

To Shareholders with Voting Rights:

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**NOTICE OF
THE 35TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to take this opportunity to express our sincere gratitude for your continued support and patronage.

We are pleased to announce the 35th Annual General Meeting of Shareholders of JAC Recruitment Co., Ltd. (the “Company”) to be held for the purposes as described below. This General Meeting of Shareholders will be held while taking appropriate precautions against novel coronavirus disease (COVID-19). You may opt to exercise your voting rights for this General Meeting of Shareholders via the Internet and by other means in addition to by postal mail.

When exercising your voting rights by postal mail or via the Internet or by other means, please refer to the following Information on Exercise of Voting Rights and the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. (Japan time), Wednesday, March 23, 2022.

1. Date and Time: Thursday, March 24, 2022 at 10:00 a.m. Japan time
(Reception opens at 9:30 a.m.)

2. Place: Conference Room of the Company, 14F Jinbocho Mitsui Building, 105
Jinbocho 1-Chome, Chiyoda-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 35th Fiscal Year (January 1, 2021 - December 31, 2021) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 35th Fiscal Year (January 1, 2021 - December 31, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of 9 Directors Who Are Not Audit & Supervisory Committee Members
Proposal 4: Election of 3 Directors Who Are Audit & Supervisory Committee Members
Proposal 5: Setting of the Amount of Remuneration for Directors Who Are Not Audit & Supervisory Committee Members
Proposal 6: Setting of the Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members
Proposal 7: Determination of Remuneration for the Purpose of Granting Restricted Stock to Directors (Excluding External Directors and Directors Who Are Audit & Supervisory Committee Members)
Proposal 8: Election of 1 Director Who Is a Substitute Audit & Supervisory Committee Member

4. Convocation Decisions:

The exercise of voting rights by proxy

If you wish to exercise your voting rights by proxy, you may appoint one other shareholder with voting rights as your proxy; in such case, however, the submission of a document proving your authorization of

said shareholder as proxy is required.

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the venue.

Revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on the Company's website (<http://corp.jac-recruitment.jp/>).

*We do not prepare gifts for the shareholders attending the General Meeting of Shareholders. Your kind understanding would be greatly appreciated.

Consolidated Balance Sheet
(As of December 31, 2021)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
Current assets	15,242	Current liabilities	5,424
Cash and deposits	12,932	Lease obligations	0
Accounts receivable - trade	1,800	Accounts payable - other	628
Electronically recorded monetary claims - operating	5	Accrued expenses	2,575
Supplies	7	Income taxes payable	1,319
Prepaid expenses	282	Accrued consumption taxes	492
Other	227	Deposits received	169
Allowance for doubtful accounts	(14)	Unearned revenue	51
Non-current assets	3,693	Provision of contract cancellation	51
Property, plant and equipment	418	Other	134
Buildings	149	Non-current liabilities	145
Machinery and equipment	15	Lease obligations	2
Tools, furniture and fixtures	78	Other	142
Leased assets	2	Total liabilities	5,569
Construction in progress	16	(Net Assets)	
Other	156	Shareholders' equity	13,340
Intangible assets	1,617	Capital stock	672
Goodwill	887	Capital surplus	1,515
Software	638	Retained earnings	12,982
Software in progress	91	Treasury stock	(1,829)
Investments and other assets	1,657	Accumulated other comprehensive income	25
Investment securities	0	Foreign currency translation adjustment	25
Investments in capital	0		
Lease and guarantee deposits	811		
Claims provable in bankruptcy, claims provable in rehabilitation and other	13		
Long-term prepaid expenses	9		
Deferred tax assets	836		
Long-term accounts receivable - other	1		
Allowance for doubtful accounts	(15)	Total net assets	13,365
Total assets	18,935	Total liabilities and net assets	18,935

Note: Figures less than one million are rounded down.

Consolidated Statement of Income
(From January 1, 2021 to December 31, 2021)

(Millions of yen)

Item	Amount	
Net sales		
Domestic recruitment business income	22,297	
Domestic job offer advertising business income	246	
Overseas business income	2,332	
Reversal of provision of contract cancellation	27	
Provision of contract cancellation	(51)	24,852
Cost of sales		
Domestic recruitment business cost	1,465	
Domestic job offer advertising business cost	3	
Overseas business cost	379	1,848
Gross profit		23,004
Selling, general and administrative expenses		17,182
Operating income		5,822
Non-operating income		
Interest income	4	
Rental income from facilities	2	
Refund income	2	
Gain on forfeiture of unclaimed dividends	1	
Other	4	15
Non-operating expenses		
Interest expenses	16	
Foreign exchange losses	5	
Other	2	23
Ordinary income		5,813
Extraordinary losses		
Loss on retirement of non-current assets	3	
Impairment loss	32	36
Profit before income taxes		5,776
Income taxes - current	2,056	
Income taxes - deferred	(162)	1,894
Profit		3,882
Profit attributable to owners of parent		3,882

Note: Figures less than one million are rounded down.

Consolidated Statement of Changes in Shareholders' Equity

(From January 1, 2021 to December 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the year	619	1,569	12,403	(288)	14,304
Changes of items during the year					
Issuance of new shares	52	52			105
Dividends of surplus			(3,303)		(3,303)
Profit attributable to owners of parent			3,882		3,882
Purchase of treasury shares				(2,904)	(2,904)
Disposal of treasury shares		(107)		1,363	1,256
Net changes of items other than shareholders' equity					
Total amount of changes during the year	52	(54)	578	(1,541)	(964)
Balance at end of the year	672	1,515	12,982	(1,829)	13,340

	Accumulated other comprehensive income		Subscription rights to shares	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of the year	(83)	(83)	105	14,326
Changes of items during the year				
Issuance of new shares			(105)	0
Dividends of surplus				(3,303)
Profit attributable to owners of parent				3,882
Purchase of treasury shares				(2,904)
Disposal of treasury shares				1,256
Net changes of items other than shareholders' equity	108	108		108
Total amount of changes during the year	108	108	(105)	(960)
Balance at end of the year	25	25	—	13,365

Note: Figures less than one million are rounded down.

Non-Consolidated Balance Sheet
(As of December 31, 2021)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
Current assets	13,211	Current liabilities	4,665
Cash and deposits	11,344	Lease obligations	0
Accounts receivable - trade	1,484	Accounts payable - other	581
Electronically recorded monetary claims - operating	5	Accrued expenses	2,249
Supplies	7	Income taxes payable	1,211
Prepaid expenses	202	Accrued consumption taxes	426
Other	172	Deposits received	151
Allowance for doubtful accounts	(5)	Unearned revenue	5
Non-current assets	6,427	Provision of contract cancellation	29
Property, plant and equipment	209	Other	8
Buildings	136	Non-current liabilities	47
Machinery and equipment	15	Leased liability	2
Tools, furniture and fixtures	38	Other	45
Leased assets	2	Total liabilities	4,712
Construction in progress	16	(Net Assets)	
Intangible assets	698	Shareholders' equity	14,925
Software	607	Capital stock	672
Software in progress	91	Capital surplus	1,515
Investments and other assets	5,518	Legal capital surplus	647
Shares of subsidiaries and associates	4,008	Other capital surplus	868
Investment securities	0	Retained earnings	14,567
Investments in capital	0	Legal retained earnings	1
Lease and guarantee deposits	697	Other retained earnings	14,566
Claims provable in bankruptcy, claims provable in rehabilitation and other	13	Retained earnings brought forward	14,566
Long-term prepaid expenses	9	Treasury stock	(1,829)
Deferred tax assets	803		
Long-term accounts receivable - other	1		
Allowance for doubtful accounts	(15)	Total net assets	14,925
Total assets	19,638	Total liabilities and net assets	19,638

Note: Figures less than one million are rounded down.

Non-Consolidated Statement of Income
(From January 1, 2021 to December 31, 2021)

(Millions of yen)

Item	Amount	
Net sales		
Domestic recruitment business income	21,126	
Reversal of provision of contract cancellation	6	
Provision of contract cancellation	(29)	21,104
Cost of sales		
Domestic recruitment business cost	1,393	1,393
Gross profit		19,711
Selling, general and administrative expenses		13,954
Operating income		5,756
Non-operating income		
Interest income	0	
Rental income from facilities	4	
Outsourcing income	12	
Other	3	20
Non-operating expenses		
Interest expenses	0	
Commitment fee	1	
Other	1	3
Ordinary income		5,774
Extraordinary losses		
Loss on retirement of non-current assets	3	
Loss on valuation of shares of subsidiaries	65	69
Profit before income taxes		5,704
Income taxes - current	1,939	
Income taxes - deferred	(158)	1,781
Profit		3,923

Note: Figures less than one million are rounded down.

Non-Consolidated Statement of Changes in Shareholders' Equity

(From January 1, 2021 to December 31, 2021)

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of the year	619	594	975	1,569	1	13,946	13,947
Changes of items during the year							
Issuance of new shares	52	52		52			
Dividends of surplus						(3,303)	(3,303)
Net income						3,923	3,923
Purchase of treasury shares							
Disposal of treasury shares			(107)	(107)			
Net changes of items other than shareholders' equity							
Total amount of changes during the year	52	52	(107)	(54)	—	620	620
Balance at end of the year	672	647	868	1,515	1	14,566	14,567

	Shareholders' equity		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of the year	(288)	15,848	105	15,954
Changes of items during the year				
Issuance of new shares		105	(105)	0
Dividends of surplus		(3,303)		(3,303)
Net income		3,923		3,923
Purchase of treasury shares	(2,904)	(2,904)		(2,904)
Disposal of treasury shares	1,363	1,256		1,256
Net changes of items other than shareholders' equity				
Total amount of changes during the year	(1,541)	(923)	(105)	(1,028)
Balance at end of the year	(1,829)	14,925	—	14,925

Note: Figures less than one million are rounded down.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The following dividends for the term are proposed in consideration of the business performance for the current fiscal year and business expansion moving forward.

1. Type of property dividend:
Cash
2. Details and amount of the allotment of property dividend:
¥73 per share of the Company's common stock
Total amount: ¥2,990,418,866
3. Effective date of dividends of surplus:
March 25, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for the proposal

(1) Transition to a Company with an Audit and Supervisory Committee

We have been committed to enhancing corporate governance with the aim of achieving sustainable growth and enhancing corporate value.

At the time of the transition from the Company with Audit & Supervisory Board Member and the Company with Audit & Supervisory Board to the Company with Audit Committee, the Company will establish the Regulations on Audit Committee Members and the Audit Committee, delete the provisions on Audit & Supervisory Board Member and Audit & Supervisory Board, newly establish the Regulations on Delegation of Authority to Directors, and amend the Articles of Incorporation as required.

Through this transition, we will strive to further enhance corporate governance by transitioning to a company with an audit and supervisory committee with the aim of enhancing the management functions of the Board of Directors, strengthening supervisory functions, and further improving the flexibility of business execution.

(2) Introduction of electronic provision measures for reference documents for general meetings of shareholders, etc.

The amendment to the Companies Act in 2019 permits electronic provision of reference documents for general meetings of shareholders, etc., and requires companies issuing book-entry transfer shares (listed companies) to take electronic provision measures for information contained in reference documents for general meetings of shareholders, etc. in their articles of incorporation from the date of enforcement of the amended Companies Act for electronic provision measures. The required changes will be made accordingly.

2. Contents and Schedule of Changes

The current Articles of Incorporation and proposed amendments are as follows. In addition, this amendment to the Articles of Incorporation shall become effective upon the conclusion of the General Meeting, except for the amendment under Article 17.

(Underlined indicates the changed portion.)

Current Articles of Incorporation	Proposed Changes
Chapter 1 General Provisions Articles 1 to 3 (provisions abbreviated)	Chapter 1 General Provisions Articles 1 to 3 <same as current>
(Organs) Article 4 The Company shall have the following organs in addition to the general shareholders meeting and directors.	(Organs) Article 4 The Company shall have the following organs in addition to the general shareholders meeting and directors.
1. Board of directors	1. Board of directors
<u>2. Member of audit and supervisory board</u>	<deleted>
<u>3. Audit and supervisory board</u>	<u>2. Audit and supervisory committee</u>
4. Accounting auditors	<u>3. Accounting auditors</u>

Current Articles of Incorporation	Proposed Changes
<p>Article 5 <provisions abbreviated></p> <p>Chapter 2 Shares Articles 6 to 13 (provisions abbreviated)</p> <p>Chapter 3 General Shareholders Meeting Articles 14 to 16 (provisions abbreviated)</p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Shareholders Meetings)</u> <u>Article 17 In connection with the convocation of the general shareholders meeting, the Company may deem that the Company has provided the shareholders with information pertaining to the matters to be stated or indicated in the reference documents for general shareholders meeting, business reports and financial statements by disclosing them through the internet in accordance with the provisions of the applicable Ordinance of the Ministry of Justice.</u></p> <p><Newly established></p> <p>Articles 18 to 19 (provisions abbreviated)</p> <p>Chapter 4 Directors and Board of Directors (Number of Directors) Article 20 (1) The number of directors of the Company shall not exceed ten (10).</p> <p><Newly established></p>	<p>Article 5 (same as current)</p> <p>Chapter 2 Shares Articles 6 to 13 <same as current></p> <p>Chapter 3 General Shareholders Meeting Articles 14 to 16 <same as current></p> <p><deleted></p> <p><u>(Measures for Electronic Provision, etc.)</u> <u>Article 17 (1) The Company shall, at the time of convening a general shareholders meeting, take electronic measures for the information contained in the reference documents, etc. for general shareholders meeting.</u></p> <p><u>(2) The Company may, with respect to all or part of the matters prescribed by the applicable Ordinance of the Ministry of Justice among the matters for which measures for electronic provision are taken, omit to state such matters in the documents to be delivered to the shareholders who have requested the delivery of the documents by the record date of voting rights.</u></p> <p>Articles 18 to 19 (same as current)</p> <p>Chapter 4 Directors and Board of Directors (Number of Directors) Article 20 (1) The number of directors <u>who are not audit and supervisory committee members</u> of the Company shall be ten (10) or less.</p> <p><u>(2) The number of directors who are audit and supervisory committee members of the Company</u></p>

Current Articles of Incorporation	Proposed Changes
<p>(Appointment and Dismissal of Directors) Article 21 (1) Directors shall be appointed and dismissed by a resolution of a general shareholders meeting.</p> <p style="text-align: center;"><Newly established></p> <p><u>(2) to (4)</u> <provisions abbreviated></p>	<p><u>shall be no more than four (4).</u></p> <p>(Appointment and Dismissal of Directors) Article 21 (1) Directors shall be appointed and dismissed by a resolution of a general shareholders meeting.</p> <p><u>(2) Directors who are not audit and supervisory committee members shall be appointed as distinguished from directors who are audit and supervisory committee members.</u></p> <p><u>(3) to (5)</u> <same as current></p>
<p>(Term of Office of Directors) Article 22 The term of office of directors shall expire at the conclusion of the annual general shareholders meeting for the last business year ending within one (1) year after their appointment.</p> <p style="text-align: center;"><Newly established></p>	<p>(Term of Office of Directors) Article 22 (1) The term of office of directors <u>who are not audit and supervisory committee members</u> shall expire at the conclusion of the annual general shareholders meeting for the last business year ending within one (1) year after their appointment.</p> <p><u>(2) The term of office of directors who are audit and supervisory committee members shall expire at the conclusion of the annual general shareholders for the last business year ending within two (2) years after their appointment.</u></p>
<p>(Representative Director and Titled Directors) Article 23 (1) The Company shall appoint the Representative Directors by a resolution of the board of directors.</p> <p>(2)<provisions abbreviated ></p> <p>(3) The board of directors may, by its resolution, appoint one (1) MD, and appoint one (1) Chairman, as well as several Senior Executive Advisors, Counselors, Deputy Managing Director, Senior Executive Directors, and Executive Directors.</p>	<p>(Representative Director and Titled Directors) Article 23 (1) The Company shall appoint the Representative Directors <u>from among the directors who are not audit and supervisory committee members</u> by a resolution of the board of directors.</p> <p>(2)<same as current></p> <p>(3) The board of directors may, by its resolution, appoint one (1) MD <u>from among the directors who are not audit and supervisory committee members</u>, and appoint one (1) Chairman, as well as several Senior Executive Advisors, Counselors, Deputy Managing Director, Senior Executive Directors, and Executive Directors.</p>
<p>Article 24 <provisions abbreviated></p> <p>(Notice of Convocation of the Board of Directors Meeting) Article 25 A notice of convocation of the board of directors meeting shall be sent to each director <u>and</u></p>	<p>Article 24 (same as current)</p> <p>(Notice of Convocation of the Board of Directors Meeting) Article 25 A notice of convocation of a board of directors meeting shall be sent to each director no</p>

Current Articles of Incorporation	Proposed Changes
<p><u>member of audit and supervisory board</u> no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.</p>	<p>later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.</p>
<p>Article 26 (provisions abbreviated)</p>	<p>Article 26 (same as current)</p>
<p>(Omission of Resolutions of the Board of Directors) Article 27 In the event all directors agree to the matters to be resolved at the board of directors meeting in writing or by means of electromagnetic Records, the Company shall deem that a resolution to approve such matters has been made at the board of directors meeting. <u>Provided, however, that, this shall not apply in cases where members of audit and supervisory board raise objections.</u></p>	<p>(Omission of Resolutions of the Board of Directors) Article 27 In the event all directors agree to the matters to be resolved at the board of directors meeting in writing or by means of electromagnetic records, the Company shall deem that a resolution to approve such matters has been made at the board of directors meeting.</p>
<p style="text-align: center;"><Newly established></p>	<p><u>(Delegation of Decisions on Important Business Execution)</u> <u>Article 28 Pursuant to the provisions of Article 399-13 Paragraph 6 of the Companies Act, the Company may delegate all or part of the decision on important business execution (excluding the matters listed in each item of Paragraph 5 of the same Article) to directors by resolution of the board of directors.</u></p>
<p>(Minutes of the Board of Directors Meeting) <u>Article 28</u> A summary of the proceedings, and results, of the board of directors meeting and other matters stipulated in laws and regulations shall be stated or recorded in the minutes, and the directors <u>and the members of audit and supervisory board</u> present shall affix their names and seals thereto or electronically sign them.</p>	<p>(Minutes of the Board of Directors Meeting) <u>Article 29</u> A summary of the proceedings, and results, of the board of directors meeting and other matters stipulated in laws and regulations shall be stated or recorded in the minutes, and the directors present shall affix their names and seals thereto or electronically sign them.</p>
<p>(Board of Directors <u>Rules</u>) <u>Article 29</u> Matters relating to the board of directors shall be governed by the Board of Directors <u>Rules</u> as stipulated by the board of directors, in addition to those stipulated by laws and regulations or these Articles of Incorporation.</p>	<p>(Board of Directors <u>Regulations</u>) <u>Article 30</u> Matters relating to the board of directors shall be governed by the Board of Directors <u>Regulations</u> as stipulated by the board of directors, in addition to those stipulated by laws and regulations or these Articles of Incorporation.</p>
<p>(Compensation, etc. for Directors) <u>Article 30</u> Compensation, etc. for directors shall be determined by a resolution of a general shareholders meeting.</p>	<p>(Compensation, etc. for Directors) <u>Article 31</u> Compensation, etc. for directors shall be determined by a resolution of a general shareholders meeting, <u>distinguishing directors who are not audit and supervisory committee members from directors who are audit and supervisory committee members.</u></p>

Current Articles of Incorporation	Proposed Changes
<p><u>Article 31</u> <provisions abbreviated ></p> <p>Chapter 5 <u>Member of Audit and Supervisory Board, the Board</u> (Number of the Members) <u>Article 32 The number of members of audit and supervisory board of the Company shall not exceed four (4).</u></p> <p><u>(Appointment of the Members)</u> <u>Article 33 The members shall be appointed by a resolution of a general shareholders meeting.</u></p> <p><u>(2) Resolutions for the appointment of the members shall be made by a majority of the votes of the shareholders present at a meeting where the shareholders holding one-third or more of the votes of the shareholders who are entitled to exercise their votes are present.</u></p> <p><u>(Term of Office of the Members)</u> <u>Article 34 The term of office of the members shall continue until the conclusion of the annual shareholders meeting for the last business year which ends within 4 (4) years after their appointment.</u></p> <p><u>(2) The term of office of the member who is appointed to fill a vacancy shall expire at the time when the term of office of the retired member expires.</u></p> <p><u>(Full-time Members of Audit and Supervisory Board)</u> <u>Article 35 Audit and supervisory board shall appoint full-time members of audit and supervisory board from among the members.</u></p> <p><u>(Convocation Notice of the Audit and Supervisory Board Meeting)</u> <u>Article 36 The notice of convocation of the board of audit and supervisory board meeting shall be sent to each member no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.</u></p>	<p><u>Article 32</u> (same as current)</p> <p>Chapter 5 <u>Audit and Supervisory Committee</u></p> <p><deleted></p> <p><deleted></p> <p><deleted></p> <p><deleted></p> <p><deleted></p> <p><u>(Full-time Audit and Supervisory Committee Members)</u> <u>Article 33 The Company may have full-time audit and supervisory committee members. In this case, the audit and supervisory committee shall, by its resolution, appoint full-time audit and supervisory committee members from among the audit and supervisory committee members.</u></p> <p><u>(Convocation Notice of the Audit and Supervisory Committee Meeting)</u> <u>Article 34 (1) The notice of convocation of the audit and supervisory committee meeting shall be sent to each audit and supervisory committee member no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be</u></p>

Current Articles of Incorporation	Proposed Changes
<p style="text-align: center;"><Newly established></p> <p>(Resolution Method of the <u>Audit and Supervisory Board</u>) <u>Article 37 Unless otherwise provided in laws and regulations, a resolution of the audit and supervisory board shall be adopted by a majority of the audit and supervisory board members.</u></p> <p>(Minutes of the <u>Audit and Supervisory Board Meeting</u>) <u>Article 38 A summary of the proceedings, and the results, of the audit and supervisory board meeting and other matters stipulated by laws and regulations shall be stated or recorded in the minutes, and the audit and supervisory board members present shall affix their names and seals thereto or electronically sign them.</u></p> <p>(<u>Audit and Supervisory Board Regulations</u>) <u>Article 39 Matters concerning the audit and supervisory board shall be governed by the Audit and Supervisory Board Regulations as stipulated by the audit and supervisory board, in addition to those stipulated by laws and regulations or these Articles of Incorporation.</u></p> <p>(<u>Compensation, etc. for Audit and Supervisory Board Members</u>) <u>Article 40 The compensation, etc. for audit and supervisory board members shall be determined by a resolution of a general shareholders meeting.</u></p> <p>(<u>Exemption from Liability of audit and supervisory board members</u>) <u>Article 41 The Company may, by resolution of the board of directors, exempt the members (including former members) from liabilities for compensation of damages as stipulated in Article 423 Paragraph 1 of the Companies Act to the extent of the amount obtained by deducting the minimum liability limit</u></p>	<p>shortened in an emergency.</p> <p><u>(2) The audit and supervisory committee may be convened without undergoing the procedures for convocation if the consent of all audit and supervisory committee members is obtained.</u></p> <p>(Resolution Method of the <u>Audit and Supervisory Committee</u>) <u>Article 35 Unless otherwise provided in laws and regulations, a resolution of the audit and supervisory committee shall be made by a majority of the votes of the audit and supervisory committee members present at a meeting where the majority of the audit and supervisory committee members who are entitled to participate in the resolution are present.</u></p> <p>(Minutes of the <u>Audit and Supervisory Committee Meeting</u>) <u>Article 36 A summary of the proceedings, and the results, of the audit and supervisory committee meeting and other matters stipulated by laws and regulations shall be stated or recorded in the minutes, and the audit and supervisory committee members present shall affix their names and seals thereto or electronically sign them.</u></p> <p>(<u>Audit and Supervisory Committee Regulations</u>) <u>Article 37 Matters concerning the audit and supervisory committee shall be governed by the Audit and Supervisory Committee Regulations as stipulated by the audit and supervisory committee, in addition to those stipulated by laws and regulations or these Articles of Incorporation.</u></p> <p style="text-align: center;"><deleted></p> <p style="text-align: center;"><deleted></p>

Current Articles of Incorporation	Proposed Changes
<p><u>from the compensatory damages amount if it falls under the requirements stipulated in laws and regulations.</u></p> <p><u>(2) Pursuant to the provisions of Article 427 Paragraph 1 of the Companies Act, the Company may enter into an agreement with an outside the members to limit liability for compensatory damages arising from a failure to perform duties. Provided, however, that the maximum amount of liability under such agreement shall be the amount stipulated by law.</u></p>	
<p>Chapter 6 Accounting Auditors <u>Articles 42 to 43</u> (provisions abbreviated)</p>	<p>Chapter 6 Accounting Auditors <u>Articles 38 to 39</u> (same as current)</p>
<p>(Compensation, etc. for Accounting Auditors) <u>Article 44</u> The compensation, etc. for accounting auditors shall be determined by the representative director with the consent of the <u>audit and supervisory board.</u></p>	<p>(Compensation, etc. for Accounting Auditors) <u>Article 40</u> The compensation, etc. for accounting auditors shall be determined by the representative director with the consent of the <u>audit and supervisory committee.</u></p>
<p>Chapter 7 Calculations <u>Articles 45 to 48</u> (provisions abbreviated)</p>	<p>Chapter 7 Calculations <u>Articles 41 to 44</u> <same as current></p>
<p><Newly established></p>	<p><u>Chapter 8 Supplementary Provisions</u> <u>(Transitional Measures Concerning Exemption from Liability of Audit and Supervisory Board Member)</u> <u>Article 45</u> With regard to contracts for limitation of liability that have been executed with outside audit and supervisory board members (including former outside the members) prior to the date set forth in the <u>35th annual general shareholders meeting held in March 2022 (i.e. March 24, 2022), the provisions then in force shall remain applicable.</u></p>
<p><Newly established></p>	<p><u>(Measures for Electronic Provision, etc.)</u> <u>Article 46 (1)</u> Deletion of Article 17 of the current Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Shareholders Meetings) and the establishment of Article 17 of the proposed amendment (Measures for Electronic Provision, etc.) shall enter into effect as from September 1, 2022.</p> <p><u>(2) Notwithstanding the provisions of the preceding paragraph, Article 17 of the current Articles of Incorporation shall remain in effect with respect to the general shareholders meeting of which the date</u></p>

Current Articles of Incorporation	Proposed Changes
	<p data-bbox="799 197 1390 264"><u>of the general shareholders meeting falls to the end of February, 2023.</u></p> <p data-bbox="799 315 1390 495"><u>(3) These supplementary provisions shall be deleted after March 1, 2023 or the date on which three (3) months have elapsed after the date of the general shareholders meeting set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of 9 Directors Who Are Not Audit & Supervisory Committee Members

The Company will make a transition to a Company with an Audit & Supervisory Committee on condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved. Simultaneously, the terms of office of all 8 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. The election of 9 Directors who are not Audit & Supervisory Committee Members, as a result of the addition of 1 External Director, is proposed for the purpose of strengthening the management structure.

This proposal shall take effect on condition that the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” come into effect with regard to the transition to a Company with an Audit & Supervisory Committee.

The candidates for Directors who are not Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
1	Hiromi Tazaki (December 23, 1950)	May 1981 Joined T. TAZAKI&Co Ltd March 1987 Director at incorporation of JAC Singapore Pte Ltd (present JAC Recruitment Pte Ltd) March 1988 Director at incorporation of the Company August 1991 Representative Director of T. TAZAKI&Co Ltd December 1998 Representative Director at incorporation of JAC Strattons Ltd January 2000 Representative Director of the Company November 2001 Representative Director at incorporation of JAC Financial Design Ltd September 2002 Representative Director at incorporation of JAC Recruitment (UK) Ltd March 2005 Chairman and Director of the Company August 2005 Director of JAC (Beijing) Business Consultation Co., Ltd. December 2005 Director of JAC Personnel Recruitment Ltd December 2005 Director of JAC Recruitment (Malaysia) Sdn Bhd July 2007 Director of JAC Strattons Ltd February 2008 Representative Director of JAC Strattons Ltd April 2008 Managing Director of the Company June 2008 Director of PT JAC Indonesia January 2011 Chairman, CEO and Representative Director of the Company January 2011 Director of JAC Personnel Eastern Seaboard Ltd July 2011 Director of JAC Recruitment Hong Kong Co., Ltd July 2011 Director of JAC Recruitment Korea Co., Ltd November 2011 Director of JAC Recruitment China (HK) Ltd March 2012 Managing Director of JAC Recruitment Asia Ltd (present JAC Recruitment International Ltd) March 2012 Director of PT JAC Consulting Indonesia December 2012 Director of JAC International Recruitment Ltd March 2013 Director of JAC Recruitment Guangzhou May 2013 Director of JAC Recruitment Vietnam Co., Ltd June 2013 Director of Shanghai Aoshi Recruitment Services Co., Ltd. (present JAC Recruitment Shanghai) March 2015 Chairman and Director of the Company January 2016 Director of JAC Recruitment (UK) Ltd (to present) December 2016 Director of JAC Recruitment Hong Kong Co., Ltd December 2016 Director of JAC Recruitment China (HK) Ltd January 2022 Chairman and CEO of the Company (to present)	7,179,600

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
2	Hiroo Hattori (December 25, 1954)	<p>July 2001 Director of the Company</p> <p>August 2001 Deputy Managing Director of the Company</p> <p>April 2005 General Manager, Administration Division of the Company</p> <p>July 2006 General Manager, Administration Headquarters of the Company</p> <p>January 2008 General Manager, Sales Headquarters of the Company</p> <p>April 2008 Deputy Managing Director of the Company</p> <p>February 2009 General Manager, Administration Headquarters of the Company (to present)</p> <p>January 2011 Deputy Managing Director of the Company (to present)</p> <p>January 2011 CFO of the Company</p> <p>December 2013 Director of C.C. Consulting Co., Ltd. (to present)</p> <p>March 2018 Director and COO of JAC Recruitment Asia Ltd (present JAC Recruitment International Ltd) (to present)</p> <p>April 2018 General Manager, Overseas Business Headquarters of the Company (to present)</p> <p>May 2019 Director of PT JAC Indonesia (to present)</p> <p>May 2019 Director of PT JAC Consulting Indonesia (to present)</p> <p>May 2019 Director of JAC Recruitment Hong Kong Co., Ltd (to present)</p> <p>May 2019 Director of JAC Recruitment China (HK) Ltd (to present)</p> <p>July 2019 Director of JAC Recruitment Guangzhou</p> <p>July 2019 Director of JAC Recruitment Shanghai (to present)</p>	202,500
3	Tadayoshi Tazaki (July 16, 1943)	<p>November 1974 Director at incorporation of T. TAZAKI&Co Ltd</p> <p>March 1988 Representative Director at incorporation of the Company</p> <p>January 2000 Director of the Company</p> <p>March 2005 Director and Adviser of the Company</p> <p>March 2012 Director and Chief Adviser of the Company (to present)</p> <p>March 2012 Director of JAC Recruitment Asia Ltd (present JAC Recruitment International Ltd)</p> <p>September 2013 Director of JAC Strattons Ltd</p> <p>August 2016 Chairman of The Tazaki Foundation (to present)</p>	8,505,100
4	Hiroki Yamada (May 11, 1973)	<p>August 2003 Joined the Company</p> <p>April 2016 Associate Director of the Company</p> <p>January 2017 General Manager, Business Headquarters of the Company (to present)</p> <p>March 2020 Director of the Company (to present)</p>	7,274

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
5	Takeshi Matsuzono (January 3, 1958)	<p>November 2008 Joined the Company as Deputy General Manager, Sales Headquarters</p> <p>February 2009 General Manager, Sales Headquarters of the Company</p> <p>March 2009 Chief Director of the Company</p> <p>January 2011 Managing Director of the Company</p> <p>January 2011 COO of the Company</p> <p>December 2013 Representative Director of C.C. Consulting Co., Ltd.</p> <p>January 2016 Managing Director of C.C. Consulting Co., Ltd.</p> <p>May 2016 Managing Director of JAC International Co., Ltd.</p> <p>June 2016 General Manager, Business Headquarters of the Company</p> <p>July 2018 Director of C.C. Consulting Co., Ltd.</p> <p>July 2019 General Manager, Strategy Planning Headquarters of the Company</p> <p>January 2022 Director of the Company (to present)</p>	342,900
6	Shigeoki Togo (September 2, 1943)	<p>April 1966 Joined the Bank of Japan</p> <p>July 1993 Director-General, Secretariat of the Policy Board of the Bank of Japan</p> <p>April 1995 Director-General, International Department of the Bank of Japan</p> <p>June 1996 Managing Director, The Nippon Credit Bank, Ltd. (present Aozora Bank, Ltd.)</p> <p>August 1997 President of The Nippon Credit Bank, Ltd.</p> <p>June 2000 President of Osaka Zosenjo Co., Ltd. (present DAIZO CORPORATION)</p> <p>June 2010 President and Director of Nippon RAD Inc.</p> <p>June 2011 General Executive Officer of Nippon RAD Inc.</p> <p>March 2012 External Audit & Supervisory Board Member of the Company</p> <p>April 2012 Adviser of MORI TRUST CO., LTD.</p> <p>June 2012 Adviser of Nippon RAD Inc.</p> <p>June 2012 External Audit & Supervisory Board Member of Nitta Gelatin Inc.</p> <p>October 2012 Chairman of the Board of Directors of Higashi-Nihon-Gakuen</p> <p>March 2015 External Director of the Company (to present)</p> <p>October 2021 Adviser and Director of Higashi-Nihon-Gakuen (to present)</p>	—

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
7	Yutaka Kase (February 19, 1947)	<p>May 1970 Joined Nissho Iwai Corporation</p> <p>November 1992 President of Nissho Iwai New Zealand Corporation and General Manager of Auckland Branch</p> <p>April 1995 General Manager, Wood Products Department of Nissho Iwai Corporation</p> <p>June 1997 General Manager, Portland Branch of Nissho Iwai American Corporation</p> <p>January 1999 Group Executive, Consumer Life & Resources Business Group of Nissho Iwai Corporation</p> <p>June 2001 Executive Officer of Nissho Iwai Corporation Executive Vice President of Nissho Iwai American Corporation</p> <p>April 2002 President, Chemicals & Forest Products Company of Nissho Iwai Corporation</p> <p>April 2003 Director and Managing Executive Officer of Nissho Iwai Corporation</p> <p>April 2004 The corporate name was changed to Sojitz Corporation due to the merger of Nichimen Corporation and Nissho Iwai Corporation Representative Director and Senior Managing Executive Officer of Sojitz Corporation</p> <p>August 2004 Director and Executive Vice President of Sojitz Corporation</p> <p>October 2005 The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation and Sojitz Corporation Director and Executive Vice President of Sojitz Corporation</p> <p>April 2007 Representative Director, President & CEO of Sojitz Corporation</p> <p>April 2012 Representative Director and Chairman of the Board of Sojitz Corporation</p> <p>June 2013 External Director of Astellas Pharma Inc.</p> <p>March 2016 External Director of the Company (to present)</p> <p>June 2016 External Director of Sekisui Chemical Co., Ltd. (to present)</p> <p>June 2017 Special Adviser of Sojitz Corporation</p> <p>June 2018 Adviser of Sojitz Corporation (to present)</p> <p>[Significant concurrent positions] Adviser of Sojitz Corporation External Director of Sekisui Chemical Co., Ltd.</p>	-
8	Günter Zorn (March 23, 1953)	<p>November 1978 Joined Polaroid Corporation</p> <p>July 1985 Joined Linotype-Hell AG</p> <p>June 1991 Representative Director, President of Linotype-Hell K.K.</p> <p>April 1998 Representative Director, President of Heidelberg France S.A.</p> <p>April 2000 Chief Executive Officer of Heidelberg Asia Pacific</p> <p>July 2005 Representative Director, President of DHL Japan, Inc.</p> <p>April 2006 Representative Director, President of DHL Japan, Inc. and Executive Vice President for North Pacific in Pacific Region of DHL Express</p> <p>April 2009 Representative Director, President of z-anshin K.K. (to present)</p> <p>June 2014 External Director of Nippon Sheet Glass Co., Ltd.</p> <p>March 2020 External Director of the Company (to present)</p> <p>[Significant concurrent positions] Representative Director, President of z-anshin K.K.</p>	-

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
9	[New appointment] Nobuhide Nakaido (November 1, 1946)	<p>April 1971 Joined Sumitomo Corporation</p> <p>October 1973 SUMITOMO DEUSCHLAND GMBH (assigned to work in Düsseldorf)</p> <p>June 1992 General Manager, Machinery Systems Department of SUMITOMO DEUSCHLAND GMBH</p> <p>June 1996 General Manager, Machinery and Electronics Business Unit of Sumitomo Corporation of America (New York, San Francisco)</p> <p>April 1998 Corporate Officer of Sumitomo Corporation General Manager, Machinery and Electronics Business Unit of Sumitomo Corporation of America</p> <p>June 1998 Director and Deputy General Manager, Electronics Division of Sumitomo Corporation</p> <p>June 1999 Director and General Manager, Electronics Division of Sumitomo Corporation</p> <p>April 2002 Representative Director; Managing Director; Assistant General Manager, Information Industry Business Unit; and General Manager, Network Business Division in charge of e Business of Sumitomo Corporation</p> <p>April 2004 Representative Director; Senior Managing Executive Officer; and General Manager, Information Industry Business Unit of Sumitomo Corporation</p> <p>April 2005 Representative Director; Executive Vice President; and Director in charge of Corporate Planning & Coordination, Legal, Global Supervision, and Secretarial Departments of Sumitomo Corporation</p> <p>June 2009 Retired from Representative Director and Executive Vice President of Sumitomo Corporation</p> <p>June 2009 Chairman and President of Sumisho Computer Systems Corporation</p> <p>October 2011 President of SCSK Corporation</p> <p>June 2013 Chairman & CEO of SCSK Corporation</p> <p>April 2016 Director and Adviser of SCSK Corporation</p> <p>June 2016 Adviser of SCSK Corporation</p> <p>May 2017 Independent Director of Ichigo Inc. (to present)</p> <p>October 2018 Chairman of Japan Association for Chief Human Resource Officers (to present)</p> <p>March 2019 Independent Outside Director of eSOL Co., Ltd. (to present)</p> <p>June 2020 Outside Director of Sourcnext Corporation (to present)</p>	—

(Notes)

1. No conflict of interest exists between each candidate and the Company.
2. Mr. Shigeoki Togo, Mr. Yutaka Kase, Mr. Günter Zorn, and Mr. Nobuhide Nakaido are candidates for External Directors.
3. Mr. Shigeoki Togo, Mr. Yutaka Kase, Mr. Günter Zorn, and Mr. Nobuhide Nakaido are independent candidates based on provisions of the Tokyo Stock Exchange.
4. The term of office of Mr. Shigeoki Togo as a Director of the Company will be seven years at the conclusion of this General Meeting of Shareholders.
5. The term of office of Mr. Yutaka Kase as a Director of the Company will be six years at the conclusion of this General Meeting of Shareholders.
6. The term of office of Mr. Günter Zorn as a Director of the Company will be two years at the conclusion of this General Meeting of Shareholders.
7. The reasons for nominating these candidates as External Directors, the reasons for determining that the candidates are able to carry out their duties as External Directors, the limited liability agreement with External Directors, and their expected roles are as follows:
 - (1) Mr. Shigeoki Togo, Mr. Yutaka Kase, Mr. Günter Zorn, and Mr. Nobuhide Nakaido have been nominated as candidates mainly for the reason that they will participate in management from a broad perspective in order to ensure adequacy and fairness based on their extensive experience as business managers. It was further determined that the Company can expect them to provide supervision and advice on corporate management as External Directors by taking the larger

picture into account as they possess sufficient insight into company management from their many years of experience in corporate management.

(2) Limited liability agreement with External Directors

The Company has entered into a limited liability agreement with Mr. Shigeoki Togo, a candidate for External Director, Mr. Yutaka Kase, a candidate for External Director and Mr. Günter Zorn, a candidate for External Director. The Company plans to conclude a limited liability agreement with Mr. Nobuhide Nakaido, a candidate for External Director.

Details of the content of these agreements are as follows:

- 1) In the event that the Company assumes liability for damages as a result of the failure of an External Director to perform his duties, that liability shall be assumed at the minimum amount specified in Article 427, Paragraph 1 of the Companies Act.
- 2) The aforementioned limitation of liability shall be applicable only when the performance of duties by an External Director that resulted in said liability were carried out in good faith and without gross negligence.

8. Reasons for nominating other candidates as Directors who are not Audit & Supervisory Committee Members:

Mrs. Hiromi Tazaki is the wife of Mr. Tadayoshi Tazaki, the founder of the Company, and has been a Director of the Company since its establishment. Since joining T. TAZAKI&Co Ltd of the U.K. in May 1981, Mrs. Tazaki has been involved in the management of the recruitment business in eleven countries. The Company has determined that she carries out her duties as Director in an appropriate manner.

Mr. Hiroo Hattori has gained business experience mainly in accounting and finance, prior to his former position, as General Manager of Finance Division of Recruit Co., Ltd. (present Recruit Holdings Co., Ltd.). Mr. Hattori also gained business experience mainly in business strategy planning in his previous position as Director and General Manager of Secretariat Office of Half Century More Co., Ltd., and was appointed as a Director of the Company in July 2001 at the time the Company was aiming to become listed. Since then, Mr. Hattori has demonstrated his achievements within the Company mainly as Director and General Manager of Administration Headquarters. The Company has determined that Mr. Hattori carries out his duties as Director in an appropriate manner.

Mr. Tadayoshi Tazaki is the founder of the Company and a Director since its establishment. Since establishing T. TAZAKI&Co Ltd in the U.K. in November 1974, Mr. Tazaki has developed the recruitment business in eleven countries. The Company has determined that he carries out his duties as Director in an appropriate manner.

Mr. Hiroki Yamada has gained experience consistently in the domestic recruitment business since he joined the Company in August 2003. Mr. Yamada was appointed as Associate Director in April 2016 and as General Manager of Business Headquarter in January 2017 for the enhancement of management of the said business. Mr. Yamada has demonstrated his achievements in the scope of the domestic recruitment business since being appointed as Director in March 2020. The Company has determined that he carries out his duties as Director in an appropriate manner.

Mr. Takeshi Matsuzono has been the President and Representative Director of Recruit Executive Agent Co., Ltd., a recruitment company within the Recruit Group specializing in high-value professionals, and joined the Company in November 2008 as Deputy General Manager of Sales Headquarters (present Business Headquarters) to help shift the Company's recruitment business towards specialization of high-value professionals. Mr. Matsuzono has demonstrated his achievements in expanding the scope of the Company's recruitment business since being appointed as a Director in March 2009. The Company has determined that he carries out his duties as Director in an appropriate manner.

9. The Company has entered into a directors and officers liability insurance agreement, having all Directors insured. The insurance indemnifies the Directors, the insured, for any damages that may arise as a result of being held liable for the execution of their duties or receiving a claim to hold them liable. If they assume office as Directors, they will be insured under the said insurance agreement, and the Company plans to renew it during their terms of office.

10. The number of Company shares held by the aforementioned candidates for Director as of December 31, 2021.

Proposal 4: Election of 3 Directors Who Are Audit & Supervisory Committee Members

The Company will make a transition to a Company with an Audit & Supervisory Committee if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved as proposed. Accordingly, the election of 3 Directors who are Audit & Supervisory Committee Members is proposed. The Audit & Supervisory Board has consented to this proposal. The resolution of this proposal shall take effect on condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” comes into effect with regard to the transition to a Company with an Audit & Supervisory Committee.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
1	Toshiaki Mukaiyama (November 16, 1967)	<p>April 1992 Joined Nippon Mining Co. (present ENEOS Corporation)</p> <p>April 2007 Manager, Foreign Exchange Group of Nippon Mining Finance Co., Ltd.</p> <p>July 2010 Manager, Foreign Exchange Group of JX Finance Co., Ltd.</p> <p>April 2012 Manager, Overseas Bases Support Group, Overseas Business Division of JX Energy Corporation</p> <p>April 2014 Director, Secretary, and General Manager of Administration Division of JX Nippon Oil & Energy Europe Limited</p> <p>April 2017 Director, Secretary, and General Manager of Administration Division of JX Nippon Oil & Energy Europe Limited, and Director, Secretary, and General Manager of Administration Division of JX Nippon Oil & Energy (EMEA) Limited</p> <p>February 2018 Chief Director, Finance Team, Finance Office, Corporate Service Platform of MISUMI Group Inc.</p> <p>January 2019 General Manager, General Planning Department, General Planning Division of FUJITEC CO., LTD., etc.</p> <p>May 2021 Full-time Audit & Supervisory Board Member and External Audit & Supervisory Board Member of the Company (to present)</p>	—
2	Hisashi Ito (May 26, 1958)	<p>April 1985 Registered as a lawyer Joined Ginza Law Office (present Abe, Ikubo & Katayama Law Office)</p> <p>December 1989 External Audit & Supervisory Board Member of KUNIMINE INDUSTRIES CO., LTD.</p> <p>April 1991 Assistant of the Legal Training and Research Institute of the Supreme Court of Japan (in charge of Civil Advocacy Instructor’s Office)</p> <p>January 1998 Partner of Abe, Ikubo & Katayama Law Office (to present)</p> <p>April 2003 Instructor of the Legal Training and Research Institute of the Supreme Court of Japan (in charge of Civil Advocacy Instructor’s Office)</p> <p>March 2011 External Audit & Supervisory Board Member of the Company (to present)</p> <p>June 2016 Director of KUNIMINE INDUSTRIES CO., LTD. (Audit & Supervisory Committee Member) (to present)</p> <p>[Significant concurrent positions] Lawyer (Partner of Abe, Ikubo & Katayama Law Office) Director of KUNIMINE INDUSTRIES CO., LTD. (Audit & Supervisory Committee Member)</p>	—

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
3	Naoto Yokoi (April 27, 1951)	<p>April 1975 Joined Asahi & Co. (present KPMG AZSA LLC)</p> <p>August 1978 Registered as a certified public accountant</p> <p>May 2000 Representative Partner of Asahi & Co. (present KPMG AZSA LLC)</p> <p>October 2013 Chief of Naoto Yokoi Certified Public Accountant & Certified Tax Accountant Office</p> <p>June 2014 External Director of TAKEEI CORPORATION (to present)</p> <p>June 2014 External Audit & Supervisory Board Member of Nichiban Co., Ltd. (to present)</p> <p>March 2015 External Audit & Supervisory Board Member of the Company (to present)</p> <p>June 2015 External Director of INAGEYA CORPORATION</p> <p>[Significant concurrent positions]</p> <p>External Director of TAKEEI CORPORATION</p> <p>External Audit & Supervisory Board Member of Nichiban Co., Ltd.</p>	-

(Notes)

1. No conflict of interest exists between each candidate and the Company.
2. Mr. Toshiaki Mukaiyama, Mr. Hisashi Ito, and Mr. Naoto Yokoi are candidates for External Directors.
3. Mr. Toshiaki Mukaiyama, Mr. Hisashi Ito, and Mr. Naoto Yokoi are independent candidates based on provisions of the Tokyo Stock Exchange.
4. The reasons for nominating these candidates as External Directors who are Audit & Supervisory Committee Members, the reasons for determining that the candidates are able to carry out their duties as External Directors who are Audit & Supervisory Committee Members, the limited liability agreement with External Directors, and their expected roles are as follows:
 - (1) Mr. Toshiaki Mukaiyama has been nominated as a candidate for External Director who is an Audit & Supervisory Committee Member mainly for the reason that he will give advice and recommendations in order to ensure adequacy and fairness based on his extensive experience in administrative operations in general, including business planning, accounting/finance and the management of overseas subsidiaries. It was further determined that the Company can expect Mr. Toshiaki Mukaiyama to apply his expertise and experience to corporate management as an External Director as he possesses sufficient insight into company auditing operations from his many years of experience in administrative operations.
 - (2) Mr. Hisashi Ito has been nominated as a candidate for External Director who is an Audit & Supervisory Committee Member mainly for the reason that he will provide advice and recommendations to ensure adequacy and fairness from his professional viewpoint as a lawyer. It was further determined that the Company can expect Mr. Hisashi Ito to apply his expertise and experience to corporate management as an External Director as he possesses sufficient insight into the auditing operations of companies from the legal knowledge and experience he has gained over many years as a lawyer
 - (3) Mr. Naoto Yokoi has been nominated as a candidate for External Director who is an Audit & Supervisory Committee Member mainly for the reason that he will provide advice and recommendations to ensure adequacy and fairness from his professional viewpoint as a certified public accountant. It was further determined that the Company can expect Mr. Naoto Yokoi to apply his expertise and experience to corporate management as an External Director as he possesses sufficient insight into the auditing operations of companies from the accounting knowledge and experience he has gained over many years as a certified public accountant, although he has not participated in corporate management in the past other than as an External Director or an External Audit & Supervisory Board Member.
 - (4) Limited liability agreement with External Directors
The Company has entered into a limited liability agreement with Audit & Supervisory Board Members Mr. Hisashi Ito and Mr. Naoto Yokoi respectively. If the election of Mr. Hisashi Ito and Mr. Naoto Yokoi as Directors who are Audit & Supervisory Committee Members is approved, the Company plans to conclude with each of them a limited liability agreement with the same content as the said limited liability agreement.
Details of the content of these agreements are as follows:
 - 1) In the event that the Company assumes liability for damages as a result of the failure of an External Director to perform his duties, that liability shall be assumed at the minimum amount specified in Article 427, Paragraph 1 of the Companies Act.

- 2) The aforementioned limitation of liability shall be applicable only when the performance of duties by an External Director that resulted in said liability were carried out in good faith and without gross negligence.
5. The term of office of Mr. Toshiaki Mukaiyama as a Full-time Audit & Supervisory Board Member of the Company will be nine months at the conclusion of this General Meeting of Shareholders.
6. The term of office of Mr. Hisashi Ito as an Audit & Supervisory Board Member of the Company will be 11 years at the conclusion of this General Meeting of Shareholders.
7. The term of office of Mr. Naoto Yokoi as an Audit & Supervisory Board Member of the Company will be seven years at the conclusion of this General Meeting of Shareholders.
8. The Company has entered into a directors and officers liability insurance agreement, having all Directors insured. The insurance indemnifies the Directors, the insured, for any damages that may arise as a result of being held liable for the execution of their duties or receiving a claim to hold them liable. If they assume office as Directors, they will be insured under the said insurance agreement, and the Company plans to renew it during their terms of office.
9. The number of Company shares held by the aforementioned candidates for Director as of December 31, 2021.

Proposal 5: Setting of the Amount of Remuneration for Directors Who Are Not Audit & Supervisory Committee Members

Pursuant to the approval at the 32nd Annual General Meeting of Shareholders held on March 22, 2019, the amount of remuneration for Directors of the Company is 1,000 million yen or less per year (excluding employee salaries for Directors who concurrently serve as employees), which has been applicable up to the present.

Meanwhile, the Company will make a transition to a Company with an Audit & Supervisory Committee at the conclusion of this Annual General Meeting of Shareholders if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved as proposed.

Taking into consideration various circumstances, including their job responsibilities and changes in economic conditions, the Company proposes the current limit of remuneration for Directors be maintained and the amount of remuneration for Directors who are not Audit & Supervisory Committee Members be set at 1,000 million yen or less per year (excluding employee salaries for Directors who concurrently serve as employees). The limit of remuneration based on this proposal is set separately from that proposed in Proposal 7.

The Company currently has eight Directors (including three External Directors). If Proposal 3 “Election of 9 Directors Who Are Not Audit & Supervisory Committee Members” is approved and resolved as proposed, the number of Directors who are not Audit & Supervisory Committee Members will be nine (including four External Directors).

The resolution of this proposal shall take effect on condition that the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” come into effect with regard to the transition to a Company with an Audit & Supervisory Committee.

The Company has determined that this proposal is in line with the “Policy on Determination of the Details of Remuneration, etc. for Officers” on pages 14 to 15 of the Japanese version of the Notice of the 35th Annual General Meeting of Shareholders and is reasonable in light of the Company’s business scale, the level of officer remuneration, and job responsibilities of Directors who are not Audit & Supervisory Committee Members, among other factors.

Taking into account their supervisory functions and independence, remuneration for External Directors who are not Audit & Supervisory Committee Members consists solely of a fixed amount of basic remuneration. For the External Director who is not an Audit & Supervisory Committee Member and serves as Chairman of the Board of Directors, a fixed amount of remuneration appropriate for the role, position, etc. is set separately from this basic remuneration.

If this proposal is approved, the Company plans to amend “Directors” in the aforementioned policy to “Directors who are not Audit & Supervisory Committee Members” in order to align the policy with the approved details.

Proposal 6: Setting of the Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members

The Company will make a transition to a Company with an Audit & Supervisory Committee at the conclusion of this Annual General Meeting of Shareholders if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved as proposed.

Taking into consideration various circumstances, including their job responsibilities and changes in economic conditions, the Company proposes the amount of remuneration for Directors who are Audit & Supervisory Committee Members be set at 100 million yen or less per year including the remuneration for External Directors.

If Proposal 4 “Election of 3 Directors Who Are Audit & Supervisory Committee Members” is approved and resolved as proposed, the Company will have three Directors who are Audit & Supervisory Committee Members (including three External Directors).

The resolution of this proposal shall take effect on condition that the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to Articles of Incorporation” come into effect with regard to the transition to a Company with an Audit & Supervisory Committee.

The Company has determined that this proposal is reasonable in light of the Company’s business scale, the level of officer remuneration, and job responsibilities of Directors who are Audit & Supervisory Committee Members, among other factors.

Remuneration for Directors who are Audit & Supervisory Committee Members consists solely of a fixed amount of basic remuneration based on this proposal.

Proposal 7: Determination of Remuneration for the Purpose of Granting Restricted Stock to Directors (Excluding External Directors and Directors Who Are Audit & Supervisory Committee Members)

The Company will make a transition to a Company with an Audit & Supervisory Committee at the conclusion of this Annual General Meeting of Shareholders if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved as proposed. To give the Company’s Directors (excluding Directors who are Audit & Supervisory Committee Members and External Directors; hereinafter referred to as “Eligible Directors”) incentives for sustainable increase in corporate value and facilitate further value sharing with shareholders, the Company, as part of a review of officer remuneration systems following the transition, proposes the introduction of remuneration for granting restricted stock to Eligible Directors, separately from Proposal 5 “Setting of the Amount of Remuneration for Directors Who Are Not Audit & Supervisory Committee Members.”

The remuneration paid for granting restricted stock to Eligible Directors, based on this proposal, shall be in the form of monetary claims, and the total amount shall be 40 million yen or less per year as annual installment type stock compensation and 200 million yen or less per year (excluding employee salaries for Directors who concurrently serve as employees) as lump-sum type stock compensation. In principle, the limit of remuneration for lump-sum type stock compensation is set based on the premise that the amount equivalent to compensation for the execution of duties over 10 fiscal years is paid in a lump-sum. Therefore, the Company regards it practically equivalent to a payment of 20 million yen or less per fiscal year.

The Company currently has eight Directors (including three External Directors). If Proposal 3 “Election of 9 Directors Who Are Not Audit & Supervisory Committee Members” is approved and resolved as proposed, the number of Directors who are not Audit & Supervisory Committee Members will be nine (including four External Directors).

Based on a resolution of the Board of Directors, Eligible Directors shall pay all monetary claims provided pursuant to this proposal as properties contributed in kind and receive common shares of the Company that shall be issued or disposed of. The total number of common shares of the Company issued or disposed of for this purpose shall be 20 thousand shares or less per year as annual installment type stock compensation, 100 thousand shares or less per year as lump-sum type stock compensation, and 120 thousand shares or less per year in total. (If the Company conducts a stock split (including a gratis allotment of common shares of the Company) or reverse stock split of common shares, or if circumstances that require an adjustment to the total number of the Company’s common shares to be issued or disposed of as restricted stock arise, on or after the date of the approval and resolution of this proposal, the Company shall adjust the total number within a reasonable scope.) As stated above, the monetary claims concerning lump-sum type stock compensation are, in principle, based on the premise that the amount equivalent to

compensation for the execution of duties over 10 fiscal years is paid in a lump sum. Therefore, the Company regards it practically equivalent to granting 10 thousand shares or less per fiscal year.

The amount to be paid in for each share shall be determined by the Board of Directors, based on the closing price of the Company's common shares on the Tokyo Stock Exchange for the business day immediately preceding each resolution by the Board of Directors (if the trading did not occur on the day, the closing price on the most recent preceding trading day) and within the scope not particularly advantageous to Eligible Directors receiving the common shares. In addition, the issuance or disposal of the Company's common shares, as well as the payment of monetary claims as properties contributed in kind, shall be subject to the conclusion of a restricted stock allotment agreement including the details specified below (hereinafter referred to as the "Allotment Agreement") between the Company and Eligible Directors. The Company considers the conditions for granting restricted stock to Eligible Directors in this proposal, including the maximum amount of remuneration and the total number of the Company's common shares to be issued or disposed of, reasonable as it has been determined with consideration given to the aforementioned purpose, the state of affairs of the Company's business, and various other circumstances.

If this proposal is approved, the Company plans to amend its Policy on Determination of the Details of Individual Directors' Remuneration, etc.

[Overview of the Allotment Agreement]

(1) Transfer Restriction Period

Eligible Directors may not transfer, establish a security interest on, or otherwise dispose of (hereinafter referred to as the "Transfer Restrictions") the Company's common shares allotted based on the Allotment Agreement (hereinafter referred to as the "Allotted Shares") from the day of the share allotment based on the Allotment Agreement until the time immediately following the retirement from the Company's or its subsidiaries' officer or employee positions specified by the Company's Board of Directors in advance (hereinafter referred to as the "Transfer Restriction Period").

(2) Treatment at the Time of Retirement

If Eligible Directors retire from the Company's or its subsidiaries' officer or employee positions specified by the Company's Board of Directors in advance before the expiration of the period specified by the Company's Board of Directors in advance (hereinafter referred to as the "Service Period"), the Company shall acquire the Allotted Shares without consideration as a matter of course, excluding cases where there are justifiable reasons for the retirement, such as expiration of the term of office or death.

(3) Lifting the Transfer Restrictions

Notwithstanding the provisions of the above (1), the Company shall lift Transfer Restrictions on all Allotted Shares at the time of the expiration of the Transfer Restriction Period, provided that Eligible Directors, during the Service Period, continuously remained in the Company's or its subsidiaries' officer or employee positions specified by the Company's Board of Directors in advance. However, the Company shall reasonably adjust the number of Allotted Shares subject to the lifting of Transfer Restrictions and the timing of lifting Transfer Restrictions as necessary, if the Eligible Directors, (i) for justifiable reasons specified in the above (2), such as expiration of the term of office or death, retire before the expiration of the Service Period from the Company's or its subsidiaries' officer or employee positions specified by the Company's Board of Directors in advance, or (ii) for reasons other than the justifiable reasons, retire before the expiration of the Service Period from the positions specified by the Board of Directors of the Company in advance. The Company shall acquire, without consideration as a matter of course, the Allotted Shares with Transfer Restrictions that have not been lifted at the time immediately following the lifting of the Transfer Restrictions under the above provisions.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provisions of the above (1), if, during the Transfer Restriction Period, a merger agreement whereby the Company becomes a disappearing company, a share exchange agreement or a share transfer plan whereby the Company becomes a wholly-owned subsidiary, or other matters on organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or at a Board of Directors meeting if the organizational restructuring, etc. does not require approval by the General Meeting of Shareholders of the Company), the Company shall, based on a resolution of the Board of Directors of the Company, lift Transfer Restrictions ahead of the effective date of the organizational restructuring, etc. for the number of Allotted Shares reasonably determined taking into consideration the period from the starting date of the Transfer Restriction Period to the approval date of the organizational restructuring, etc. In cases specified above, the Company shall acquire, without consideration as a matter of course, the Allotted Shares with Transfer Restrictions that have not been lifted at the time immediately following the lifting of the Transfer Restrictions.

(5) Other Matters

Other matters on the Allotment Agreement shall be decided by the Board of Directors of the Company.

The resolution of this proposal shall take effect on condition that the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” come into effect with regard to the transition to a Company with an Audit & Supervisory Committee.

Proposal 8: Election of 1 Director Who Is a Substitute Audit & Supervisory Committee Member

The Company will make a transition to a Company with an Audit & Supervisory Committee at the conclusion of this Annual General Meeting of Shareholders if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved and resolved as proposed. To prepare for any shortage in the number of Audit & Supervisory Committee Members from the number provided for in laws and regulations, it is proposed that 1 Director who is a Substitute Audit & Supervisory Committee Member be elected in advance. The Audit & Supervisory Board has consented to this proposal. The election based on this proposal shall take effect on condition that the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” come into effect with regard to the transition to a Company with an Audit & Supervisory Committee. Only before the candidate assumes office, the effectiveness of the election may be rescinded by a resolution of the Board of Directors, with the consent of the Audit & Supervisory Committee.

The candidate for Director who is a Substitute Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
Masataka Iwasaki (November 28, 1964)	April 1992 Registered as a lawyer August 1996 Assistant to the Office of Practicing Attorney Professor for Civil Advocacy of The Legal Training and Research Institute of Japan September 2004 Joint establishment and Partner of Nijinohashi Law Offices (to present) April 2010 Practicing Attorney Professor for Civil Advocacy of The Legal Training and Research Institute of Japan April 2013 Professor at Sophia Law School (to present) February 2021 External Audit & Supervisory Board Member of the Company (to present) [Significant concurrent positions] Lawyer (Partner of Nijinohashi Law Offices) Professor at Sophia Law School (Professor with practical experience)	-

(Notes)

1. No conflict of interest exists between the candidate and the Company.
2. The candidate fulfills the requirements for External Director who is an Audit & Supervisory Committee Member, and is nominated as an External Director who is a Substitute Audit & Supervisory Committee Member.
3. The candidate fulfills the requirements for independent director/auditor based on provisions of the Tokyo Stock Exchange, and is nominated as a substitute independent director/auditor.
4. Mr. Masataka Iwasaki has been nominated as a candidate for External Director who is a Substitute Audit & Supervisory Committee Member mainly for the reason that he will provide advice and recommendations to ensure adequacy and fairness from his professional viewpoint as a lawyer. It was further determined that the Company can expect Mr. Masataka Iwasaki to apply his expertise and experience to corporate management as an External Director who is an Audit & Supervisory Committee Member as he possesses sufficient insight into the auditing operations of companies from the legal knowledge and experience he has gained over many years as a lawyer.
5. The Company has entered into a directors and officers liability insurance agreement, having all Directors insured. The insurance indemnifies the Directors, the insured, for any damages that may arise as a result of being held liable for the execution of their duties or receiving a claim to hold them liable. If the candidate assumes office as a Director who is an Audit & Supervisory Committee Member, he will be insured under the said insurance agreement.