

(5) Other Matters

Other matters concerning the allotment agreement shall be determined by the Board of Directors.

[Reference] Policy for Determining the Details of Remuneration, etc. for Individual Directors

i) Basic Policy

The Company’s basic policy is to determine remuneration, which consists of fixed remuneration, performance-linked remuneration and non-monetary remuneration, of Directors at a level that is appropriate to their roles and responsibilities, taking into consideration the remuneration levels of listed companies as a whole and other companies in the same industry, in order to attract diverse and talented human resources and to further enhance the Company’s continuous corporate value. Moreover, Outside Directors shall only receive fixed remuneration because they serve to monitor and supervise management from an independent perspective.

ii) Policy on Determining the Amount of Basic Remuneration on an Individual Basis

Basic remuneration for the Company’s Directors is a monthly fixed remuneration, which is determined by comprehensively taking into consideration factors such as position, experience, and responsibilities.

iii) Policy for Determining Details of Performance-Linked and Non-Monetary Remuneration and Method of Calculating the Amount or Number of Non-Monetary Remuneration, etc.

Performance-linked remuneration, etc., is treated in accordance with the results and performance of the business, and shall be linked to the profits derived from the business as a whole.

Specifically, consolidated ordinary profit shall be adopted as the index for performance-linked remuneration, which shall be determined in consideration of the performance for a single fiscal year, and the total amount of remuneration shall be divided proportionally into monthly amounts and paid monthly as cash remuneration.

Non-monetary remuneration shall essentially be compensation in the form of restricted shares with the promise that the transfer restriction will be lifted upon retirement. The number of shares granted is determined by comprehensively taking into consideration the position, experience, responsibilities, ratio to monetary remuneration, and stock price, and is paid at a certain time each year.

- iv) Policy for Determining Ratio of the Amount of Monetary Remuneration Performance-linked Remuneration, etc., or Non-monetary Remuneration, etc., to the Amount of Remuneration, etc., for each Individual Director

The ratio of base remuneration, performance-linked remuneration and non-monetary remuneration for directors shall be determined by comprehensively taking into consideration their position, experience, responsibilities and performance.

- v) Matters Concerning Determination of Details of Remuneration, etc., for Individual Directors

With regard to the amount of individual base remuneration and performance-linked remuneration, the Remuneration Advisory Committee shall play a central role in deliberating and determining the policy for determining the content of individual remuneration, etc. for each director, and the Chairman of the Board, President and Representative Director, and Director and the General Manager of the Business Administration Department (CFO) shall be entrusted to make such decisions upon approval by the Board of Directors, while the recipients shall discuss and decide based on said policy. In addition, the number of non-monetary restricted shares to be granted to individual Directors as non-monetary remuneration shall be determined by the Board of Directors.