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Securities Code: 4674

May 29, 2023

(Start date of providing matters provided in electronic provision: May 19, 2023)

Dear Shareholders,

Hiroshi Tominaga  
President and Executive Officer  
CRESCO LTD.  
2-15-1 Kounan, Minato-ku, Tokyo

## Notice of the 35th Ordinary General Meeting of Shareholders

We are pleased to announce the 35th Ordinary General Meeting of Shareholders of CRESCO LTD. (the “Company”), which will be held as described below. In lieu of attending the meeting in person, you may exercise your voting rights by mail or via the Internet. Please examine the attached Reference Documents for the General Meeting of Shareholders or the Reference Documents for the General Meeting of Shareholders posted under the matters provided in electronic format, and exercise your voting rights by no later than 5:30 p.m. on Thursday, June 15, 2023 (JST).

**Date and Time:** Friday, June 16, 2023, at 10:00 a.m. (JST)

**Place:** “Ruby 34,” Main Tower 34F, Shinagawa Prince Hotel  
4-10-30 Takanawa, Minato-ku, Tokyo

### Purpose of the Meeting

- Matters to be reported:**
- 1.** Business Report and Consolidated Financial Statements for the 35th Fiscal Year (from April 1, 2022 to March 31, 2023), as well as the audit reports of the Accounting Auditors and the Audit and Supervisory Committee for Consolidated Financial Statements
  - 2.** Financial Statements for the 35th Fiscal Year (from April 1, 2022 to March 31, 2023)

**Matters to be resolved: Proposal 1:** Election of Seven (7) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

**Proposal 2:** Election of Three (3) Directors Serving on the Audit and Supervisory Committee

**Proposal 3:** Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee

**Matters regarding the Exercise of Voting Rights:**

- If you exercise your voting rights in duplicate both in writing and via the Internet, the vote exercised via the Internet shall prevail.
- If you exercise your voting rights in multiple times via the Internet, the last vote shall prevail.
- If you do not indicate your approval or disapproval of a proposal on the Voting Form, it shall be deemed your approval.

**Matters provided in electronic format**

- In convening this General Meeting of Shareholders, the Company has taken the measure of providing the Notice of the 35th Ordinary General Meeting of Shareholders electronically, and has posted it on the following website on the Internet.

[The Company's website]

<https://www.cresco.co.jp/ja/ir/library/meeting.html> (in Japanese)

- In addition to the Company's website, matters provided in electronic format are also posted on the website of the Tokyo Stock Exchange. Please access the following website and enter "Issue Name: CRESCO LTD." or "Code: 4674" to search, then select "Basic information" and "Documents for public inspection/PR information" and check "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting" under "Documents for public inspection."

[TSE website (Listed Company Search)]

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

- \* You are kindly requested to present the enclosed Voting Form to the receptionist when you attend the Meeting.
- \* The document sent to shareholders who have requested its delivery does not contain the following items pursuant to the provisions of laws and regulations and Article 14, Paragraph 2 of the Company's Articles of Incorporation. The document is therefore part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing the Audit Report.
  - Notes to Consolidated Financial Statements
  - Notes to Non-Consolidated Financial Statements
- \* In the event of any revisions to the matters provided in electronic format, the revised information will be posted on the respective websites where they are posted.

## **Guide for Exercise of Voting Rights**

### **Exercise of voting rights by attending the General Meeting of Shareholders**

You are kindly requested to exercise your voting rights by submitting the Voting Form to the reception desk at the meeting. (It is not required to fill out the form or stamp your seal.)

\* You may name one (1) shareholder who holds voting rights of the Company to act as a proxy and exercise your voting rights. Please note that the proxy will be required to submit a document evidencing his or her right of proxy.

**Date and time of the General Meeting of Shareholders:**

**Friday, June 16, 2023, at 10:00 a.m. (JST)**

### **In case you are not able to attend the General Meeting of Shareholders**

#### **Exercise of voting rights in writing**

Please indicate on the enclosed Voting Form whether you approve or disapprove of each proposal, and send it by mail to us.

**Deadline for exercise of voting rights in writing:**

**The Company must receive the completed Voting Form by Thursday, June 15, 2023, at 5:30 p.m. (JST).**

#### **Exercise of voting rights via the Internet**

Please access the website (<https://evote.tr.mufg.jp/>) (in Japanese), and indicate your approval or disapproval to each proposal by following the instructions on the screen.

Please refer to the next page for details.

**Deadline for exercise of voting rights via the Internet:**

**The Company must receive your voting instructions by Thursday, June 15, 2023, at 5:30 p.m. (JST).**

#### **To institutional investors: electronic voting platform**

The Company has participated in the platform for electronic exercise of voting rights operated by ICJ, Inc.

Trust banks and other nominee shareholders (including standing proxies) may apply in advance to use this platform. In this case, such shareholders can use this platform in addition to the exercise of voting rights via the Internet as a means to exercise their voting rights by electromagnetic means at General Meeting of Shareholders of the Company.

## Exercise of voting rights via the Internet

### Scanning QR Code

**(i) Scanning QR Code**

Scan the “Login QR Code” on the enclosed voting form (right side) with your smartphone.

**(ii) Selecting the method to exercise voting rights**

Select the method for exercising voting rights when the screen to select the method of approving or disapproving proposals is presented.

**(iii) Selecting approval or disapproval for each proposal**

Select approval or disapproval of each proposal in accordance with the on-screen instructions.

Complete the exercise of voting rights in accordance with the on-screen instructions.

### Entering login ID and temporary password

How to use the voting website

(i) Access to the website to exercise of voting rights

(ii) Enter your “login ID” and “temporary password” printed on the lower right in your Voting Form

(iii) Enter your “new password” and “new password (confirmation)”

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

### For inquiries with respect to the exercise of voting rights via the Internet please contact:

Corporate Agency Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

0120-173-027

(Toll free within Japan / available from 9:00 a.m. to 9:00 p.m.)

- \* Shareholders exercising their voting rights via the Internet can only do so via the website designated by the Company (<https://evote.tr.mufg.jp/>) (in Japanese) with a personal computer or smartphone.
- \* When exercising voting rights via the Internet, please be aware that the website is not available from 2:00 a.m. to 5:00 a.m. (JST) each day.
- \* Any fees for accessing the website for exercising voting rights (Internet connection fees, etc.) shall be borne by the shareholder.

## Reference Documents for the General Meeting of Shareholders

**Proposal 1:** Election of Seven (7) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

The terms of office of all six (6) Directors (excluding Directors serving on the Audit and Supervisory Committee) will expire at the conclusion of this ordinary general meeting of shareholders.

Accordingly, in order to further strengthen corporate governance, the Company requests the election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee), increasing the number of Outside Directors by one (1). The candidates for Directors (excluding Directors serving on the Audit and Supervisory Committee) to be elected are as follows:

There were no objections to the proposal upon the deliberation thereof at the Audit and Supervisory Committee.

No.	Name	Position and responsibility in the Company	Attendance at meetings of the Board of Directors
1	Reelection Hiroyuki Nemoto	Chairman & CEO	100% (14/14)
2	Reelection Hiroshi Tominaga	President and Executive Officer	100% (14/14)
3	Reelection Kazuo Sugiyama	Director, Senior Managing Executive Officer, Operation Management Group	100% (14/14)
4	Reelection Noriyuki Kogawa	Director, Senior Managing Executive Officer, Service Management Group	100% (14/14)
5	Reelection Outside Independent Junichi Fukui	Outside Director	100% (14/14)
6	Reelection Outside Independent Yukie Sato	Outside Director	100% (14/14)
7	New election Outside Independent Miyuki Sano	-	-

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
1	<p data-bbox="292 562 488 613">Hiroyuki Nemoto (February 12, 1960)</p> <p data-bbox="336 640 443 667">Reelection</p>	<p data-bbox="515 255 1134 282">Apr. 1988      Joined CRESCO LTD. due to its establishment</p> <p data-bbox="515 286 1214 338">Apr. 1998      Department Manager, System Technology Department, Open System Division, CRESCO LTD.</p> <p data-bbox="515 342 1150 394">Apr. 2002      Division Manager, Financial Solutions Division, Solutions Unit, CRESCO LTD.</p> <p data-bbox="515 398 1182 450">Jun. 2006      Director and Vice General Manager, Solutions Unit, CRESCO LTD.</p> <p data-bbox="515 454 1182 506">Apr. 2008      Managing Director and General Manager, Solutions Unit, CRESCO LTD.</p> <p data-bbox="515 510 1177 562">Apr. 2010      Managing Director and General Manager, Business Solutions Division, CRESCO LTD.</p> <p data-bbox="515 566 1177 633">Apr. 2011      Managing Director and General Manager, Business Solutions Division and Division Manager, Sales Division, CRESCO LTD.</p> <p data-bbox="515 638 1177 689">Oct. 2011      Managing Director and General Manager, Business Solutions Division, CRESCO LTD.</p> <p data-bbox="515 694 1230 761">Apr. 2012      Managing Director and General Manager, Business Solutions Division and Department Manager, Consulting Center, CRESCO LTD.</p> <p data-bbox="515 766 1177 817">Apr. 2013      Managing Director and General Manager, Business Solutions Division, CRESCO LTD.</p> <p data-bbox="515 822 932 848">Apr. 2014      President, CRESCO LTD.</p> <p data-bbox="515 853 1150 880">Jun. 2016      President and Executive Officer, CRESCO LTD.</p> <p data-bbox="515 884 1193 952">Apr. 2022      Chairman &amp; CEO, CRESCO LTD. (current position) (Significant Position Concurrently Held)</p> <p data-bbox="515 956 523 972">-</p>	106,348 shares
<p data-bbox="284 978 778 1005">[Reasons for nomination as candidate for Director]</p> <p data-bbox="284 1010 1358 1104">As Chairman &amp; CEO of the Company, he has been leading the Company and the Group based on his extensive experience and knowledge. The Company deems that he is capable of contributing to the enhancement of the Group's corporate value by fulfilling his role as a Director, including by supervising business execution, and therefore has again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
2.	Hiroshi Tominaga (January 9, 1967)  Reelection	Apr. 1990      Joined CRESCO LTD. Apr. 2006      Department Manager, Department 3, Infrastructure Systems Division, Solutions Unit, CRESCO LTD. Apr. 2007      Vice Division Manager, Infrastructure Systems Division, Solutions Unit, CRESCO LTD. Apr. 2009      Division Manager, Infrastructure Systems Division, Solutions Unit, CRESCO LTD. Apr. 2013      Vice General Manager, Business Solutions Division, CRESCO LTD. Jun. 2013      Director and Vice General Manager, Business Solutions Division, CRESCO LTD. Apr. 2014      Director and Vice General Manager, General Business Solutions Unit, CRESCO LTD. Apr. 2016      Director and General Manager, Business Management Unit and Division Manager, Management Strategy Division, CRESCO LTD. Jun. 2016      Director, Operating Officer, and General Manager, Business Management Unit and Division Manager, Management Strategy Division, CRESCO LTD. Jun. 2017      Director and Managing Executive Officer, and General Manager, Business Management Unit and Division Manager, Business Management Strategy Division, CRESCO LTD. Apr. 2018      Director and Managing Executive Officer, Operation Management Group and General Manager, Business Management Unit, CRESCO LTD. Apr. 2020      Director, Managing Executive Officer, General Manager, Service Competency Unit, Technology Laboratory and Quality Management Unit, CRESCO LTD. Jun. 2021      Director, Senior Managing Executive Officer, General Manager, Service Competency Unit, Technology Laboratory and Quality Management Unit, CRESCO LTD. Apr. 2022      President and Executive Officer, CRESCO LTD. (current position) (Significant Position Concurrently Held) —	19,666 shares
[Reasons for nomination as candidate for Director] As President and Executive Officer of the Company, he has been in charge of the overall management of the Company and the Group. The Company deems that through his strong leadership, he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
3.	Kazuo Sugiyama (September 1, 1964)  Reelection	<p>Nov. 1990      Joined CRESCO LTD.</p> <p>Apr. 2010      Department Manager, Finance Department, CRESCO LTD.</p> <p>Jun. 2013      Director and Department Manager, Finance Department, CRESCO LTD.</p> <p>Apr. 2014      Director and Department Manager, Accounting &amp; Finance Department, CRESCO LTD.</p> <p>Apr. 2016      Director, General Manager, Accounting &amp; Finance Unit and Department Manager, Group Accounting Department, CRESCO LTD.</p> <p>Jun. 2016      Director, Operating Officer, and General Manager, Accounting &amp; Finance Unit and Department Manager, Group Accounting Department, CRESCO LTD.</p> <p>Jun. 2017      Director, Managing Executive Officer, and General Manager, Accounting &amp; Finance Unit, CRESCO LTD.</p> <p>Apr. 2021      Director, Managing Executive Officer, and Vice General Manager, Corporate Supervisory Unit, CRESCO LTD.</p> <p>Oct. 2021      Director, Managing Executive Officer, and General Manager, Corporate Supervisory Unit, CRESCO LTD.</p> <p>Apr. 2022      Director, Senior Managing Executive Officer, Operation Management Group, CRESCO LTD. (current position)</p> <p>(Significant Position Concurrently Held)</p> <p>—</p>	23,761 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Having served as a person responsible for administrative divisions of the Company, he has an ample experience and achievements concerning accounting and finance. As the Company expects that he is contributing to the strengthening of management and the promotion of operational efficiency for administrative divisions at each of the Group's company, and that he sufficiently fulfills his role in the decision-making and supervision on significant business execution of the Company with his superior expertise, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director.</p>			
4	Noriyuki Kogawa (November 24, 1963)  Reelection	<p>Sep. 1990      Joined CRESCO LTD.</p> <p>Apr. 2004      Department Manager, Department 2, Technology Solution Division, CRESCO LTD.</p> <p>Apr. 2012      Vice Division Manager, Embedded Solutions Division, CRESCO LTD.</p> <p>Apr. 2015      Division Manager, Embedded Solutions Division, CRESCO LTD.</p> <p>Apr. 2018      Operating Officer, Vice General Manager, General Business Solutions Unit 2 and Division Manager, Embedded Solutions Division, CRESCO LTD.</p> <p>Apr. 2019      Operating Officer, Vice General Manager, General Business Solutions Unit and in charge of Industrial Business-Unit, CRESCO LTD.</p> <p>Apr. 2020      Managing Executive Officer, and General Manager, General Business Solutions Unit, CRESCO LTD.</p> <p>Jun. 2020      Director, Managing Executive Officer, and General Manager, General Business Solutions Unit, CRESCO LTD.</p> <p>Apr. 2022      Director, Senior Managing Executive Officer, Service Management Group, CRESCO LTD. (current position)</p> <p>(Significant Position Concurrently Held)</p> <p>—</p>	17,513 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>He has ample experience and achievements pertaining to the Embedded Solutions Division of the Company. He is in charge of all aspects of the Company's business and is fulfilling his responsibilities in strengthening the customer base and improving and reinforcing the profit structure. As he has sufficiently fulfilled his role in the decision-making and supervision on significant business execution of the Company with his superior expertise, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director.</p>			



No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
	Junichi Fukui (November 5, 1953)  Reelection  Outside  Independent	Apr. 1977    Joined The Nippon Fudosan Bank, Limited (current Aozora Bank, Ltd.) Feb. 1999    General Manager, Public Relations Division, The Nippon Fudosan Bank, Limited Jun. 2000    Department Manager, Secretary's Office and Department Manager, Public Relations Office, The Nippon Fudosan Bank, Limited Apr. 2001    General Manager, Head Office Corporate Business Division III, Aozora Bank, Ltd. Oct. 2005    Director, STAFF SERVICE HOLDINGS CO., LTD. Mar. 2014    Advisor, STAFF SERVICE HOLDINGS CO., LTD. Oct. 2014    Advisor, Corporate Planning Office, Kyodo News Jun. 2015    Director in charge of business, K.K. Kyodo News Jun. 2016    Managing Director, K.K. Kyodo News Jun. 2018    Outside Director, CRESCO LTD. (current position) Jun. 2019    Advisor, K.K. Kyodo News (Significant Position Concurrently Held) -	0 shares
5	<p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play]            He has extensive knowledge and insights on corporate management as well as ample experience and achievements concerning corporate planning, public relations, etc. As an Outside Director, he evaluates the current status of the Company from an objective perspective and has fulfilled his responsibilities by providing extensive advice and support to the Board of Directors on matters such as the effectiveness of the Board of Directors and the Company's public relations strategy. Since he is expected to continue to provide advice and opinions, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Outside Director.</p> <p>[Special matters concerning candidate for Outside Director]</p> <ol style="list-style-type: none"> <li>1. Notification of Independent Directors              The Company has notified the Tokyo Stock Exchange of Mr. Junichi Fukui as an Independent Director, as he satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations.</li> <li>2. Tenure as Outside Director of the Company              At the conclusion of this meeting, Mr. Junichi Fukui's tenure as Outside Director of the Company will have been five (5) years.</li> <li>3. Relationships between the Company and companies where Directors hold significant concurrent positions              Not applicable.</li> <li>4. Relationships between the Company and companies where the candidate has previously served as an executive              Mr. Junichi Fukui served as an executive of STAFF SERVICE HOLDINGS CO., LTD., which is a business partner of the Company, until September 2014. However, more than five years have already passed since he resigned, he has not been involved in the execution of business since retiring, and the amount of the transactions with that company are small at about 1% of our consolidated net sales.</li> <li>5. Overview of limited liability agreement              Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Junichi Fukui to limit his liability for damages under Article 423, paragraph 1 of the same Act. If his reelection is approved at this meeting, the Company intends to renew the same agreement with him. The limit of Mr. Junichi Fukui's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</li> </ol>		

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
	Yukie Sato (June 30, 1965)  Reelection  Outside  Independent	Apr. 1989      Joined The Nippon Credit Bank, Ltd. (current Aozora Bank, Ltd.) May 1999      Joined ExecNet (current Shimamoto Partners) Feb. 2007      President and Representative Director of Chemistry Co., Ltd. due to its establishment (current position) Jun. 2020      Outside Director, CRESCO LTD. (current position) (Significant Position Concurrently Held) President and Representative Director, Chemistry Co., Ltd.	0 shares
6	<p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play]            She has ample experience and achievements in executive consulting as well as extensive knowledge and insights on management overall as a corporate manager. She also possesses the personal characteristics required of an outside Director, such as high ethical standards, independence, understanding of diversity, and a sense of fairness, and she has fulfilled her responsibilities by providing objective advice and support to the Company at Board of Directors meetings and by appropriately supervising the execution of the Company's operations. As she can, furthermore, be expected to provide advice and opinions from the perspective of utilizing and developing the Company's human resources, the Company deems that she is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated her as a candidate for Outside Director.</p> <p>[Special matters concerning candidate for Outside Director]</p> <ol style="list-style-type: none"> <li>1. Notification of Independent Directors              The Company has notified the Tokyo Stock Exchange of Ms. Yukie Sato as an Independent Director, as she satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations. The Company has no business relationship with any company where she has executed business in the past.</li> <li>2. Tenure as Outside Director of the Company              At the conclusion of this meeting, Ms. Yukie Sato's tenure as Outside Director of the Company will have been three (3) years.</li> <li>3. Relationships between the Company and companies where Directors hold significant concurrent positions              There is no significant business relationship or other relationship between the Company and Chemistry Co., Ltd., where Ms. Yukie Sato currently holds a position.</li> <li>4. Overview of limited liability agreement              Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Yukie Sato to limit her liability for damages under Article 423, paragraph 1 of the same Act. If her reelection is approved at this meeting, the Company intends to renew the same agreement with her. The limit of Ms. Yukie Sato's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</li> </ol>		

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
7	Miyuki Sano (May 26, 1962)  New election  Outside  Independent	<p>Apr. 1985      Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>Jul. 1999      Transferred to NTT Communications Corporation</p> <p>Jun. 2015      Joined NTT Human Solutions Corporation (current Pasona HS Inc.) Director and General Manager, Planning and General Affairs Department, NTT Human Solutions Corporation (current Pasona HS Inc.)</p> <p>Aug. 2018      Managing Executive Officer and General Manager, Planning and General Affairs Department, Pasona Human Solutions Inc. (current Pasona HS Inc.)</p> <p>Jun. 2020      Managing Executive Officer and Deputy General Manager, Sales Headquarters, Pasona HS Inc.</p> <p>Sep. 2020      General Manager in charge of special assignment, Sales Headquarters, Pasona HS Inc.</p> <p>(Significant Position Concurrently Held)</p> <p>—</p>	0 shares
		<p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play] She has held key positions and directorships in business companies and has extensive experience and accomplishments in sales planning. As she also has extensive experience in human resources and general affairs, and is expected to evaluate the status of the Company from an objective perspective as Outside Director and provide advice and support from a broad perspective on the business activities of the Company, she has been nominated as a candidate for Outside Director.</p> <p>[Special matters concerning candidate for Outside Director]</p> <p>1. Notification of Independent Directors The Company has notified the Tokyo Stock Exchange of Ms. Miyuki Sano as an Independent Director, as she satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations. The Company has no business relationship with any company where she has executed business in the past.</p> <p>2. Relationships between the Company and companies where Directors hold significant concurrent positions Ms. Miyuki Sano served as an executive of Pasona HS Inc. until May 2023, there is no significant business relationship or other relationship between Pasona HS Inc. and the Company.</p> <p>3. Overview of limited liability agreement If Ms. Miyuki Sano is elected as a Director, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company intends to enter into an agreement with her to limit her liability for damages under Article 423, paragraph 1 of the same Act. The limit of Ms. Miyuki Sano's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</p>	

- Notes: 1. No special interest exists between any of the above candidates and the Company.
2. The number of Company's shares held is the effective number of shares held, including shares held through the Company stockholding association.
3. The Company has entered into a directors and officers liability insurance contract with an insurance company, and the said insurance contract will cover damage that may arise from the insured person's assuming responsibility for the execution of their duties or receiving claims related to the pursuit of the said responsibility. If a candidate assumes office as a Director, he/she will be insured by the said insurance contract, and the said insurance contract is planned to be renewed during the course of his/her term of office. No insurance premium will be borne by the insured.

**Proposal 2:** Election of Three (3) Directors Serving on the Audit and Supervisory Committee

The terms of office of all three (3) Directors serving on the Audit and Supervisory Committee will expire at the conclusion of this ordinary general meeting of shareholders. Accordingly, the Company requests the election of three (3) Directors serving on the Audit and Supervisory Committee.

The Audit and Supervisory Committee has already given its consent to this proposal.

The candidates for Directors serving on the Audit and Supervisory Committee to be elected are as follows:

No.	Name	Position and responsibility in the Company	Attendance at meetings of the Board of Directors
1	Reelection Satoshi Takaishi	Director (Full-time Member of the Audit and Supervisory Committee)	100% (14/14)
2	Reelection Outside Independent Haruo Sato	Outside Director (Audit and Supervisory Committee Member)	100% (14/14)
3	Reelection Outside Independent Masayuki Maekawa	Outside Director (Audit and Supervisory Committee Member)	100% (14/14)

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
1	Satoshi Takaishi (May 26, 1962)  Reelection	<p>Jul. 2015      Joined CRESKO LTD. Vice Division Manager, Planning Promotion Division, CRESKO LTD.</p> <p>Apr. 2016      Vice General Manager, Operation Management Group, CRESKO LTD.</p> <p>Jun. 2017      Operating Officer and Vice General Manager, Operation Management Group, CRESKO LTD.</p> <p>Apr. 2018      Operating Officer and General Manager, Operation Management Group, CRESKO LTD.</p> <p>Apr. 2020      Executive Officer and Vice General Manager, Corporate Supervisory Unit, CRESKO LTD.</p> <p>Jun. 2021      Director (Full-time Member of the Audit and Supervisory Committee), CRESKO LTD. (current position)</p> <p>(Significant Position Concurrently Held)</p> <p>—</p>	7,659 shares
<p>[Reasons for nomination as candidate for Director], He has led auditing globally as a person in charge of an audit department at operating companies. After joining the Company, he has sufficiently fulfilled his job duties in M&amp;A and the reinforcement of group governance. Since his accumulated work experience and expertise will be conducive to performing responsibilities of the Audit and Supervisory Committee, the Company deems that he is well qualified as a candidate for Director serving on the Audit and Supervisory Committee.</p>			
2	Haruo Sato (November 27, 1956)  Reelection  Outside  Independent	<p>Apr. 1979      Joined Nomura Computer Systems Co., Ltd. (current Nomura Research Institute, Ltd.)</p> <p>Jul. 2003      Director, STAFF SERVICE HOLDINGS CO., LTD.</p> <p>Apr. 2009      Executive Officer, Nissay Information Technology Co., Ltd.</p> <p>Apr. 2015      Independent as a consultant</p> <p>Jun. 2017      Outside Director serving on the Audit and Supervisory Committee, CRESKO LTD. (current position)</p> <p>Dec. 2022      Director, Cognavi India Private Limited (current position)</p> <p>(Significant Position Concurrently Held) Director, Cognavi India Private Limited</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play] The Company expects that he will, from an independent and neutral position, provide advice to the Board of Directors regarding the development of management plans and appropriately perform his duties including the confirmation of progress status, etc. and the supervision of Directors, based on his extensive knowledge and insights on corporate management as well as his ample experience and expertise concerning consulting on and planning, design and development of information systems, and therefore the Company deems that he is well qualified as a candidate for Outside Director serving on the Audit and Supervisory Committee.</p> <p>[Special matters concerning candidate for Outside Director]</p> <ol style="list-style-type: none"> <li>Notification of Independent Directors The Company has notified the Tokyo Stock Exchange of Mr. Haruo Sato as an Independent Director, as he satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations.</li> <li>Tenure as Outside Director of the Company At the conclusion of this meeting, Mr. Haruo Sato's tenure as Outside Director of the Company will have been six (6) years, and all six of those years were spent as Director serving on the Audit and Supervisory Committee.</li> <li>Relationships between the Company and companies where Directors hold significant concurrent positions The Company plans to make an investment in Cognavi India Private Limited, in which Mr. Haruo Sato concurrently serves.</li> <li>Relationships between the Company and companies where the candidate has previously served as an executive Mr. Haruo Sato served as an executive of STAFF SERVICE HOLDINGS CO., LTD., which is a business partner of the Company, until September 2009. However, more than ten years have already passed since he resigned, he has not been involved in the execution of business since retiring, and the amount of the transactions with that company are small at about 1% of our consolidated net sales.</li> <li>Overview of limited liability agreement Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Haruo Sato to limit his liability for damages under Article 423, paragraph 1 of the same Act. If his reelection is approved at this meeting, the Company intends to renew the same agreement with him. The limit of Mr. Haruo Sato's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</li> </ol>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
3.	Masayuki Maekawa (March 30, 1965)  Reelection  Outside  Independent	<p>Oct. 1991      Joined Chuo Shinko Audit Corporation</p> <p>Mar. 2001      CEO, Masayuki Maekawa Certified Public Accountants Office due to its establishment (current position)</p> <p>Dec. 2004      Auditor, Mobcast (current MOBCAST HOLDINGS INC.)</p> <p>Jul. 2005      Auditor, TRANZAS Inc. (current TRaaS On Product Inc.)</p> <p>Oct. 2006      Representative Director, CONSOLIX Co., Ltd. due to its establishment (current position)</p> <p>Jun. 2012      Auditor, Ushiospax (current ModuleX Inc.) (current position)</p> <p>Mar. 2014      Director, TRANZAS Inc. (current TRaaS On Product Inc.)</p> <p>Feb. 2015      Representative Director, IPF Corporation Co., Ltd. (current position)</p> <p>Mar. 2015      Auditor, ZMP Inc.</p> <p>Jun. 2021      Outside Director serving on the Audit and Supervisory Committee, CRESCO LTD. (current position) Outside Director, I.A GROUP CORPORATION (current position)</p> <p>(Significant Position Concurrently Held) CEO, Masayuki Maekawa Certified Public Accountants Office Auditor, ModuleX Inc. Representative Director, CONSOLIX Co., Ltd. Representative Director, IPF Corporation Co., Ltd. Outside Director, I.A GROUP CORPORATION</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play] As a certified public accountant, he is well versed in finance, M&amp;A, accounting, and tax and has sufficient insights for governing corporate management. Since he is well qualified to perform management monitoring on the basis of his broad experience of being directly involved with corporate management and having served as an outside director for multiple companies and expected to contribute to the reinforcement of the monitoring function of the Board of Directors and to provide advice and opinions from a broad managerial perspective, the Company deems that he is well qualified as a candidate for Outside Director serving on the Audit and Supervisory Committee.</p> <p>[Special matters concerning candidate for Outside Director]</p> <p>1. Notification of Independent Directors The Company has notified the Tokyo Stock Exchange of Mr. Masayuki Maekawa as an Independent Director, as he satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations. The Company has no business relationship with any company where he has executed business in the past.</p> <p>2. Tenure as Outside Director of the Company At the conclusion of this meeting, Mr. Masayuki Maekawa's tenure as Outside Director of the Company will have been two (2) years, and all two of those years were spent as Director serving on the Audit and Supervisory Committee.</p> <p>3. Relationships between the Company and companies where Directors hold significant concurrent positions There is no significant business relationship or other relationship between the Company and the company where Mr. Masayuki Maekawa currently holds a position.</p> <p>4. Overview of limited liability agreement Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Masayuki Maekawa to limit his liability for damages under Article 423, paragraph 1 of the same Act. If his reelection is approved at this meeting, the Company intends to renew the same agreement with him. The limit of Mr. Masayuki Maekawa's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</p>			

- Notes: 1. No special interest exists between any of the above candidates and the Company.
2. The number of Company's shares held is the effective number of shares held, including shares held through the Company stockholding association.
3. The Company has entered into a directors and officers liability insurance contract with an insurance company, and the said insurance contract will cover damage that may arise from the insured person's assuming responsibility for the execution of their duties or receiving claims related to the pursuit of the said responsibility. If a candidate assumes office as a Director, he/she will be insured by the said insurance contract, and the said insurance contract is planned to be renewed during the course of his/her term of office. No insurance premium will be borne by the insured.

(Reference)

Subject to approval of the proposal for skill matrix (table indicating areas in which Director candidates are expected to be proficient in), areas in which each Director is expected to be proficient in are indicated below based on our experience so far.

● Major skill ○ Minor skill

No.	Name	Role/responsibility	Corporate management	Digital transformation and IT	Quality control	Human resources management and development	Finance and accounting	Legal affairs and risk management	Public relations and marketing	Internationality	Specialty(*)
Candidates for Directors											
1	Hiroyuki Nemoto	Chairman & CEO	●	●	●	○		○	●		
2	Hiroshi Tominaga	President and Executive Officer	●	●	●	○			○		
3	Kazuo Sugiyama	Director, Senior Managing Executive Officer, Operation Management Group	●	●		○	●	○	○		
4	Noriyuki Kogawa	Director, Senior Managing Executive Officer, Service Management Group	●	●	●				○		
5	Junichi Fukui	Outside Director	●			●	●		●		
6	Yukie Sato	Outside Director	●			●	●		○	○	
7	Miyuki Sano	Outside Director	●	○	○	●			●	●	
Candidates for Directors serving on the Audit and Supervisory Committee											
1	Satoshi Takaishi	Director (Full-time Member of the Audit and Supervisory Committee)	●			●		●		○	
2	Haruo Sato	Outside Director (Audit and Supervisory Committee Member)	●	●	●	○				●	
3	Masayuki Maekawa	Outside Director (Audit and Supervisory Committee Member)	●			○	●	●			Certified Public Accountant, Certified Tax Accountant

\* Professional qualifications, business-related qualifications, etc.

**Proposal 3:** Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee

The Company requests the election of one (1) Substitute Director serving on the Audit and Supervisory Committee, as a substitute for all the Directors serving on the Audit and Supervisory Committee, to prepare for a situation where the number of Directors serving on the Audit and Supervisory Committee does not satisfy the number specified by laws and regulations.

The Audit and Supervisory Committee has already given its consent to this proposal.

The candidate for Substitute Director serving on the Audit and Supervisory Committee to be elected is as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company	Number of the Company's shares held
1	Motohiro Ikehara (September 9, 1974)  Outside  Independent	Apr. 2000 Registered as an attorney at law (Tokyo Bar Association), joined Yanagida & Nomura (current Yanagida & Partners) Oct. 2006 Joined City-Yuwa Partners Jun. 2007 Registered as Attorney in New York State Sep. 2009 Joined Nomura & Partners Jan. 2014 Partner, Nomura & Partners (current position) Jun. 2016 Outside Director, Nissin Sugar Co., Ltd. (current position) Jun. 2019 Outside Director, Ekitan&Co., Ltd. (Significant Position Concurrently Held) —	0 shares
[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play] Equipped with a legal perspective and broad knowledge as a lawyer, he has abundant business experience regarding laws and regulations, risk management, etc., primarily in the area of corporate legal affairs. Although he has no experience of direct involvement in corporate management other than by way of serving as an outside director, the Company deems that he is well qualified for management monitoring and supervision from an objective and legal perspective on the basis of his expertise as a lawyer and experience as outside directors of multiple companies. Therefore, the Company has nominated him as a candidate for Substitute Outside Director serving on the Audit and Supervisory Committee.			

- Notes:
1. No special interest exists between the above candidate and the Company.
  2. Mr. Motohiro Ikehara is a candidate for Substitute Outside Director serving on the Audit and Supervisory Committee. If he assumes office as an Outside Director serving on the Audit and Supervisory Committee, the Company plans to notify the Tokyo Stock Exchange of Mr. Motohiro Ikehara as an Independent Director, as he satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations.
  3. If Mr. Motohiro Ikehara assumes office as an Outside Director serving on the Audit and Supervisory Committee, the Company will conclude a limited liability agreement with him, pursuant to Article 427, paragraph 1 of the Companies Act. Based on this agreement, Mr. Motohiro Ikehara's liability as an Outside Director serving on the Audit and Supervisory Committee would be limited to the minimum liability amount as specified by laws and regulations.
  4. The Company has entered into a directors and officers liability insurance contract with an insurance company, and the said insurance contract will cover damage that may arise from the insured person's assuming responsibility for the execution of their duties or receiving claims related to the pursuit of the said responsibility. If the candidate's election is approved and he assumes office as a Director serving on the Audit and Supervisory Committee, he will be insured by the said insurance contract, and the said insurance contract is planned to be renewed during the course of his term of office. No insurance premium will be borne by the insured.