

This document is an unofficial translation and summary of the Notice of the 27th Annual Shareholders Meeting and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version of the document is the sole official version.

TSE Code: 4344
(Issue date) June 1, 2023
(Start date for measures for providing information in electronic format) May 29, 2023
1-5-2 Higashi-Shimbashi, Minato-ku, Tokyo
SOURCENEXT Corporation
Tomoaki Kojima, President & COO

To our shareholders:

NOTICE OF THE 27TH ANNUAL SHAREHOLDERS MEETING

We are pleased to announce the 27th Annual Shareholders Meeting of SOURCENEXT Corporation (“the Company”), which will be held as stated below.

When convening this annual shareholders meeting, the Company takes measures for providing information that constitutes the content of reference documents for the shareholders meeting, etc. (items for which the measures for providing information in electronic format will be taken) in electronic format, and posts this information as “Notice of the 27th Annual Shareholders Meeting” on the following websites. Please access any of these websites by using the internet addresses shown below to review the information.

The Company’s website

<https://sourcenext.co.jp/ir/library/stockholder/> (in Japanese)

Website with posted materials for the shareholders meeting

<https://d.sokai.jp/4344/teiji/> (in Japanese)

TSE website (Listed Company Search)

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

(Access the TSE website by using the internet address shown above, enter “SOURCENEXT CORPORATION” in “Issue name (company name)” or the Company’s securities code “4344” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

We request that instead of attending the meeting, please refer to the “Guide to the Exercise of Voting Rights” on page 3. After reviewing the Reference Documents for the Shareholders Meeting, please exercise your voting rights no later than 5:30 p.m. on Friday, June 16, 2023.

1. Date and Time	Monday, June 19, 2023, at 10:00 a.m. (Please note that the start time of the 27th Annual Shareholders Meeting has been changed from last year.)
2. Place	1-6-4 Kojimachi, Chiyoda-ku, Tokyo Sumitomo Realty & Development Hanzomon Ekimae Building 2F, Belle Salle Hanzomon
3. Agenda	<p>Matters to be reported</p> <ol style="list-style-type: none"> 1. Business Report and Consolidated Financial Statements for the 27th fiscal year from April 1, 2022 to March 31, 2023 and Reports of Audit on the Consolidated Financial Statements by Accounting Auditor and the Board of Auditors 2. Non-consolidated Financial Statements for the 27th fiscal year from April 1, 2022 to March 31, 2023 <p>Matters to be resolved</p> <p>Proposal 1: Election of Eight (8) Directors Proposal 2: Election of One (1) Substitute Auditor</p>
4. Exercise of Voting Rights	Please refer to the “Guide to the Exercise of Voting Rights” on page 3.

Other guidance for the notice of an annual shareholders meeting

1. For the meeting, paper-based documents listing the items subject to measures for electronic provision will be uniformly delivered regardless of requests for the delivery of paper-based documents. Of the items subject to measures for electronic provision, the following items are posted on the Company’s website (<https://www.sourcenext.co.jp/>) under laws and regulations and provision of Article 15 of the Company’s Articles of Incorporation, and are therefore not available in the documents. Accordingly, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements provided in the documents are one part of the documents that were audited by Auditors and the Accounting Auditor in preparing the Reports of Audit.
 - Business Report
 - Status of the Corporate Group
Description of Major Business, Major Offices, Status of Employees, Status of Major Borrowings
 - Status of the Company
Status of Shares, Status of Share Acquisition Rights, Information about Outside Directors and Auditors, Overview of the Contracts for Limitation of Liability, and Matters Concerning the Directors and Officers Liability Insurance Policy
 - Status of Accounting Auditor
 - Status of System for Ensuring the Appropriateness of Business Operations
 - Basic Policy on Company Control
 - Policy on Determination of Dividends of Surplus
 - Corporate Governance Structure
 - Consolidated Financial Statements
 - Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements
 - Non-consolidated Financial Statements
 - Non-consolidated Balance Sheets, Non-consolidated Statements of Income, Non-consolidated Statements of Changes in Equity, Notes to Non-consolidated Financial Statements
 - Audit Report
 - Report of Audit on the Consolidated Financial Statements by Accounting Auditor,
Report of Audit on the Non-consolidated Financial Statements by Accounting Auditor,
Report of Audit by the Board of Auditors
2. If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the websites mentioned above.

The distribution of souvenirs to shareholders attending the meeting has been cancelled. Thank you for your understanding.

Guide to the Exercise of Voting Rights

For those attending the meeting in person

Please submit the Voting Form enclosed herewith to the reception.

Please also bring with you the Notice of the Annual Shareholders Meeting as a reference.

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

If you exercise your voting rights by proxy, you must appoint as a proxy one of the shareholders holding voting rights at the meeting.

Please have your proxy submit a written document (a proxy statement) certifying the authority of proxy to the reception.

For those exercising voting rights in writing

Please indicate your approval or disapproval for the proposals on the Voting Form enclosed herewith and return the Voting Form.

[Voting Form must be received no later than 5:30 p.m. on Friday, June 16, 2023]

For those exercising voting rights via the Internet

Please access the website for exercising voting rights and exercise your voting rights.

(Please refer to the following Guide to Exercising Voting Rights via the Internet)

[Voting rights must be exercised no later than 5:30 p.m. on Friday, June 16, 2023]

1. If you exercise your voting rights twice, in writing and via the Internet, we will only accept the exercise of your voting rights via the Internet as effective.
2. If you exercise your voting rights more than once via the Internet, we will only accept the last exercise of your voting rights as effective.
3. If no indication of approval or disapproval is made for a given proposal on the returned Voting Form, this will be treated as an indication of approval.

Guide to Exercising Voting Rights via the Internet

Website for exercising voting rights

https://www.web54.net (in Japanese)

On the voting website, please enter the “Login ID” and “Temporary Password” which are stated on the right-hand side of your Voting Form, and follow instructions on screen to enter your approval or disapproval.

When you exercise your voting rights from a mobile phone or a smartphone, you may access the website for exercising voting rights by scanning the “QR Code” with the bar-code scanning function of your smartphone or mobile phone.

- In order to prevent unauthorized access by third parties other than shareholders (so-called “spoofing”) and to prevent tampering with the content of the voting, please note that shareholders who use this function will be asked to change the “Temporary Password” on the voting website.
- A new “Login ID” and “Temporary Password” will be issued to you for each Annual Shareholders Meeting.
- The cost of Internet access (access fees to providers, telecommunications fees, etc.) shall be borne by the shareholders.

For inquiries with respect to the exercise of voting rights, please contact the following numbers.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support

[Dedicated Line] 0120-652-031 (9:00 a.m. to 9:00 p.m.)

(Toll-free number. Available only in Japan)

<In case of other inquiries>

0120-782-031 (9:00 a.m. to 5:00 p.m. on weekdays) (Toll-free number. Available only in Japan)

Information on Live Streaming of Shareholders Meeting

The Shareholders Meeting will be streamed live via the Internet so that shareholders can watch the proceedings from their home, etc.

1. Live streaming date and time

Monday, June 19, 2023 from 10:00 a.m. (JST) to the end of the Shareholders Meeting

- * The live streaming is available from around 30 minutes before the start time of the Shareholders Meeting (9:30 a.m.) (JST).
- * Please note that you will not be able to view it after the Shareholders Meeting.

2. How to view the live streaming on the day

Please have your shareholder ID (= shareholder number) and password (= zip code), which are required on the shareholder authentication screen (login screen), ready in advance and access the following live streaming website.

Live streaming website: <https://4344.kabusou.com/> (in Japanese)

Shareholder ID: “Shareholder number” (9 digits) written on the documents for exercising voting rights, etc.
Password: “Zip code” (7 digits, no hyphen) of registered address on the shareholder list (as of March 31, 2023)

* When exercising voting rights in writing, be sure to make a note of the “Shareholder number” before returning the Voting Form.

3. Notes:

- Viewing the live streaming of the Shareholders Meeting does not constitute attendance under the Companies Act. Therefore, shareholders who view the live streaming cannot exercise their voting rights or make any statements, including asking questions, at the Shareholders Meeting. To exercise your voting rights, exercise your voting rights in advance according to the instructions in the guide to exercising voting rights on page 3 of this Notice.
- Please be aware that you may experience audio or video problems due to system failures, the communication environment, etc., and other problems, such as interruption of the live streaming, could occur.
- Viewing the live streaming is limited to only the shareholders themselves.
- Please refrain from photographing, recording video or audio of, or saving the live streaming broadcast, or posting the broadcast using social networking services, etc.
- Please be aware that although the Company will make every effort to stream the Shareholders Meeting live via the Internet, shareholders may not be able to participate due to unforeseen circumstances, such as communication problems or system failures, and the live streaming may even be cancelled depending on the situation.
- Any costs, including costs for communication devices, Internet connection fees, communication charges, etc., that might be incurred to view the live streaming shall be borne by the shareholder.
- In the unlikely event that the live streaming cannot be performed for some reason on the day of the Shareholders Meeting, we will notify you on our website (<https://www.sourcenext.co.jp/> (in Japanese)).

For inquiries regarding the live streaming
LaiBlitz, Inc. Tel: +81-3-5740-5766
[Period for accepting inquiries] 9:30 a.m. to the conclusion of the Shareholders Meeting on June 19, 2023 (date of the Shareholders Meeting)

Reference Documents for the Shareholders Meeting

Proposal 1: Election of Eight (8) Directors

The term of office of all eight (8) Directors will expire at the conclusion of this Annual Shareholders Meeting. Accordingly, the election of eight (8) Directors is proposed. The candidates for Directors are as follows.

Candidate No.	Name	Current Position and Responsibilities in the Company	Attributes of candidate
1	Noriyuki Matsuda	Founder & CEO	Reappointment
2	Tomoaki Kojima	President & COO	Reappointment
3	Kousuke Fujimoto	Director & CSO In charge of Sales	Reappointment
4	Fumihiko Aoyama	Director & CFO In charge of Administration	Reappointment
5	Hideaki Kubori	Outside Director	Reappointment Outside
6	Kunitake Ando	Outside Director	Reappointment Outside Independent
7	Nobuhide Nakaido	Outside Director	Reappointment Outside Independent
8	Aiko Oue	Outside Director	Reappointment Outside Independent

Reappointment Candidate for reappointment as Director Outside Candidate for Outside Director

Independent Candidate for independent director

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
1 <u>Reappointment</u>	Noriyuki Matsuda (May 28, 1965)	<p>Apr. 1989 Joined IBM Japan</p> <p>Sep. 1993 Established AAA, Ltd., Representative Director and President, AAA, Ltd.</p> <p>Aug. 1996 Established the Company, President and CEO, the Company</p> <p>Sep. 2012 President & CEO, SOURCENEXT Inc. (currently POCKETALK Inc.) (current position)</p> <p>Jun. 2017 President and CEO, Rosetta Stone Japan, Inc. (current position)</p> <p>Feb. 2021 Founder & CEO, the Company (current position)</p> <p>Feb. 2022 President and CEO, POCKETALK CORPORATION (current position)</p>	35,663,200 shares	No
<p>(Reasons for nomination as a candidate for Director)</p> <p>Noriyuki Matsuda is the founder of the Company. Since its establishment, he has long supervised business of the entire group of the Company and has wealth of experience, track record, and knowledge concerning the industry trends and corporate management. The Company therefore proposes his election as Director.</p>				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
2 <u>Reappointment</u>	Tomoaki Kojima (Jun. 3, 1977)	<p>Sep. 2001 Joined the Company</p> <p>Jun. 2006 Executive Officer, the Company</p> <p>Jun. 2008 Managing Director, the Company</p> <p>Jan. 2009 Executive Director, the Company</p> <p>Jun. 2012 Managing Director, the Company</p> <p>May 2017 Managing Director, EUS Co., Ltd. (formerly FUEMAME Co., Ltd., liquidated in Nov. 2021)</p> <p>Jan. 2019 Sourcenext B.V. (currently POCKETALK B.V.) Managing Director</p> <p>Sep. 2019 Director, UMEOX Innovations Co., Ltd. (current position)</p> <p>Apr. 2020 CEO, Sourcenext B.V. (currently POCKETALK B.V.)</p> <p>Feb. 2021 President & COO, the Company (current position)</p>	102,300 shares	No
<p>(Reasons for nomination as a candidate for Director)</p> <p>Tomoaki Kojima is well versed in sales and planning operations centering on marketing, and has considerable experience, track record, and knowledge concerning corporate strategy in general. The Company therefore proposes his election as Director.</p>				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
3 <u>Reappointment</u>	Kousuke Fujimoto (Sep. 9, 1964)	Oct. 1988 Joined Recruit Co., Ltd. Nov. 1999 Joined the Company Dec. 1999 Managing Director, the Company Oct. 2009 Executive Officer, the Company Jul. 2013 Managing Executive Officer, the Company Apr. 2015 Senior Executive Officer, the Company Jun. 2018 Senior Managing Director, the Company Apr. 2022 Director & CSO, In charge of Sales, the Company (current position)	157,500 shares	No
(Reasons for nomination as a candidate for Director) Kousuke Fujimoto has wealth of experience and track record from having engaged in sales departments and new business development departments for many years, and he has considerable knowledge concerning sales strategy. The Company therefore proposes his election as Director.				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
4 <u>Reappointment</u>	Fumihiko Aoyama (Aug. 3, 1967)	Oct. 1991 Joined Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC) Jul. 1999 Joined Deloitte Tohmatsu Consulting Apr. 2000 Joined the Company Apr. 2002 Executive Officer, the Company Jun. 2004 Managing Director, the Company Jan. 2009 Executive Director, the Company Jun. 2012 Managing Director, the Company May 2017 Managing Director, EUS Co., Ltd. (formerly FUDEMAME Co., Ltd., liquidated in Nov. 2021) Feb. 2021 Managing Director & CFO, the Company Apr. 2022 Director & CFO, In charge of Administration, the Company (current position)	248,000 shares	No
(Reasons for nomination as a candidate for Director) Fumihiko Aoyama has abundant professional insights in finance and accounting as well as considerable experience, track record, and knowledge concerning corporate strategy in general. The Company therefore proposes his election as Director.				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
5 Reappointment	Hideaki Kubori (Aug. 29, 1944)	<p>Apr. 1971 Registered as Attorney-at-Law Joined Mori Sogo</p> <p>Apr. 1998 Representative, HIBIYA PARK LAW OFFICES (current position)</p> <p>Apr. 2001 President, Daini Tokyo Bar Association, and Vice President, Japan Federation of Bar Associations</p> <p>Oct. 2001 Outside Director, Nomura Holdings, Inc.</p> <p>Feb. 2003 Outside Auditor, the Company</p> <p>Jun. 2008 Member of the Supervisory Committee, The Norinchukin Bank</p> <p>Jun. 2011 Outside Director, Tokyo Stock Exchange Group, Inc. (currently Japan Exchange Group, Inc.) Outside Governor, Tokyo Stock Exchange Regulation (currently Japan Exchange Regulation)</p> <p>Jun. 2014 Outside Director, the Company (current position)</p> <p>Apr. 2015 Professor, Toin Law School</p> <p>Apr. 2018 Outside Director, Coincheck, Inc. (current position)</p> <p>Apr. 2021 Visiting professor, Graduate School of Law, Toin University of Yokohama/Head of Toin Compliance Research Education Center (current position)</p>	47,200 shares	Yes See 2) in Note 1.
<p>(Reasons for nomination as a candidate for Outside Director and summary of expected roles) Reasons for Hideaki Kubori's candidacy for re-election as Outside Director include his many years of experience as an attorney and the expectation that his specialized knowledge and extensive skill concerning corporate law will be applied to the Company's management and will help further strengthen the Company's corporate governance. The candidate does not have experience contributing to company management outside the roles of Outside Director and Outside Auditor; however, he is deemed able to suitably execute his role as Outside Director due to the qualifications noted above.</p>				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
6 Reappointment	Kunitake Ando (Jan. 1, 1942)	<p>Apr. 1969 Joined Sony Corporation (currently Sony Group Corporation)</p> <p>Aug. 1979 Representative Director, Sony Prudential Life Insurance Co., Ltd.</p> <p>Apr. 1990 President, Sony Corporation of America, President, Sony Engineering and Manufacturing of America</p> <p>Apr. 2000 Representative Director and President, Sony Corporation (currently Sony Group Corporation)</p> <p>Jun. 2005 Chairman, Representative Director, Sony Financial Holdings Inc.</p> <p>Jun. 2007 Chairman, Director, Sony Life Insurance Co., Ltd.</p> <p>Jul. 2013 Director, Japan Innovation Network (current position)</p> <p>Jun. 2017 Outside Director, the Company (current position)</p> <p>Apr. 2018 Chairman, The University of Nagano (current position)</p>	31,900 shares	No
<p>(Reasons for nomination as a candidate for Outside Director and summary of expected roles) Kunitake Ando has held various posts including serving as Representative Director and President of Sony Corporation (currently Sony Group Corporation), and we expect that he will contribute to further strengthening the Company's corporate governance by reflecting his wealth of experience and broad knowledge as a business manager. The Company therefore proposes his re-election as Outside Director.</p>				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
7 Reappointment	Nobuhide Nakaido (Nov. 1, 1946)	<p>Apr. 1971 Joined Sumitomo Corporation</p> <p>Apr. 1998 Corporate Officer, Sumitomo Corporation</p> <p>Jun. 1998 Director, Sumitomo Corporation</p> <p>Apr. 2002 Representative Director, Managing Director, Sumitomo Corporation</p> <p>Apr. 2004 Representative Director, Senior Managing Executive Officer, Sumitomo Corporation</p> <p>Apr. 2005 Representative Director, Executive Vice President, Sumitomo Corporation</p> <p>Jun. 2009 Chairman and President, Sumisho Information System Co., Ltd. (currently SCSK Corporation)</p> <p>Oct. 2011 President and Representative Director, SCSK Corporation</p> <p>Jun. 2013 Chairman and Representative Director, SCSK Corporation</p> <p>Apr. 2016 Director and Corporate Adviser, SCSK Corporation</p> <p>Jun. 2016 Corporate Adviser, SCSK Corporation</p> <p>May 2017 Outside Director, Ichigo Inc. (current position)</p> <p>Oct. 2018 Chairman, Japan Association for Chief Human Resource Officers (current position)</p> <p>Mar. 2019 Outside Director, eSOL Co., Ltd. (current position)</p> <p>Jun. 2020 Outside Director, the Company (current position)</p> <p>Mar. 2022 External Director, JAC Recruitment Co., Ltd. (current position)</p>	13,300 shares	No
<p>(Reasons for nomination as a candidate for Outside Director and summary of expected roles) Nobuhide Nakaido has held key positions such as Representative Director and Executive Vice President of Sumitomo Corporation, President and Representative Director of SCSK Corporation and Chairman of the same company. Since it can be expected to further strengthen our company's corporate governance by reflecting his wealth of experience and broad insight as a business manager, the Company proposes that he be re-elected as an Outside Director.</p>				

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
8 Reappointment	Aiko Oue (Aug. 23, 1975)	<p>Jan. 2017 Registered as Attorney-at-Law, Joined Nakamoto Law Office</p> <p>Apr. 2017 Part-time officer, Secretariat, Public Interest Corporation Commission, Cabinet Office, Government of Japan</p> <p>Jan. 2020 Joined Kaikai kiki Co., Ltd.</p> <p>May 2020 Outside Director, Kakiyasu Honten Co., Ltd. (current position)</p> <p>Jan. 2022 Returned to Nakamoto Law Office</p> <p>Jun. 2022 Outside Director, the Company (current position)</p> <p>Jun. 2022 Outside Corporate Auditor, Foster Electric Company, Limited (current position)</p> <p>Jan. 2023 Established JLX Partners, Partner (current position)</p>	3,000 shares	No
<p>(Reasons for nomination as a candidate for Outside Director and summary of expected roles) Aiko Oue is expected to contribute to further strengthening the Company's corporate governance by reflecting her specialized knowledge and wealth of experience as an attorney. The Company therefore proposes her re-election as Outside Director. The candidate does not have experience contributing to company management outside the roles of Outside Director and Outside Auditor; however, she is deemed able to suitably execute her role as Outside Director due to the qualifications noted above.</p>				

- (Notes) 1. Matters concerning candidates for Outside Director are as follows.
- 1) Hideaki Kubori, Kunitake Ando, Nobuhide Nakaido and Aiko Oue are candidates for Outside Director.
 - 2) Hideaki Kubori is a Representative of HIBIYA PARK LAW OFFICES. The Company has some contractual relations including work involving legal counsel, etc., with attorneys from this law office other than the candidate. He is not engaged in legal counsel work, etc. for the Company. At the conclusion of this Annual Shareholders Meeting, Hideaki Kubori will have served nine years as Outside Director of the Company.
At the conclusion of this Annual Shareholders Meeting, Kunitake Ando will have served six years as Outside Director of the Company.
At the conclusion of this Annual Shareholders Meeting, Nobuhide Nakaido will have served three years as Outside Director of the Company.
At the conclusion of this Annual Shareholders Meeting, Aiko Oue will have served one year as Outside Director of the Company.
 - 3) Hideaki Kubori, Kunitake Ando, Nobuhide Nakaido and Aiko Oue will be involved in the determination of executive remuneration, etc. from an objective and neutral perspective as Remuneration Advisory Committee Members if they are re-elected.
 - 4) A summary of the contract for limitation of liability with Outside Directors is as follows.
Under the provisions of Article 427, paragraph 1 of the Companies Act and Article 29, paragraph 2 of the Articles of Incorporation, the Company has concluded contracts for limitation of liability with Hideaki Kubori, Kunitake Ando, Nobuhide Nakaido and Aiko Oue as provided for in Article 423, paragraph 1 of the Companies Act. The maximum amount of the liability for damages based on the said contracts shall be the minimum amount prescribed in applicable laws and regulations. However, recognition of this limitation of liability is restricted to cases in which the work causing the liability was carried out in good faith and without gross negligence.
These contracts for limitation of liability between the Company and Hideaki Kubori, Kunitake Ando, Nobuhide Nakaido and Aiko Oue are set to continue if the re-election of the candidates is approved.
 - 5) Matters concerning notification of Outside Directors as independent directors and/or auditors are as follows.
The Company plans to designate Kunitake Ando, Nobuhide Nakaido and Aiko Oue again as independent directors if their re-election is approved.
2. The summary of the directors and officers liability insurance policy is as follows.
The Company has entered into a directors and officers liability insurance policy with an insurance company. The policy covers damages arising from liability borne by the insured officers in the course of execution of their duties or claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion of liability for damages such as resulting from an illegal act with full knowledge of its illegality. If the election of all the candidates for Director is approved, they will be included in the insureds of this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms. For an overview of the details of the said liability insurance policy, see (3) Status of the Directors and Officers of the Company (ii) Overview of the Contracts for Limitation of Liability within the matters omitted from the paper-based documents in the Japanese version of the Business Report.

<Reference> Skills Matrix

If Proposal 1 is approved, the skills of each Director will be as follows.

Name	Title and Position	Age	Gender	Skills							
				Corporate management/ Management experience	Global experience	IT skills	Product planning/ Marketing	Development of sales/ business	Development of organization/ human resources	Finance/ Accounting	Legal affairs/ Compliance
Noriyuki Matsuda	Founder & CEO	57	Male	○	○	○	○	○			
Tomoaki Kojima	President & COO	45	Male	○			○	○			
Kousuke Fujimoto	Director & CSO	58	Male					○	○		
Fumihiko Aoyama	Director & CFO	55	Male							○	○
Hideaki Kubori	Outside Director	78	Male	○					○	○	○
Kunitake Ando	Outside Director	81	Male	○	○	○		○		○	
Nobuhide Nakaido	Outside Director	76	Male	○	○	○			○		
Aiko Oue	Outside Director	47	Female								○

Proposal 2: Election of One (1) Substitute Auditor

The validity of the Substitute Auditor election will expire at the commencement of this Annual Shareholders Meeting. Accordingly, the election of one (1) Substitute Auditor is proposed in preparation for the case in which the number of Auditors would slip below the statutory minimum.

The Board of Auditors consented to the submission of this proposal.

The candidate for Substitute Auditor is as follows.

Name (Date of Birth)	Career Summary, Position in the Company and Important Concurrent Positions	Company Shares Held	Special Interest in the Company
Ryo Tsuchida (Registered name: Ryo Teranishi) (Jul. 4, 1968)	Apr. 1998	0 shares	No
	Apr. 2000		
	Apr. 2002		
	Apr. 2003		
	Apr. 2008		
	Jan. 2010		
	Apr. 2011		
	Apr. 2012		
	Apr. 2014		
	Apr. 2015		
	Jun. 2015		
	Nov. 2017		
	Apr. 2018		
	Dec. 2018		
	Jun. 2019		
	Jan. 2020		
	Apr. 2020		
Dec. 2021			

- (Notes)
1. Ryo Tsuchida is a candidate for Substitute Outside Auditor.
 2. Reasons for Ryo Tsuchida's candidacy for Substitute Outside Auditor include his valuable point of view as an attorney and university professor, and his specialized knowledge and experience concerning corporate law, which the Company would like to utilize in its audits if he assumes the office of Auditor, although the candidate does not have experience contributing to company management outside the roles of Outside Director and Outside Auditor.
 3. In view of his experience and performance as an attorney and university professor, as well as his ample knowledge of company audit tasks, Ryo Tsuchida has been deemed able to suitably execute the role of Outside Auditor, if he assumes the office of Auditor.
 4. Ryo Tsuchida satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. If he engages in work as Outside Auditor, the Company plans to submit notification concerning his designation as an independent officer.

5. If Ryo Tsuchida engages in work as Outside Auditor, the Company intends to conclude a contract with him for limitation of liability provided for in Article 423, paragraph 1 of the Companies Act, under the provisions of Article 427, paragraph 1 of the Companies Act and Article 39, paragraph 2 of the Articles of Incorporation. The maximum amount of the liability for damages based on the said contract shall be the minimum liability amount prescribed in applicable laws and regulations. However, recognition of this limitation of liability is restricted to cases in which the work causing the liability was carried out in good faith and without gross negligence.
6. The Company has entered into a directors and officers liability insurance policy with an insurance company. The policy covers damages arising from liability borne by the insured officers in the course of execution of their duties or claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion of liability for damages such as resulting from an illegal act with full knowledge of its illegality. If the election of Ryo Tsuchida as Outside Auditor is approved, he will be included in the insureds of this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms. For an overview of the details of the said liability insurance, see (3) Status of the Directors and Officers of the Company (ii) Overview of the Contracts for Limitation of Liability within the matters omitted from the paper-based documents in the Japanese version of the Business Report.