

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Stock Code: 6088

June 4, 2021

To our shareholders:

Ryuichi Tomimura  
Representative Director and President  
**SIGMAXYZ Inc.**  
4-1-28 Toranomom, Minato-ku, Tokyo, Japan

## **Notice of the 13th Annual General Meeting of Shareholders**

We hereby announce the 13th Annual General Meeting of Shareholders of SIGMAXYZ Inc. (the “Company”), which will be held as indicated below.

**In addition to exercising your voting rights at the venue on the day of the meeting, you may exercise your voting rights by using one of the following methods. Please review the subsequent Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights no later than 6:00 p.m. on Wednesday, June 23, 2021 (JST).**

### **To exercise your voting rights by mail**

Please indicate your approval or disapproval of each proposal on the enclosed voting form and return it to the Company by postal mail so that it arrives before the above deadline.

### **To exercise your voting rights via the internet**

Please visit the website for exercising voting rights (URL: <https://evote.tr.mufg.jp/>) designated by the Company, or scan the QR code printed on the voting form, and cast your vote of approval or disapproval of each proposal following the instructions on the screen. When exercising your voting rights via the internet, please consult the [Instructions on Exercising Voting Rights via the Internet, etc.] as described on page 5.

**1. Date and Time:** Thursday, June 24, 2021, at 10:00 a.m. (JST)

(Reception opens at 9:30 a.m.)

**2. Venue:** “OPAL 17,” 17th floor, Main Tower, Shinagawa Prince Hotel

4-10-30 Takanawa, Minato-ku, Tokyo, Japan

**3. Purpose of the Meeting:**

**Matters to be reported**

1. Business Report, Consolidated Financial Statements for the 13th fiscal year (from April 1, 2020 to March 31, 2021), and audit results of the Consolidated Financial Statements by the Accounting Auditors and Audit & Supervisory Committee
2. Non-consolidated Financial Statements for the 13th fiscal year (from April 1, 2020 to March 31, 2021)

**Matters to be resolved**

**Proposal No. 1:** Partial Amendments to the Articles of Incorporation

**Proposal No. 2:** Election of Ten Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

**Proposal No. 3:** Revision of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

**Proposal No. 4:** Determination of the Amount of Remuneration for Allotment of Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Request to refrain from visiting the venue on the day of the meeting

There are risks of cluster infection at the venue of the Annual General Meeting of Shareholders since the spread of COVID-19 is continuing. Please exercise your voting rights in advance by mail or via the internet, and refrain from traveling to the venue of the meeting this year to avoid infection.

Please refer to the website below to know the details of measures to be taken to prevent infection at this Annual General Meeting of Shareholders.

<https://www.sigmaxyz.com/ir/news/> (Japanese only)

1. In consideration of factors such as fairness between shareholders who can attend the meeting and shareholders who cannot, the Company discontinued distributing gifts at the meeting. We greatly appreciate your understanding.
2. Under the provisions of Article 17 of the Articles of Incorporation of the Company, a shareholder may appoint one other shareholder of the Company with voting rights as a proxy for the meeting. However, a document evidencing the proxy's authority to represent shall be submitted to the Company.
3. If any revision is made with regard to the matters stated in the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements or the Reference Documents for the Annual General Meeting of Shareholders, the modified information will be posted on the Company's website (URL: <https://www.sigmaxyz.com/>).

<Information about accepting questions in advance from shareholders>

Regarding matters to be reported and matters to be resolved at the 13th Annual General Meeting of Shareholders, we will accept questions and comments in advance from our shareholders via the inquiry form on the Company's website. Please note that there is a limit of two questions and comments per person.

After the conclusion of the General Meeting of Shareholders, we will post answers and explanations on the Company's website regarding questions and comments that were sent by many shareholders.

Inquiry form (<https://www.sigmaxyz.com/contacts/en/contacts/>)

Reception period: Friday, June 4, 2021, 10:00 a.m. to Tuesday, June 15, 2021, at 6:00 p.m. (JST)

# Instructions on Exercising Voting Rights

Voting Rights at the General Meeting of Shareholders are important rights of the shareholders.

Please review the subsequent Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights.

You may exercise your voting rights by using one of the following three methods.

**To exercise your voting rights at the venue on the day of the meeting**



Please present the enclosed voting form at the reception desk.

**Date and Time:**

Thursday, June 24, 2021,  
at 10:00 a.m. (JST)  
(Reception opens at 9:30 a.m.)

**To exercise your voting rights in writing (by mail)**



Please indicate, on the enclosed voting form, your approval or disapproval of each proposal and return it to the Company by postal mail, for which no postage is required.

**Voting Deadline**

(To arrive before)  
Wednesday, June 23, 2021,  
at 6:00 p.m. (JST)

**To exercise your voting rights via the internet**



Please indicate your approval or disapproval of proposals by following the instructions on the next page.

**Voting Deadline**

(To complete entry before)  
Wednesday, June 23, 2021,  
at 6:00 p.m. (JST)

## Instructions on Exercising Voting Rights via the Internet, etc.

### Scanning QR code®

You can simply login to the website for exercising voting rights without entering your login ID and temporary password printed on the voting form.

1. Please scan the QR code® printed on the voting form.

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

2. Indicate your approval or disapproval by following the instructions on the screen.

Website for exercising voting rights:  
<https://evote.tr.mufg.jp/>

1. Please access the website for exercising voting rights.
2. Enter your “login ID” and “temporary password” printed on the voting form, and click the “Login” button.
3. Please register a new password.
4. Indicate your approval or disapproval by following the instructions on the screen.

**Note that you can login to the website only once by using QR code®**

If you wish to redo your vote or exercise your voting rights without using QR code®, please refer to the “Entering login ID and temporary password” on the right.

In case you need instructions on how to operate your PC/smartphone/cellular phone in order to exercise your voting rights via the Internet, please contact the Help Desk, for which the details are provided below.

Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation  
Phone: 0120-173-027 (hours: 9:00 a.m. to 9:00 p.m., JST; toll free within Japan)

Institutional investors may use the electronic voting platform operated by ICJ, Inc.

## Reference Documents for the Annual General Meeting of Shareholders

### Proposal No. 1: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for amendments

Setting a mission to “*Contribute to the realization of Society 5.0 and accomplishment of SDGs together with clients and partners,*” the Company is promoting corporate digital transformation (“DX”) and innovation creation businesses. Establishing that corporate DX will be realized through “Three Innovations,” namely (1) to streamline existing business operations (digital transformation); (2) to create new value (service transformation); and (3) management platform reform (management transformation), the Company keeps growing by providing services towards their realization.

In order to further accelerate the growth strategy focusing on the “*Three Innovations,*” the Company has decided to transition to a holding company system starting from October 1, 2021, aiming to improve service capacity through the alignment of our consulting business unit and alliance business unit as well as to further promote the growth of the Group as a whole through higher group management.

This proposal is to make necessary amendments to Article 1. (Trade Name), Article 2. (Purpose), and others of the current Articles of Incorporation due to the changes of the Company’s trade name and purpose of business in conjunction with the aforementioned transition to a holding company system and the group reorganization.

These amendments to the Articles of Incorporation shall become effective on October 1, 2021 except for Article 38.

#### 2. Details of the amendments

The amendments are described below.

(The proposed amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
(Trade Name) Article 1. The name of the Company shall be, in the Japanese language, Kabushiki Kaisha SIGMAXYZ and in the English language, <u>SIGMAXYZ Inc.</u>	(Trade Name) Article 1. The name of the Company shall be, in the Japanese language, Kabushiki Kaisha <u>SIGMAXYZ Holdings</u> and in the English language, <u>SIGMAXYZ Holdings Inc.</u>

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose) Article 2. The purpose of the Company shall be <u>to engage in the operations</u> as follows:</p> <p>(1) <u>Support for corporate strategy planning, corporate innovation, corporate information system implementation, and M&amp;A</u></p> <p>(2) <u>Business for electronic data transmission and interchange using electronic computer devices</u></p> <p>(3) <u>Holding, investment, management, and trading of securities as well as other investment businesses</u></p> <p>(4) <u>Worker dispatching undertaking business</u></p> <p>(5) <u>All operations that are incidental to those mentioned in the preceding items.</u> (Newly established) (Newly established) (Newly established)  (Newly established)  (Newly established)  (Newly established)  (Newly established)  (Newly established)</p>	<p>(Purpose) Article 2.</p> <p>1. The purpose of the Company shall be <u>to support, control or manage the business activities of companies (including foreign companies), partnerships (including equivalents of partnerships in foreign countries), and other equivalent entities that engage in operations listed as follows through the ownership of shares and equity in the aforementioned entities.</u></p> <p>(1) <u>Support and consulting business for corporate strategy planning, corporate innovation, corporate information system implementation, corporate diagnosis, investment plans, and corporate management</u></p> <p>(2) <u>Support and consulting business for corporate acquisition, merger, business integration, business alliance, business transfer, capital participation, etc.</u></p> <p>(3) <u>Investment advisory and agency business</u></p> <p>(4) <u>Lecturer dispatching service for seminars and workshops</u></p> <p>(5) <u>Worker dispatching undertaking business</u></p> <p>(6) <u>Writing business</u></p> <p>(7) <u>Agency service for electronic payment and others</u></p> <p>(8) <u>Business for electronic data transmission and interchange using electronic computer devices</u></p> <p>(9) <u>Planning, development, production, sales, operation, maintenance, management, leasing, rental business of computer systems, network systems, and others</u></p> <p>(10) <u>Holding, investment, management, and trading of stocks, bonds and other securities, as well as other investment businesses</u></p> <p>(11) <u>Business relating to investment and management of assets of investment partnerships</u></p> <p>(12) <u>All operations that are incidental to those mentioned above</u></p> <p>2. <u>The Company may engage in any and all businesses in the preceding items and businesses incidental to them.</u></p> <p>(Effective date) <u>Article 38.</u> <u>The amendments to Article 1 and Article 2 shall become effective on October 1, 2021. This article shall be deleted as of the said effective date.</u></p>

**Proposal No. 2:** Election of Ten Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all nine Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of ten Directors.

As for this proposal, the Audit & Supervisory Committee has judged that all the candidates for Director are qualified.

The candidates for Director are as follows:

[Reference] List of the candidates for Director

Candidate No.	Name	Current position and responsibility in the Company	Candidate attributes
1	Hideki Kurashige	Representative Director and Chairman	Reelection
2	Hideyuki Nabeshima	Director, Executive Vice Chairman and Chief Compliance Officer	Reelection
3	Ryuichi Tomimura	Representative Director and President	Reelection
4	Shinya Tabata	Managing Director, CFO	Reelection
5	Kenichi Shibata	Director Director of Legal Affairs and Compliance Section	Reelection
6	Sono Uchiyama	Director of Communication & Capability Section	New Female
7	Hiroshi Nakahara	Outside Director	Reelection Outside Independent
8	Mitsuhiro Amitani	Outside Director	Reelection Outside Independent
9	Shuzo Hikida	Outside Director	Reelection Outside Independent
10	Makiko Yamamoto	Outside Director	Reelection Outside Independent Female

**Reelection:** Candidate for Director to be reelected

**New:** Candidate for Director to be newly elected

**Outside:** Candidate for outside Director

**Independent:** Independent Officer stipulated by the stock exchange

**Female:** Female candidate for Director



Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Hideki Kurashige (September 11, 1942)</p> <p style="text-align: center;"><u>Reelection</u></p> <p style="text-align: center;">Term of office: 13 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Apr. 1966    Joined IBM Japan, Ltd.</p> <p>Jan. 1993    Executive Vice President</p> <p>Nov. 1993    Chairman, Pricewaterhouse Consultants Co., Ltd.</p> <p>Oct. 2002    Managing Partner, IBM Business Consulting Services, Asia Pacific Chairman, IBM Business Consulting Services KK</p> <p>Feb. 2004    Director, President &amp; CEO, Representative Executive Officer, Japan Telecom Co., Ltd.</p> <p>June 2006    Representative Director, President</p> <p>Oct. 2006    Representative Director, President, RHJI Industrial Partners Asia, Inc.</p> <p>Dec. 2007    Representative Director and Chairman, Senior Managing Director, RHJ International Japan, Inc.</p> <p>May 2008    Representative Director, CEO, the Company</p> <p>Apr. 2010    Representative Director, Chairman</p> <p>Apr. 2013    Representative Director, Chairman and President</p> <p>Sept. 2013    Director, Adastria Co., Ltd. (current position)</p> <p>May 2016    Director, Aeon Pet Co., Ltd.</p> <p>June 2018    Representative Director, Chairman and CEO, the Company</p> <p>Mar. 2019    Representative Director, Chairman (current position)</p> <hr/> <p>Significant concurrent positions outside the Company Director, Adastria Co., Ltd.</p>	220,000 shares
<p>Reasons for nomination as candidate for Director</p> <p>Hideki Kurashige has extensive experience and insight in management primarily based on his many years serving as representative director at multiple companies. Moreover, since our establishment in 2008, he has contributed to realizing the Company's growth as its Representative Director. The Company once again requests his election as Director so that he may use his experience, insight, etc. in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
2	<p data-bbox="368 797 571 853">Hideyuki Nabeshima (January 22, 1950)</p> <p data-bbox="416 880 523 909"><u>Reelection</u></p> <p data-bbox="331 936 608 1048">Term of office (total number of years including previous term of office as Director): 6 years</p> <p data-bbox="357 1075 582 1155">Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p data-bbox="632 288 730 315">Apr. 1972</p> <p data-bbox="632 324 730 351">Apr. 2004</p> <p data-bbox="632 387 730 414">Apr. 2007</p> <p data-bbox="632 450 730 477">June 2007</p> <p data-bbox="632 535 730 562">June 2008</p> <p data-bbox="632 598 730 624">Apr. 2010</p> <p data-bbox="632 723 730 750">June 2010</p> <p data-bbox="632 898 730 925">Apr. 2011</p> <p data-bbox="632 1046 730 1072">Apr. 2012</p> <p data-bbox="632 1243 730 1270">Apr. 2013</p> <p data-bbox="632 1417 730 1444">Sept. 2013</p> <p data-bbox="632 1480 730 1507">Apr. 2014</p> <p data-bbox="632 1543 730 1570">June 2014</p> <p data-bbox="632 1579 730 1606">June 2018</p> <p data-bbox="783 288 1225 1666">           Joined Mitsubishi Corporation            Senior Vice President, General Manager, Corporate Planning Dept.            Executive Vice President, Group CO-CEO, Machinery Group            Member of the Board, Executive Vice President, Group CO-CEO, Machinery Group            Executive Vice President, Group CO-CEO, Machinery Group            Senior Executive Vice President, Group CEO, Business Service Group, Corporate Communications, Chief Compliance Officer, CSR &amp; Environmental Affairs            Outside Director, the Company            Member of the Board, Senior Executive Vice President, Group CEO, Business Service Group, Corporate Communications, Chief Compliance Officer, CSR &amp; Environmental Affairs, Mitsubishi Corporation            Member of the Board, Senior Executive Vice President, Corporate Communications, Corporate Administration, Legal &amp; Human Resources, Chief Compliance Officer, CSR &amp; Environmental Affairs            Member of the Board, Senior Executive Vice President, Corporate Communications, Corporate Administration, Legal &amp; Human Resources, Group CEO, Business Service Group, Chief Compliance Officer, CSR &amp; Environmental Affairs, Chief Information Officer, Motor Vehicle Business            Member of the Board, Senior Executive Vice President, Corporate Communications, Corporate Administration, Legal &amp; Human Resources, Chief Compliance Officer, CSR &amp; Environmental Affairs, Chief Information Officer, Motor Vehicle Business            Retired from the position of Outside Director, the Company            Member of the Board, Mitsubishi Corporation            Senior Audit &amp; Supervisory Board Member            Director, Executive Vice Chairman and Chief Compliance Officer, the Company (current position)         </p>	0 shares
<p data-bbox="325 1677 1390 1836">Reasons for nomination as candidate for Director            Hideyuki Nabeshima has extensive experience and insight in management based on his service as Director, Executive Vice President, and Senior Audit &amp; Supervisory Board Member at Mitsubishi Corporation. The Company once again requests his election as Director so that he may strengthen governance, enhance compliance and work towards achieving a sustainable growth of corporate value as Chief Compliance Officer of the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
3	<p>Ryuichi Tomimura (February 17, 1959)</p> <p><u>Reelection</u></p> <p>Term of office: 13 years</p> <p>Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Oct. 1983    Joined IBM Japan, Ltd.</p> <p>Oct. 1991    Joined Recruit Co., Ltd.</p> <p>Jan. 1994    Managing Partner, Pricewaterhouse Consultants Co., Ltd.</p> <p>Oct. 2002    Vice President, IBM Corporation Business Consulting Service, Asia Pacific</p> <p>Feb. 2004    Representative Director, Senior Executive Vice President, Japan Telecom Co., Ltd.</p> <p>June 2006    Director, Vice President</p> <p>Oct. 2006    Representative Director, Vice President, RHJI Industrial Partners Asia, Ltd.</p> <p>Dec. 2007    Representative Director, Managing Director, RHJ International Japan, Inc.</p> <p>May 2008    Director, Partner in charge of Corporate Staff Section, the Company</p> <p>Apr. 2010    Director, Executive Vice President</p> <p>Aug. 2012    Director, Plan·Do·See Inc.</p> <p>June 2015    Director, Shinsei Bank, Limited (current position)</p> <p>June 2016    Representative Director, Executive Vice President, the Company</p> <p>June 2018    Representative Director, President and COO</p> <p>Mar. 2019    Representative Director, President (current position)</p> <p>May 2020    Director, VECTOR INC. (current position)</p>	0 shares
		<p>Significant concurrent positions outside the Company</p> <p>Director, Shinsei Bank, Limited</p> <p>Director, VECTOR INC.</p>	
<p>Reasons for nomination as candidate for Director</p> <p>Ryuichi Tomimura has extensive experience and insight in management primarily based on his service as representative director at multiple companies. Moreover, since our establishment in 2008, he has contributed to realizing the Company's growth as its Director and Executive Vice President. Serving as Representative Director and President since June 2018, he has further driven the Company's growth. The Company once again requests his election as Director so that he may use his experience, insight, etc. in working to achieve sustainable growth of corporate value.</p>			
4	<p>Shinya Tabata (March 5, 1963)</p> <p><u>Reelection</u></p> <p>Term of office: 7 years</p> <p>Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Apr. 1985    Joined Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Sept. 1989    Joined IBM Japan, Ltd.</p> <p>Feb. 2004    Global Business Service CFO</p> <p>July 2006    Global Business Service CFO and CFO, IBM Business Consulting Services KK</p> <p>Oct. 2006    Global Financing CFO, IBM Japan, Ltd.</p> <p>Sept. 2008    CFO and Director of Corporate Planning and Finance Dept., the Company</p> <p>Sept. 2013    Director, CFO</p> <p>June 2019    Managing Director, CFO (current position)</p>	40,800 shares
		<p>Reasons for nomination as candidate for Director</p> <p>Shinya Tabata has extensive experience and insight in management of the Company as Managing Director and CFO. The Company once again requests his election as Director so that he may use his experience, insight, etc. while working to achieve sustainable growth of corporate value.</p>	

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company		Number of the Company's shares owned
5	Kenichi Shibata (November 26, 1964)  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reelection</div>  Term of office: 5 years  Attendance at Board of Directors meetings: 100% (16/16 meetings)	Apr. 1988	Joined International Telecommunication Japan Inc.	18,900 shares
		Oct. 1997	President's Office, Japan Telecom Co., Ltd.	
		Aug. 2000	International Business Division	
		Apr. 2002	Assistant to President	
		Apr. 2004	Assistant to Executive Vice President	
		Apr. 2005	General Manager, Planning Dept., Digital Office Business Division	
		June 2008	Senior Manager of Legal Affairs Dept., the Company	
		July 2011	Director of Legal Affairs Dept.	
		June 2016	Director, the Company, Director of Legal Affairs Dept.	
		Apr. 2020	Director, the Company, Director of Legal Affairs and Compliance Section (current position)	
Reasons for nomination as candidate for Director Kenichi Shibata has extensive experience and insight in management of the Company as Director of Legal Affairs and Compliance Section. The Company once again requests his election as Director so that he may use his experience, insight, etc. in working to achieve sustainable growth of corporate value.				
6	Sono Uchiyama (October 26, 1969)  <div style="border: 1px solid black; padding: 2px; display: inline-block;">New</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Female</div>  Term of office: 0 years	Apr. 1993	Joined Pricewaterhouse Consultants Co., Ltd.	26,200 shares
		Apr. 2002	Director of Communication and PR, IBM Business Consulting Services KK	
		Apr. 2005	Director of Communication and Branding, Japan Telecom Co., Ltd.	
		Apr. 2007	PR Manager, RHJ International Japan, Inc.	
		May 2008	PR Manager, RHJ International Japan, Inc. and Director of Communication Dept., the Company	
		Apr. 2017	Director of Communication / Knowledge Management Dept., the Company	
		Apr. 2020	Director of Communication & Capability Section, the Company (current position)	
Reasons for nomination as candidate for Director Sono Uchiyama has extensive experience and insight in management of the Company as Director of Communication & Capability Section that is responsible for public relations, training, recruiting, knowledge management, and IR. The Company requests her election as a newly appointed Director so that she may use her experience, insight, and female perspective in working to achieve sustainable growth of corporate value.				

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
7	<p>Hiroshi Nakahara (July 24, 1958)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u></p> <p>Term of office: 4 years</p> <p>Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Apr. 1981      Joined Ministry of Finance</p> <p>July 2002      Deputy Director-General, the Supervision Bureau of Financial Services Agency</p> <p>July 2004      Director for Fiscal Investment and Loan Appropriation, the Financial Bureau of Ministry of Finance</p> <p>July 2005      Director, Government Financial Institutions Division of Minister's Secretariat</p> <p>July 2009      Senior Deputy Commissioner, the Budget Bureau</p> <p>June 2013      Director-General, Accounting Center and President of Policy Research Institute, Ministry of Finance</p> <p>July 2014      Director-General, the Financial Bureau</p> <p>July 2015      Commissioner, National Tax Agency (retired in June 2016)</p> <p>June 2017      Outside Director, the Company (current position)</p> <p>Oct. 2017      Senior Director, Shinkin Central Bank (current position)</p> <p>Significant concurrent positions outside the Company Senior Director, Shinkin Central Bank</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Hiroshi Nakahara has served as Commissioner of the National Tax Agency, Director-General of the Financial Bureau, Deputy Director-General of the Supervision Bureau of Financial Services Agency and Senior Director of Shinkin Central Bank etc., thus his expertise covers broad range of fields including treasury and finance. After his election, he is expected mainly to oversee management as Director at the Company, based on his extensive experience and knowledge as an expert in the treasury and financial fields. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p>Supplementary explanation to independence None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Nakahara, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
8	<p>Mitsuhiro Amitani (June 2, 1956)</p> <p><b>Reelection</b> <b>Outside</b> <b>Independent</b></p> <p>Term of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Apr. 1985 Registered as an attorney at law Joined Hashidate Law Office</p> <p>Nov. 1989 Joined Wakita Law Office</p> <p>Mar. 1990 Attorney at law of Shimada, Seno, and Amitani Law Office (currently SAH &amp; Co.) (current position)</p> <p>June 2006 Outside Audit &amp; Supervisory Board Member, STANLEY ELECTRIC CO., LTD. (current position)</p> <p>May 2013 Outside Audit &amp; Supervisory Board Member, HUB CO., LTD. (current position)</p> <p>June 2018 Outside Director, the Company (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Partner, SAH &amp; Co.</p> <p>Outside Audit &amp; Supervisory Board Member, STANLEY ELECTRIC CO., LTD.</p> <p>Outside Audit &amp; Supervisory Board Member, HUB CO., LTD.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Mitsuhiro Amitani is an attorney at law certified in Japan with expert knowledge in corporate legal affairs. After his election, he is expected mainly to oversee management as Director at the Company, based on his extensive experience and knowledge as a legal expert. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p>Supplementary explanation to independence None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Amitani, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
9	<p style="text-align: center;">Shuzo Hikida (October 24, 1964)</p> <p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span> </p> <p style="text-align: center;">Term of office: 3 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>Apr. 1988      Joined INTEC Inc.</p> <p>June 2007     General Manager, Sales Dept. I, West Japan Service Solutions Division</p> <p>Apr. 2009     General Manager, Service Solution Sales Dept., West Japan Service Solutions Division</p> <p>Oct. 2011     General Manager, West Japan Service Solutions Division and General Manager, Service Solutions Dept.</p> <p>Apr. 2012     General Manager, Cloud Integration Dept.</p> <p>Apr. 2014     General Manager, Cloud Service Division</p> <p>Apr. 2015     Deputy General Manager of Network and Outsourcing Division</p> <p>June 2015     General Manager, MCI Division and General Manager, MCI Sales Dept.</p> <p>Oct. 2017     Deputy General Manager, Metropolitan Industry Sales and General Manager, MCI Sales Dept.</p> <p>Apr. 2018     Executive Officer, Deputy General Manager, Metropolitan Industry Sales and General Manager, MCI Sales Dept.</p> <p>June 2018     Outside Director, the Company (current position)</p> <p>Apr. 2019     Managing Executive Officer, General Manager, Industrial Business Division, INTEC Inc.</p> <p>May 2019     Managing Executive Officer, General Manager, Network and Outsourcing Division</p> <p>Apr. 2021     Senior Managing Executive Officer, General Manager, Network and Outsourcing Division, and Distribution Service Division (current position)</p> <hr/> <p>Significant concurrent positions outside the Company Senior Managing Executive Officer, General Manager, Network and Outsourcing Division, and Distribution Service Division, INTEC Inc.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Shuzo Hikida is Senior Managing Executive Officer of INTEC Inc. and has expert knowledge in the IT business. After his election, he is expected mainly to oversee management as Director at the Company, based on his extensive experience and knowledge as an expert in the IT fields. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p>Supplementary explanation to independence Mr. Hikida is Senior Managing Executive Officer of INTEC Inc. INTEC Inc. is a shareholder owning 8.7% of the Company's shares and its transactions with the Company do not exceed 1% of its consolidated revenue in the most recent business year. None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Hikida, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
10	<p>Makiko Yamamoto (May 29, 1971) (Name as shown on the family register: Makiko Yasukawa)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u> <u>Female</u></p> <p>Term of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (16/16 meetings)</p>	<p>July 1995      Joined TMI Associates</p> <p>Apr. 1999      Entered the Legal Training and Research Institute of the Supreme Court of Japan</p> <p>Oct. 2000      Registered Tokyo Bar Association</p> <p>Sept. 2005      Simmons &amp; Simmons (London)</p> <p>Sept. 2006      TMI Associates</p> <p>Feb. 2012      Registered British Lawyer Solicitor</p> <p>June 2012      Simmons &amp; Simmons (London)</p> <p>Sept. 2014      TMI Associates</p> <p>June 2016      Outside Corporate Auditor, Starzen Co., Ltd.</p> <p>June 2018      Outside Director, the Company (current position)</p> <p>June 2019      Outside Director (Audit &amp; Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd. (current position)</p> <p>Feb. 2020      Registered at Fukuoka Bar Association Attorney at law, Partner, TMI Partners Legal Professional Corporation, Representative of TMI Associates Fukuoka office (current position)</p> <p>Mar. 2020      Outside Director, ASICS Corporation (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Outside Director (Audit &amp; Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd.</p> <p>Attorney at law, Partner, TMI Partners Legal Professional Corporation, Representative of TMI Associates Fukuoka office</p> <p>Outside Director, ASICS Corporation</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill</p> <p>Makiko Yamamoto is an attorney at law certified in Japan and overseas, with expert knowledge in corporate legal affairs. After her election, she is expected mainly to oversee management as Director at the Company by using female perspective based on her extensive experience and knowledge as a legal expert. Consequently, she is deemed appropriate as an outside Director, thus the Company once again requests her election as an outside Director.</p> <p>Supplementary explanation to independence</p> <p>None of the items of the "Independence Criteria for Outside Directors" apply to Ms. Yamamoto, and she has sufficient independence.</p>			

- Notes:
- Number of the Company's shares owned by each candidate is the number of shares held as of the end of the fiscal year under review (March 31, 2021).
  - Hiroshi Nakahara, Mitsuhiro Amitani, Shuzo Hikida and Makiko Yamamoto are candidates for outside Director.
  - Matters regarding candidates for outside Director
 

Tenure as outside Director of the Company

Hiroshi Nakahara has served as outside Director of the Company since June 2017 and his tenure as outside Director will have been four years at the conclusion of this meeting.

Mitsuhiro Amitani, Shuzo Hikida and Makiko Yamamoto have served as outside Director of the Company since June 2018 and their tenures as outside Director will have been three years at the conclusion of this meeting.
  - In accordance with laws and regulations and the Articles of Incorporation, the Company has entered into a limited liability agreement with Hiroshi Nakahara, Mitsuhiro Amitani, Shuzo Hikida and Makiko Yamamoto as follows. If they are reelected, their agreements with the Company shall remain in effect.
    - After the conclusion of the agreement, provided that the outside Director acts in good faith and without gross negligence regarding his or her performance of duties, when liable to make a compensation payment for damages pursuant to Article 423 of the Companies Act, the Director's liability to the Company shall be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
  - There is no special interest between each candidate for Director and the Company.



6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Hiroshi Nakahara, Mitsuhiro Amitani, Shuzo Hikida and Makiko Yamamoto have been appointed as an independent officer as provided for by the aforementioned exchange.
7. Hiroshi Nakahara, Mitsuhiro Amitani, Shuzo Hikida and Makiko Yamamoto have sufficient independence based on the “Independence Criteria for Outside Directors” (described below) established by the Company.
8. The Company has entered into a directors and officers liability insurance policy provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company to insure all of its Directors, bearing the entire insurance premium. The insurance policy covers legal damages, litigation expenses, etc. to be paid by the insured and, if each candidate assumes the office of Director, each candidate shall be included in the insured of the said insurance policy. The Company plans to renew the said insurance policy with the same contents during the term of office.

[The Company’s Rationale Regarding Independence for Outside Officers]

- The Company has formulated its own “Independence Criteria for Outside Directors” (Note) in addition to the requirements provided by the Companies Act. An outside Director to whom none of the conditions in the criteria apply is judged to be sufficiently independent and reported as an independent officer to the Tokyo Stock Exchange.

(Note) “Independence Criteria for Outside Directors”

- The Company’s outside Directors to whom any of the following items apply shall be determined not to have independence:
  - (1) A major shareholder of the Company (i.e., a shareholder who holds 10% or more of voting rights) or any person who executes operations of such shareholder;
  - (2) A counterparty with whom the Company transacts in cases when said counterparty’s transaction amount with the Company in the most recent business year exceeded 5% of the Company’s annual consolidated revenue, or any person who executes operations of said counterparty;
  - (3) A counterparty that transacts with the Company in cases when said counterparty’s transaction amount with the Company in the most recent business year exceeded 5% of said counterparty’s annual consolidated revenue, or any person who executes operations of said counterparty;
  - (4) A certified public accountant or employee, partner or staff member of an audit corporation serving as the Accounting Auditors of the Company;
  - (5) Any person who executes operations of an organization that received a donation or subsidy from the Company ¥10 million or more in the most recent business year;
  - (6) An attorney at law, certified public accountant, certified tax accountant or any other consultant who received ¥10 million or more in the form of money or other financial benefits from the Company, other than remuneration as an executive of the Company;
  - (7) A person who corresponded to any of the items from (1) to (6) above in the past three years;
  - (8) A relative within the second degree of kinship of a person falling under any of items (1) to (7) above;
  - (9) A relative within the second degree of kinship of a director who executes operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary; and
  - (10) A relative within the second degree of kinship of a person who had served as a director who executed operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary in the last three years.

**Proposal No. 3:** Revision of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Concerning the current status of the amount of remuneration for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal), the Company received approval at the 11th Annual General Meeting of Shareholders held on June 26, 2019 to set the maximum amount of remuneration at no more than ¥400 million per year (of which, the remuneration amount for outside Directors is no more than ¥60 million per year, excluding the employee portion of salaries of the Directors who serve concurrently as employees). Taking into account the increasing number of Directors to accommodate the expanding and growing businesses resulting from the transition to a holding company system starting from October 1, 2021 and other factors such as the remuneration level to sufficiently maintain and secure excellent management personnel as well as the stable growth of the Company's business performance and business operation, etc., the Company proposes to revise the maximum amount of remuneration for Directors to no more than ¥500 million per year (of which, the remuneration amount for outside Directors is no more than ¥60 million per year, excluding the employee portion of salaries of the Directors who serve concurrently as employees).

The Company deems the aforementioned amount of remuneration to be appropriate, since it has been determined by taking into account the factors including the increasing number of Directors, the remuneration level to sufficiently maintain and secure excellent management personnel, the stable growth of the Company's business performance and business operation, etc., and, on top of it, the revision of the aforementioned amount of remuneration complies with the policy relating to the determination of details of individual remunerations, etc. for Directors resolved at the Board of Directors meeting held on March 25 and April 22, 2021, the outline of which is stated on page 39 of the Business Report (Japanese only).

There are currently nine Directors (including four outside Directors). If Proposal No. 2 is approved as originally proposed, there will be ten Directors (including four outside Directors).

**Proposal No. 4: Determination of the Amount of Remuneration for Allotment of Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)**

Concerning the current status of the amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members), the Company received approval at the 11th Annual General Meeting of Shareholders held on June 26, 2019 to set the maximum amount of remuneration, etc. at no more than ¥400 million per year (of which, the remuneration amount for outside Directors is no more than ¥60 million per year, excluding the employee salaries of the Directors who serve concurrently as employees). If Proposal No. 3 is approved as originally proposed, the said maximum amount of remuneration, etc. shall be no more than ¥500 million per year (of which, the remuneration amount for outside Directors is no more than ¥60 million per year, excluding the employee salaries of the Directors who serve concurrently as employees). Separately from the said remuneration amount, the Company received approval at the 11th Annual General Meeting of Shareholders held on June 26, 2019 to make an additional contribution of money as a fund for acquiring additional number of the Company's shares required for the granting of shares, with the maximum amount set at ¥300 million multiplied by the number of years of the extended trust period, as the amount of remuneration, etc. relating to a performance-linked share-based remuneration plan for Directors (Directors who execute operations, etc. only) of the Company (hereinafter "the performance-linked share-based remuneration plan").

For the purpose of providing the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors, hereinafter "Eligible Directors") with an incentive to continuously improve the Company's corporate value and promoting further shared value with the shareholders, the Company shall propose to allot the Company's common shares subject to provisions including a certain transfer restriction period and reasons for acquisition without contribution by the Company (hereinafter "restricted shares") to the Eligible Directors as stated below.

The Company thereby proposes to provide monetary remuneration claims at the maximum amount of ¥400 million per year as remuneration, etc. for allotment of restricted shares to the Eligible Directors, separately from the aforementioned amount of remuneration, etc. for Directors and the amount of remuneration, etc. under a performance-linked share-based remuneration plan for Directors. The Company deems the total amount of the above monetary remuneration claims to be appropriate, since it was determined by comprehensively taking into consideration various factors including the degree of contribution of the Eligible Directors to the Company.

If this proposal is approved as originally proposed, as long as the remuneration plan of this proposal relating to restricted shares is in effect, no additional trust shall be newly set up for the performance-linked share-based remuneration plan.

In addition, the amount measured at fair value on the date of resolution at the Board of Directors meeting relating to the allotment of restricted shares shall be within the maximum yearly amount stated in 1. below. Also, the maximum number of restricted shares to be allotted in each business year stated in 2. below shall account for around 1.7% of the total shares issued as of May 26, 2021 (around 17.3% of the total shares issued in case of issuing the said maximum number of restricted shares for ten consecutive years), causing the dilution rate to be immaterial. The details of the restricted shares comply with the policy relating to the determination of details of individual remunerations, etc. for Directors resolved at the Board of Directors meeting held on March 25 and April 22, 2021, the outline of which is stated on page 39 of the Business Report (Japanese only). Consequently, the Company deems the allotment of restricted shares with the details stated below to be appropriate.

There are currently five Eligible Directors. If Proposal No. 2 is approved as originally proposed, there will be six Eligible Directors.

### 1. Allotment and payment of restricted shares

The Company shall provide monetary remuneration claims as remuneration relating to restricted shares to the Eligible Directors up to ¥400 million per year according to the resolution of the Company's Board of Directors. Each of the Eligible Directors will receive allotment of restricted shares by way of providing all of the said monetary remuneration claims in the form of property contributed in kind.

The amount to be paid in for restricted shares shall be determined by the Company's Board of Directors on the basis of the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before the date of resolution by the Board of Directors on issuance or disposal of the restricted shares (if there is no closing price on such date, the closing price on the closest preceding trading day) or any other amount within the extent that the amount will not be particularly advantageous to the Eligible Directors receiving the said restricted shares.

The aforementioned monetary remuneration claims shall be provided on the condition that the Eligible Director agrees to provide the said property contributed in kind and enters into restricted share allotment agreement state in 3. below.

### 2. The total number of restricted shares

The total of 400,000 shares of restricted shares allotted to the Eligible Directors shall be the maximum number of restricted shares allotted in each business year.

However, in cases where the Company's common shares become the subject of a share split (including allotment of the Company's common shares without contribution), a reverse share split, or other events after the date of resolution of this proposal and the total number of the restricted shares to be allotted needs to be adjusted accordingly, the total number of the said restricted shares shall be adjusted in a reasonable manner.

### 3. Restricted share allotment agreement

According to the resolution of the Company's Board of Directors, the restricted share allotment agreement shall be concluded, upon the allotment of restricted shares, between the Company and the Eligible Director who is scheduled to be allotted restricted shares, with details including the following items.

#### (1) Transfer restriction

The Eligible Director that has received allotment of restricted shares shall not transfer, create a pledge or security interest on, gift during life, bequeath, or dispose of the restricted shares allotted to the said Eligible Director (hereinafter the "allotted shares"), starting from the date of issuance of the restricted shares and ending on the date when the Eligible Director retires as director (excluding the case where he or she is reappointed as the Company's Director upon retirement) (hereinafter the "transfer restriction period") (hereinafter the "transfer restriction").

#### (2) Acquisition of restricted shares without contribution

The Company shall automatically acquire the allotted shares without contribution in the case where the Eligible Director dies during the transfer restriction period and he or she has none of heirs such as spouse, children (including adopted children of the Eligible Director), parents, or siblings. In addition, in any of the following cases during the transfer restriction period, the Company shall automatically acquire all of the restricted shares without contribution by notifying the Eligible Director in writing that the allotted shares shall be acquired without contribution, at the time when the said notification is received.

1. In the case where the Board of Directors of the Company judges that the Eligible Director engages in business activities that compete against any of the businesses of the Company and its subsidiaries or becomes an officer or an employee of a competing corporation or other entity (excluding the case where a prior written consent of the Company has been obtained)
2. In the case where the Board of Directors of the Company determines that the acquisition of all of the allotted shares without contribution is deemed appropriate for reasons including the Eligible Director's performance of duties (including, but not limited to, the case where the Eligible Director has violated laws, internal regulations of any of the Company's group companies, or this agreement in an important respect)

(3) Lifting of transfer restriction

At the expiration of the transfer restriction period, the transfer restriction shall be lifted on all of the allotted shares owned by the Eligible Director (However, in the case the target director retires due to death, such person's heir) at the said time on a condition that the Eligible Director has continuously been in the position of Director of the Company during the transfer restriction period.

(4) Handling in organizational restructuring, etc.

If, during the transfer restriction period, proposals relating to a merger agreement that will make the Company a disappearing company, an absorption-type demerger agreement or an incorporation-type demerger plan that will make the Company a demerging company (this shall apply only to the case where the Company provides the Company's shareholders with all or part of consideration for demerger arising from the said demerger when the demerger becomes effective), a proposal relating to a share exchange agreement or a share transfer plan that will make the Company a wholly owned subsidiary, or other organizational restructuring, etc. is approved at the Company's General Meeting of Shareholders (or the Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the said organizational restructuring, etc.) (this shall apply only to the case where the said organizational restructuring, etc. becomes effective before the expiration of transfer restriction period) and the Eligible Director who has received allotment of the allotted shares is scheduled to retire as Director of the Company according to the said organizational restructuring, etc., the Company shall, by resolution of the Board of Directors of the Company, lift the transfer restrictions on all of the allotted shares immediately prior to the date on which the organizational restructuring, etc. becomes effective.

## (Reference) Outline of Remuneration for Directors

Remuneration for the Company's Directors who execute operations, etc. consists of "monetary remuneration" and "share-based remuneration" in order to secure management personnel, improve performance in the medium to long term, and enhance corporate value. The purpose of the share-based remuneration plan is to provide the Company's Directors who execute operations, etc. with an incentive to continuously improve the Company's corporate value and to promote further shared value with the shareholders. Remuneration for outside Directors, on the other hand, consists only of monetary remuneration (not performance-linked) with consideration of their independent position unaffected by corporate performance.

Regarding the remuneration system for Directors, the share-based remuneration plan was reviewed at the Company's Board of Directors meeting held on April 22, 2021, which resolved to introduce a share-based remuneration plan with restricted shares. If Proposal No. 4 relating to the introduction of the said plan is approved as originally proposed at this General Meeting of Shareholders, as long as the remuneration plan of Proposal No. 4 relating to restricted shares is in effect, no additional trust shall be newly set up for the existing performance-linked share-based remuneration plan (share issuance trust).

The outline of remuneration, etc. for Directors in fiscal year 2021 is as follows:

### Outline of remuneration, etc. for Directors in fiscal year 2021

	Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors)	Outside Directors (excluding Audit & Supervisory Committee Members)	Total amount of remuneration	Supplement
Number of Directors	6	4	-	See also Proposal No. 2.
Monetary remuneration*	○	○ (No more than ¥60 million per year)	No more than ¥500 million	See also Proposal No. 3.
Performance-linked share-based remuneration plan (share issuance trust)	-	-	Additional contribution of money with the maximum amount set at ¥300 million multiplied by the number of years of extended trust period	No additional trust shall be newly set up from fiscal year 2021 onward.
Share-based remuneration with restricted shares*	○	-	No more than ¥400 million	See also Proposal No. 4.

\* The total amount of remuneration for Directors for the following fiscal year is determined by combining monetary remuneration and share-based remuneration, taking into account the achievement rate of performance indicators such as the amount equal to consolidated revenue less project outsourcing expenses and outflow cost, consolidated ordinary profit, and Net Satisfaction Index (NSI).