



# Notice of the 71st Annual General Meeting of Shareholders

## Date and Time

Thursday, June 27, 2024,  
at 10:00 a.m.

## Venue

3F 302 Akane Conference Room,  
**KUDAN-KAIKAN TERRACE**  
1-6-5 Kudan-Minami, Chiyoda-ku, Tokyo

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**TDC SOFT Inc.**

Securities code: 4687

June 6, 2024

(Start Date of Electronic Provision Measures: June 5, 2024)

To our shareholders:

Hiroyoshi Kobayashi  
President and Representative Director

**TDC SOFT Inc.**

1-6-5 Kudanminami, Chiyoda-ku, Tokyo

(Securities code: 4687)

## Notice of the 71st Ordinary General Meeting of Shareholders

Thank you for your constant support.

You are cordially notified of the 71st ordinary general meeting of shareholders of TDC SOFT Inc. (the “Company”), which will be held as described below.

We are using an electronic provision for the Notice of the General Meeting of Shareholders. This notice is published online in the electronic provision as the Notice of the General Meeting of Shareholders at:

TDC SOFT website (<https://www.tdc.co.jp/>)

In addition to the above, the notice is also published online at:

Tokyo Stock Exchange website

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



To view this notice, please access the TSE website, enter and search for the Company name or securities code, click the [Basic information] button, and then select [Documents for public inspection/PR Information].

**If you are unable to attend the General Meeting of Shareholders in person, you can exercise your voting rights either by postal mail or via the internet.** We kindly ask you to review the Reference Documents for the General Meeting of Shareholders included in the electronic provision and exercise your voting rights using one of the methods outlined below by 5:00 p.m. on Wednesday, June 26, 2024 (JST).

### **Exercise of voting rights by mail (in writing)**

Indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it by mail to reach us by the voting deadline noted above.

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

Access the voting site designated by the Company (<https://evote.tr.mufig.jp/>), enter the Login ID and Temporary Password indicated on the enclosed Voting Rights Exercise Form, and input your vote for or against the proposals in accordance with the on-screen instructions.

If you wish to exercise your voting rights via the internet, please refer to “Regarding Exercise of Voting Rights via the Internet” (page 4) published in the electronic provision.

If you exercise your voting rights both in writing and via the internet, we will accept only the exercise of your voting rights via the internet as effective.

If you exercise your voting rights more than once via the internet, we will accept only the last exercise of your voting rights as effective.

## Details

- 1 Date and Time: Thursday, June 27, 2024, at 10:00 a.m. (JST)
- 2 Venue: KUDAN-KAIKAN TERRACE, 3F 302 Akane Conference Room  
1-6-5 Kudanminami, Chiyoda-ku, Tokyo  
(Please refer to the “Location Map of the Venue of the General Meeting of Shareholders” at the end of this document.)

3 Meeting Agenda

- Matters to be reported:
1. Business Report and Consolidated Financial Statements for the 71st fiscal year (April 1, 2023, to March 31, 2024), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the 71st fiscal year (April 1, 2023, to March 31, 2024)

Proposals to be resolved

- Proposal 1: Appropriation of Surplus
- Proposal 2: Election of Six Directors
- Proposal 3: Election of One Audit & Supervisory Board Member
- Proposal 4: Election of One Substitute Audit & Supervisory Board Member
- Proposal 5: Revision of Remuneration for Directors

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1. If you are attending the meeting in person on the day, please submit the Voting Rights Exercise Form at the reception desk at the venue.
  2. At the entrance of the venue, persons who appear to be unwell may be refused entry and asked to leave.
  3. In the event of updates to the above arrangements due to circumstances surrounding the spread of infection or announcements, etc. made by the government and others up to the day of the general meeting of shareholders, we will post a notification on the Company's website (<https://www.tdc.co.jp/>).
  4. The details of any revisions to items subject to electronic provision measures will be provided on websites hosting that information.
  5. We will be wearing casual business attire on the day in line with the government's Cool Biz campaign to encourage people to adopt a summer dress code and conserve energy through limiting the use of air-conditioning and ask for your understanding.

# Information Regarding Exercise of Voting Rights

When exercising your voting rights in writing by mail or via the internet

## In writing by mail



Please mark your vote for or against the proposals on the Voting Rights Exercise Form and return it by mail. If you do not vote for or against a proposal on the Voting Rights Exercise Form, the Company will treat this vote as a vote for the proposal.

Voting deadline

**To be received no later than 5:00 p.m. on Wednesday, June 26, 2024 (JST)**

## Via the internet



Please refer to “Regarding Exercise of Voting Rights via the Internet” on the following page and input your vote for or against the proposals.

Voting deadline

**No later than 5:00 p.m. on Wednesday, June 26, 2024 (JST)**

When attending the meeting in person

## Attending the meeting in person



Please submit the Voting Rights Exercise Form **at the reception desk at the venue**. Please be aware that proxies, accompanying persons, and others who are not shareholders, and persons other than shareholders with voting rights will not be allowed entry to the venue.

Date and time

**10:00 a.m. on Thursday, June 27, 2024**

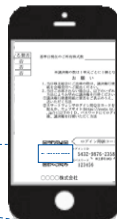
# Regarding Exercise of Voting Rights via the Internet

Exercise of voting rights via the internet can be completed only through the voting site designated by the Company (<https://evote.tr.mufg.jp/>), accessed using a computer or smartphone.

## How to scan the QR code using a smartphone

The form is titled "議決権行使書" (Voting Rights Exercise Form) for "〇〇〇株式会社 御中" (Mitsubishi UFJ Trust and Banking Corporation). It includes a table for "議案 原案に対する賛否" (Proposals and response to original proposal) with columns for "賛" (For), "反対" (Against), and "棄権" (Abstain). A QR code is prominently displayed with the text "QR code to log in" above it. Below the QR code, there is a "ログイン用コード" (Login code) field with the value "5432-8876-2358-0P5" and a "パスワード" (Password) field with the value "123456".

Voting Rights Exercise Form duplicate (shown on the right)



You are no longer required to enter the Login ID and Temporary Password when exercising your voting rights using a smartphone. Log in by scanning the QR code to log in printed on the enclosed Voting Rights Exercise Form duplicate (shown on the right).

## How to enter the Login ID and Temporary Password

### How to use the voting site

#### ① Access the voting site

The screenshot shows the MUFG voting site homepage. It has a header with "MUFG 三菱UFJ信託銀行" and a main section titled "株主総会に関するお手続きサイトへようこそ" (Welcome to the site for shareholder meeting procedures). There is a "Click 'Next Page'" button pointing to the next step.

#### ② Enter the Login ID and Temporary Password shown on the bottom right of your Voting Rights Exercise Form

The screenshot shows the login page. It has fields for "ログインID" (Login ID) and "パスワード" (Password). There is a "Click 'Login'" button. Below the fields, there is a note: "パスワードを忘れた場合は、ログインIDとパスワードを再入力してください。" (If you forget your password, please re-enter your login ID and password).

#### ③ Enter both "New Password" and "New Password (confirmation)"

The screenshot shows the password confirmation page. It has fields for "現在のパスワード" (Current password), "新しいパスワード" (New password), and "新しいパスワード(確認用)" (New password (confirmation)). There is a "Click 'Send'" button.

Input your vote for or against the proposals following the on-screen instructions shown thereafter

### Please note:

- Exercise of voting rights via the internet is available until 5:00 p.m. on Wednesday, June 26, 2024, the day before the general meeting of shareholders.
- If you exercise your voting rights both by mail and via the internet, we treat the details from the exercise of your voting rights via the internet as effective.
- If you exercise your voting rights multiple times via the internet, we will treat the details from the final exercise of your voting rights as effective.

For inquiries regarding the system, etc. (Helpdesk)  
Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Division



0120-173-027

(Toll free within Japan)  
Operating hours: 9:00 a.m. to 9:00 p.m. (JST)

## Proposal and reference items

### Proposal 1 Appropriation of Surplus

As a basic policy, the Company adopts the continuous return of profits to shareholders, while enhancing corporate value by improving the management base and strengthening the Company's financial position.

For the fiscal year under review, the Company proposes to pay the following year-end dividends, based on this policy and in acknowledgement of shareholders' ongoing support.

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#### 1 Type of dividend property

To be paid in cash.

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#### Allotment of dividend property to shareholders and the total amount

The Company proposes to pay a dividend ¥48 per common share of the Company.  
In this event, the total dividends will be ¥1,148,137,008.

Note: The Company conducted a 2-for-1 share split of common stock, effective April 1, 2024, but the number of stocks as of March 31, 2024, which was before the stock split, will be used as a reference to pay dividends.

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#### 3 Effective date of dividends of surplus

The Company proposes the date of June 28, 2024.

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## Proposal 2 Election of Six Directors

The terms of office of the following five Directors will expire at the conclusion of this ordinary general meeting of shareholders: Hiroyoshi Kobayashi, Mikako Takase, Tsuyoshi Ogaki, Junzo Nakagawa, and Masakazu Kuramoto. Therefore, we would like to elect six Directors, thereby increasing the number of Directors by one to handle future business expansion.

The candidates for Director are as follows:

Candidate No.	Name	Current position	Attribute	Attendance at Board of Directors' meetings	Tenure as Director
1	Hiroyoshi Kobayashi	President and Representative Director	Reelection	11/11 (100%)	6 years
2	Mikako Takase	Director	Reelection	11/11 (100%)	8 years
3	Tsuyoshi Ogaki	Director	Reelection	11/11 (100%)	8 years
4	Minoru Kumada		New election	—/— (—%)	— years
5	Junzo Nakagawa	Director	Reelection	Outside Independent officer 11/11 (100%)	4 years
6	Masakazu Kuramoto	Director	Reelection	Outside Independent officer 11/11 (100%)	2 years

Candidate  
No.

1

Hiroyoshi Kobayashi

Reelection

- Date of birth  
March 1, 1964
- Tenure as Director: 6  
years
- Attendance at Board of  
Directors' meetings  
100% (11/11)
- Number of the  
Company's shares held  
48,900 shares

■ Career summary, positions, responsibilities and significant  
concurrent positions

1989	Jan.	Joined the Company
2009	Apr.	Deputy General Manager of Solution Service Headquarters
2011	Apr.	Executive Officer Deputy General Manager of IT Business Headquarters
2016	Apr.	General Manager of Corporate Planning Headquarters
2018	Apr.	General Manager of IT Integration Business Headquarters Deputy General Manager of Technology Development & Promotion Headquarters
2018	June	Director and Executive Officer
2019	Jan.	Director and Managing Executive Officer
2019	Apr.	Senior Managing Director and Executive Officer
2019	June	President and Representative Director (current position)

■ Reasons for nomination as candidate for Director

Hiroyoshi Kobayashi has a background mainly in technical and development fields, and has been involved in management since 2018 as a Director based on his extensive experience. In 2019 he has appointed President and Representative Director, and has demonstrated strong leadership toward enhancing the corporate value of the entire Group. The Company has judged that his continued participation in the Company's management decision-making will contribute to the enhancement of the Group's corporate value and sustainable growth. Therefore, the Company has nominated him as a candidate for Director.



## Mikako Takase

## Reelection

- Date of birth  
December 26, 1958
- Tenure as Director: 8  
years
- Attendance at Board of  
Directors' meetings  
100% (11/11)
- Number of the  
Company's shares held  
22,100 shares

### ■ Career summary, positions, responsibilities and significant concurrent positions

1997	Apr.	Joined Sun Japan Corporation (currently CAICA DIGITAL Inc.)
2005	Apr.	Director
2007	June	Representative Director & President
2009	July	Senior Executive Officer of SJI Inc. (currently CAICA DIGITAL Inc.) and Deputy General Manager of Domestic Business Operations Units
2013	Sep.	Administration Officer, General Manager of Business Planning Department, Group Business Headquarters of the Company
2014	Apr.	Executive Officer Deputy General Manager of Business Strategy Headquarters General Manager of Sales Planning Department, Business Strategy Headquarters
2016	June	Director and Executive Officer In charge of Enterprise Business Unit General Manager of Business Strategy Headquarters
2017	Oct.	Director and Managing Executive Officer (current position) General Manager of Sales Headquarters
2019	Apr.	In charge of Business Innovation Headquarters In charge of Digital Technology Headquarters In charge of Financial System Headquarters
2020	Apr.	Supervisor of Solutions Business Headquarters
2021	Apr.	In charge of Financial Business Design Headquarters In charge of Smart SI Promotion Office
2022	Apr.	In charge of System Development Headquarters
2023	Apr.	In charge of Financial System Headquarters
2024	Apr.	In charge of innovation & technology field (current position) In charge of public field (current position) In charge of human resource development and training (current position) General Manager of System Development Headquarters (current position)

### ■ Reasons for nomination as candidate for Director

Mikako Takase has a background mainly in business areas, and since becoming a Director of the Company, has mainly been in charge of business and development areas. As she is committed to enhancing the corporate value of the Group, the Company expects she will continue to demonstrate her management ability, drawing on her wide range of knowledge and experience, and has therefore nominated her as a candidate for Director.

Candidate  
No.

3

Tsuyoshi Ogaki

Reelection

- Date of birth  
November 21, 1965
- Tenure as Director: 8  
years
- Attendance at Board of  
Directors' meetings  
100% (11/11)
- Number of the  
Company's shares held  
61,060 shares

■ Career summary, positions, responsibilities and significant  
concurrent positions

1988	Apr.	Joined the Company
2008	Apr.	General Manager of Corporate Planning, Corporate Planning Headquarters
2011	Apr.	Deputy General Manager of Administration Headquarters
2012	Oct.	Executive Officer
2016	June	Director and Executive Officer (current position)
2018	Apr.	General Manager of Business Management Promotion Headquarters Deputy General Manager of Solutions Business Headquarters In charge of Corporate Planning Headquarters
2019	Apr.	In charge of Kansai branch Vice President and Representative Director of TDC Futech Corporation
2020	Apr.	General Manager of Administration Headquarters In charge of Administration Headquarters
2021	Apr.	In charge of Corporate Planning Headquarters
2022	Apr.	In charge of Smart SI Promotion Office Director of TDC Futech Corporation
2024	Apr.	In charge of corporate field (current position) General Manager of Corporate Planning Headquarters (current position)

■ Reasons for nomination as candidate for Director

Tsuyoshi Ogaki has a background mainly in corporate planning and administration areas, and has been committed to enhancing the corporate value of the Group for many years as a person in charge of the Company's Corporate Planning and Administration Headquarters. The Company expects he will continue to demonstrate his management ability, drawing on his wide range of knowledge and experience, and has therefore nominated him as a candidate for Director.

## Minoru Kumada

New  
election

- Date of birth  
November 25, 1972
- Tenure as Director: —  
years
- Attendance at Board of  
Directors' meetings  
—% (—/—)
- Number of the  
Company's shares held  
4,800 shares

### ■ Career summary, positions, responsibilities and significant concurrent positions

1997	Apr.	Joined the Company
2016	Apr.	Solutions Business Unit General Manager of Cloud & Services Business Department, Solutions Business Headquarters General Manager of Solutions Planning Department, Solutions Planning Headquarters
2018	Apr.	General Manager of Cloud & Services Business Department, Solutions Business Headquarters General Manager of Business & Incubation Promotion Office, Technology Development & Promotion Headquarters General Manager of Agile Microservice Promotion Office, Technology Development & Promotion Headquarters Deputy General Manager of System Development Headquarters Senior Manager of Marketing Group, Innovation Sales Department, Sales Headquarters
2019	Apr.	Executive Officer General Manager of Digital Technology Headquarters Deputy General Manager of System Development Headquarters
2021	Apr.	Senior Executive Officer General Manager of Digital Technology Headquarters (current position) General Manager of Financial Business Design Headquarters (current position) General Manager of Solutions Business Headquarters (current position) Deputy General Manager of System Development Headquarters
2024	Apr.	Senior Executive Officer VP (current position)

### ■ Reasons for nomination as candidate for Director

Minoru Kumada possesses extensive experience and broad insight as a result of acting as General Manager of technology development and sales departments since he joined the Company. The Company believes that he can utilize his wide range of experience and knowledge to help increase the Company's corporate value, and has therefore nominated him as a candidate for Director.

Candidate  
No.

5

Junzo Nakagawa

R reelection	Outside	Independent officer
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- Date of birth  
January 22, 1953
- Tenure as Director: 4  
years
- Attendance at Board of  
Directors' meetings  
100% (11/11)
- Number of the  
Company's shares held  
— shares

■ Career summary, positions, responsibilities and significant concurrent positions

1977	Apr.	Joined Nippon Telegraph and Telephone Public Corporation (currently Nippon Telegraph and Telephone Corporation)
2000	July	Head of Fourth Financial Sector, Financial Systems Headquarters of NTT DATA Corporation (currently NTT DATA Corporation)
2003	Apr.	Head of Channel Business Unit, Financial Business Headquarters
2005	Apr.	Nippon COMSYS Corporation Director of First Information Business Sector, Information Business Department, IT Business Division
2007	July	Executive Officer Deputy Chief of IT Business Division General Manager of Information Business Department
2009	Apr.	Director and Executive Officer of COMSYS JOHO SYSTEM Corporation General Manager of Systems Business Division
2011	June	Managing Director
2012	Sep.	Executive Managing Director of COMSYS TECHNO Corporation General Manager of Information Business Department
2015	June	Representative Director & President
2018	June	Advisor
2020	June	Outside Director of the Company (current position)

■ Reasons for nomination as candidate for Outside Director and expected roles

Junzo Nakagawa gained experience mainly in technical and development areas at several companies including NTT DATA Corporation, and has been serving as Representative Director & President of COMSYS TECHNO Corporation. He has served as a Director of the Company since June 2020, and in addition to offering appropriate opinions on important matters of general management from a fair and objective standpoint based on his extensive experience and broad insight, he has been supervising management from the perspective of general shareholder protection as an outside Director and independent officer. Therefore, the Company expects him to continue in this role and has nominated him as a candidate for Director.

Candidate  
No.

6

## Masakazu Kuramoto

Reelection	Outside	Independent officer
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- Date of birth  
October 7, 1956
- Tenure as Director: 2  
years
- Attendance at Board of  
Directors' meetings  
100% (11/11)
- Number of the  
Company's shares held  
1,100 shares

### Career summary, positions, responsibilities and significant concurrent positions

1980	Apr.	Joined Nippon Telegraph and Telephone Public Corporation (currently Nippon Telegraph and Telephone Corporation)
1997	Sep.	NTT COMWARE CORPORATION Senior Manager of Customer Fee Systems Business Department
2001	Apr.	NTT DoCoMo, Inc. Senior Manager of Fee Systems, Information Systems Department
2007	June	Administration Officer, Head of Marunouchi Branch
2010	June	DoCoMo Business Net, Inc. (currently DOCOMO CS, Inc.) Director, General Manager of Sales Division
2012	June	Director, General Manager of General Affairs and Accounting Division, DOCOMO Technology, Inc.
2014	June	Director, General Manager of Corporate Planning Division of DOCOMO Datacom, Inc.
2019	June	Audit & Supervisory Board Member of DOCOMO Technology, Inc.
2021	June	Special Counselor
2022	June	Outside Director of the Company (current position)

### Reasons for nomination as candidate for Outside Director and expected roles

Masakazu Kuramoto gained experience mainly in technical and development areas in the NTT Group, and has been serving as a director at several NTT Group companies. After assuming positions of director, he has been involved in the sales field, corporate planning, and administrative divisions, among others, and has extensive business experience. The Company expects him to continue to offer appropriate opinions on important matters of general management from a fair and objective standpoint and supervise management from the perspective of general shareholder protection as an outside Director and independent officer, utilizing his broad experience and knowledge, and has therefore nominated him as a candidate for Director.

- Notes: 1. There is no special interest between any of the candidates for Director and the Company.  
2. Minoru Kumada is a candidate to be a new Director.  
3. Junzo Nakagawa and Masakazu Kuramoto are candidates for outside Director.  
The Company has submitted notification to the Tokyo Stock Exchange that both Director Junzo Nakagawa and Director Masakazu Kuramoto are independent officers as provided for by said exchange, and, if they are elected Directors as proposed, they will continue as independent Directors.  
4. Based on its Articles of Incorporation, the Company has entered into a liability limitation agreement with independent officers to limit their liability to 10 million yen or the minimum liability amount under Article 423, Paragraph 1 of the Companies Act, whichever is higher. If Junzo Nakagawa and Masakazu Kuramoto are elected as Directors, the Company will continue the said liability limitation agreement with them.  
5. The Company has entered into a directors and officers liability insurance agreement with the contents as outlined below in order to secure excellent human resources and prevent deterioration in their performance of duty, and plans to renew the agreement in July 2024. The five candidates for reelection as Director put forward in this proposal are insureds under the said insurance agreement. In addition, if the candidates in this proposal are elected as Director, all six of them will become insureds under the said liability insurance agreement.  
[Outline of the contents of the insurance agreements]  
(1) Actual share of insurance premiums to be borne by the insured  
The Company will bear the amount of insurance premiums including for special contracts, and the insured will bear no amount of the insurance premium.  
(2) Summary of insured events subject to compensation  
The said insurance agreement covers compensation for damages arising from claims made by a shareholder or third party against an insured, who bears responsibility as a director or other officer of the Company, as a result of inaction or actions performed in the course of business.  
6. The Company conducted a 2-for-1 share split of common stock, effective April 1, 2024. The above numbers of the Company's shares held are from before the stock split.

## Proposal 3 Election of One Audit & Supervisory Board Member

The Audit & Supervisory Board Member Koichi Ito will resign at the conclusion of this ordinary general meeting of shareholders. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member.

The Audit & Supervisory Board has already given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

### Tetsuhiro Mori

New election	Outside	Independent
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- Date of birth  
March 27, 1966
- Number of the  
Company's shares held  
— shares

#### ■ Career summary, positions, responsibilities and significant concurrent positions

1989	Apr.	Joined the Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)
2015	Apr.	Manager of the Otobashi Branch Office Manager of the Otobashi Branch
2019	Jan.	Joined TRUSCO NAKAYAMA CORPORATION
2021	Apr.	General Manager of Accounting Department

#### ■ Reasons for nomination as candidate for Outside Audit & Supervisory Board Member

The Company has determined that Tetsuhiro Mori will use the specialized knowledge, experience, and other skills he has gained at MUFG Bank, Ltd. to effectively handle the Company's auditing work. Therefore, the Company has nominated him as a candidate for Outside Audit & Supervisory Board Member. The Company believes that Mr. Mori can suitably execute these duties based on comprehensive consideration of his above-mentioned work experience.

- Notes: 1. There is no special interest between Tetsuhiro Mori, the candidate for Audit & Supervisory Board Member, and the Company.
2. Tetsuhiro Mori is a candidate to be a new Outside Audit & Supervisory Board Member.  
The Company plans to specify Tetsuhiro Mori as an independent officer and submit notification of this fact based on the stipulations of the Tokyo Stock Exchange.
3. Based on its Articles of Incorporation, the Company will enter into a liability limitation agreement with Tetsuhiro Mori to limit his liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act, to 10 million yen or the amount prescribed by laws and ordinances, whichever is higher, if this proposal is approved and he is in fact appointed as an Audit & Supervisory Board Member.
4. The Company has entered into a directors and officers liability insurance agreement with the contents as outlined below in order to secure excellent human resources and prevent deterioration in their performance of duty, and plans to renew the agreement in July 2024. If this proposal is approved and Tetsuhiro Mori is appointed as an Audit & Supervisory Board Member, he will become insured under the said insurance agreement.  
[Outline of the contents of the insurance agreements]
- (1) Actual share of insurance premiums to be borne by the insured  
The Company will bear the amount of insurance premiums including for special contracts, and the insured will bear no amount of the insurance premium.
- (2) Summary of insured events subject to compensation  
The said insurance agreement covers compensation for damages arising from claims made by a shareholder or third party against an insured, who bears responsibility as a director or other officer of the Company, as a result of inaction or actions performed in the course of business.

Table of skills possessed by Directors and Audit &amp; Supervisory Board Members

Position	Name	General management	Technology and R&D	International experience	Sales	Finance and Accounting	Health management	Legal affairs and compliance
Chairperson and Representative Director	Fumio Hashimoto	•	•	•	•		•	
President and Representative Director	Hiroyoshi Kobayashi	•	•	•			•	
Senior Managing Director	Yoshinobu Odajima	•	•	•	•			
Managing Director	Mikako Takase	•	•	•	•			
Director	Yasuo Kawai	•	•		•	•	•	•
Director	Kazuyoshi Kitagawa	•	•		•			
Director	Tsuyoshi Ogaki	•	•			•	•	•
Director	Minoru Kumada		•	•	•			
Director (outside)	Shigeru Kuwabara	•	•					
Director (outside)	Junzo Nakagawa	•	•					
Director (outside)	Kumiko Kawasaki						•	
Director (outside)	Masakazu Kuramoto	•	•		•	•	•	•
Full-time Audit & Supervisory Board Member (outside)	Tetsuhiro Mori				•	•		
Full-time Audit & Supervisory Board Member	Satoshi Nozaki	•		•	•			
Audit & Supervisory Board Member (outside)	Hiroaki Okamatsu	•	•		•			

\*The above does not represent all the knowledge and experience possessed by each Director and Audit & Supervisory Board Member, but rather shows the particular skills expected of each person.

## Proposal 4

## Election of One Substitute Audit & Supervisory Board Member

To help prepare for cases where the legally required number of Audit & Supervisory Board Members is not satisfied, the election of one Substitute Audit & Supervisory Board Member is proposed.

Note that—before Shingo Sasaki is officially appointed—the decision to elect him can be canceled as a result of a resolution of the Board of Directors after obtaining the consent of the Audit & Supervisory Board.

The Audit & Supervisory Board has already given its consent to this proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

### Shingo Sasaki

#### Outside

- Date of birth  
July 3, 1958
- Number of the  
Company's shares held  
3,800 shares

#### ■ Career summary, positions, responsibilities and significant concurrent positions

1985	Aug.	Joined Sanwa Audit Corporation (currently Deloitte Touche Tohmatsu LLC)
1992	Mar.	Registered as a certified public accountant
1995	Sep.	Joined Kyoei Accounting Office
1997	Feb.	Registered as a certified tax accountant
2003	Apr.	Opened the Sasaki certified accountant office Representative of the above office (current position)

#### ■ Reasons for nomination as candidate for Substitute Outside Audit & Supervisory Board Member

Shingo Sasaki possesses extensive experience as a certified public accountant and certified tax accountant. The Company expects him to apply his wealth of experience and specialized knowledge pertaining to taxes and accounting to the Company's auditing work, and has therefore nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member.

Notes: 1. There is no special interest between Shingo Sasaki, the candidate for Substitute Audit & Supervisory Board Member, and the Company.

- Shingo Sasaki is a candidate for Substitute Outside Audit & Supervisory Board Member, and, if he is appointed, the Company plans to submit notification that he is an independent officer based on the stipulations of the Tokyo Stock Exchange.
- Based on its Articles of Incorporation, the Company will enter into a liability limitation agreement with Shingo Sasaki to limit his liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act, to 10 million yen or the amount prescribed by laws and ordinances, whichever is higher, if this proposal is approved and he is in fact appointed as an Audit & Supervisory Board Member.
- The Company has entered into a directors and officers liability insurance agreement with the contents as outlined below in order to secure excellent human resources and prevent deterioration in their performance of duty, and plans to renew the agreement in July 2024. If this proposal is approved and Shingo Sasaki is appointed as an Audit & Supervisory Board Member, he will become insured under the said insurance agreement.  
[Outline of the contents of the insurance agreements]  
(1) Actual share of insurance premiums to be borne by the insured  
The Company will bear the amount of insurance premiums including for special contracts, and the insured will bear no amount of the insurance premium.
- (2) Summary of insured events subject to compensation  
The said insurance agreement covers compensation for damages arising from claims made by a shareholder or third party against an insured, who bears responsibility as a director or other officer of the Company, as a result of inaction or actions performed in the course of business.



## Proposal 5

## Revision of Remuneration for Directors

The remuneration amount for the Company's Directors was resolved at the 63rd ordinary general meeting of shareholders, which was held on June 29, 2016, to be no more than ¥360 million per year (no more than ¥20 million per year for Outside Directors), but—due to subsequent changes in the economic situation and the fact that we added one Director to expand our business and strengthen our management structure—we would like to increase the remuneration amount for Directors to no more than ¥450 million per year (no more than ¥20 million per year for Outside Directors).

Note that, as usual, the remuneration amount for Directors will not include employee salaries in the case of Directors who concurrently serve as employees.

In addition, there are currently 11 Directors (including four Outside Directors), but—if proposal 2 is approved as is—there will instead be 12 Directors (including four Outside Directors).

The Company has stipulated a decision-making policy for the remuneration for individual Directors as indicated in *Business Report (4. Matters Regarding Company Officers (4) Remuneration for Directors and Audit & Supervisory Board Members a. Method of determining the remuneration for individual Directors*, and the Board of Directors shall decide on this proposal after obtaining the report of the Nomination and Remuneration Committee, a majority of whose members are Outside Directors. Even if this proposal is approved, the Company does not plan to change its decision-making policy and will judge the proposal details to be appropriate and adequate.

### 1. Current Situation of Our Corporate Group

#### (1) Business progress and results

##### (1) Major policies for the consolidated fiscal year ended March 31, 2024

During this consolidated fiscal year (April 1, 2023 – March 31, 2024), although Japan's economy showed signs of a gradual recovery due to improvements in the employment and income environment, the situation still remains uncertain due to the economic effects of chronic global geopolitical risks, interest rate policies, and other factors.

In the information services industry, investment in systems related to digital transformation ("DX"), including enhancing corporate competitiveness and cloud migration, remains strong, and the scale of the market is expected to continue to expand.

Operating under such a climate, the Group has formulated its medium-term management plan "Shift to the Smart SI Plus" for the period up through March 2025, and this plan maintains the basic concept of providing high value-added IT services that meet the potential needs of the market and society, and adopts a vision of evolving into a next-generation system integration ("SI") business based on which to promote corporate activities.

In order to realize this vision, we have three Group-wide core strategies.

One is to "create high-value-added SI services." We tap into the latest elemental technologies to pursue services designed to meet the needs of customers promoting DX for value creation. Another is to "support SI model reforms." We use innovative approaches to build infrastructure for high-value-added SI services and to develop an SI process designed to ensure high productivity and high quality, and promote initiatives to differentiate ourselves from competitors. Last is to "expand our business domain." We are promoting measures to expand our business into commodity fields, including our consulting business, which supports customers in formulating strategies for their digital transformation, our sales business, which includes products, services, etc. that meet a diverse array of customers' IT needs, and our SI business, which includes the provision of managed services that integrate all aspects of IT solutions, starting from development through to operation and maintenance.

During this fiscal year, we worked on the initiatives stated in the medium-term management plan "Shift to the Smart SI Plus," following the policy of flexibly adapting to changes in external environments and steadily dealing with and making improvements on issues that would arise from the initiatives. Major initiatives are as follows.

#### i ) Initiatives for core strategy "create high-value-added SI services"

In order to expand high-value-added SI services that meet customers' needs of creating value, the Company has proactively engaged in human resource development and business development, considering the technologies that will greatly impact future society and businesses as focus fields. In particular, agile development business and cloud business, which have been set as our key strategic fields since the fiscal year ended March 31, 2020, have grown steadily. Net sales from these businesses increased to ¥10,137 million, or 17.5% year on year, in the fiscal year ended March 31, 2024 and accounted for 25.5% of consolidated net sales, up 1.0 percentage points from the previous year.

## ii) Expansion of our service and product sales business

In this fiscal year, we focused on promoting collaboration with alliance partners to construct an ecosystem in the area of high-value-added SI services, including agile development business and information system security business.

In order to further improve the quality of our services and to increase the efficiency of quality assurance processes in development projects, we constructed a system for project performance evaluations called “PROJECT IQ.” By doing this, we implemented measures to streamline the SI business by utilizing even higher level of advanced technologies, including visualizing quantitative project performance and starting to utilize the results as support information when reviewing projects and judging orders.

## iii) Expansion of business domain

In this fiscal year, we promoted activities to acquire capabilities to expand our business domain. Specifically, we expanded our service product sales business by enhancing our marketing and product sales functions, and we promoted efforts to expand our consulting business by changing our expertise into assets and using them to train personnel. In the SI business, we are also promoting initiatives to expand business volume, including the provision of managed services in the areas of maintenance and upkeep.

During the consolidated fiscal year under review, due to strong results in each business field, our net sales were higher than planned, and we achieved increased revenue. In terms of profit, although our costs increased due to the active promotion of investment aimed at future business expansion, our operating profit increased even more, resulting in a net increase. Meanwhile, we systematically promoted a number of specific investment-related initiatives, including expanding the number of new graduate hires and taking steps to make them useful sooner, acquiring new technologies aimed at expanding our next-generation business, and relocating our head office with the aim of continuing to demonstrate a high level of productivity as part of our “Smart Work” workplace strategy.

In addition, the Company sold some of its investment securities in an attempt to enhance the efficiency of its owned assets and strengthen its financial position.

As a result, the Group’s business performance for the consolidated fiscal year under review was as follows: net sales amounted to ¥39,698 million, up 12.6% year on year; operating profit amounted to ¥3,807 million, up 10.1% year on year; ordinary profit amounted to ¥4,253 million, up 14.5% year on year; and quarterly profit attributable to owners of parent amounted to ¥3,089 million, up 24.1% year on year, due to a reduction in corporate taxes, etc. resulting from the application of the Wage Increase Promotion Tax System.

## Business Report

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(2) Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

Net sales


¥39,698 million

+12.6% year on year 

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Ordinary profit


¥4,253 million

+14.5% year on year 

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Operating profit

¥3,807 million

+10.1% year on year 

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Profit attributable to owners of parent for the period under review

¥3,089 million

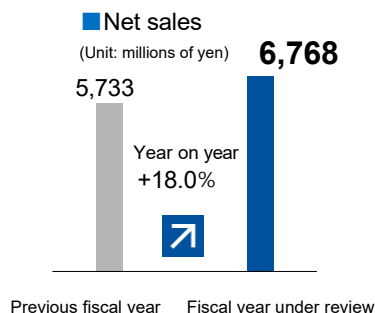
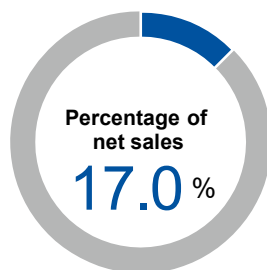
+24.1% year on year 

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## Status of activities by field

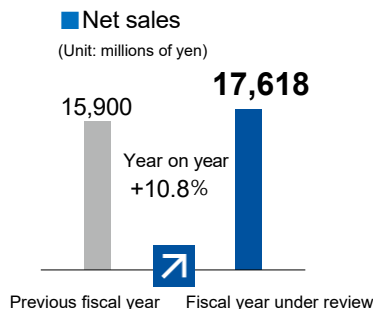
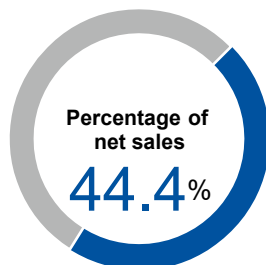
### IT consulting and services

In the IT consulting and services field, we offer services that include developing IT strategies and systemization planning to facilitate customers' DX, technical consulting, and providing educational services about the latest technologies and development methodologies. We also provide our internally developed cloud application services, along with solution services, such as business intelligence (BI) (Note 1)/data warehousing (DWH) (Note 2) and enterprise resource planning (ERP) (Note 3)/customer relationship management (CRM) (Note 4). During this fiscal year, the Group made solid progress on SaaS (Note 5) solution service projects related to IT service management and cloud managed services. As a result, net sales in this field increased 18.0% year on year to ¥6,768 million.



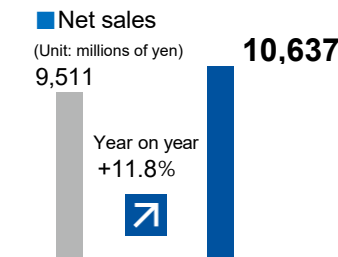
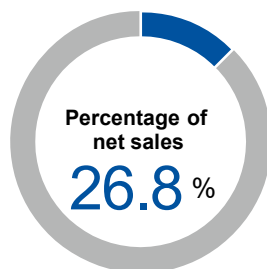
### IT solutions for financial services

In the field of IT solutions for financial services, we offer integrated IT solutions for the financial sector, including information system concepts, design, development, and maintenance. During this fiscal year, the Group made solid progress on development projects for credit- and insurance-related systems. As a result, net sales in this field increased 10.8% year on year to ¥17,618 million.



## IT solutions for public corporations

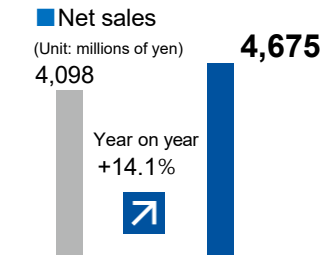
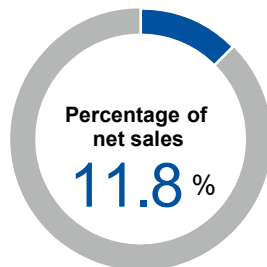
In the field of IT solutions for public corporations, we offer integrated IT solutions for the logistics, manufacturing, and service industries as well as the public sector, including information system concepts, design, development, and maintenance. During this fiscal year, the Group made solid progress on development projects for the transportation and steel sectors. As a result, net sales in this field increased 11.8% year on year to ¥10,637 million.



Previous fiscal year      Fiscal year under review

## Platform solutions

In the field of platform solutions, we offer services such as the environmental design and construction of IT infrastructure, along with operational support, network product development, and network integration. During this fiscal year, the Group made solid progress on projects to build cloud-related infrastructure. As a result, net sales in this field increased 14.1% year on year to ¥4,675 million.



Previous fiscal year      Fiscal year under review

Notes: 1. BI: Business intelligence. A process for analyzing a company's internal information to harness it in business management.

2. DWH: Data warehouse. An integrated database that collects necessary data from multiple systems, including core systems, to sort the data by objective and accumulate it chronologically for data analysis and decision-making.

3. ERP: Enterprise resource planning. A core information system.

4. CRM: Customer relationship management. A customer management system.

5. SaaS: An abbreviation for Software as a Service. Refers to providing software that runs on a server as a service.

## (2) Situation of capital investment, etc.

During the consolidated fiscal year under review, total capital investment by the Group amounted to 860 million yen, most of which was related to interior equipment construction, etc. for the head office relocation.

## (3) Financing situation

Not applicable.

## (4) Issues to address

In the information services industry in which the TDC SOFT Group does business, DX trends to strengthen business and promote innovation are expected to increase the need for strategic investments toward stronger corporate competitiveness, which will in turn further heighten that demand. In accordance with the medium-term management plan “Shift to the Smart SI Plus” for the period between April 2022 to March 2025, the TDC SOFT Group will continue its basic concept inherited from the previous medium-term management plan to provide high-value-added IT services based on the potential needs of the market and society. Our vision is to evolve into a next-generation system integration (“SI”) business geared toward new trends in digital technologies.

In order to realize this vision, we have three Group-wide core strategies.

One is to “create high-value-added SI services.” We tap into the latest elemental technologies to pursue services designed to meet the needs of customers promoting DX for value creation. Another is to “support SI model reforms.” We use innovative approaches to build infrastructure for high-value-added SI services and to develop an SI process designed to ensure high productivity and high quality, and initiatives to differentiate ourselves from competitors. Last is to “expand our business domain.” We are promoting measures to broaden our scope in our sales business, which sells products, services, etc. that meet a diverse array of customers’ IT needs, in our consulting business, which supports customers in formulating strategies for their digital transformation, and in providing managed services that integrate all aspects of IT solutions, starting from development through to operation and maintenance.

### (1) Creating high-value-added SI services

We tap into the latest elemental technologies to pursue services designed to meet the needs of customers promoting DX for value creation.

- i ) Supporting customer DX with the latest technologies
- ii) Providing support to help resolve management issues through know-how that includes IT service management and specialized business knowledge
- iii) Providing problem-solving support that utilizes business and IT architects

## (2) Supporting SI model reforms

### i ) Reforms to achieve a wide range of business practices that offer high service quality

We currently use highly skilled human resources for specific projects on an individual basis, but we would like to establish business practices that increase the service quality level of the Company as a whole, including the use of such human resources for multiple projects.

- Building practices to enable the use of highly skilled human resources for a wide range of projects
- Building a unique Company agreement contract model

### ii) Improving efficiency in the quality assurance process

We would like to establish SI services that reduce the system development burden faced by customers while also striving to improve the efficiency of project management and the quality assurance process.

- Streamlining the quality assurance process, supplemental work, etc.
- Improving the efficiency of the SI model by utilizing next-generation technologies (automation), etc.

## (3) Expanding business domains

We expand businesses to new domains primarily around SI business to thoroughly respond to the IT needs of customers and society.

- Expanding DX/IT consultation businesses and technical training services
- Expanding product and service sales businesses based on user needs and seeds
- Expanding business volume in the SI business, including managed services in maintenance and upkeep

During the consolidated fiscal year under review (the year ended March 2024)—the second year of the period covered by “Shift to the Smart SI Plus,” our medium-term management plan, which was announced in May of 2022—our amount of orders received, net sales, and operating profit greatly exceeded the planned amounts, reaching record-high levels.

Given the solid business environment surrounding the Group as well as the effects of promoting active investment in acquiring advanced elemental technologies and in securing and training human resources, our results in each business field are exceeding our planned pace, and we expect to achieve 40 billion yen in net sales—our target for the final fiscal year of the plan period—around one year ahead of schedule.

In response to the above solid business environment, in the fiscal year ended March 31, 2025, we will continue to aggressively invest in acquiring advanced elemental technologies and in securing and training human resources in order to promote our medium-term management plan, while focusing on initiatives to expand our business.

Investments in specific technology areas will include the preemptive acquisition of elemental technologies that are likely to have a significant impact on the SI business in the future, such as security, UXD, cloud-native, data analytics platforms, and automated managed service network design, as well as the promotion of the development of services and products that meet the diverse IT needs of our customers.

Investments in the human resources field will continue to promote branding strategies, expansion of the recruitment system, strengthening of education measures, efforts to restructure the human resources system, and other efforts as well as the promotion of investments to create a system and environment in which a diverse workforce can work more enthusiastically.

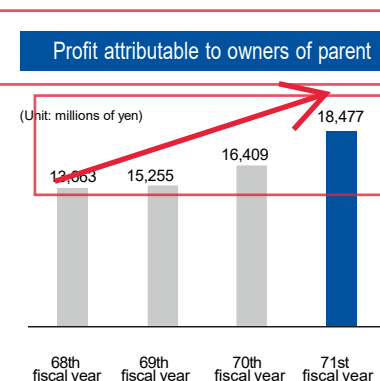
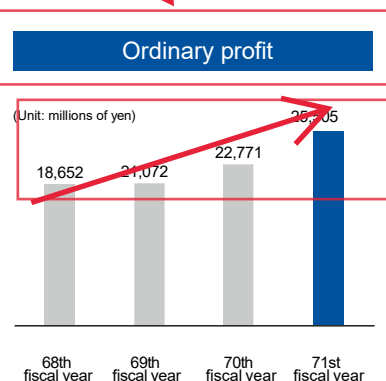
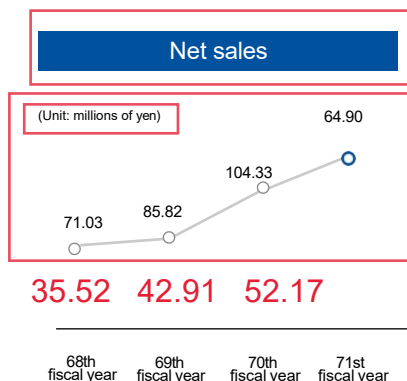
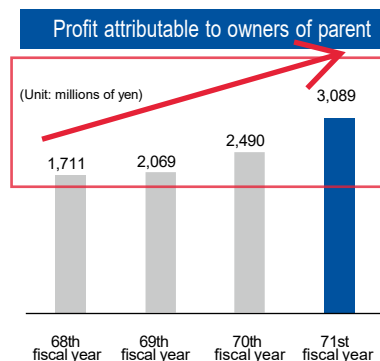
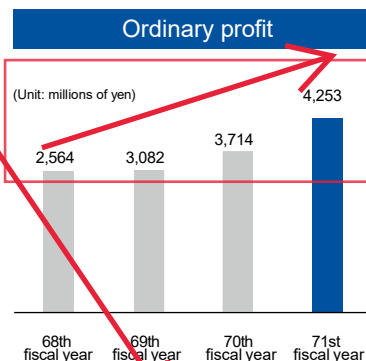
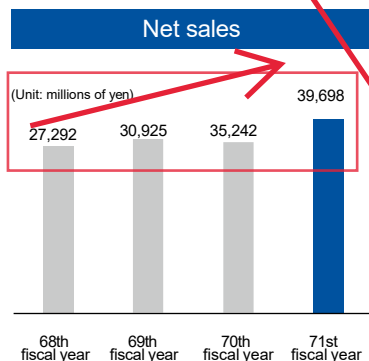


## (5) Changes in assets and profit and loss

## (1) Group assets and profit and loss

Item \ Period	68th fiscal year (from April 1, 2020 to March 31, 2021)	69th fiscal year (from April 1, 2021 to March 31, 2022)	70th fiscal year (from April 1, 2022 to March 31, 2023)	71st fiscal year (current fiscal year) (from April 1, 2023 to March 31, 2024)
Net sales (Millions of yen)	27,292	30,925	35,242	39,698
Ordinary profit (Millions of yen)	2,564	3,082	3,714	4,253
Profit attributable to owners of parent (Millions of yen)	1,711	2,069	2,490	3,089
Net earnings per share (Yen)	35.52	42.91	52.17	64.90
Total assets (Millions of yen)	18,652	21,072	22,771	25,505
Net assets (Millions of yen)	13,663	15,255	16,409	18,477
Net earnings per share (Yen)	283.50	316.32	344.24	392.16

Note: The Company conducted a 2-for-1 share split of common stock, effective April 1, 2024. Net assets per share and net earnings per share have been calculated on the assumption that the share split was conducted at the beginning of the 68<sup>th</sup> fiscal year.



## (6) Important information on parent company and subsidiaries

### a. Important information on parent company

Not applicable.

### b. Important information on subsidiaries

Company name	Share capital	Investment ratio	Principal business
TDC Futech Corporation	¥47 million	100%	System development, sales and leasing, etc.
Yell Business Consulting, Inc.	¥20 million	100%	System development, sales, etc.

Note: No subsidiary is a specified wholly owned subsidiary.

## (7) Principal business

Category	Details
System development	Consultation; contracting and software design of comprehensive system development services from development to operation and management; contracting of development and maintenance; development, production, and sale of proprietary products; and purchasing and sale of other companies' products and provision of related services.

## (8) Main business locations

### a. TDC SOFT Inc.

Name	Location
Head office	Chiyoda-ku, Tokyo
Kansai branch	Osaka-shi, Osaka

### b. Subsidiaries

Name	Location
TDC Futech Corporation	Chuo-ku, Tokyo
Yell Business Consulting, Inc.	Chiyoda-ku, Tokyo

## (9) Employees

### (1) Number of employees of the corporate group

Number of employees	Increase (decrease) from the end of the previous consolidated fiscal year(- represents a decrease)
Persons 2,136	Persons 164

### (2) Number of employees of the Company

Classification	Number of employees	Increase (decrease) from the end of the previous fiscal year (- represents a decrease)	Average age	Average no. of years of service
	Persons	Persons	Age	Age
Male	1,545	101	37.4	12.1
Female	375	47	31.4	6.9
Total or average	1,920	148	36.2	11.1

## (10) Principal lenders

Lender	Balance of borrowings
	Millions of yen
Mizuho Bank, Ltd.	206
MUFG Bank, Ltd.	133
Resona Bank, Limited	71
The Ogaki Kyoritsu Bank, Ltd.	43

## (11) Other significant matters related to the current situation of our corporate group

The Company relocated its head office to 1-6-5 Kudanminami, Chiyoda-ku, Tokyo on October 12, 2023.

## 2. Matters Regarding Company Shares

### (1) Total number of authorized shares

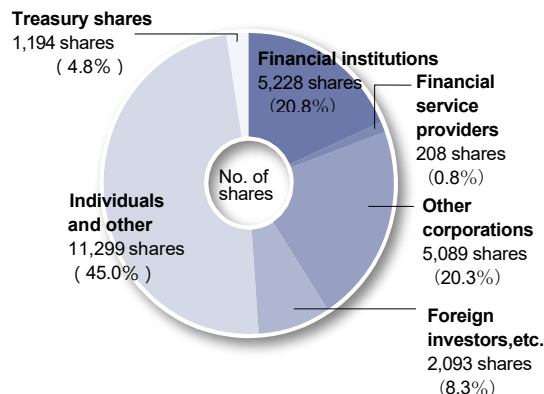
100,000,000 shares

### (2) Total number of issued shares

25,113,600 shares  
(including 1,194,079 treasury shares)

### (3) Number of shareholders

4,209 persons  
(increase of 119 persons from the  
end of the previous fiscal year)



### (4) Major shareholders

Shareholder name	No. of shares held	Shareholding ratio
	Shares	%
Nozaki Office Ltd.	3,117,700	13.0
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,077,200	8.7
TDC Employee Shareholding Association	2,033,400	8.5
Custody Bank of Japan, Ltd. (Trust Account)	827,500	3.5
Satoshi Nozaki	805,200	3.4
ID Holdings Corporation	600,000	2.5
Toru Nozaki	569,200	2.4
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	561,800	2.3
Yoshifumi Fujii	544,700	2.3
Mizuho Bank, Ltd.	528,000	2.2

Notes: 1. The Company holds 1,194,079 treasury shares, which are excluded from the major shareholders listed above. The shareholding ratio is calculated excluding treasury stock.

2. The Company has introduced a share-based compensation plan for officers (Board Benefit Trust (BBT)) and share-based compensation plan for employees (Employee Stock Ownership Plan (J-ESOP)), and the Custody Bank of Japan, Ltd. (Trust Account E) (hereinafter, "Trust Account E") has acquired 361,000 of the Company's shares. The Company's shares held in Trust Account E are not included in treasury stock.

## Notice of Convocation

## Reference Documents for the General Meeting of

Business  
Report

- b. On April 1, 2024, the Company conducted a 2-for-1 stock split to increase the liquidity of the Company's shares and further expand its investor class.

Consolidated  
Financial  
StatementsNon-consolidated  
Financial  
Statements

## Audit Report

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## 4. Matters Regarding Company Officers

### (1) Names and responsibilities of Directors and Audit & Supervisory Board Members (as of March 31, 2024)

Position	Name	Responsibilities	Significant concurrent positions
Chairperson and Representative Director President and Representative Director	Fumio Hashimoto		
	Hiroyoshi Kobayashi		
Director	Yoshinobu Odajima	Senior Managing Executive Officer In charge of Public Social System Headquarters In charge of Solutions Business Headquarters In charge of Kansai branch	President and Representative Director of TDC Futech Corporation President and Representative Director of Yell Business Consulting, Inc.
Director	Mikako Takase	Managing Executive Officer In charge of Digital Technology Headquarters In charge of Financial System Headquarters In charge of Financial Business Design Headquarters In charge of System Development Headquarters	
Director	Yasuo Kawai	Executive Officer In charge of Corporation System Headquarters In charge of Corporate Planning Headquarters	
Director	Kazuyoshi Kitagawa	Executive Officer In charge of Sales and Marketing Headquarters In charge of Business Innovation Headquarters In charge of Enterprise Agile Headquarters	
Director	Tsuyoshi Ogaki	Executive Officer In charge of Administration Headquarters In charge of Smart SI Promotion Office	
Director	Shigeru Kuwabara		
Director	Junzo Nakagawa		
Director	Kumiko Kawasaki		
Director	Masakazu Kuramoto		
Full-time Audit & Supervisory Board Member	Koichi Ito		
Full-time Audit & Supervisory Board Member	Satoshi Nozaki		Representative Director and President of Nozaki Office, Ltd.
Audit & Supervisory Board Member	Hiroaki Okamatsu		

- Notes: 1. Directors Shigeru Kuwabara, Junzo Nakagawa, Kumiko Kawasaki and Masakazu Kuramoto are Outside Directors. They are independent officers who are unlikely to have a conflict of interest with general shareholders as required by the Tokyo Stock Exchange.
2. Audit & Supervisory Board Members Koichi Ito and Hiroaki Okamatsu are Outside Audit & Supervisory Board Members. Both are independent officers who are unlikely to have a conflict of interest with general shareholders as required by the Tokyo Stock Exchange.
3. Audit & Supervisory Board Member Koichi Ito has worked at financial institutions for many years and has extensive expertise in finance and accounting.
4. Following organizational and personnel changes effective April 1, 2024, the responsibilities of the officers changed as follows effective on the same date.

Position	Name	Responsibilities after transfer
Director	Yoshinobu Odajima	Senior Managing Executive Officer In charge of Group management In charge of the corporate field In charge of the solutions field In charge of Kansai branch General Manager of Group Business Department
Director	Mikako Takase	Managing Executive Officer In charge of the innovation & technology field In charge of the public field In charge of human resource development and training General Manager of System Development Headquarters
Director	Yasuo Kawai	Executive Officer In charge of the financial field
Director	Kazuyoshi Kitagawa	Executive Officer In charge of the sales field In charge of the consulting field General Manager of Sales and Marketing Headquarters
Director	Tsuyoshi Ogaki	Executive Officer In charge of the corporate field General Manager of Corporate Planning Headquarters

## (2) Outline of the contents of liability limitation agreements

The Company has entered into liability limitation agreements with Outside Directors and Audit & Supervisory Board Members to limit their liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act. The amount of liability based on this agreement shall not exceed 10 million yen or the amount prescribed by laws and ordinances, whichever is higher.

### **(3) Matters regarding liability insurance of company officers**

#### **a. Scope of insured persons**

Directors and Audit & Supervisory Board Members of the Company under the Companies Act, executive officers under the executive officer system adopted by the Company, and persons in similar positions at subsidiaries of the Company (hereinafter referred to as “D&O”).

#### **b. Outline of the D&O liability insurance agreement**

The Company has entered into a D&O liability insurance agreement prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The said insurance agreement covers compensation for damages arising from claims made by a shareholder or third party against an insured, who bears responsibility as a D&O of the Company, as a result of inaction or actions performed in the course of business. The Company bears the full amount of insurance premiums.

### **(4) Remuneration for Directors and Audit & Supervisory Board Members**

#### **a. Method of determining the remuneration for individual Directors**

##### **i) Method of determining the decision-making policy for the remuneration for individual Directors**

In order to establish a remuneration system that functions adequately as an incentive to sustainably increase corporate value, is linked to shareholder interests, and takes into account the medium-term management plan, the Board of Directors resolved at its meeting held on February 24, 2021 to adopt a policy for determining the details of the remuneration for individual Directors (hereinafter referred to as the “Decision-making Policy”).

##### **ii) Outline of the Decision-making Policy**

The amount of remuneration for the Company's Directors shall be determined individually by the Representative Directors, who are entrusted by the Board of Directors, taking into consideration the following policy. The Representative Directors shall determine the amount of remuneration for the Company's Directors individually, which shall be no more than the maximum amount of remuneration approved at the general meeting of shareholders, after obtaining the report of the Nomination and Remuneration Committee, a majority of whose members are Outside Directors.

1. The remuneration for internal Directors shall consist of fixed compensation, performance-based compensation and non-monetary compensation.
2. The remuneration for Outside Directors shall consist of fixed compensation only.
3. Fixed compensation shall be calculated based on the position and evaluation of Directors.
4. Performance-based compensation shall be calculated based on the performance indicators of net sales, gross profit and operating profit, as well as the level of achievement of business performance.
5. Non-monetary compensation shall constitute Board Benefit Trust (BBT). BBT, as an incentive plan linked to share value, shall provide to Directors the Company's shares and a monetary amount equivalent to the market value of the Company's shares, in accordance with the resolution of the Company's 64th ordinary general meeting of shareholders held on June 29, 2017 and provisions on the share-based remuneration for Directors stipulated separately (hereinafter referred to as the



- “Company’s shares, etc.”). In principle, the Company’s shares, etc. shall be provided at the time of the resignation of Directors.
- iii) Name, position and responsibilities of the persons entrusted to determine the remuneration for individual Directors
- Fumio Hashimoto, Chairperson and Representative Director  
Hiroyoshi Kobayashi, President and Representative Director
- iv) Reason for entrusting the determination of the remuneration for individual Directors
- The Company believes that decisions by the Chairperson and Representative Director and the President and Representative Director, who oversee business execution, are more appropriate than deliberations and decisions by the Board of Directors for evaluating the performance of Directors and determining their remuneration based on a comprehensive consideration of the Company’s overall performance.
- v) Reason the Board of Directors determined that the details of the remuneration for individual Directors for the fiscal year under review are in line with the decision-making policy
- Since the remuneration for individual Directors for the fiscal year under review was decided based on the opinion formed by independent Outside Directors from a neutral position, the Board of Directors has determined that the details of the remuneration are in line with the Decision-making Policy.
- vi) Matters regarding performance-based compensation
- Performance-based compensation is calculated using a certain formula based on the level of budget achievement measured by three performance indicators (net sales, gross profit and operating profit). The Company selected net sales, gross profit and operating profit as performance indicators, recognizing that increases in the three lead to increases in shareholders’ equity over the medium to long term and sustainably increase corporate value, in line with shareholders’ intentions. Please refer to the statement of income for the actual net sales, gross profit and operating profit for the fiscal year under review.
- b. Method of determining the remuneration for individual Audit & Supervisory Board Members
- The remuneration amount for the Company’s Audit & Supervisory Board Members is determined through consultation among Audit & Supervisory Board Members within the scope of the total amount of remuneration resolved at the general meeting of shareholders, taking into consideration whether Audit & Supervisory Board Members are full-time or part-time and the situation of their field of operation.

## c. Total amount of remuneration for Directors and Audit & Supervisory Board Members

Classification	Eligible persons	Total amount of remuneration (millions of yen)	Total amount by type of remuneration (millions of yen)		
			Fixed compensation	Performance-based compensation, etc.	Non-monetary compensation
Director (including Outside Directors)	11 (4)	341 (14)	201 (14)	134 (—)	5 (—)
Audit & Supervisory Board Member (including Outside Audit & Supervisory Board Members)	3 (2)	28 (15)	28 (15)	— (—)	— (—)
Total	14 (6)	370 (30)	230 (30)	134 (—)	5 (—)

- Notes: 1. The remuneration amount for Directors was resolved at the 63rd ordinary general meeting of shareholders held on June 29, 2016, to be no more than 360 million yen per year (no more than 20 million yen per year for Outside Directors; not including employee salaries for Directors who concurrently serve as employees), and the remuneration amount for Audit & Supervisory Board Members was resolved at the 51st ordinary general meeting of shareholders held on June 29, 2004, to be no more than 60 million yen per year. The number of Directors was 11 (including two Outside Directors) as of the conclusion of the 63rd ordinary general meeting of shareholders. The number of Audit & Supervisory Board Members was three (including three Outside Audit & Supervisory Board Members) as of the conclusion of the 51st ordinary general meeting of shareholders.
2. Pursuant to the resolution of the 64th ordinary general meeting of shareholders held on June 29, 2017, the Company introduced a performance share plan for Directors (excluding Outside Directors) separately from Note 1. The amount of provision for share-based remuneration for Directors recorded for the fiscal year under review is shown as non-monetary compensation. The number of Directors (excluding Outside Directors) was eight as of the conclusion of the 64th ordinary general meeting of shareholders.

## (5) Matters regarding outside officers

a. Relationship between the Company and organizations where outside Directors and Audit & Supervisory Board Members hold significant concurrent positions  
Not applicable.

b. Relationship with specified associated companies such as principal customers  
Not applicable.

c. Main activities during the fiscal year under review

- Director Shigeru Kuwabara

i) Attendance at Board of Directors' meetings

Mr. Kuwabara attended 11 of the 11 Board of Directors' meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

ii) Comments at Board of Directors' meetings and other activities

Based on his extensive experience and insight in the infrastructure and system development industries, he actively expresses his opinions and views as well as provides advice and recommendations at Board of Directors' meetings, and plays an appropriate role in determining significant matters of management and supervising business execution.

- Director Junzo Nakagawa

i) Attendance at Board of Directors' meetings

Mr. Nakagawa attended 11 of the 11 Board of Directors' meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

ii) Comments at Board of Directors' meetings and other activities

Based on his extensive experience and insight in the system development field, especially the field of financial system development, he actively expresses his opinions and views as well as provides advice and recommendations at Board of Directors' meetings, and plays an appropriate role in determining significant matters of management and supervising business execution.

- Director Kumiko Kawasaki

i) Attendance at Board of Directors' meetings

Ms. Kawasaki attended 11 of the 11 Board of Directors' meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

ii) Comments at Board of Directors' meetings and other activities

Based on her extensive experience and insight gained from working as an occupational health physician for several companies, she actively expresses her opinions and views as well as provides advice and recommendations at Board of Directors' meetings, and plays an appropriate role in determining significant matters of management and supervising business execution.

- Director Masakazu Kuramoto

- i) Attendance at Board of Directors' meetings

Mr. Kuramoto attended 11 of the 11 Board of Directors' meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

- ii) Comments at Board of Directors' meetings and other activities

Based on his extensive experience and insight gained from serving as a Director at multiple companies in the system development industry, he actively expresses his opinions and views as well as provides advice and recommendations at Board of Directors' meetings, and plays an appropriate role in determining significant matters of management and supervising business execution.

- Full-time Audit & Supervisory Board Member Koichi Ito

- i) Attendance at Board of Directors' meetings and Audit & Supervisory Board meetings

Mr. Ito attended 11 of the 11 Board of Directors' meetings and 16 of the 16 Audit & Supervisory Board meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

- ii) Comments at Board of Directors' meetings and Audit & Supervisory Board meetings and other activities

Based on his extensive experience and knowledge gained at financial institutions, he actively makes comments to perform the management monitoring function from an objective and fair standpoint and to execute highly effective audits.

- Audit & Supervisory Board Member Hiroaki Okamatsu

- i) Attendance at Board of Directors' meetings and Audit & Supervisory Board meetings

Mr. Okamatsu attended 11 of the 11 Board of Directors' meetings and 16 of the 16 Audit & Supervisory Board meetings that were held during the fiscal year under review and made necessary comments for deliberation of proposals as appropriate.

- ii) Comments at Board of Directors' meetings and Audit & Supervisory Board meetings and other activities

Based on his extensive experience and knowledge in the system development field, he actively makes comments to perform the management monitoring function from a neutral standpoint and to execute highly effective audits.

## 5. Accounting Auditor

### (1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

### (2) Outline of the contents of liability limitation agreements

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company stipulates in its Articles of Incorporation that it may conclude an agreement with the Accounting Auditor to limit its liability as set forth in Article 423, Paragraph 1 of said Act. However, the Company presently does not have a liability limitation agreement with the Accounting Auditor.

### (3) Amount of remuneration, etc. to be paid to the Accounting Auditor for the current fiscal year

Amount of remuneration, etc. for the service set forth in Article 2, Paragraph 1 of the Certified Public Accountant Act	¥39 million
Amount of remuneration, etc. for services other than the service set forth in Article 2, Paragraph 1 of the Certified Public Accountant Act	¥— million
Total amount of cash and other financial benefits payable by the Company and its consolidated subsidiaries	¥39 million

- Notes: 1. In line with the “Practical Guidelines for Collaboration with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association, the Company’s Audit & Supervisory Board reviews the transition of audit hours and audit fees in the audit plans, and the content of the audit plans and status of performance of duties in the previous fiscal year, and determines the appropriateness of the remuneration estimates in consenting to the amount of remuneration, etc. for the Accounting Auditor as stipulated in Article 399, Paragraph 1 of the Companies Act.
2. The audit agreement between the Company and the Accounting Auditor does not and cannot practically distinguish the amounts of audit remuneration for audits under the Companies Act and audits under the Financial Instruments and Exchange Act. Therefore, the above amounts of remuneration for audit services show the total of these remunerations.

### (4) Non-audit services

The Company does not entrust the Accounting Auditor with services other than the audit and attestation service set forth in Article 2, Paragraph 1 of the Certified Public Accountant Act.

### (5) Policy for decisions on dismissal or non-reappointment of the Accounting Auditor

If the Accounting Auditor is deemed to have difficulty executing its duties, or if the Audit & Supervisory Board determines it necessary otherwise, the Audit & Supervisory Board shall prescribe the content of the proposal for dismissal or non-reappointment of the Accounting Auditor.

In addition, if the Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act, the Accounting Auditor shall be dismissed by unanimous consent of Auditor & Supervisory Board members. In such event, an Auditor & Supervisory Board member appointed by the Auditor & Supervisory Board shall report on the dismissal of the Accounting Auditor and the reason for dismissal at the first general meeting of shareholders convened after the dismissal.

### 6. Systems and Policies of the Company

#### (1) Systems to ensure properness of operations

Systems for ensuring that the execution of duties by Directors complies with the laws, regulations, and the Articles of Incorporation, and other systems for ensuring the properness of operations (internal control systems) are resolved at the Company's Board of Directors meeting. The basic policies are as follows.

## Basic Policy on Maintaining an Internal Control System

The Company has set a Corporate Philosophy and Code of Conduct for the Company and Group companies (hereinafter, “the Group”) as a foundation for properly conducting business and maintains an internal control system based on self-responsibility.

The Group’s Directors, Executive Officers, and employees work to implement these guidelines in order to maintain the system to ensure proper business.

### Corporate Philosophy:

We strive to provide  
the latest information technology,  
contribute to the prosperity of our customers,  
value employee satisfaction,  
and develop along with society.

### Code of Conduct

#### Our Value

We think from a customer perspective and demonstrate creativity.  
We boldly take on challenges in order to achieve ambitious goals.  
We undertake open communication and share our dreams and excitement.  
We strive to improve our technical skills and aim to improve our capabilities.  
We implement compliance and act in an honest and fair manner.

#### 1. System to ensure that Directors and employees execute their duties in line with laws, regulations, and the Articles of Incorporation

The Company implements the following measures to ensure that Directors, Executive Officers, and employees execute their duties in line with laws, regulations, and the Articles of Incorporation.

- (1) The Company has Directors, Executive Officers, and employees follow the Code of Conduct, which includes items related to compliance, and this forms the foundation for communicating the importance of compliance throughout the Company.
- (2) The Company conducts compliance training for Directors, Executive Officers, and employees so that they adhere to the principles stipulated in the Group’s shared Corporate Philosophy and Code of Conduct and thoroughly implement them.

- (3) In order to quickly detect and correct behavior that violates laws, regulations, the Articles of Incorporation, and similar items, the Company stipulates in in-house rules that if such behavior is detected it must be reported to the Company. The Company also has established and operates a whistleblower hotline based on the Whistleblower Protection Rules so that parties can directly provide information to the Company.
- (4) As a member of society, the Company severs all ties with antisocial forces and organizations that are a threat to the order and safety of civil society.
- (5) The department in charge of legal affairs conducts an advance verification of all important management matters in order to prevent behavior that violates laws, regulations, the Articles of Incorporation, and similar items.
- (6) The Internal Audit Department conducts audits of the maintenance and operation of the internal control system, which is based on the basic policy set by the Board of Directors, and submits related reports.

### 2. System for preserving and managing information related to Directors' execution of duties

The Company assigns a Director to be responsible for preserving and managing information related to Directors' execution of duties.

The Company manages information in line with Document Management Rules and other in-house rules under the supervision of that responsible party.

Directors must record their own decision-making and related process in the following documents.

- (1) General Meeting of Shareholders minutes and related material
- (2) Board of Directors meeting minutes and related material
- (3) Minutes of important meetings and related documents
- (4) Documents decided upon by Directors and related material
- (5) Other documents related to Directors' execution of their duties

### 3. Loss Risk Management Rules and other systems

The Company sets the Group's shared basic risk management policy and assigns a Director to be responsible for risk management. The Company conducts risks assessments and maintains a risk management system, including preventive measures and business continuity plans, to respond to important management risks under the leadership of that responsible party.

### 4. System to ensure Directors efficiently execute their duties

The Company implements the following measures to ensure Directors efficiently execute their duties.

- (1) The Company sets a medium-term management plan and annual plan, regularly monitors the implementation of those, and has the results reported to the Board of Directors.
- (2) The Company maintains an authority system and decision-making rules so that Directors and Executive Officers can flexibly execute their duties.



- (3) The Company specifies division of duties within the corporate organization and authority and responsible parties in each organization, establishes internal control functions, and strengthens corporate governance.
  - (4) The Company strives to streamline and increase the speed of operations and to ensure the reliability of financial reports through the use of IT.
  - (5) To ensure that duties are executed not only in line with laws, regulations, and the Articles of Incorporation but also effectively, the Company maintains in-house systems to manage performance, human resources, and other aspects.
  - (6) To conduct multifaceted examination of important management matters, the Company regularly holds meetings that Directors and Executive Officers attend.
5. System to ensure proper operations within the corporate group composed of the Company, its parent company, and subsidiaries.
- The Company properly exercises its shareholder's rights from the perspective of maximizing the corporate value of the corporate group.
- In addition, the Company sets rules related to managing the corporate group, including the construction of the following systems, and properly manages the corporate group.
- (1) System for reporting to the company matters related to the execution of duties by Directors and other officers of subsidiaries
 

In line with in-house rules, subsidiaries regularly report on the conduct of business and take steps such as holding prior consultations with the Company when deciding on important management matters.
  - (2) Subsidiaries' Loss Risk Management Rules and other systems
 

Subsidiaries adhere to the Group's shared basic risk management policy and assign a Director who is responsible for risk management. Subsidiaries implement necessary measures to respond to important management risks under the supervision of that responsible party.
  - (3) System to ensure that Directors and other officers of subsidiaries efficiently execute their duties
 

Subsidiaries implement the following measures to ensure Directors efficiently execute their duties.

    - a. Subsidiaries set a medium-term management plan and annual plan, regularly monitor the implementation of those, and report on the results to the Board of Directors.
    - b. Subsidiaries maintain an authority system and decision-making rules so that Directors and Executive Officers can flexibly execute their duties.
    - c. Subsidiaries specify division of duties within the corporate organization and the authority and responsible parties in each organization, establish internal control functions, and strengthen corporate governance.
    - d. Subsidiaries strive to streamline and increase the speed of operations and to ensure the reliability of financial reports through the use of IT.
    - e. To ensure that duties are executed not only in line with laws, regulations, and the Articles of Incorporation but also effectively, subsidiaries maintain in-house systems to manage

performance, human resources, and other matters.

f. To conduct multifaceted examination of important management matters, subsidiaries regularly hold meetings that Directors and Executive Officers attend.

- (4) System to ensure that Directors, other officers, and employees of subsidiaries execute their duties in line with laws, regulations, and the Articles of Incorporation

Subsidiaries implement the following measures to ensure that Directors, Executive Officers, and employees execute their duties in line with laws, regulations, and the Articles of Incorporation.

a. Subsidiaries have Directors, Executive Officers, and employees follow the Group's shared Code of Conduct, which includes items related to compliance, and this forms the foundation for communicating the importance of compliance throughout the company.

b. Subsidiaries conduct compliance training for Directors, Executive Officers, and employees so that the principles stipulated in the Group's shared Corporate Philosophy and Code of Conduct are adhered to.

c. In order to quickly detect and correct behavior that violates laws, regulations, the Articles of Incorporation, and similar items, subsidiaries stipulate in in-house rules that if such behavior is detected it must be reported to the parent company.

Subsidiaries also have created and operate a whistleblower hotline based on the Whistleblower Protection Rules so that parties can directly provide information to the parent company.

d. As a member of society, subsidiaries sever all ties with antisocial forces and organizations that are a threat to the order and safety of civil society.

e. The department in charge of legal affairs conducts an advance verification of all important management matters in order to prevent behavior that violates laws, regulations, the Articles of Incorporation, and similar items.

6. Items regarding support staff in the case that Audit & Supervisory Board Members request staff to support their work

The Internal Audit Department is the department that supports Audit & Supervisory Board Members' work, and members of that department are the staff that provide such support. Audit & Supervisory Board Members can designate staff working in other departments as support staff if necessary.

The Internal Audit Department and designated support staff conduct their work in line with the instructions of Audit & Supervisory Board Members when supporting their work.

7. Items related to the independence from Directors of the staff stipulated in the preceding item

The Board of Directors obtains the consent of the Audit & Supervisory Board regarding human resource matters, such as appointments and transfers related to support staff.

8. Items to ensure the effectiveness of commands by Audit & Supervisory Board Members to staff stipulated in the item before the preceding item

In-house rules clearly and thoroughly state that staff supporting the work of Audit & Supervisory Board Members do not accept commands from parties such as their superiors, including Directors.

9. Other systems for reporting to Audit & Supervisory Board Members in companies with audit & supervisory board members

In addition to the following reports, Audit & Supervisory Board Members attend meetings important for management, including Board of Directors meetings, Management Committee meeting, and Management Planning Committee meetings, and receive reports on legal matters and matters that have a major company-wide impact.

(1) System for Directors and employees to report matters to Audit & Supervisory Board Members in companies with audit & supervisory board members

Directors, Executive Officers, and employees promptly report the following items to Audit & Supervisory Board Members.

- a. Matters that are violations of laws, regulations, and the Articles of Incorporation
- b. Reports through the whistleblower system
- c. Matters that could cause substantial damage to the company

In addition, Directors, Executive Officers, and employees in charge of matters related to information management, risk management, compliance, internal audits, and other matters concerning internal controls regularly report details of the execution of that work to Audit & Supervisory Board Members.

(2) System for Directors, other officers, and employees of subsidiaries and parties who receive reports from these parties to report matters to Audit & Supervisory Board Members at companies with audit & supervisory board members

Directors, Executive Officers, and employees of subsidiaries and parties who receive reports from these parties promptly report the following items to Audit & Supervisory Board Members at the Company.

- a. Matters that are violations of laws, regulations, and the Articles of Incorporation
- b. Reports through the whistleblower system
- c. Matters that could cause substantial damage to the company

10. System for ensuring that parties who submit reports stipulated in the preceding item are not subject to disadvantageous treatment for doing so

Based on the Whistleblower Protection Rules, the Company not only clearly states that whistleblowers must not be subject to disadvantageous treatment, such as being fired, for submitting reports and that parties who subject whistleblowers to disadvantageous treatment shall be punished but also thoroughly implements these rules.

11. Items related to procedures for prepaying or refunding expenses generated during the execution of Audit & Supervisory Board Members' duties and policy on accounting for expenses and liabilities related to execution of those duties  
Audit & Supervisory Board Members can consult with attorneys and the Accounting Auditor when necessary to execute their duties, and the Company is responsible for those expenses.
12. Other systems for ensuring that Audit & Supervisory Board Members' audits are conducted effectively  
Audit & Supervisory Board Members regularly exchange opinions with the Representative Director and President and the Accounting Auditor.

### **(2) Overview of the operational situation of systems to ensure properness of operations**

#### **1. Compliance systems**

In order to ensure that the corporate ethics stated in the Group's common Corporate Philosophy and the Code of Conduct are thoroughly communicated, the Company strives to achieve a thorough understanding of the Corporate Philosophy and the Code of Conduct and provides compliance training for all officers and employees of the Group.

#### **2. Systems regarding retention and management of information**

Information on the execution of duties by Directors is recorded in documents and managed in accordance with the Document Management Rules and other in-house rules.

#### **3. Risk management systems**

The Company appoints a person who is responsible for the risk management to improve the risk management system and supervises the system by the Board of Directors, etc.

#### **4. Systems to ensure efficient execution of duties**

The Company formulates the medium-term management plan and annual plan, monitors implementation periodically, and reports the results to the Board of Directors. Moreover, in order to enable agile business execution by Directors and Executive Officers, the Company establishes the administrative authority criteria to define the scope of delegation clearly, and holds regular Management Committee meetings, which are composed of Directors and Executive Officers, with the aim of examining various aspects of important management matters.

#### **5. Systems to ensure properness of Group company operations**

According to management rules of affiliated companies, the Company receives periodic reports regarding execution from subsidiaries and has prior consultation with the subsidiaries if important business decisions are made.

#### **6. System for ensuring the effectiveness of Audit & Supervisory Board Members' audit**

Audit & Supervisory Board Members attend important business meetings, including the Board of Directors' meetings and Management Committee meetings, to audit the execution of Directors' duties. In addition, Audit & Supervisory Board Members collect information actively to achieve their role and responsibilities, and they regularly exchange opinions with Directors, the Accounting Auditor, and the Internal Audit Department.

### (3) Basic policy related to the Company's ownership control

The Company has concentrated efforts on improving corporate value under the basic philosophy that improvement of corporate value will lead to defense. Currently, the Company does not introduce any special defense measures, but the Company believes that those who direct the determination of the Company's financial and operational policies should support the following basic policy.

#### Basic Policy

On the assumption of compliance with laws, regulations and social norms, the Company promotes the following matters and aims to improve the medium-to-long term and comprehensive corporate value.

- i) Improvement of business results and active profit return via profit-oriented management and effective asset use
- ii) Ensuring management transparency
- iii) Building a management structure trusted by all stakeholders and customers

If a person who is deemed to be inappropriate in light of the aforementioned basic policy expresses intention to acquire the company control, the Company shall take the necessary and appropriate measures to meet the following requirements after consultation with the person, Tokyo Stock Exchange, Inc., and other third parties.

- i) The measures shall be in line with the aforementioned basic policy.
- ii) The measures shall not damage the common interests of stakeholders.
- iii) The measures shall not be intended to allow officers to maintain their position.

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Note: The amounts listed in this business report are rounded down to the units indicated; percentages are rounded off to the nearest decimal place.

## Consolidated Balance Sheet

(As of March 31, 2024)

(thousands of yen)

Particulars	Amount	Particulars	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>20,434,199</b>	<b>Current liabilities</b>	<b>6,378,496</b>
Cash and deposits	13,378,515	Accounts payable - trade	1,705,273
Notes and accounts receivable - trade, and contract assets	6,601,625	Short-term borrowings	453,000
Work in process	49,292	Accounts payable – other	450,871
Other	404,765	Accrued expenses	2,189,653
		Income taxes payable	692,725
		Accrued consumption taxes	498,931
		Provision for bonuses for directors (and other officers)	143,258
		Other	244,782
<b>Non-current assets</b>	<b>5,071,798</b>	<b>Non-current liabilities</b>	<b>649,966</b>
<b>Property, plant and equipment</b>	<b>993,344</b>	Provision for share-based remuneration for employees	54,047
Buildings	740,319	Provision for share-based remuneration for directors (and other officers)	83,110
Tools, furniture and fixtures	229,867	Asset retirement obligations	230,684
Leased assets	23,157	Retirement benefit liabilities	40,733
		Other	241,390
<b>Intangible fixed assets</b>	<b>93,808</b>	<b>Total liabilities</b>	<b>7,028,462</b>
Software	25,352	<b>(Net assets)</b>	
Software temporary account	16,955	<b>Shareholders' equity</b>	<b>16,974,143</b>
Telephone subscription rights	4,973	<b>Share capital</b>	<b>970,400</b>
Goodwill	46,526	<b>Capital surplus</b>	<b>986,256</b>
<b>Investments and other assets</b>	<b>3,984,646</b>	<b>Retained earnings</b>	<b>16,303,215</b>
Investment securities	2,934,970	<b>Treasury shares</b>	<b>(1,285,727)</b>
Guarantee deposits	779,466		
Deferred tax assets	233,621	<b>Accumulated other comprehensive income</b>	<b>1,503,392</b>
Other	36,587	Valuation difference on available-for-sale securities	1,503,392
		<b>Total net assets</b>	<b>18,477,535</b>
<b>Total assets</b>	<b>25,505,998</b>	<b>Total liabilities and net assets</b>	<b>25,505,998</b>

Note: For the indicated amounts, values of less than 1,000 yen have been rounded down.

## Consolidated Statement of Income

( April 1, 2023 to  
March 31, 2024 )

(thousands of yen)

Particulars	Amount	
<b>Net sales</b>		<b>39,698,050</b>
<b>Cost of sales</b>		<b>31,585,745</b>
<b>Gross profit</b>		<b>8,112,305</b>
<b>Selling, general and administrative expenses</b>		<b>4,304,611</b>
<b>Operating profit</b>		<b>3,807,693</b>
<b>Non-operating income</b>		<b>476,335</b>
Interest income	120	
Dividend income	76,933	
Subsidy income	9,770	
Gain on sales of investment securities	380,487	
Other	9,023	
<b>Non-operating expenses</b>		<b>30,470</b>
Interest expenses	3,503	
Loss on investments in partnerships	25,591	
Other	1,375	
<b>Ordinary profit</b>		<b>4,253,558</b>
<b>Profit before income taxes</b>		<b>4,253,558</b>
Income taxes – current	1,247,453	
Income taxes – deferred	(83,301)	
<b>Profit</b>		<b>3,089,406</b>
<b>Profit attributable to owners of parent</b>		<b>3,089,406</b>

Note: For the indicated amounts, values of less than 1,000 yen have been rounded down.

Notice of  
Convocation

Reference  
Documents for  
the General  
Meeting of

Business  
Report

Consolidated  
Financial  
Statements

Non-consolidated  
Financial  
Statements

Audit Report

## Consolidated Statement of Changes in Net Assets

( April 1, 2023 to  
March 31, 2024 )

(thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	970,400	986,256	13,939,945	(674,231)	15,222,370
Changes of items during the period					
Dividends of surplus			(726,136)		(726,136)
Profit attributable to owners of parent			3,089,406		3,089,406
Purchase of treasury shares				(616,809)	(616,809)
Disposal of treasury shares				5,313	5,313
Net changes of items other than shareholders' equity					—
Total changes of items during the period	—	—	2,363,269	(611,496)	1,751,773
Balance at the end of the period	970,400	986,256	16,303,215	(1,285,727)	16,974,143

(thousands of yen)

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at the beginning of the period	1,187,522	1,187,522	16,409,892
Changes of items during the period			
Dividends of surplus			(726,136)
Profit attributable to owners of parent			3,089,406
Purchase of treasury shares			(616,809)
Disposal of treasury shares			5,313
Net changes of items other than shareholders' equity	315,869	315,869	315,869
Total changes of items during the period	315,869	315,869	2,067,643
Balance at the end of the period	1,503,392	1,503,392	18,477,535

Note: For the indicated amounts, values of less than 1,000 yen have been rounded down.



## Balance Sheet

(As of March 31, 2024)

(thousands of yen)

Particulars	Amount	Particulars	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>18,671,283</b>	<b>Current liabilities</b>	<b>5,961,832</b>
Cash and deposits	12,173,001	Accounts payable - trade	1,611,367
Notes and accounts receivable - trade, and contract assets	6,063,695	Short-term borrowings	453,000
Work in process	49,080	Accounts payable – other	433,408
Other	385,505	Accrued expenses	2,001,001
		Income taxes payable	658,548
		Accrued consumption taxes	455,109
		Provision for bonuses for directors (and other officers)	134,000
		Other	215,396
<b>Non-current assets</b>	<b>5,374,267</b>	<b>Non-current liabilities</b>	<b>594,232</b>
<b>Property, plant and equipment</b>	<b>958,114</b>	Provision for share-based remuneration for employees	54,047
Buildings	711,858	Provision for share-based remuneration for directors (and other officers)	83,110
Tools, furniture and fixtures	223,099	Asset retirement obligations	230,684
Leased assets	23,157	Accrued expenses	226,390
		<b>Total liabilities</b>	<b>6,556,064</b>
<b>Intangible fixed assets</b>	<b>45,079</b>	<b>(Net assets)</b>	
Software	24,707	<b>Shareholders' equity</b>	<b>15,990,426</b>
Software temporary account	16,955	<b>Share capital</b>	<b>970,400</b>
Telephone subscription rights	3,416	<b>Capital surplus</b>	<b>986,256</b>
		Legal capital surplus	242,600
<b>Investments and other assets</b>	<b>4,371,073</b>	Other capital surplus	743,656
Investment securities	2,916,126		
Shares of subsidiaries and associates	500,970	<b>Retained earnings</b>	<b>15,319,498</b>
Guarantee deposits	760,559	Other retained earnings	15,319,498
Deferred tax assets	157,173	General reserve	2,900,000
Other	36,243	Deferred retained earnings	12,419,498
		<b>Treasury shares</b>	<b>(1,285,727)</b>
		<b>Valuation and translation adjustments</b>	<b>1,499,059</b>
		Valuation difference on available-for-sale securities	1,499,059
		<b>Total net assets</b>	<b>17,489,486</b>
<b>Total assets</b>	<b>24,045,550</b>	<b>Total liabilities and net assets</b>	<b>24,045,550</b>

Note: For the indicated amounts, values of less than 1,000 yen have been rounded down.

Notice of  
Convocation

Reference  
Documents for  
the General  
Meeting of

Business  
Report

Consolidated  
Financial  
Statements

Non-consolidated  
Financial  
Statements

Audit Report

## Statement of Income

( April 1, 2023 to  
March 31, 2024 )

(thousands of yen)

Particulars	Amount	
<b>Net sales</b>		<b>36,902,991</b>
<b>Cost of sales</b>		<b>29,369,313</b>
<b>Gross profit</b>		<b>7,533,677</b>
<b>Selling, general and administrative expenses</b>		<b>3,940,776</b>
<b>Operating profit</b>		<b>3,592,900</b>
<b>Non-operating income</b>		<b>465,689</b>
Interest income	109	
Dividend income	76,649	
Subsidy income	35	
Gain on sales of investment securities	380,487	
Other	8,408	
<b>Non-operating expenses</b>		<b>29,702</b>
Interest expenses	3,503	
Loss on investments in partnerships	25,591	
Other	607	
<b>Ordinary profit</b>		<b>4,028,888</b>
<b>Profit (loss) before income taxes</b>		<b>4,028,888</b>
Income taxes – current	1,162,077	
Income taxes – deferred	(75,000)	
<b>Profit</b>		<b>2,941,810</b>

Note: For the indicated amounts, values of less than 1,000 yen have been rounded down.

## Statement of Changes in Net Assets

( April 1, 2023 to  
March 31, 2024 )

(thousands of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Shareholders' equity Total
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					General reserve	Deferred retained earnings			
Balance at the beginning of the period	970,400	242,600	743,656	986,256	2,900,000	10,203,824	13,103,824	(674,231)	14,386,249
Changes of items during the period									
Dividends of surplus				—		(726,136)	(726,136)		(726,136)
Profit				—		2,941,810	2,941,810		2,941,810
Purchase of treasury shares				—			—	(616,809)	(616,809)
Disposal of treasury shares				—			—	5,313	5,313
Net changes of items other than shareholders' equity				—			—		—
Total changes of items during the period	—	—	—	—	—	2,215,673	2,215,673	(611,496)	1,604,177
Balance at the end of the period	970,400	242,600	743,656	986,256	2,900,000	12,419,498	15,319,498	(1,285,727)	15,990,426

(thousands of yen)

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the period	1,182,146	1,182,146	15,568,395
Changes of items during the period			
Dividends of surplus		—	(726,136)
Profit		—	2,941,810
Purchase of treasury shares		—	(616,809)
Disposal of treasury shares		—	5,313
Net changes of items other than shareholders' equity	316,912	316,912	316,912
Total changes of items during the period	316,912	316,912	1,921,090
Balance at the end of the period	1,499,059	1,499,059	17,489,486

Notes: 1. For the indicated amounts, values of less than 1,000 yen have been rounded down.

2. The final other capital surplus balance of 743,656,000 yen includes 598,400,000 yen in gains on reduced legal capital surplus as well as 145,256,000 yen in gains on the disposal of treasury shares. (Amounts are rounded down to the nearest thousand yen.)

## Accounting Auditor's Report concerning Consolidated Financial Statements

### Independent Auditor's Report

May 9, 2024

To the Board of Directors  
of TDC SOFT Inc.

Deloitte Touche Tohmatsu LLC  
Tokyo Office

Designated  
Engagement Partner

Toru Ikeda  
Certified public accountant

Designated  
Engagement Partner

Junichi Fujii  
Certified public accountant

#### Opinion

We have audited the consolidated financial statements of TDC SOFT Inc. (the "Company"), which comprise the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements for the fiscal year from April 1, 2023 to March 31, 2024, under the provisions of Article 444, paragraph (4) of the Companies Act.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the corporate group comprising TDC SOFT Inc. and its consolidated subsidiaries as at March 31, 2024, and of its operating results for the year then ended, in accordance with corporate accounting standards generally accepted in Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the provisions of the code of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This covers the design and operating effectiveness of internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern under the corporate accounting

standards generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements from an independent standpoint. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected and applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the consolidated financial statements to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and their method of application as well as the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with corporate accounting standards generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, among other matters required under auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the provisions of the code of professional ethics in Japan regarding independence, and communicate with them matters that may reasonably be thought to bear on our independence, and where applicable details on safeguards applied to take measures to eliminate inhibitory factors or to reduce such factors to permissible levels.

## Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

# Accounting Auditor's Report

## Independent Auditor's Report

May 9, 2024

To the Board of Directors  
of TDC SOFT Inc.

Deloitte Touche Tohmatsu LLC  
Tokyo Office

Designated  
Engagement Partner

Toru Ikeda  
Certified public accountant

Designated  
Engagement Partner

Junichi Fujii  
Certified public accountant

### Opinion

We have audited the non-consolidated financial statements of TDC SOFT Inc. (the "Company"), which comprise the balance sheet, statement of income, statement of changes in net assets and notes to the non-consolidated financial statements, and their supplementary schedules (the "Non-consolidated Financial Statements") for the 71st fiscal year from April 1, 2023 to March 31, 2024, under the provisions of Article 436, paragraph (2), item (i) of the Companies Act.

In our opinion, the accompanying Non-consolidated Financial Statements present fairly, in all material respects, the financial position as at March 31, 2024, and of its operating results for the year then ended, in accordance with corporate accounting standards generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of the code of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's reporting process for the other information.

Our opinion on the Non-consolidated Financial Statements does not cover the other information, and we do not express an opinion thereon.

In connection with our audit of the Non-consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Non-consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements in accordance with corporate accounting standards generally accepted in Japan. This covers the design and operating

effectiveness of internal control as management determines is necessary to enable the preparation and fair presentation of the Non-consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Non-consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern under the corporate accounting standards generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Non-consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the Non-consolidated Financial Statements from an independent standpoint. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these Non-consolidated Financial Statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected and applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the Non-consolidated Financial Statements to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and their method of application as well as the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the Non-consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Non-consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the Non-consolidated Financial Statements are in accordance with corporate accounting standards generally accepted in Japan, as well as the overall presentation, structure and content of the Non-consolidated Financial Statements, including the disclosures, and whether the Non-consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, among other matters required under auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the provisions of the code of professional ethics in Japan regarding independence, and communicate with them matters that may reasonably be thought to bear on our independence, and where applicable details on safeguards applied to take measures to eliminate inhibitory factors or to reduce such factors to permissible levels.

## Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

# Audit Report of the Audit & Supervisory Board

## Audit Report

This audit report was prepared following discussions based on the audit reports of each Audit & Supervisory Board Member concerning the conduct of the Directors in the execution of their duties during the Company's 71st fiscal year from April 1, 2023 to March 31, 2024. The Audit & Supervisory Board submits its report as follows.

### 1. Method and Details of the Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board determined auditing policies, the division of duties and other matters, and received reports from each Audit & Supervisory Board Member on the status and results of their audits.

In addition, the Audit & Supervisory Board received reports from Directors, etc. and the Accounting Auditor concerning the execution of their duties, and requested explanations when deemed necessary.

- (2) Pursuant to the auditing policies and division of duties and in accordance with the auditing standards for Audit & Supervisory Board Members as determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member endeavored to gather information and develop a favorable audit environment by keeping channels of communication open with Directors, the Internal Audit Department, other employees, etc. At the same time, Audit & Supervisory Board Members conducted audits through the following approach.

- (i) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important management meetings, received reports from Directors, employees, etc. concerning the execution of their duties and requested explanations as necessary, examined important documents supporting decisions and other records and surveyed the status of operations and assets related to the Head Office and main offices. In addition, Audit & Supervisory Board Members kept channels of communication open and exchanged information with Directors, Audit & Supervisory Board Members and other employees of subsidiaries, and received business reports from subsidiaries as necessary.
- (ii) Audit & Supervisory Board Members regularly received reports from Directors, employees, etc. concerning the establishment and operation of the internal control system, which was designed based on the Board of Directors resolutions, pursuant to Article 100, paragraphs (1) and (3) of the Regulations for Enforcement of the Companies Act as deemed essential for ensuring that the performance of duties by Directors described in the business report conforms with laws and regulations and the Company's Articles of Incorporation and for otherwise ensuring proper business conduct by the Group consisting of the Company and its subsidiaries. Audit & Supervisory Board Members requested explanations as necessary and expressed their opinions.
- (iii) Audit & Supervisory Board Members examined the basic policy stipulated in Article 118, (iii) a. of the Regulations for Enforcement of the Companies Act as well as the initiatives stipulated in Article 118, (iii) b. of the same act, which are contained in the business report, taking into account the discussions by the Board of Directors and others.
- (iv) Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained independence and conducted proper audits. At the same time, reports were received from the Accounting Auditor regarding the status of the execution of its duties, and explanations were requested as necessary. Audit & Supervisory Board Members also received notification from the Accounting Auditor that it established a "system for ensuring the proper execution of its duties" (as prescribed by the items in Article 131 of the Regulation on Corporate Auditing), pursuant to the "Standards for Quality Control of Audit" (Business Accounting Council), etc. Explanations were requested as necessary.

Based on the above approach, the Audit & Supervisory Board examined the business report and accompanying supplementary schedules, non-consolidated financial statements (balance sheet, statement of income, statement of changes in net assets and notes to the non-consolidated financial statements) and accompanying supplementary schedules and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements) for the fiscal year ended March 31, 2024.

### 2. Audit Results

- (1) Results of Audit of Business Report, etc.

We confirm that:



(i) the business report and accompanying supplementary schedules present the Company's situation correctly pursuant to laws and regulations and the Articles of Incorporation of the Company;

(ii) there was no improper conduct in Directors' execution of duties and no grave instances of violations of either applicable laws and regulations or the Articles of Incorporation of the Company;

(iii) the details of the Board of Directors' resolutions concerning the internal control system were appropriate and adequate. Furthermore, we did not find anything that should be pointed out regarding the content of the business report or the execution of duties by Directors; and

(iv) we did not find anything that should be pointed out regarding the basic policy pertaining to those who control decisions on the finances and business approach of the Company contained in the business report. However, we confirm that the initiatives stipulated in Article 118, (iii) b. of the Regulations for Enforcement of the Companies Act, which are contained in the business report, are in line with the basic policy, do not harm the joint interests of the Company or its shareholders, and are not intended to maintain the positions of Company officers.

## (2) Results of Audit of Non-Consolidated Financial Statements and the Accompanying Supplementary Schedules

We confirm that the auditing method and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

## (3) Results of Audit of Consolidated Financial Statements

We confirm that the auditing method and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

May 10, 2024

TDC SOFT Inc. Audit & Supervisory Board

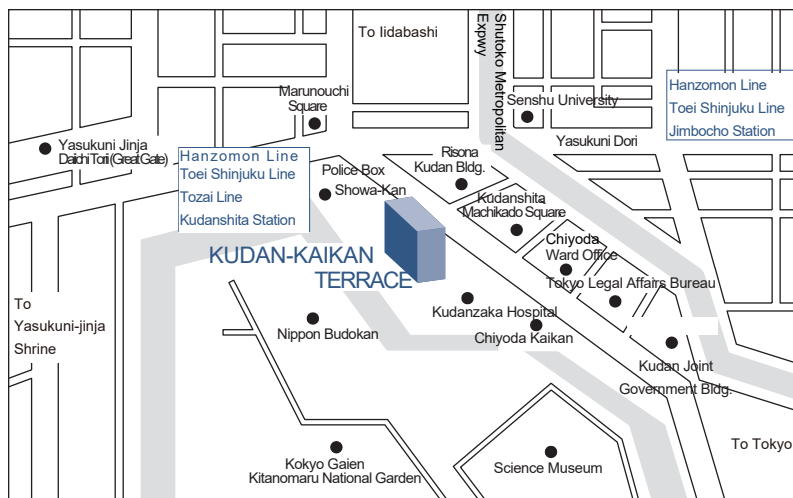
Outside Audit & Supervisory Board Member (full-time) Koichi Ito (seal)

Audit & Supervisory Board Member (full-time) Satoshi Nozaki (seal)

Outside Audit & Supervisory Board Member Hiroaki Okamatsu (seal)

# Location Map of the Venue of the General Meeting of Shareholders

KUDAN-KAIKAN TERRACE, 3F 302 Akane Conference Room  
1-6-5 Kudanminami, Chiyoda-ku, Tokyo  
TEL: 03-6260-9110



## Access information

One minute walk from Kudanshita Station Exit 4  
on the Tokyo Metro Hanzomon/Tozai Lines

One minute walk from Kudanshita Station Exit 4  
on the Toei Subway Shinjuku Line

No parking is available for our shareholders,  
so please use the public transportation described above.