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Stock Exchange Code: 9438
December 5, 2024

To Shareholders with Voting Rights:

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

**NOTICE OF
THE 29TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 29th Annual General Meeting of Shareholders of MTI Ltd. (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. Matters subject to measures for electronic provision are provided as the “Notice of the 29th Annual General Meeting of Shareholders” and the “Other Matters of the 29th Annual General Meeting of Shareholders for Electronic Provision (Matters Omitting Those Provided As Written Materials)” on the below website.

The Company’s website: https://ir.mti.co.jp/eng/stocks/shareholders_meeting/

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

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

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

Even if you refrain from attending the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 4:00 p.m. on Friday, December 20, 2024.

- 1. Date and Time:** Saturday, December 21, 2024 at 10:00 a.m. Japan time
- 2. Place:** Conference rooms No. 1 and No. 2
on the seventh floor of Tokyo Opera City Tower
20-2 Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**
Matters to be reported: The Business Report, Consolidated Financial Statements for the Company’s 29th Fiscal Year (October 1, 2023 – September 30, 2024), results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements and Non-consolidated Financial

Statements for the Company's 29th Fiscal Year

Proposals to be resolved:

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

◎ Notes

(1) Exercise of voting rights by proxy

If you are unable to attend the meeting, you can delegate another shareholder as a proxy, who also owns voting rights of the Company, to attend the General Meeting of Shareholders. In such a case, please have your proxy submit a written power of attorney, as well as the Voting Rights Exercise Form at the reception desk.

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

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

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

(4) Measures taken at the venue

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

(5) Response to the electronic provision system

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

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

The convocation notice for this General Meeting of Shareholders will be uniformly sent in writing as in the past, regardless of whether or not a request for delivery of the written notice is made.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of surplus

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

Considering the significant year-on-year increase in consolidated profit for the current fiscal year and our policy to provide shareholder returns with a target total return ratio of 35% over the medium term, dividends are proposed as follows.

As a result, the annual dividend per share for the current fiscal year is 17 yen, an increase of 1 yen from the previous fiscal year.

Matters concerning the year-end dividend:

- (1) Matters concerning the allotment of dividend property to shareholders and total amount thereof:
9 yen per share of the Company's common stock, in a total amount of 497,408,094 yen
- (2) The effective date of the dividend of surplus
December 23, 2024

Proposal 2: Election of ten (10) directors

All nine (9) directors will resign at the conclusion of this Annual General Meeting of Shareholders due to the expiration of their terms of office. Additionally, Mr. Yoshinori Yokoyama resigned from his position as director upon his passing on April 4, 2024. Accordingly, the election of ten (10) directors is proposed.

The candidates for directors are as follows:

No.	Name/Attributes	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Toshihiro Maeta Male Reelected	President and Chief Executive Officer	16/16 (100%)
2	Hiroshi Izumi Male Reelected	Executive Vice President General Manager of Life, Entertainment and Sports Business Division General Manager of Technology Division (in charge of DX Solution Business Department, Cyber Risk Management Office, + Design Department, and Compliance Promotion Office)	16/16 (100%)
3	Hiroshi Matsumoto Male Reelected	Senior Managing Director (in charge of IR Office and business alliance)	16/16 (100%)
4	Koichi Ishikawa Male Reelected	Managing Director General Manager of Smart Contents Business Department (in charge of ERP Solution Business Department)	13/13 (100%)
5	Hiro Ichinokura Male Newly elected	Managing Operating Officer	—
6	Muzhi Zhou Male Reelected External director Independent director	External Director	16/16 (100%)
7	Hikaru Yamamoto Female Reelected External director Independent director	External Director	15/16 (93.8%)
8	Ryosuke Tsuchiya Male Reelected External director Independent director	External Director	16/16 (100%)
9	Hideaki Wada Male Reelected External director	External Director	16/16 (100%)
10	Yuzo Ishikawa Male Newly elected External director Independent director	Advisor and Member of the Nomination and Remuneration Committee	—

(Note) The attendance at the Board of Directors meetings for Director Mr. Koichi Ishikawa reflects his attendance after assuming the office on December 23, 2023.

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
1	<u>Reelected</u> Toshihiro Maeta (January 19, 1965) Male	<p>April 1987 Joined Japan IBM, Ltd. December 1988 Joined HIKARI TSUSHIN, INC. August 1989 Director of HIKARI TSUSHIN, INC. July 1994 Managing Director of HIKARI TSUSHIN, INC. August 1996 Established the Company President and Chief Executive Officer (current position)</p> <p>Current responsibilities —</p>	11,882,600
		Reason for election as a candidate for director Since founding the Company in 1996, Mr. Toshihiro Maeta has played a leading role in expanding its business as Representative Director. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company, and his leadership over all the officers and employees, drawing on his knowledge and experience in overall management he has gained to date.	
2	<u>Reelected</u> Hiroshi Izumi (February 26, 1965) Male	<p>April 1987 Joined Japan IBM, Ltd. June 1997 Joined Microsoft Japan Co., Ltd. February 1999 Joined the Company November 1999 Operating Officer of the Company December 2002 Director of the Company December 2004 Director and Senior Managing Operating Officer of the Company January 2007 Director and Operating Vice President of the Company December 2009 Executive Vice President of the Company (current position)</p> <p>Current responsibilities General Manager of Life, Entertainment and Sports Business Division General Manager of Technology Division (in charge of DX Solution Business Department, Cyber Risk Management Office, + Design Department, and Compliance Promotion Office)</p>	349,900
		Reason for election as a candidate for director Mr. Hiroshi Izumi assumed the office of the Company's director in 2002 and of Executive Vice President from 2009. Drawing on his business experience at a major IT vender, he has held key positions in IT development of the Company, in addition to service planning. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company, due to his broad expertise in overall IT service from planning to development.	
3	<u>Reelected</u> Hiroshi Matsumoto (August 17, 1969) Male	<p>April 1992 Joined The Fuji Bank (current Mizuho Financial Group, Inc.) May 1999 Joined CAC Corporation (current CAC Holdings Corporation) October 2002 Joined USJ Co., Ltd. October 2004 Joined the Company February 2008 Operating Officer of the Company January 2010 Senior Operating Officer of the Company December 2010 Director of the Company December 2016 Managing Director of the Company December 2018 Senior Managing Director of the Company (current position)</p> <p>Current responsibilities In charge of IR Office and business alliance</p>	194,300
		Reason for election as a candidate for director Mr. Hiroshi Matsumoto assumed the office of the Company's director in 2010. After joining the Company, he has served as General Manager of Corporate Planning Division and General Manager of Corporate Support Division. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company by drawing on his expertise in the fields of M&A, finance and investor relations, in addition to his experience in overall administrative work.	

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
4	<p><u>Reelected</u></p> <p>Koichi Ishikawa (February 13, 1975) Male</p>	<p>February 1998 Joined Prodicts Co., Ltd. December 1999 Joined the Company September 2004 Joined ITSUMO Ltd. November 2005 Joined DIGIMERCE Inc. August 2007 Joined Gunners LLC May 2010 Joined the Company January 2016 Operating Officer of the Company January 2019 Managing Operating Officer of the Company December 2023 Managing Director of the Company (current position)</p> <p>Current responsibilities General Manager of Smart Contents Business Department (in charge of ERP Solution Business Department)</p>	24,800
Reason for election as a candidate for director Mr. Koichi Ishikawa assumed the office of the Company's director in 2023. He has a wealth of experience and achievements as a person in charge of the contents business, and has contributed to the business growth of the Company and its Group companies through his involvement in the management of the Group companies. The Company reelected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company.			
5	<p><u>Newly elected</u></p> <p>Hiro Ichinokura (June 10, 1992) Male</p>	<p>June 2011 Joined SARUTAHIKO COFFEE (current SARUTAHIKO COFFEE Inc.) April 2018 Director of Biodata Bank, Inc. (current position) October 2018 Representative Director of Motivation Works Inc. (current position) June 2024 Managing Operating Officer of the Company (current position)</p> <p>Current responsibilities —</p>	—
Reason for election as a candidate for director Mr. Hiro Ichinokura has contributed to the Group as the representative of Motivation Works Inc., a subsidiary of the Company, by promoting the school DX business and other initiatives. The Company elected him as a candidate for director, based on the judgment that he is capable of making decisions on the important management matters of the Company.			
6	<p><u>Reelected</u></p> <p>Muzhi Zhou (July 2, 1963) Male</p> <p><u>External director</u> <u>Independent director</u></p>	<p>June 1995 Principal Researcher of International Development Center of Japan April 2002 Associate Professor, Faculty of Economics, Tokyo Keizai University January 2005 Guest Researcher of Policy Research Institute, Ministry of Finance April 2007 Professor, Faculty of Economics, Tokyo Keizai University (current position) April 2007 Visiting Professor of Massachusetts Institute of Technology May 2008 Guest Researcher of Harvard University April 2010 Visiting Professor of University of International Business and Economics April 2012 Specially-appointed Professor of The Chinese Academy of Sciences December 2015 External Director of the Company (current position)</p> <p>Significant concurrent position Professor, Faculty of Economics, Tokyo Keizai University</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Muzhi Zhou is engaged in the research on East Asian economies and digital economy at universities. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.			

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
7	<p>Reelected</p> <p>Hikaru Yamamoto (October 2, 1973) Female</p> <p>External director Independent director</p>	<p>April 2004 Assistant at Graduate School of Economics, Faculty of Economics, The University of Tokyo</p> <p>April 2005 Lecturer, Faculty of Economics, Seikei University</p> <p>April 2008 Associate Professor, Faculty of Economics, Seikei University</p> <p>April 2014 Associate Professor, Graduate School of Business Administration, Keio University</p> <p>December 2015 External Director of the Company (current position)</p> <p>April 2019 Executive Director, Japan Marketing Academy (current position)</p> <p>March 2020 Outside Director of POLA ORBIS HOLDINGS INC. (current position)</p> <p>April 2023 Professor, Faculty of Business and Commerce, Keio University (current position)</p> <p>Significant concurrent positions Professor, Faculty of Business and Commerce, Keio University Executive Director, Japan Marketing Academy Outside Director of POLA ORBIS HOLDINGS INC.</p>	—
Reason for election as a candidate for external director and outline of expected roles Ms. Hikaru Yamamoto is engaged in the research on marketing and consumer behavior at universities. She gives advice on the Company's management policies based on her insight and supervises the execution of operation from an independent standpoint. The Company continues to expect her to play the above roles and reelected her as a candidate for external director.			
8	<p>Reelected</p> <p>Ryosuke Tsuchiya (January 16, 1946) Male</p> <p>External director Independent director</p>	<p>April 2006 Head of the Central Hospital of the National Cancer Center (current National Cancer Center Hospital)</p> <p>February 2011 Director of the Japan Research Promotion Society for Cardiovascular Diseases (current Sakakibara Heart Foundation) (current position)</p> <p>April 2011 Director of the Japanese Foundation for Cancer Research</p> <p>April 2014 Chief Director of Kanagawa Prefectural Hospital Organization</p> <p>June 2014 Director of the Japan Health Sciences Foundation</p> <p>December 2018 External Director of the Company (current position)</p> <p>November 2019 External Director of MNES Inc. (current position)</p> <p>April 2021 Vice President of Kokusai Gakuen Education Institute</p> <p>April 2022 President of Kokusai Gakuen Education Institute</p> <p>May 2024 Director of Kokusai Gakuen Education Institute (current position)</p> <p>Significant concurrent positions Director of the Sakakibara Heart Foundation External Director of MNES Inc. Director of Kokusai Gakuen Education Institute</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Ryosuke Tsuchiya is engaged in medical research at various institutions, and also has experience in organizational management. He gives advice on the Company's management policies based on his insight and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.			

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
9	<p>Hideaki Wada (December 13, 1973) Male</p> <p><u>Reelected</u></p> <p><u>External director</u></p>	<p>April 1997 Joined HIKARI TSUSHIN, INC. June 2004 Director of HIKARI TSUSHIN, INC. April 2007 Managing Director of HIKARI TSUSHIN, INC. June 2009 Managing Executive Officer and General Manager of Information and Communications Business Division, HIKARI TSUSHIN, INC. April 2012 Representative Director of Hello Communications, Inc. June 2012 Managing Director of HIKARI TSUSHIN, INC. April 2013 Representative Director of Telecom Service Co., Ltd. June 2015 Director of Water Direct Corporation (current Premium Water Holdings Inc.) (current position) June 2017 Vice President and Director of HIKARI TSUSHIN, INC. June 2018 Director of FTGroup CO., LTD. February 2019 Director of ACTCALL INC. June 2019 President and Representative Director of HIKARI TSUSHIN, INC. (current position) June 2020 Director of Hikari Tsushin K.K. (current position) March 2021 Representative Director of HCMA Alpha Inc. December 2022 External Director of the Company (current position) September 2023 Representative Director of HCMA Alpha Inc. (current position)</p> <p>Significant concurrent positions President and Representative Director of HIKARI TSUSHIN, INC. Director of Premium Water Holdings Inc. Director of Hikari Tsushin K.K. Representative Director of HCMA Alpha Inc.</p>	—
Reason for election as a candidate for external director and outline of expected roles Mr. Hideaki Wada has a wealth of achievements, experience, and deep insight as a manager. He gives advice on the Company's management policies based on his insight to sustainably enhance the Company's corporate value and supervises the execution of operation from an independent standpoint. The Company continues to expect him to play the above roles and reelected him as a candidate for external director.			
10	<p>Yuzo Ishikawa (October 19, 1956) Male</p> <p><u>Newly elected</u></p> <p><u>External director</u> <u>Independent director</u></p>	<p>September 1985 Joined DDI CORPORATION (currently KDDI CORPORATION) June 2016 Executive Vice President, Representative Director of KDDI CORPORATION June 2019 Chairman of the Board, Representative Director of JCOM Co., Ltd. June 2020 President, Representative Director of JCOM Co., Ltd. April 2022 Special Advisor of JCOM Co., Ltd. June 2022 Outside Director of Tokushu Tokai Paper Co., Ltd. (current position) July 2022 Adviser of KDDI CORPORATION December 2022 Member of the Nomination and Remuneration Committee of the Company (current position) June 2024 Outside Director of Cecile Co., Ltd. (current position) July 2024 Adviser of the Company (current position)</p> <p>Significant concurrent positions Outside Director of Tokushu Tokai Paper Co., Ltd. Outside Director of Cecile Co., Ltd.</p>	2,000
Reason for election as a candidate for external director and outline of expected roles Mr. Yuzo Ishikawa has a wealth of experience and deep insight as a manager. The Company expects him to supervise the execution of operation in the management of the Company and to give advice and suggestions that will lead to the enhancement of corporate value, and elected him as a candidate for external director.			

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, Mr. Ryosuke Tsuchiya, Mr. Hideaki Wada, and Mr. Yuzo Ishikawa are candidates for external director. The reasons for election as candidates for external director are described in the columns below the past experiences of each candidate for external director. In addition, concerning Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, and Mr. Ryosuke Tsuchiya, although they have never been involved in corporate management other than as external director, the Company believes that they are capable of adequately executing their duties as external director as mentioned in the “Reason for election as a candidate for external director and outline of expected roles.”
3. The candidates Mr. Muzhi Zhou and Ms. Hikaru Yamamoto will have held the position of external director of the Company for nine (9) years as at the conclusion of this Annual General Meeting of Shareholders. The candidate Mr. Ryosuke Tsuchiya will have held the position of external director of the Company for six (6) years as at the conclusion of this Annual General Meeting of Shareholders. The candidate Mr. Hideaki Wada will have held the position of external director of the Company for two (2) years as at the conclusion of this Annual General Meeting of Shareholders.
4. The Company has filed a notice to the Tokyo Stock Exchange for appointing Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, and Mr. Ryosuke Tsuchiya as independent directors. If their election is approved as originally proposed, they will continue to serve as independent directors. If the election of Mr. Yuzo Ishikawa is approved as originally proposed, the Company will file a notice to the Tokyo Stock Exchange for appointing him as a new independent director.
5. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Muzhi Zhou, Ms. Hikaru Yamamoto, Mr. Ryosuke Tsuchiya, and Mr. Hideaki Wada to limit their liability for compensation of damages due to the failure to perform their duties, to the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the said Act. If their election is approved as originally proposed, the Company intends to continue the agreements with them. If the election of Mr. Yuzo Ishikawa is approved as originally proposed, the Company intends to enter into a similar agreement with him.
6. The Company has purchased a directors and officers liability insurance policy from an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that the insured will be legally liable for and dispute costs including litigation expenses, lawyer fees, and arbitration / settlement costs (including those arising from losing a derivative lawsuit and claims for damages from the Company). The insured persons under this directors and officers liability insurance policy are the Company’s directors, statutory auditors, operating officers, employees, and directors and statutory auditors of the Company’s subsidiaries, and the Company bears the full amount of insurance premiums for all insured persons. If the election of each candidate is approved as originally proposed, they will be insured under the insurance policy. The Company plans to renew the insurance policy with the same content during the terms of office of the directors included in this proposal.
7. HIKARI TSUSHIN, INC., where Mr. Hideaki Wada holds a concurrent position, is an “affiliate (other)” of the Company.

Proposal 3: Election of one (1) statutory auditor

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

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

The candidate for statutory auditor is as follows:

Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
<p style="text-align: center;">Chie Kasahara (September 15, 1968) Female</p> <p>Reelected</p> <p>External statutory auditor Independent statutory auditor</p>	<p>April 2000 Admitted to the bar Hayabusa Kokusai Law Offices</p> <p>November 2006 Greenberg Traurig LLP, New York</p> <p>December 2007 Partner of Hayabusa Asuka Law Offices</p> <p>January 2009 Atsumi & Partners</p> <p>January 2010 Partner of Atsumi & Sakai (current position)</p> <p>June 2015 Outside Audit and Supervisory Board Member of Credit Saison Co., Ltd. (current position)</p> <p>June 2019 External Audit & Supervisory Board Member of Achilles Corporation</p> <p>December 2020 External Statutory Auditor of the Company (current position)</p> <p>June 2022 External Director (Audit & Supervisory Committee Member) of Achilles Corporation (current position)</p> <p>Significant concurrent positions Partner of Atsumi & Sakai Outside Audit and Supervisory Board Member of Credit Saison Co., Ltd. External Director (Audit & Supervisory Committee Member) of Achilles Corporation</p> <p>Reason for election as a candidate for external statutory auditor Ms. Chie Kasahara has a wealth of experience and deep insight regarding corporate legal affairs in general as an attorney-at-law and monitors and gives advice on management in general from her expert perspective. The Company continues to expect her to play the above roles and reelected her as a candidate for external statutory auditor.</p>	<p>—</p>

(Notes)

1. There are no special interests between the candidate for statutory auditor and the Company.
2. The candidate for statutory auditor, Ms. Chie Kasahara, is a candidate for external statutory auditor. The reasons for her election as a candidate for external statutory auditor are described in the column below the past experience. Although Ms. Chie Kasahara has never been involved in corporate management other than as an external director or an external statutory auditor, the Company believes that she is capable of adequately executing her duties as an external statutory auditor, as mentioned in the "Reason for election as a candidate for external statutory auditor".
3. The candidate for statutory auditor, Ms. Chie Kasahara, will have held the position of external statutory auditor of the Company for four (4) years as at the conclusion of this Annual General Meeting of Shareholders. In addition, the Company has filed a notice to the Tokyo Stock Exchange for appointing her as an independent statutory auditor. If her election is approved as originally proposed, she will continue to serve as an independent statutory auditor.
4. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Chie Kasahara to limit her liability for compensation of damages due to the failure to perform her duties, to the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the said Act. If her election is approved as originally proposed, the Company intends to continue the agreement with her.
5. The Company has purchased a directors and officers liability insurance policy from an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that the insured will be legally liable for and dispute costs including litigation expenses, lawyer fees, and arbitration / settlement costs (including those arising from losing a derivative lawsuit and claims for damages from the Company). The insured persons under this directors and officers liability insurance policy are the Company's directors, statutory auditors, operating officers, employees, and directors and statutory auditors of the Company's subsidiaries, and the Company bears the full amount of insurance premiums for all insured persons. If the candidate for statutory auditor, Ms. Chie Kasahara, is reelected as originally proposed, she will be insured under the insurance policy. The Company plans to renew the insurance policy with the same content during the term of office of the statutory auditor included in this proposal.

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

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

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

(Reference: Proposal 2 and Proposal 3)

[Policies and procedures for nominating candidates for director]

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

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

[Policies and procedures for nominating candidates for statutory auditor]

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

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

[Standard for Determining the Independence of External Officers]

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

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

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

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