

(Stock Exchange Code 2124)  
March 7, 2023  
(Commencement of electronic provision measures: March 6, 2023)

**To Shareholders with Voting Rights:**

Hiromi Tazaki  
Chairman and CEO  
JAC Recruitment Co., Ltd.  
14F Jinbocho Mitsui Building,  
105 Jinbocho 1-Chome,  
Chiyoda-ku, Tokyo

**NOTICE OF  
THE 36TH 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 36th Annual General Meeting of Shareholders of JAC Recruitment Co., Ltd. (the “Company”) to be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. The Company is posting electronic provision measures matters as the “NOTICE OF THE 36TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following website on the Internet.

The Company’s website

([https://ir.jac-recruitment.jp/ja/investors/stock/meeting/main/00/teaserItems3/00/linkList/00/link/gm\\_36th\\_en.pdf](https://ir.jac-recruitment.jp/ja/investors/stock/meeting/main/00/teaserItems3/00/linkList/00/link/gm_36th_en.pdf))

In addition to the above, the information is also available on the following website on the Internet.

Tokyo Stock Exchange’s website

(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

Please access the above website, search by entering our company name or stock exchange code, and select “Basic information” and “Documents for public inspection/PR information” in that order.

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), Monday, March 27, 2023.

**1. Date and Time:** Tuesday, March 28, 2023 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 36th Fiscal Year (January 1, 2022 - December 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 36th Fiscal Year (January 1, 2022 - December 31, 2022)

**Proposals to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of 8 Directors Who Are Not Audit & Supervisory Committee Members

**Proposal 3:** 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.

\*If you do not indicate your vote of approval or disapproval for each proposal on the Voting Rights Exercise Form, we will consider you to have approved the proposal.

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

Should electronic provision measures matters require revisions, the revised versions will be posted on the applicable websites.

\*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, 2022)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>17,820</b>	<b>Current liabilities</b>	<b>6,161</b>
Cash and deposits	14,879	Lease obligations	0
Accounts receivable - trade	2,244	Accounts payable - other	590
Supplies	7	Accrued expenses	2,995
Prepaid expenses	413	Income taxes payable	1,207
Other	283	Accrued consumption taxes	659
Allowance for doubtful accounts	(7)	Deposits received	242
<b>Non-current assets</b>	<b>4,263</b>	Unearned revenue	93
<b>Property, plant and equipment</b>	<b>745</b>	Provision for stocks payment	170
Buildings	201	Refund liabilities	74
Machinery and equipment	30	Other	128
Tools, furniture and fixtures	145	<b>Non-current liabilities</b>	<b>337</b>
Leased assets	2	Lease obligations	1
Construction in progress	0	Other	335
Other	364	<b>Total liabilities</b>	<b>6,498</b>
<b>Intangible assets</b>	<b>1,532</b>	<b>(Net Assets)</b>	
Goodwill	814	<b>Shareholders' equity</b>	<b>15,415</b>
Software	617	<b>Capital stock</b>	<b>672</b>
Software in progress	100	<b>Capital surplus</b>	<b>1,514</b>
<b>Investments and other assets</b>	<b>1,985</b>	<b>Retained earnings</b>	<b>15,022</b>
Investment securities	0	<b>Treasury stock</b>	<b>(1,793)</b>
Investments in capital	0	<b>Accumulated other comprehensive income</b>	<b>169</b>
Lease and guarantee deposits	969	<b>Foreign currency translation adjustment</b>	<b>169</b>
Claims provable in bankruptcy, claims provable in rehabilitation and other	13		
Long-term prepaid expenses	27		
Deferred tax assets	988		
Long-term accounts receivable - other	2		
Allowance for doubtful accounts	(16)	<b>Total net assets</b>	<b>15,585</b>
<b>Total assets</b>	<b>22,084</b>	<b>Total liabilities and net assets</b>	<b>22,084</b>

Note: Figures less than one million are rounded down.

**Consolidated Statement of Income**  
(From January 1, 2022 to December 31, 2022)

(Millions of yen)

Item	Amount	
<b>Net sales</b>		
Domestic recruitment business income	26,726	
Domestic job offer advertising business income	356	
Overseas business income	3,351	30,435
<b>Cost of sales</b>		
Domestic recruitment business cost	1,750	
Domestic job offer advertising business cost	2	
Overseas business cost	639	2,391
<b>Gross profit</b>		<b>28,043</b>
<b>Selling, general and administrative expenses</b>		<b>20,999</b>
<b>Operating income</b>		<b>7,044</b>
<b>Non-operating income</b>		
Interest income	4	
Reversal of allowance for doubtful accounts	7	
Gain on cancellation of leases	6	
Insurance fee income	5	
Rental income from facilities	4	
Other	10	39
<b>Non-operating expenses</b>		
Interest expenses	22	
Foreign exchange losses	8	
Other	0	30
<b>Ordinary income</b>		<b>7,052</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	12	
Impairment loss	29	
Loss on valuation of investment securities	0	41
<b>Profit before income taxes</b>		<b>7,011</b>
Income taxes - current	2,134	
Income taxes - deferred	(152)	1,981
<b>Profit</b>		<b>5,029</b>
<b>Profit attributable to owners of parent</b>		<b>5,029</b>

Note: Figures less than one million are rounded down.

**Consolidated Statement of Changes in Shareholders' Equity**

(From January 1, 2022 to December 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of the year	672	1,515	12,982	(1,829)	13,340
Cumulative effects of changes in accounting policies			1		1
Restated balance	672	1,515	12,983	(1,829)	13,341
Changes of items during the year					
Dividends of surplus			(2,990)		(2,990)
Profit attributable to owners of parent			5,029		5,029
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		36	35
Net changes of items other than shareholders' equity					
Total amount of changes during the year	—	(0)	2,038	35	2,074
Balance at end of the year	672	1,514	15,022	(1,793)	15,415

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of the year	25	25	13,365
Cumulative effects of changes in accounting policies			1
Restated balance	25	25	13,367
Changes of items during the year			
Dividends of surplus			(2,990)
Profit attributable to owners of parent			5,029
Purchase of treasury shares			(0)
Disposal of treasury shares			35
Net changes of items other than shareholders' equity	144	144	144
Total amount of changes during the year	144	144	2,218
Balance at end of the year	169	169	15,585

Note: Figures less than one million are rounded down.

**Non-Consolidated Balance Sheet**  
(As of December 31, 2022)

(Millions of yen)

<b>(Assets)</b>		<b>(Liabilities)</b>	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>15,380</b>	<b>Current liabilities</b>	<b>5,224</b>
Cash and deposits	13,103	Lease obligations	0
Accounts receivable - trade	1,784	Accounts payable - other	527
Supplies	7	Accrued expenses	2,599
Prepaid expenses	286	Income taxes payable	1,098
Other	202	Accrued consumption taxes	566
Allowance for doubtful accounts	(1)	Deposits received	211
<b>Non-current assets</b>	<b>6,792</b>	Unearned revenue	5
<b>Property, plant and equipment</b>	<b>291</b>	Provision for stocks payment	167
Buildings	164	Refund liabilities	32
Machinery and equipment	30	Other	14
Tools, furniture and fixtures	93	<b>Non-current liabilities</b>	<b>46</b>
Leased assets	2	Leased liability	1
Construction in progress	0	Other	45
<b>Intangible assets</b>	<b>683</b>	<b>Total liabilities</b>	<b>5,271</b>
Software	586	<b>(Net Assets)</b>	
Software in progress	97	<b>Shareholders' equity</b>	<b>16,902</b>
<b>Investments and other assets</b>	<b>5,816</b>	<b>Capital stock</b>	<b>672</b>
Shares of subsidiaries and associates	4,008	<b>Capital surplus</b>	<b>1,514</b>
Investment securities	0	Legal capital surplus	647
Investments in capital	0	Other capital surplus	867
Lease and guarantee deposits	829	<b>Retained earnings</b>	<b>16,508</b>
Claims provable in bankruptcy, claims provable in rehabilitation and other	13	Legal retained earnings	1
Long-term prepaid expenses	27	Other retained earnings	16,507
Deferred tax assets	950	Retained earnings brought forward	16,507
Long-term accounts receivable - other	1	<b>Treasury stock</b>	<b>(1,793)</b>
Allowance for doubtful accounts	(15)	<b>Total net assets</b>	<b>16,902</b>
<b>Total assets</b>	<b>22,173</b>	<b>Total liabilities and net assets</b>	<b>22,173</b>

Note: Figures less than one million are rounded down.

**Non-Consolidated Statement of Income**  
(From January 1, 2022 to December 31, 2022)

(Millions of yen)

Item	Amount	
<b>Net sales</b>		<b>25,426</b>
<b>Cost of sales</b>		<b>1,698</b>
<b>Gross profit</b>		<b>23,728</b>
<b>Selling, general and administrative expenses</b>		<b>16,994</b>
<b>Operating income</b>		<b>6,733</b>
<b>Non-operating income</b>		
Interest income	0	
Outsourcing income	12	
Rental income from facilities	7	
Reversal of allowance for doubtful accounts	3	
Other	3	27
<b>Non-operating expenses</b>		
Interest expenses	0	
Foreign exchange losses	2	
Other	0	2
<b>Ordinary income</b>		<b>6,758</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	8	
Loss on valuation of investment securities	0	8
<b>Profit before income taxes</b>		<b>6,749</b>
Income taxes - current	1,966	
Income taxes - deferred	(147)	1,819
<b>Profit</b>		<b>4,930</b>

Note: Figures less than one million are rounded down.

**Non-Consolidated Statement of Changes in Shareholders' Equity**

(From January 1, 2022 to December 31, 2022)

(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	672	647	868	1,515	1	14,566	14,567
Cumulative effects of changes in accounting policies						1	1
Restated balance	672	647	868	1,515	1	14,567	14,569
Changes of items during the year							
Dividends of surplus						(2,990)	(2,990)
Net income						4,930	4,930
Purchase of treasury shares							
Disposal of treasury shares			(0)	(0)			
Net changes of items other than shareholders' equity							
Total amount of changes during the year	—	—	(0)	(0)	—	1,939	1,939
Balance at end of the year	672	647	867	1,514	1	16,507	16,508

	Shareholders' equity		Total net assets
	Treasury shares	Total shareholders' equity	
Balance at beginning of the year	(1,829)	14,925	14,925
Cumulative effects of changes in accounting policies		1	1
Restated balance	(1,829)	14,927	14,927
Changes of items during the year			
Dividends of surplus		(2,990)	(2,990)
Net income		4,930	4,930
Purchase of treasury shares	(0)	(0)	(0)
Disposal of treasury shares	36	35	35
Net changes of items other than shareholders' equity			
Total amount of changes during the year	35	1,974	1,974
Balance at end of the year	(1,793)	16,902	16,902

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:  
¥80 per share of the Company's common stock  
Total amount: ¥3,278,680,720
3. Effective date of dividends of surplus:  
March 29, 2023



No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
2	Tadayoshi Tazaki (July 16, 1943)	<p>November 1974 Director at incorporation of T. TAZAKI&amp;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
3	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</p> <p>January 2022 Managing Director of JAC International Co., Ltd.</p> <p>January 2022 Director of VantagePoint K.K. (to present)</p> <p>March 2022 Executive Director of the Company (to present)</p>	26,274
4	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 &amp; 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 &amp; 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
5	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 &amp; 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 &amp; 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 &amp; 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>	—
6	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
7	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 &amp; 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 &amp; 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 Sourcenext Corporation (to present)</p> <p>March 2022    External Director of the Company (to present)</p> <p>[Significant concurrent positions]</p> <p>Independent Director of Ichigo Inc.</p> <p>Chairman of Japan Association for Chief Human Resource Officers</p> <p>Independent Outside Director of eSOL Co., Ltd.</p> <p>Outside Director of Sourcenext Corporation</p>	-

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company (Significant concurrent positions)	Number of shares of the Company held
8	[New appointment] Toshihiko Okino (March 24, 1970)	<p>January 2000    Joined Memory-Tech Corporation</p> <p>February 2008    Joined Pacific Holdings, Inc.</p> <p>May 2009        Joined MTI Ltd.</p> <p>December 2009    General Manager, Accounting Department; and General Manager, Legal Affairs Office, Corporate Support Division of MTI Ltd.</p> <p>January 2012     Executive Officer; Vice President of Corporate Support Division; General Manager, Corporate Planning Office; General Manager, Accounting Department; and in charge of Legal Affairs Office and Public Relations and IR Office of MTI Ltd.</p> <p>September 2014    Senior Executive Officer; Vice President of Corporate Support Division; and General Manager, Accounting Department of MTI Ltd.</p> <p>June 2018        Senior Executive Officer; Head of Finance and Legal Affairs Division; and General Manager, Finance and Accounting Department of MTI Ltd.</p> <p>August 2019      Joined the Company as Associate Director and CFO</p> <p>January 2022      Director of VantagePoint K.K. (to present)</p> <p>January 2023      Associate Director; Head of Administration Headquarters; and CFO of the Company (to present)</p>	1,170

(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 eight 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 seven 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 three years at the conclusion of this General Meeting of Shareholders.
7. The term of office of Mr. Nobuhide Nakaido as a Director of the Company will be one year at the conclusion of this General Meeting of Shareholders.
8. 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, Mr. Günter Zorn, a candidate for External Director, and Mr. Nobuhide Nakaido, a candidate for External Director.

    - 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.

9. 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. 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. Toshihiko Okino has extensive experience and achievements in overall operations in administrative divisions, particularly in the area of accounting/finance, business planning, and M &As over many years. In January 2023, he was appointed as General Manager of Administration Headquarters of the Company. The Company has determined that he carries out his duties as Director in an appropriate manner from a wide perspective.
10. 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.
11. The number of Company shares held by the aforementioned candidates for Director as of December 31, 2022.

**Proposal 3: Election of 1 Director Who Is a Substitute Audit & Supervisory Committee Member**

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 Committee has consented to this proposal.

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 October 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 (Professor with practical experience) (to present) February 2021 External Audit & Supervisory Board Member of the Company [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.
6. Limited liability agreement with the candidate for External Director  
If the candidate assumes office of a Director who is an Audit & Supervisory Committee Member, the Company plans to conclude a limited liability agreement with the candidate.  
Details of the content of the agreement 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.