

Articles of Incorporation

Chapter 1 General Provisions

Article 1 (Name of the Company)

The name of the Company shall be Kabushiki kaisha Cresco.

It shall be written in English as CRESCO LTD.

Article 2 (Purpose)

The purpose of the Company shall be to engage in the following business activities:

- (1) Consulting and solution services for information systems;
- (2) Design and development for information systems;
- (3) Operations management and maintenance services for information systems;
- (4) Investigation, analysis, evaluation, and technical support for information systems;
- (5) Education and training on design, development, operation and management methods for information systems;
- (6) Development, import and export, manufacturing, sales and lease of software, hardware and related equipment;
- (7) Worker dispatching undertakings; and
- (8) Any and all other businesses incidental or related to any of the foregoing items.

Article 3 (Location of the Head Office)

The head office of the Company shall be located at Minato-ku, Tokyo, Japan.

Article 4 (Method of Public Notice)

Public notices of the Company shall be given electronically; provided, however, that if the Company is unable to give an electronic public notice because of an accident or any other unavoidable reason, public notices of the Company may be given in “The Nikkei” newspaper.

Chapter 2 Shares

Article 5 (Total Number of Authorized Shares)

The total number of authorized shares of the Company shall be 68,000,000.

Article 6 (Number of Shares per Share Unit)

The number of shares per share unit of the Company shall be 100.

Article 7 (Demand for Sale to Holder of Shares Less than One (1) Unit)

A shareholder of the Company who holds shares less than one (1) unit may request the Company to sell to the shareholder a number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit (hereinafter called “additional purchase”).

Article 8 (Restriction on Rights of Holder of Shares Less than One (1) Unit)

A holder of shares less than one (1) unit of the Company may not exercise any rights other than the rights listed below:

- (1) Rights set forth in items of Article 189, Paragraph 2 of the Companies Act;
- (2) Right to demand for acquisition of shares with put option;
- (3) Right to receive an allotment of offered shares and offered share acquisition rights; and
- (4) Right to demand for the additional purchase of shares less than one (1) unit as prescribed in the preceding Article.

Article 9 (Share Handling Regulations)

Entries or records in the shareholder register and the register of subscription rights to shares, purchase by the Company or additional purchase by the holders of shares less than one (1) unit, other matters of handling and fees related to shares and subscription rights to shares, procedure for the exercise of rights by shareholders, etc., shall be governed by the share handling regulations established by the Board of Directors, in addition to applicable laws and regulations and the Articles of Incorporation.

Article 10 (Shareholder Register Administrator)

1. The Company shall have a shareholder register administrator.
2. The shareholder register administrator and the place of business thereof shall be selected by resolution of the Board of Directors and public notice thereof shall be given.

Article 11 (Record Date)

1. The Company shall deem any shareholder with voting rights entered or recorded in the shareholder register as at the closing of March 31 each fiscal year to be a shareholder who is entitled to exercise his or her rights at the ordinary general meeting of shareholders pertaining to the fiscal year.
2. Notwithstanding the provisions of the preceding paragraph, the Company may, if necessary, deem the shareholders or registered pledgees of shares entered or recorded in the shareholder register as at the closing of any particular date to be the shareholders or registered pledgees of shares who are entitled to exercise their rights, provided that it gives prior public notice by a resolution of the

Board of Directors.

Chapter 3

General Meeting of Shareholders

Article 12 (Convocation)

An ordinary general meeting of shareholders shall be convened in June every year. An extraordinary general meeting of shareholders shall be convened whenever necessary.

Article 13 (Convener and Chairperson)

1. Unless otherwise provided for by laws and regulations, a general meeting of shareholders shall be convened by the Chairman or the President pursuant to a resolution of the Board of Directors. In the event of a difficulty or an accident that prevents the Chairman or the President so acting, a general meeting of shareholders shall be convened by another Director designated in accordance with the order determined by the Board of Directors in advance.
2. A general meeting of shareholders shall be chaired by the Chairman or the President. In the event of a difficulty or an accident that prevents the Chairman or the President so acting, a general meeting of shareholders shall be chaired by another Director designated in accordance with the order determined by the Board of Directors in advance.

Article 14 (Measures for Providing Information in Electronic Format, Etc. of Shareholders)

1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.

Article 15 (Method of Resolution)

1. Unless otherwise provided for by laws and regulations, and the Articles of Incorporation, resolutions of a general meeting of shareholders shall be made by a majority of the votes of the shareholders who are present at the meeting and entitled to exercise their votes at such meetings.
2. Resolutions of a general meeting of shareholders as prescribed in Article 309, Paragraph 2 of the Companies Act, unless otherwise provided for by the Articles of Incorporation, shall be made by at least two-thirds ($2/3$) of the votes of the shareholders present at the meeting where the shareholders holding at least one-third ($1/3$) of the voting rights of the shareholders entitled to exercise their votes at such meetings are present.

Article 16 (Proxy Voting)

1. Every shareholder may exercise his/her votes by having one (1) other shareholder of the Company with voting rights act as a proxy on his/her behalf.
2. In the cases provided for in the preceding paragraph, a shareholder or a proxy must submit to the Company a document evidencing the proxy's authority to represent at each general meeting of shareholders.

Article 17 (Minutes)

1. The outline of proceedings, results of general meeting of shareholders and other items required by laws and regulations shall be recorded in the minutes.
2. The original of the minutes of a general meeting of shareholders shall be kept at the head office for ten (10) years after the date of the relevant resolution and a copy of such minutes shall be kept at a branch office for five (5) years after the same date.

Chapter 4

Directors and Board of Directors

Article 18 (Establishment of Board of Directors)

The company shall have a Board of Directors.

Article 19 (Number of Directors)

1. The Company shall have not more than twelve (12) Directors (excluding Directors serving on the Audit and Supervisory Committee).
2. The Company shall have not more than four (4) Directors serving on the audit and supervisory committee (hereinafter called "audit and supervisory committee member").

Article 20 (Election of Directors)

1. A Director shall be elected by resolution of a general meeting of shareholders, while making a distinction between Audit and Supervisory Committee Members and other Directors.
2. Election of a Director shall be made by the quorum of shareholders holding one-third (1/3) or more of the voting rights held by all the shareholders entitled to exercise their voting rights being present at the relevant general meeting of shareholders, and by the resolution of a majority vote of the voting rights of such present shareholders.
3. Resolutions for election of a Director shall not be conducted by cumulative voting.

Article 21 (Term of Directors)

1. The term of office of a Director shall expire at the conclusion of the ordinary general meeting of shareholders pertaining to the last business year ending within one (1) year after his/her election.

2. Notwithstanding the provision of the preceding paragraph, the term of office of an Audit and Supervisory Committee Member shall expire at the conclusion of the ordinary general meeting of shareholders pertaining to the last business year ending within two (2) years after his/her election.
3. The term of office of the Audit and Supervisory Committee Member who is elected as a substitute shall be the remaining term of office of the predecessor.
4. The effective term of the resolution for election of a substitute Audit and Supervisory Committee Member under Article 329, Paragraph 3 of the Companies Act shall expire at the conclusion of the ordinary general meeting of shareholders pertaining to the last business year ending within two (2) years after his/her election.

Article 22 (Representative Directors, Directors with Title)

1. The Board of Directors shall by its resolution select Representative Directors from among the Directors (excluding Audit and Supervisory Committee Members).
2. The Representative Director shall execute the business of the Company as a representative of the Company.
3. The Board of Directors shall appoint a Director as the President and, if necessary, may appoint a small number of Directors as the Chairman, Vice Chairman, Executive Vice President, Senior Managing Directors and Managing Directors, by its resolution.

Article 23 (Convener and Chairperson of Meeting of Board of Directors)

Unless otherwise provided for by laws and regulations, meetings of the Board of Directors shall be convened and chaired by the Chairman or the President. In cases where the Chairman or the President is prevented from so acting, a meeting of the Board of Directors shall be convened and chaired by another Director designated in accordance with the order determined by the Board of Directors in advance.

Article 24 (Convocation Notice regarding Meeting of Board of Directors)

Convocation notice regarding a meeting of the Board of Directors shall be dispatched to each Director at least five (5) days prior to the date of such meeting; provided, however, that such period may be shortened in the case of urgent necessity.

Article 25 (Method of Resolution by Board of Directors)

The resolutions of the Board of Directors shall be made by a majority of the Directors present, which present Directors shall constitute, in number, a majority of the total number of Directors entitled to vote.

Article 26 (Omission of Resolution by Board of Directors)

If all the Directors indicate their consent to the proposal, which is the subject of a resolution by the Board of Directors, either in writing or in electronic form, the Company shall deem such proposal as having been approved by the Board of Directors.

Article 27 (Delegation of Decision regarding Execution of Duties to a Director)

The company may, pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, delegate all or part of a decision regarding execution of important duties (excluding matters set forth in items of Article 399-13, Paragraph 5 of the Companies Act) to a Director by resolution of the Board of Directors.

Article 28 (Minutes of Meeting of Board of Directors)

The outline of proceedings, results of meeting of the Board of Directors and other items required by laws and regulations shall be recorded in the minutes, and the Directors present shall affix their names and seals thereto or put their electronic signatures thereon.

Article 29 (Regulations for Board of Directors)

Particulars relating to the Board of Directors, except the matters specified by laws and regulations or the Articles of Incorporation, shall be governed by the regulations for the Board of Directors adopted by the Board of Directors.

Article 30 (Remunerations, etc. for Directors)

Remunerations, etc. for Directors shall be determined by resolution of a general meeting of shareholders, while making a distinction between Audit and Supervisory Committee Members and other Directors.

Article 31 (Exemption from Liability of Directors)

1. The Company may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, Paragraph 1 of the Companies Act, exempt Directors (including former Directors) from their liability for damages within the scope of amounts of the total compensation liability amount after deduction of the minimum liability amount specified by laws and regulations, by resolution of the Board of Directors.
2. The Company and a Director (excluding Directors with executive authority over operations, etc.) may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of the Director; provided, however, that the limit of the liability under such agreements shall be the minimum liability amount specified by laws and regulations.

Chapter 5

Audit and Supervisory Committee

Article 32 (Establishment of Audit and Supervisory Committee)

The company shall have an Audit and Supervisory Committee.

Article 33 (Convocation Notice regarding Meeting of Audit and Supervisory Committee)

Convocation notice regarding a meeting of the Audit and Supervisory Committee shall be dispatched to each audit and supervisory committee member at least five (5) days prior to the date of such meeting; provided, however, that such period may be shortened in the case of urgent necessity.

Article 34 (Method of Resolution by Audit and Supervisory Committee)

The resolutions of the Audit and Supervisory Committee shall be made by a majority of the Audit and Supervisory Committee Members present, which present Audit and Supervisory Committee Members shall constitute, in number, a majority of Audit and Supervisory Committee Members.

Article 35 (Minutes of Meeting of Audit and Supervisory Committee)

The outline of proceedings, results of meeting of the Audit and Supervisory Committee and other items required by laws and regulations shall be recorded in the minutes, and the Audit and Supervisory Committee Members present shall affix their names and seals thereto or put their electronic signatures thereon.

Article 36 (Regulations for Audit and Supervisory Committee)

Particulars relating to the Audit and Supervisory Committee, except the matters specified by laws and regulations or the Articles of Incorporation, shall be governed by the regulations for the Audit and Supervisory Committee adopted by the Audit and Supervisory Committee.

Chapter 6

Accounting Auditor

Article 37 (Establishment of Accounting Auditors)

The company shall have Accounting Auditors.

Article 38 (Election of Accounting Auditors)

An Accounting Auditor shall be elected by resolution of a general meeting of shareholders.

Article 39 (Term of Accounting Auditors)

1. The term of office of an Accounting Auditor shall expire at the conclusion of the ordinary general meeting of shareholders pertaining to the last business year ending within one (1) year after his/her election.
2. Unless otherwise resolved at the ordinary general meeting of shareholders prescribed in the preceding paragraph, the Accounting Auditor shall be deemed to have been reelected at said ordinary general meeting of shareholders.

Article 40 (Remunerations, etc. for Accounting Auditors)

Remunerations, etc. for Accounting Auditors shall be determined by the Representative Directors with the consent of the Audit and Supervisory Committee.

Article 41 (Exemption from Liability of Accounting Auditors)

The Company and an Accounting Auditor may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of the Accounting Auditor; provided, however, that the limit of the liability under such agreements shall be the minimum liability amount specified by laws and regulations.

Chapter 7

Accounts

Article 42 (Business Year)

The business year of the Company shall commence on April 1 of each year and end on March 31 of the following year.

Article 43 (Decision-making Body of Dividends of Surplus, etc.)

Unless otherwise specified by laws and regulations, the Company may, by resolution of the Board of Directors, without requiring a resolution by a general meeting of shareholders, determine the particulars contained in the items of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus.

Article 44 (Record Date for Dividends of Surplus)

1. The record date for year-end dividends of the Company shall be March 31 of each year.
2. The record date for interim dividends of the Company shall be September 30.
3. Besides the above, the Company may distribute dividends of surplus by fixing a record date.

Article 45 (Period of Exclusion of Payment of Dividends)

1. If dividends are not received within three (3) full years from the date of commencement of payment thereof, the Company shall be relieved of the obligation to pay such dividends.
2. Dividends payable shall bear no interest.

Supplementary Provision

(Transitional Measures concerning Exemption from Liability of Auditor)

- 1 The Company may, if a case falls under requirements specified by laws and regulations regarding the liability under Article 423, Paragraph 1 of the Companies Act, exempt Auditor (including former Auditors) from their liability for damages within the scope of amounts specified by laws and regulations, by resolution of the Board of Directors, regarding conduct carried out before the conclusion of the 27th

ordinary general meeting of shareholders.

- 2 Article 42, Paragraph 2 of the Articles of Incorporation, as in effect before the amendments effective by the resolution of 27th ordinary general meeting of shareholders, is still in effect only as regards the exemption of Outside Auditor (including former Outside Auditors) from liability for conducts falling under Article 423, Paragraph 1 of the Companies Act which carried out before the conclusion of the said general meeting of shareholders.

Revision History

April 1, 1988

July 11, 1989

May 21, 1990

June 24, 1992

June 24, 1993

June 21, 1994

March 19, 1995

June 10, 1996

June 25, 1998

June 25, 1999

June 21, 2002

June 20, 2003

June 18, 2004

June 22, 2006

June 19, 2007

April 1, 2009 (Share Split)

June 19, 2009

January 6, 2010 (Deletion of Supplementary Provisions)

June 18, 2010

June 19, 2015

June 16, 2017

February 1, 2020 (Share Split)

June 19, 2020

June 17, 2022

March 2, 2023 (Deletion of Supplementary Provisions)