

This document is an unofficial translation and summary of the Notice of the 15th Annual General Meeting of Shareholders and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version of the document is the sole official version.

Securities code: 6028
September 4, 2020

To All Shareholders:

Yasuji Nishio
Representative Director, President and CEO
TechnoPro Holdings, Inc.
6-10-1 Roppongi, Minato-ku,
Tokyo, Japan

CONVOCAATION NOTICE OF THE 15TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

The 15th Annual General Meeting of Shareholders of TechnoPro Holdings, Inc. (the “Company”) will be held as follows.

The Company has made careful consideration on the current status of the COVID-19 infection and has resolved to hold the General Meeting of Shareholders taking appropriate measures to prevent infections.

However, considering the importance of preventing spread of infection, the Company requests the shareholders not to attend the General Meeting of Shareholders in person unless absolutely necessary, and exercise their voting rights in writing (by post) or via the Internet in advance.

Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights as described in “Instructions on Exercise of Voting Rights” on page 5 (Japanese only).

- 1. Date and Time:** **September 29, 2020 (Tuesday) at 10:00 a.m.**
(Reception for attendees begins at 9:00 a.m.)
- 2. Place:** **Akihabara Convention Hall**
Akihabara Dai Bldg. 2F, 1-18-13 Sotokanda, Chiyoda-ku, Tokyo, Japan
- 3. Meeting Agenda:**
Report matters:
 1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 15th Fiscal Year (July 1, 2019 to June 30, 2020)
 2. The Non-consolidated Financial Statements for the 15th Fiscal Year (July 1, 2019 to June 30, 2020)

Resolution matters:

- First proposal:** Appropriation of Surplus
Second proposal: Reduction of Legal Capital Surplus
Third proposal: Election of Eight (8) Directors
Fourth proposal: Election of One (1) Audit & Supervisory Board Member

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- ⊙ Of the documents provided by the Convocation Notice of the Annual General Meeting of Shareholders, two (2) documents: “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements that are made available on the Company’s website under laws and regulations and Article 14 of the Company’s Articles of Incorporation; are not available in this Convocation Notice of the Annual General Meeting of Shareholders. Consequently, the documents attached to this Convocation Notice of the Annual General Meeting of Shareholders consist of part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing their audit reports. These documents are available in Japanese only.
 - ⊙ Any amendments to the Reference Documents for General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements will be posted on the Company’s website. The amendments in these documents will be available in Japanese only.
 - ⊙ To ensure that information is furnished in a timely manner, the content of this Convocation Notice of the Annual General Meeting of Shareholders was disclosed on the Company’s website before it was sent out.

Company’s website: <https://www.technoproholdings.com/en/>

Request to help prevent the spread of COVID-19 infection

To help prevent the spread of COVID-19 infection, we ask that all shareholders pay particular attention to the following points. We appreciate your kind understanding and cooperation.

■ Request for exercising your voting rights in advance>

The Company recommends shareholders to refrain from attending the General Meeting of Shareholders in person this year and exercise their voting rights in writing (by post) or via the Internet in advance to mitigate the risk of infection. Please see pages 5 and 6 for details on exercising voting rights in writing (by post) or via the Internet (Japanese only).

■ Request to shareholders who are attending

If you are planning to attend, please check the infection status and your health condition on the day of the meeting, and take measures against infection such as wearing a mask. Careful consideration should be given to whether to attend the General Meeting of Shareholders especially if you are elderly, have an underlying health condition, are pregnant, or are unwell (having cold symptoms, etc.).

The Company requests your understanding for the following measures planned for the General Meeting of Shareholders this year to prevent spread of infection.

- **Gifts and drink such as water and tea will not be provided.**
- The number of available seats will considerably decrease compared to typical years due to securing sufficient distance. Therefore, it is possible that you are not allowed to enter the venue.
- Body temperature will be checked near the entrance of the venue. We may have to ask you to refrain from entering the venue if you do not allow us to check your temperature, you have a temperature, or you appear to be unwell.
- Staff who are serving at the venue may query on your state of health or request you to leave if you appear to be unwell.
- Directors on the stage and staff serving at the venue will wear masks, face shields, and gloves, and alcohol-based hand sanitizers will be provided. The Company plans to implement various measures to prevent infection and sincerely requests your kind understanding and cooperation.
- The Company is considering making the proceedings of the General Meeting of Shareholders shorter than normal.

The above descriptions may change depending on the future status.

The venue, time, and administration method may also have to be drastically altered depending on the situation around the day of the General Meeting of Shareholders.

Please check the Company's website for the latest information.

Company's website:

<https://www.technoproholdings.com/en/>

Reference Documents for General Meeting of Shareholders

First proposal: Appropriation of Surplus

The Company's basic policy regarding profit allocation is to support demand for funds that facilitate growth and ensure financial soundness through internal reserves in an aim to improve corporate and shareholder value while directly returning a portion of profits to shareholders through dividends with the consolidated dividend payout ratio serving as concrete benchmark. In terms of dividend levels, the Company's basic policy is to pay a consistent dividend twice a year (interim dividends and year-end dividends), based on a medium- to long-term consolidated dividend payout ratio of 50%.

In accordance with the above policy, the Company proposes to pay year-end dividends for the fiscal year under review as follows.

1. Type of dividends	Cash
2. Allotment of property for dividends and total amount thereof	Per share of ordinary shares of the Company: 100 yen Total dividends: 3,590,870,700 yen As the Company has already paid an interim dividend of 50.00 yen per share, the annual dividend for the fiscal year under review will be 150.00 yen per share.
3. Effective date of dividends from surplus	September 30, 2020

For reference: Annual dividend per share and consolidated payout ratio in recent years

	12th term (Year ended June 30, 2017)	13th term (Year ended June 30, 2018)	14th term (Year ended June 30, 2019)	15th term (Year ended June 30, 2020)
Annual dividend per share (yen)	112.79	120.00	134.00	150.00
Consolidated payout ratio (%)	50.0	50.0	50.2	50.0

Second proposal: Reduction of Legal Capital Surplus

The Company proposes to reduce legal capital surplus and transfer the amount to other capital surplus pursuant to Article 448(1) of the Companies Act in order to accomplish flexible capital policy and achieve resilience in financial strategies in the future.

The reduction amount of legal capital surplus and the effective date of the reduction are as follows.

1. Reduction amount of legal capital surplus	11,207,084,060 yen out of the current legal capital surplus of 12,939,501,460 yen The reduction amount will be transferred to other capital surplus. The amount of legal capital surplus after the reduction will be 1,732,417,400 yen.
2. Effective date of the reduction of legal capital surplus	September 30, 2020

Third proposal: Election of Eight (8) Directors

The terms of office will expire for all eight (8) Directors at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors.

The candidates for Directors are as follows:

Candidate No.	Name	Positions and responsibilities at the Company		Attendance at Board of Directors meetings	Attendance at Nomination and Compensation Committee meetings	Attendance at Independent Executive Committee meetings
1	Yasuji Nishio	Representative Director, President and CEO	Reappointment	14/14 meetings (100%)	6/6 meetings (100%)	–
2	Gaku Shimaoka	Director (in charge of Business and Global Business)	Reappointment	14/14 meetings (100%)	–	–
3	Koichiro Asai	Director (in charge of Business)	Reappointment	14/14 meetings (100%)	–	–
4	Takeshi Yagi	Director (in charge of HR and General Affairs, Vice in charge of CSR promotion)	Reappointment	14/14 meetings (100%)	6/6 meetings (100%)	–
5	Toshihiro Hagiwara	Director (in charge of Management) and CFO	Reappointment	11/11 meetings (100%)	–	–
6	Tsunehiro Watabe	Director (outside)	Reappointment/ Outside/ Independent	14/14 meetings (100%)	6/6 meetings (100%)	2/2 meetings (100%)
7	Kazuhiko Yamada	Director (outside)	Reappointment/ Outside/ Independent	14/14 meetings (100%)	6/6 meetings (100%)	2/2 meetings (100%)
8	Harumi Sakamoto	Director (outside)	Reappointment/ Outside/ Independent	14/14 meetings (100%)	–	2/2 meetings (100%)

(Note) The attendance of Mr. Toshihiro Hagiwara is of the Board of Directors meetings since his assignment as Director of the Company on September 27, 2019.

Candidate No.		Reappointment
1	Yasuji Nishio	Date of birth: December 7, 1951 68 years old (as of September 29, 2020)



Number of shares of the Company held
(As of June 30, 2020)
41,080 shares

Term of office as Director
8 years and 5 months

Rate of attendance in meetings for the fiscal year ended June 30, 2020

Board of Directors:
14/14 meetings (100%)

Nomination and Compensation Committee:
6/6 meetings (100%)

Career summary, positions and responsibilities at the Company

April 1974	Joined The Long-Term Credit Bank of Japan, Limited (current Shinsei Bank, Limited)
March 2000	Head of Controller Division, ditto
July 2000	Managing Executive Officer, Yamasa, Co., Ltd.
December 2004	Senior Managing Director, SECOM Medical Resources Co., Ltd.
October 2005	Standing Director, Yotsuya Medical Cube, Medical Corporation Anshinkai
October 2006	CFO and General Manager of Finance Department, Showajisyo Inc.
July 2007	Senior Executive Officer, CFO, Kokusai Kogyo Co., Ltd.
May 2008	Director and CFO, The Goodwill Group, Inc.
October 2009	Managing Executive Officer and CFO, Radia Holdings, Inc.
October 2010	Managing Director and CFO, Advantage Resourcing Japan, Inc.
April 2012	Managing Director, CFO and General Manager of Finance & Accounting Division, TechnoPro Holdings, Inc.
July 2013	Representative Director, President, CEO, CFO and General Manager of Finance & Accounting Division, ditto
February 2014	Representative Director, President and CEO, ditto (at present)
July 2014	Representative Director and President, TechnoPro, Inc. (at present)

Significant concurrent positions

Representative Director and President, TechnoPro, Inc.
 Director, TechnoPro Construction, Inc.

Reasons for nomination as a Director candidate

Mr. Yasuji Nishio has worked in managerial positions in banking and various other industries. Subsequent to that, he served as Chief Financial Officer of the Company. Since his appointment as the Company's Representative Director, President and CEO in July 2013, he has been involved in guiding and overseeing overall management, and he has accumulated extensive experience and wide-ranging insight into the Group's businesses and corporate management. In addition, he has been involved in promoting integration of Group operations, developing the managerial framework and otherwise bringing about continuous improvement in earnings results. He has also contributed to the strengthening of the decision-making and oversight functions of the Company's Board of Directors, in acting as its chairperson. Mr. Yasuji Nishio has been selected as a candidate for another term as Director because the Company expects that he will demonstrate outstanding leadership and managerial competency, in light of the fact that he possesses the character and insight suitable for being a member of the top management of the Company.

(Note) There is no conflict of interest between Mr. Yasuji Nishio and the Company.

Candidate No.	Gaku Shimaoka	Reappointment
2		Date of birth: June 12, 1975 45 years old (as of September 29, 2020)



Number of shares of the Company held
(As of June 30, 2020)
35,740 shares

Term of office as Director
6 years and 7 months

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
14/14 meetings (100%)

Career summary, positions and responsibilities at the Company

- August 2006 Representative Director and President, Ctec, Inc.
- November 2006 Representative Director and President, Crystal, Inc.
- June 2007 Managing Executive Officer, The Goodwill Group, Inc.
- May 2008 Director and COO, ditto
- October 2009 Managing Executive Officer, Radia Holdings, Inc.
- April 2012 Managing Executive Officer, TechnoPro Holdings, Inc.
- February 2014 Director (in charge of Business) and Managing Executive Officer, ditto
- July 2014 Representative Director (President of TechnoPro Design Company) and Senior Executive Officer, TechnoPro, Inc. (at present)
- March 2019 Director (in charge of Business and Global Business) and Managing Executive Officer, TechnoPro Holdings, Inc. (at present)

Significant concurrent positions

Representative Director (President of TechnoPro Design Company) and Senior Executive Officer, TechnoPro, Inc.

Reasons for nomination as a Director candidate

Mr. Gaku Shimaoka has been involved in the human resources services business over many years, and is thus intimately familiar with industry, customer, and technology trends, as well as possessing extensive experience of the Group’s business operations. He has been serving as a Director (in charge of Business) of the Company since February 2014, and also assumed responsibility for Global Business since March 2019. In particular, he has helped drive the growth of the Group by promoting the shift to higher added value engineers in the departments of which he is in charge, and implementing global strategies of the Group, as well as contributing to the strengthening of the decision-making function of the Board of Directors. Mr. Gaku Shimaoka has been selected as a candidate for another term as Director because the Company expects that, as a Director, he will play a satisfactory role not only in the execution of business but also in deciding important matters involving the Group, in light of the fact that he possesses the character and insight suitable to serve as a member of the Company’s management team.

(Note) There is no conflict of interest between Mr. Gaku Shimaoka and the Company.

Candidate No.	<h1 style="margin: 0;">Koichiro Asai</h1>	Reappointment
3		Date of birth: March 3, 1970 50 years old (as of September 29, 2020)



Career summary, positions and responsibilities at the Company

January 2006	Representative Director and President, Crystal, Inc.
June 2007	Executive Officer, The Goodwill Group, Inc.
November 2008	Representative Director and President, TechnoPro Engineering, Inc.
July 2010	Representative Director and President, CSI, Inc.
June 2011	Representative Director and President, Advantage Science, Inc.
April 2012	Managing Executive Officer, TechnoPro Holdings, Inc.
February 2014	Director (in charge of Business) and Managing Executive Officer, ditto (at present)
July 2014	Representative Director (President of TechnoPro Engineering Company and President of TechnoPro IT Company) and Senior Executive Officer, TechnoPro, Inc. (at present)

Number of shares of the Company held
(As of June 30, 2020)
17,740 shares

Term of office as Director
6 years and 7 months

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
14/14 meetings (100%)

Significant concurrent positions

Representative Director (President of TechnoPro Engineering Company and President of TechnoPro IT Company) and Senior Executive Officer, TechnoPro, Inc.

Reasons for nomination as a Director candidate

Mr. Koichiro Asai has been involved in the human resources services business over many years, and is thus intimately familiar with industry, customer, and technology trends, as well as possessing extensive experience of the Group's business operations. Since February 2014, he has been serving as a Director (in charge of Business) of the Company, and in particular has helped drive the growth of the Group by achieving an increase in the number of engineers operating in the department of which he is in charge and by improving profitability, as well as contributing to the strengthening of the decision-making function of the Board of Directors. Mr. Koichiro Asai has been selected as a candidate for another term as Director because the Company expects that, as a Director, he will play a satisfactory role not only in the execution of business but also in deciding important matters involving the Group, in light of the fact that he possesses the character and insight suitable to serve as a member of the Company's management team.

(Note) There is no conflict of interest between Mr. Koichiro Asai and the Company.

Candidate No.	Reappointment
4	Takeshi Yagi
	Date of birth: August 9, 1967 53 years old (as of September 29, 2020)



Number of shares of the Company held
(As of June 30, 2020)
13,040 shares

Term of office as Director
6 years and 2 months

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
14/14 meetings (100%)

Nomination and Compensation Committee:
6/6 meetings (100%)

Career summary, positions and responsibilities at the Company

April 1991 Joined The Long-Term Credit Bank of Japan, Limited (current Shinsei Bank, Limited)

May 2008 General Manager of Human Resources Division, Shinsei Bank, Limited

November 2012 Managing Executive Officer and General Manager of Human Resources Division, TechnoPro Holdings, Inc.

February 2014 Managing Executive Officer (in charge of HR and General Affairs), ditto

July 2014 Director (in charge of HR and General Affairs), Managing Executive Officer, ditto
Director and Senior Executive Officer, TechnoPro, Inc. (at present)

September 2018 Director (in charge of HR and General Affairs, and Vice in charge of CSR promotion), Managing Executive Officer, TechnoPro Holdings, Inc. (at present)

Significant concurrent positions

Director and Senior Executive Officer, TechnoPro, Inc.
Director, TechnoPro Construction, Inc.

Reasons for nomination as a Director candidate

Mr. Takeshi Yagi has long been involved with the banking industry in the field of human resources. Since July 2014, he has been serving as a Director (in charge of HR and General Affairs) of the Company, taking charge of the HR, human resources development and general affairs departments, all fields in which he has extensive experience. Since September 2018, he has been vice in charge of CSR promotion and promoting measures to fulfill social responsibilities. He has achieved results particularly with respect to developing a Group-wide managerial framework, strengthening corporate governance practices and introducing personnel systems and other initiatives, and has also contributed to the strengthening of the decision-making function of the Board of Directors. Mr. Takeshi Yagi has been selected as a candidate for another term as Director because the Company expects that, as a Director, he will play a satisfactory role not only in the execution of business but also in deciding important matters involving the Group, in light of the fact that he possesses the character and insight suitable to serve as a member of the Company's management team.

(Note) There is no conflict of interest between Mr. Takeshi Yagi and the Company.

Candidate No.	<h1 style="margin: 0;">Toshihiro Hagiwara</h1>	Reappointment
5		Date of birth: August 1, 1971 49 years old (as of September 29, 2020)



Number of shares of the Company held
(As of June 30, 2020)
3,409 shares

Term of office as Director
1 year

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
11/11 meetings (100%)

Career summary, positions and responsibilities at the Company

April 1996 Joined RECOF Corporation
 August 2004 Joined Cerberus Japan K.K.
 April 2006 Managing director, ditto
 January 2017 Joined The Asahi Shimbun Company (Corporate Planning Office, Strategic Investment Division)
 May 2019 Managing Executive Officer (in charge of Management), TechnoPro Holdings, Inc.
 Director and Senior Executive Officer, TechnoPro, Inc. (at present)
 July 2019 Managing Executive Officer (in charge of Management) and CFO, TechnoPro Holdings, Inc.
 September 2019 Director (in charge of Management) and CFO, ditto (at present)

Significant concurrent positions

Director and Senior Executive Officer, TechnoPro, Inc.
 Director, TechnoPro Construction, Inc.

Reasons for nomination as a Director candidate

Mr. Toshihiro Hagiwara has in-depth knowledge and extensive experience in corporate acquisitions, finance, capital markets, accounting, and tax matters. Further, having got deeply involved in investment into a former incarnation of TechnoPro Holdings during his working for a global investment fund, he is already well-versed in the company's business and industry structure. Since September 2019, he has been serving as a Director (in charge of Management) and CFO of the Company, and achieved results with respect to IR activities and business management reinforcement by the effective use of capital costs, as well as contributing to the strengthening of the decision-making function of the Board of Directors. Mr. Toshihiro Hagiwara has been selected as a candidate for another term as Director because the Company expects that, as a Director, he will play a satisfactory role not only in the execution of business but also in deciding important matters involving the Group, in light of the fact that he possesses the character and insight suitable to serve as a member of the Company's management team.

(Note) There is no conflict of interest between Mr. Toshihiro Hagiwara and the Company.

Candidate No.		Reappointment/Outside/Independent
6	Tsunehiro Watabe	Date of birth: February 17, 1945 75 years old (as of September 29, 2020)



Number of shares of the Company held
(As of June 30, 2020)

0 shares

Term of office as Director
8 years and 5 months

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
14/14 meetings (100%)

Nomination and Compensation Committee:
6/6 meetings (100%)

Independent Executive Committee:
2/2 meetings (100%)

Career summary, positions and responsibilities at the Company

April 1968	Joined The Long-Term Credit Bank of Japan, Limited (current Shinsei Bank, Limited)
June 1994	Director, ditto
July 1998	Director and Chairman, UBS Trust Bank, Ltd.
December 2004	Director and Vice Chairman, UBS Securities Japan Co., Ltd.
March 2007	Vice Chairman, Morgan Stanley Japan Securities Co., Ltd. (current Morgan Stanley MUFG Securities Co., Ltd.)
August 2010	Chairman, CVC Asia Pacific (Japan) KK
June 2011	Outside Audit & Supervisory Board Member, D.A. Consortium Inc.
April 2012	Director, TechnoPro Holdings, Inc. (at present)
June 2015	Outside Director, D.A. Consortium Inc.

Significant concurrent positions

Member of Board of Trustees, Japan Economic Foundation

Reasons for nomination as an Outside Director candidate

Mr. Tsunehiro Watabe has knowledge backed by his extensive experience and expansive network of contacts developed as an officer of banks, foreign-affiliated financial institutions, and other corporations. Since his appointment as Outside Director of the Company in April 2012, Mr. Tsunehiro Watabe has actively provided opinions and advice on the overall management of the Group at meetings of the Board of Directors and has also provided proper oversight by objectively assessing business matters affecting the Company. Mr. Tsunehiro Watabe has been selected as a candidate for Independent Outside Director so that the Company can further draw on his insight with the aim of further heightening its corporate value continuously.

- (Notes)
- There is no conflict of interest between Mr. Tsunehiro Watabe and the Company.
 - Mr. Tsunehiro Watabe is a candidate for Outside Director. His term of office as Outside Director is eight (8) years and five (5) months at the conclusion of this Annual General Meeting of Shareholders. He also satisfies the criteria stipulated by the Company in the "Selection Standards for Directors and Audit & Supervisory Board Members" and the "Independence Standards for Outside Officers" (refer to pages 19 and 21). The Company has registered Mr. Tsunehiro Watabe as an Independent Officer with Tokyo Stock Exchange, Inc. and intends to provide notification of his continued position as Independent Officer if this proposal for his reappointment gains approval.
 - Mr. Tsunehiro Watabe and the Company have entered into an agreement limiting his liability to the higher of either 5 million yen or the minimum liability amount as defined in Article 423(1) of the Companies Act, pursuant to Article 427(1) of the Companies Act. The Company intends to retain the aforementioned agreement with him for limitation of liability if this proposal for his reappointment gains approval.

Candidate No.		Reappointment/Outside/Independent
7	Kazuhiko Yamada	Date of birth: April 28, 1981 39 years old (as of September 29, 2020)



Career summary, positions and responsibilities at the Company

October 2005 Registered at Daini Tokyo Bar Association
Assigned to Nakamura, Tsunoda & Matsumoto

January 2012 Partner, Nakamura, Tsunoda & Matsumoto (at present)

September 2015 Director, TechnoPro Holdings, Inc. (at present)

September 2016 Special Visiting Professor, Gakushuin University Law School (at present)

December 2019 Outside Auditor, Tokyo Commodity Exchange, Inc. (at present)

Significant concurrent positions

Partner, Nakamura, Tsunoda & Matsumoto
Outside Auditor, Tokyo Commodity Exchange, Inc.

Reasons for nomination as an Outside Director candidate

Although Mr. Kazuhiko Yamada has no direct experience in corporate management, he has extensive experience and knowledge as an attorney particularly in the fields of corporate acquisitions, corporate restructuring, equity practice, etc., the Companies Act, and the Financial Instruments and Exchange Act. Moreover, since his appointment as Outside Director of the Company in September 2015, Mr. Kazuhiko Yamada has provided opinions and advice particularly with respect to strengthening corporate governance practices at meetings of the Board of Directors and has also provided proper oversight by objectively assessing business matters affecting the Company. Mr. Kazuhiko Yamada has been selected as a candidate for Independent Outside Director so that the Company can further draw on his insight with the aim of further heightening its corporate value continuously.

Number of shares of the Company held (As of June 30, 2020)
0 shares

Term of office as Director
5 years

Rate of attendance in meetings for the fiscal year ended June 30, 2020
Board of Directors:
14/14 meetings (100%)

Nomination and Compensation Committee:
6/6 meetings (100%)

Independent Executive Committee:
2/2 meetings (100%)

- (Notes) 1. There is no conflict of interest between Mr. Kazuhiko Yamada and the Company.
2. Mr. Kazuhiko Yamada is a candidate for Outside Director. His term of office as Outside Director is five (5) years at the conclusion of this Annual General Meeting of Shareholders. He also satisfies the criteria stipulated by the Company in the “Selection Standards for Directors and Audit & Supervisory Board Members” and the “Independence Standards for Outside Officers” (refer to pages 19 and 21). The Company has registered Mr. Kazuhiko Yamada as an Independent Officer with Tokyo Stock Exchange, Inc. and intends to provide notification of his continued position as Independent Officer if this proposal for his reappointment gains approval.
3. Mr. Kazuhiko Yamada and the Company have entered into an agreement limiting his liability to the higher of either 5 million yen or the minimum liability amount as defined in Article 423(1) of the Companies Act, pursuant to Article 427(1) of the Companies Act. The Company intends to retain the aforementioned agreement with him for limitation of liability if this proposal for his reappointment gains approval.

Candidate No.		Reappointment/Outside/Independent
8	Harumi Sakamoto	Date of birth: April 10, 1938 82 years old (as of September 29, 2020)



Career summary, positions and responsibilities at the Company

April 1962	Joined Ministry of International Trade and Industry (current Ministry of Economy, Trade and Industry)
July 1984	Head of Policy Planning Office of Minister's Secretariat, ditto
June 1986	Chief, Sapporo Trade and Industry Bureau, ditto
August 1987	Advisor, The Dai-Ichi Kangyo Bank, Ltd.
May 1990	Managing Director, The Seiyu, Ltd.
May 1997	Executive Vice President, ditto
September 1997	Executive Vice President, The Seibu Department Stores, Ltd.
April 1999	Vice Chairman, Japan Association of Corporate Executives
October 2000	Secretary General, Japan Association for the 2005 World Exposition
October 2003	Vice Chairperson, ditto
June 2006	President, The Distribution Systems Research Institute
June 2008	Outside Director, The Bank of Yokohama, Ltd.
June 2010	Chairman, Japan Facility Management Promotion Association
June 2013	Outside Director, Mitsubishi Motors Corporation
September 2016	Director, TechnoPro Holdings, Inc. (at present)

Number of shares of the Company held (As of June 30, 2020)

0 shares

Term of office as Director

4 years

Rate of attendance in meetings for the fiscal year ended June 30, 2020

Board of Directors:

14/14 meetings (100%)

Independent Executive Committee:

2/2 meetings (100%)

Significant concurrent positions

None

Reasons for nomination as an Outside Director candidate

Ms. Harumi Sakamoto has extensive experience and expansive knowledge which she has gained acting as a government administrator involved in policy of the Ministry of International Trade and Industry and as an executive of various corporations and organizations. Since her appointment as Outside Director of the Company in September 2016, Ms. Harumi Sakamoto has actively provided opinions and advice on the overall management of the Group at meetings of the Board of Directors and has also provided proper oversight by objectively assessing business matters affecting the Company. Ms. Harumi Sakamoto has been selected as a candidate for Independent Outside Director so that the Company can further draw on her insight with the aim of further heightening its corporate value continuously.

- (Notes) 1. There is no conflict of interest between Ms. Harumi Sakamoto and the Company.
2. Ms. Harumi Sakamoto is a candidate for Outside Director. Her term of office as Outside Director is four (4) years at the conclusion of this Annual General Meeting of Shareholders. She also satisfies the criteria stipulated by the Company in the "Selection Standards for Directors and Audit & Supervisory Board Members" and the "Independence Standards for Outside Officers" (refer to pages 19 and 21). The Company has registered Ms. Harumi Sakamoto as an Independent Officer with Tokyo Stock Exchange, Inc. and intends to provide notification of her continued position as Independent Officer if this proposal for her reappointment gains approval.
3. Ms. Harumi Sakamoto and the Company have entered into an agreement limiting her liability to the higher of either 5 million yen or the minimum liability amount as defined in Article 423(1) of the Companies Act, pursuant to Article 427(1) of the Companies Act. The Company intends to retain the aforementioned agreement with her for limitation of liability if this proposal for her reappointment gains approval.
4. In April 2016, it was revealed that fraudulent acts have been committed with respect to fuel consumption testing of vehicles manufactured by Mitsubishi Motors Corporation, where Ms. Harumi Sakamoto served as Outside Director until June 2018. In September of the same year, the Ministry of Land, Infrastructure, Transport and Tourism noted that fraudulent acts had also been performed with regard to the internal testing carried out within said company for the purpose of re-validating the fuel consumption figures of the vehicles involved in said fraudulent acts. Furthermore, in January 2017, the Consumer Affairs Agency noted that acts that violated the Act Against Unjustifiable Premiums and Misleading Representations had taken place with regard to the display in catalogs, etc. of vehicles of said company that had been involved in the fraudulent acts related to fuel consumption testing, and issued a cease and desist order in addition to an order to pay surcharges. Ms. Harumi Sakamoto had been unaware of any of these improprieties until they came to light, but has been providing recommendations from a legal compliance perspective at the entity's meetings of the board of directors on a regular basis. After the improprieties came to light, she instructed Mitsubishi Motors Corporation on matters about conducting thorough investigations and preventing recurrence of such incidents.

Fourth proposal: Election of One (1) Audit & Supervisory Board Member

Mr. Tatsuhisa Nagao will resign at the conclusion of this Annual General Meeting of Shareholders before expiry of the term of office. Accordingly, the Company proposes the election of one (1) new Audit & Supervisory Board Member.

The Audit & Supervisory Board consented to the proposal of this resolution.

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

Name	Current position at the Company		Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Attendance at Nomination and Compensation Committee meetings	Attendance at Independent Executive Committee meetings
Rumiko Tanabe	–	New/ Outside/ Independent	–	–	–	–

For reference: Composition of the Audit & Supervisory Board if this proposal is approved

Name	Position at the Company		Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Attendance at Nomination and Compensation Committee meetings	Attendance at Independent Executive Committee meetings
Hitoshi Madarame	Full-time Audit & Supervisory Board Member	Incumbent	11/11 meetings (100%)	12/12 meetings (100%)	–	–
Mitsutoshi Takao	Part-time Audit & Supervisory Board Member (outside)	Incumbent/ Outside/ Independent	14/14 meetings (100%)	17/17 meetings (100%)	6/6 meetings (100%)	2/2 meetings (100%)
Akira Mikami	Part-time Audit & Supervisory Board Member (outside)	Incumbent/ Outside/ Independent	11/11 meetings (100%)	12/12 meetings (100%)	–	2/2 meetings (100%)
Rumiko Tanabe	Part-time Audit & Supervisory Board Member (outside)	New/ Outside/ Independent	–	–	–	–

(Notes) 1. The attendance of Mr. Hitoshi Madarame is of the Board of Directors meetings and Audit & Supervisory Board meetings since his assignment as Audit & Supervisory Board Member of the Company on September 27, 2019.

2. The attendance of Mr. Akira Mikami is of the Board of Directors meetings, Audit & Supervisory Board meetings, and Independent Executive Committee meetings since his assignment as Audit & Supervisory Board Member of the Company on September 27, 2019.

Rumiko Tanabe

New/
Outside/
Independent
Date of birth: December 5, 1969
50 years old
(as of September 29, 2020)



Career summary and positions at the Company

April 1992	Audit Department, Asahi Shinwa Audit Corporation (current KPMG AZSA LLC)
January 2003	Assistant Controller, American Home Assurance Company, Ltd.
December 2004	General Manager of Accounts and Finance Division and Controller, ditto
March 2006	Leader of Consolidated Accounts Team, FAST RETAILING CO., LTD.
January 2007	Consolidated Group Leader, HOYA CORPORATION
October 2014	Accounting General Manager of Finance Division, ditto
July 2018	Senior Manager of Vision Care Company Global Headquarters, ditto
June 2020	Director (audit & supervisory committee member), Fast Fitness Japan, Inc. (at present)
July 2020	Founded Tanabe Accounting Office (at present)

Number of shares of the Company held (As of June 30, 2020) 0 shares

Term of office as Audit & Supervisory Board Member

Rate of attendance in meetings for the fiscal year ended June 30, 2020 Board of Directors:

Audit & Supervisory Board:

Significant concurrent positions

Head, Tanabe Accounting Office
Director (audit & supervisory committee member), Fast Fitness Japan, Inc.

Reasons for nomination as an Outside Audit & Supervisory Board Member candidate

– Ms. Rumiko Tanabe possesses wide-ranging knowledge in finance, accounts, overall audit, corporate governance, etc., accumulated through her experience in financial accounting operations in listed enterprises and auditing subsidiaries in addition to her professional expertise as a certified public accountant. Ms. Rumiko Tanabe has been selected as a candidate for Outside Audit & Supervisory Board Member because the Company expects that she will provide oversight, auditing and advice from an objective perspective.

- (Notes)
1. There is no conflict of interest between Ms. Rumiko Tanabe and the Company.
 2. Ms. Rumiko Tanabe is a candidate for Outside Audit & Supervisory Board Member. She also satisfies the criteria stipulated by the Company in the “Selection Standards for Directors and Audit & Supervisory Board Members” and the “Independence Standards for Outside Officers” (refer to pages 19 and 21). The Company intends to provide notification to Tokyo Stock Exchange, Inc. of her position as Independent Officer if she is elected as Audit & Supervisory Board Member.
 3. If Ms. Rumiko Tanabe is elected as Audit & Supervisory Board Member, she and the Company will enter into an agreement limiting her liability defined in Article 423(1) of the Companies Act to the higher of either 5 million yen or the minimum liability amount stipulated by laws and regulations, pursuant to Article 427(1) of the Companies Act.

For reference: Skill matrix for the Board of Directors and the Audit & Supervisory Board

The members of the Board of Directors and Audit & Supervisory Board, and main skills, experience, and knowledge that are possessed by each member are as follows (if the third and fourth proposals are approved).

The Company maintains diversity in the Board of Directors and the Audit & Supervisory Board and puts in place the system to respond flexibly to various changes in business environment by making the best use of expertise of each member and keeping the overall balance.

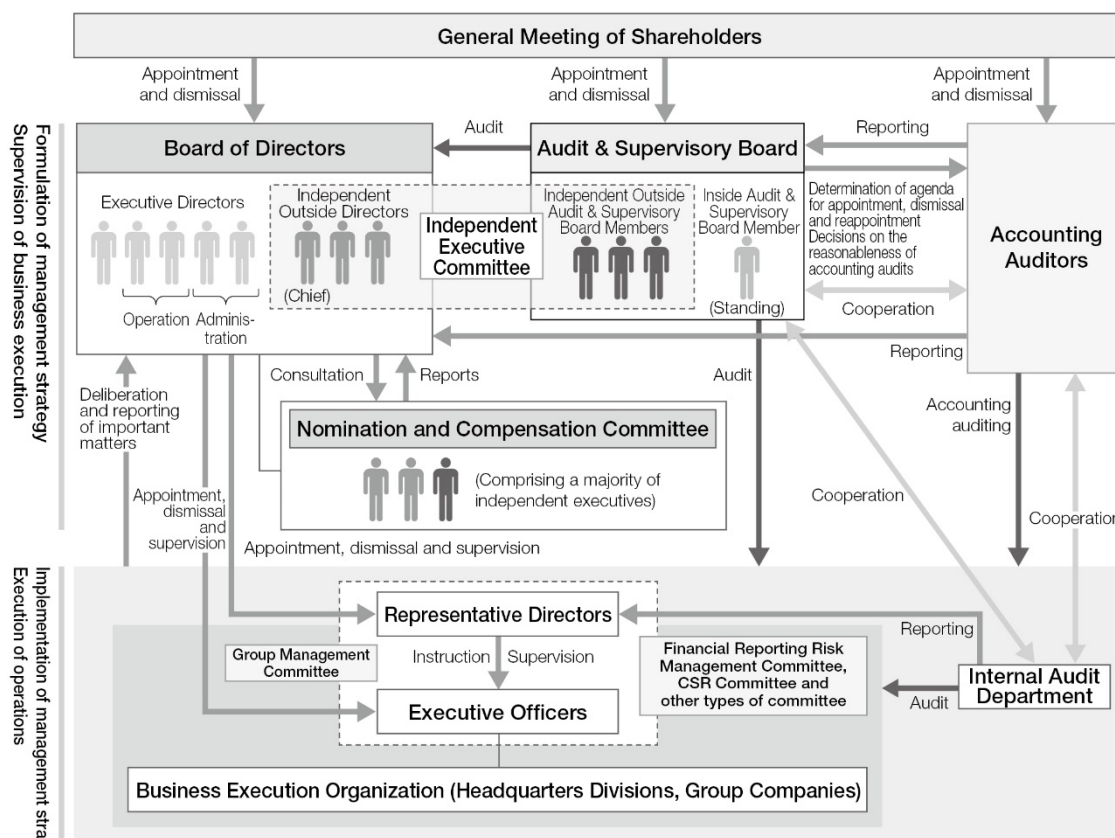
	Name/Position	Nomination and Compensation Committee ◎Chairperson	Independent Executive Committee ◎Chairperson	Attributes		Fields of Experience, Expertise, etc.								Specialization		
				Gender ● Male ★ Female	Independence	Background and Experience In the Company's Operation	Knowledge of Customer and Technology Trends	Experience as Director or Audit & Supervisory Board Member of a Listed Company	Experience as CFO or Experience and Expertise in Finance, Accounting and Tax	Experience and Knowledge of M&A	International Experience and Language Skills	Human Resource Development	Experience and Expertise in Personnel and Internal Auditing	Experience and Expertise in Law, Compliance, Risk Management and Internal Auditing	(Profession or Qualification with High Business Relevance)	
Board of Directors	Yasuji Nishio President, Representative Director and CEO			●		●		●	●		●					
	Gaku Shimaoka Director, Managing Executive Officer			●		●	●	●								
	Koichiro Asai Director, Managing Executive Officer			●		●	●	●								
	Takeshi Yagi Director, Managing Executive Officer			●				●			●	●				
	Toshihiro Hagiwara Director, Managing Executive Officer and CFO			●					●	●	●					Certified public accountant
	Tsunehiro Watabe Chief Outside Director	●	◎	●	●			●		●	●					
	Kazuhiko Yamada Outside Director	●	●	●	●			●					●			Attorney
	Harumi Sakamoto Outside Director		●	★	●			●								
Audit & Supervisory Board	Hitoshi Madarame Audit & Supervisory Board Member (standing)			●								●				
	Mitsutoshi Takao Outside Audit & Supervisory Board Member	◎	●	●	●			●	●							
	Akira Mikami Outside Audit & Supervisory Board Member		●	●	●			●			●	●				Certified internal auditor, certified financial services auditor
	Rumiko Tanabe Outside Audit & Supervisory Board Member		●	★	●				●							Certified public accountant

(Note 1) The above does not represent every single item of skills, experience, ability, knowledge, and attainment of each member.

(Note 2) In principle, "Experience" of each item indicates at least three years of involvement in the given operation or position in total.

(Note 3) The Nomination and Compensation Committee consists of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members only since July 1, 2020.

For reference: The Company's governance systems
Corporate Governance and Compliance System



Note: The Board of Directors is chaired by the Representative Director and President. The Audit & Supervisory Board is chaired by an Inside Audit & Supervisory Board Member. The Nomination and Compensation Committee is chaired by an Independent Outside member of the Audit & Supervisory Board. The Independent Executive Committee is chaired by the chief Independent Outside Director.

The Group has developed the “TechnoPro Group Corporate Governance Guidelines” to establish the best corporate governance for continuous growth and improvement of corporate value. As a result, the Group has implemented and is maintaining the system to conduct the followings.

- Adopt corporate structure employing a Board of Directors, which makes decisions over management and has supervisory and monitoring authority over business execution, and an Audit & Supervisory Board comprising auditors, which oversees audit functions.
- Implement an executive officer system that allocates executive authority and responsibility over daily operations to executive officers to enable dynamic and efficient business management.
- Establish and utilize the Nomination and Compensation Committee to further enhance governance functions by ensuring the appropriate involvement of and receipt of advice from Outside Directors and Outside Audit & Supervisory Board Members regarding matters such as executive appointments and compensation.

(Implementation of Nomination and Compensation Committee meetings)

The Committee has held six meetings in this fiscal year where appointment, remuneration, skill matrix, etc. of Directors of the Company and the Group companies were deliberated.

- Enhance system of internal controls mainly for the purpose of ensuring the reliability of financial reporting.
- Establish the Independent Executive Committee, which is a meeting body to enable information exchange and sharing, and opinion exchange between Independent Outside Directors and Independent Outside Audit & Supervisory Board Members so as to respond to the corporate governance code that urges the active involvement of Independent Officers and to reinforce governance that facilitates medium- to long-term improvement of profitability.

(Implementation of Independent Executive Committee meetings)

The Committee has held two meetings in this fiscal year where information on management strategies, management plans, etc., of the Group was shared and opinions were exchanged. (In one of the meetings, opinions were exchanged among officers and department managers of the Group companies.)

[Analysis and assessment of effectiveness of the Board of Directors]

The Company conducts annual analysis and assessment of effectiveness of the Board of Directors based on the “TechnoPro Group Corporate Governance Guidelines” and appropriately discloses the outline of the results. Methods of analysis and assessment are as follows:

(Assessment method)	Self-assessment questionnaire
(Target)	All Directors and Audit & Supervisory Board Members
(Questionnaire items)	<ol style="list-style-type: none">1. Size and composition of the Board of Directors2. Operation of the Board of Directors meeting3. Information provision and support for Outside Officers4. Roles and responsibilities of the Board of Directors5. Relationship with shareholders, investors, and other stakeholders6. Contribution as an individual (Directors and Audit & Supervisory Board Members)7. Operation of the Nomination and Compensation Committee
(Analysis method)	Hold a discussion in the Board of Directors meeting based on the result from the self-assessment questionnaire to check the effectiveness of the Board of Directors and extract issues.

The Company plans to disclose the outline of the analysis and assessment result of this fiscal year in the “Corporate Governance Report” which will be submitted to Tokyo Stock Exchange, Inc. in September 2020.

The “TechnoPro Group Corporate Governance Guidelines” is published on the Company’s website (<https://www.technoproholdings.com/en/>).

For reference:

The Company has established the “Selection Standards and Appointment and Dismissal Procedures for Directors and Audit & Supervisory Board Members,” “Standards and Procedures for Appointment and Dismissal of CEO” and the “Independence Standards for Outside Officers” as set forth below. Furthermore, selection of all candidates for Director and Audit & Supervisory Board Member has involved making recommendations to the Nomination and Compensation Committee along with related deliberations and reporting.

[Selection Standards and Appointment and Dismissal Procedures for Directors and Audit & Supervisory Board Members]**1. Selection Standards for Directors and Audit & Supervisory Board Members**

The Company’s Directors and Audit & Supervisory Board Members must satisfy the conditions listed below, in addition to meeting criteria that includes satisfying statutory requirements and those of the Articles of Incorporation, exhibiting no behavior that would be grounds for disqualification as stipulated in the Directors/Audit & Supervisory Board Members Regulations, and having no current or prior involvement with anti-social forces.

“Prerequisites” for All Directors and Audit & Supervisory Board Members	
1. All such individuals must exhibit outstanding character, knowledge and insight, while maintaining high regard for regulatory compliance and ethical standards. 2. All such individuals must maintain objectivity in making decisions, perceptiveness and foresight.	
“Common requirements” for Outside Directors and Outside Audit & Supervisory Board Members in particular	
1. Such individuals must have a high degree of knowledge along with extensive practical experience and experience serving in a leadership role in one or more fields such as corporate management, internal control, compliance, finance and accounting, financing, legal affairs, government, crisis management and education. 2. Such individuals must possess the capacity to gain an overall understanding of the entire Group, and to ascertain the essential issues and risks thereof, and should be capable of being counted on for making constructive contributions during deliberations of meetings of the Board of Directors and other such forums in a candid and active manner.	
Requirements for Outside Directors in particular	Requirements for Outside Audit & Supervisory Board Members in particular
1. Such individuals must be those who can be counted on for objective business oversight and managerial decisions from a practical point of view based on extensive experience in corporate management and specialized fields, and for providing advice and support to facilitate sustainable growth of the Company.	1. Such individuals must be appointed with the aim of heightening neutrality and independence of the audit framework, and must be individuals capable of expressing an objective audit opinion from a neutral standpoint.
Requirements for Inside Directors in particular	Requirements for Inside Audit & Supervisory Board Members in particular
1. Such individuals must be well-informed regarding industry trends and relevant regulations affecting the Group and the business model of the Group, and must have extensive practical experience in respective specialized fields. 2. Such individuals must be counted on to conduct business, with a capacity to manage organizations drawing on a Company-wide perspective.	1. Such individuals must be well-informed regarding the organization, business pursuits and operating processes of the Group, and must be capable of performing highly effective audits involving the proper collection of information from within the Group.

(Note) Each of the above requirements is applicable to candidates for the positions of Director, Audit & Supervisory Board Member, Outside Director, Inside Director (meaning a Director who is not an Outside Director), Outside Audit & Supervisory Board Member, Inside Audit & Supervisory Board Member (meaning an Audit & Supervisory Board Member who is not an Outside Audit & Supervisory Board Member).

2. Procedures

- (1) The appointment and dismissal of Directors and Audit & Supervisory Board Members shall be subject to resolution by a General Meeting of Shareholders.
- (2) Candidates for Directors who are submitted to a General Meeting of Shareholders shall be determined by the Board of Directors. The Board of Directors shall select candidates for Directors through deliberations of the Nomination and Compensation Committee, considering the above selection standards and policy for the composition of the Board of Directors.
- (3) Candidates for Audit & Supervisory Board Members who are submitted to a General Meeting of Shareholders shall be determined by the Board of Directors. The Board of Directors shall select candidates for Audit & Supervisory Board Members through deliberations of the Nomination and Compensation Committee, considering the above selection standards and policy for composition of the Audit & Supervisory Board, and consent of the Audit & Supervisory Board thereafter.
- (4) If any Director or Audit & Supervisory Board Member does not meet the abovementioned qualifications during his/her term, or is considered to engage in any misconduct or conduct that damages the Company’s credibility, or is judged ineligible to be a Director or Audit & Supervisory Board Member, the Company shall take prescribed measures, including dismissal according to laws and regulations. A proposal for the dismissal of a Director shall be determined by the Board of Directors through deliberation of the Nomination and Compensation Committee.

3. Policy for the composition of the Board of Directors/Audit & Supervisory Board

- (1) Diversity of the members of the Board of Directors and Audit & Supervisory Board shall be taken into consideration, respectively, for the appointment of Directors and Audit & Supervisory Board members.
- (2) The Board of Directors shall help the Board of Directors function properly as a whole by leveraging the respective Directors’ diverse experience and knowledge, and ensure that the Board of Directors can discharge its fiduciary responsibility overall.
- (3) At least one (1) Audit & Supervisory Board Member shall be a person who has sufficient knowledge about financial and accounting matters.

[Standards and Procedures for Appointment and Dismissal of CEO]

The Company considers the appointment and dismissal of a chief executive officer (hereinafter referred to as “CEO”) to be the most important strategic decision from the perspective of the Company’s sustainable growth and enhancement of corporate value on a medium- to long-term basis, and based on such understanding, has established the “Standards and Procedures for Appointment and Dismissal of CEO” as set forth below, with the aim of selecting the most eligible person as CEO, whether internally or externally, and establishing procedures for objective, timely and transparent appointments and dismissals.

1. Appointment Standards for a CEO

The Company has established the “Core requirements” for a CEO, in particular, as the appointment standards for a CEO, based on the prerequisite that the relevant CEO shall meet the requirements (“‘prerequisites’ for All Directors and Audit & Supervisory Board Members” and “requirements for Inside Directors in particular”) in the Selection Standards for Directors and Audit & Supervisory Board Member.

(Core requirements for a CEO)

- Presence in terms of dignity and quality as the highest ranking member of the top management.
- Absence of any health problem mentally or physically.
- Excellent exercise of leadership.
- Excellent capability of responding to change.
- Ability to make reasonable decisions and willingness to take responsibility for decisions made.
- Willingness to develop human resources and promote talented people proactively.
- Ability to undertake management from a global perspective.
- Possibility of exercising excellent management ability based on a great deal of experience and achievements in the management of a previous company or companies (if a CEO is selected from external qualified candidates).

2. Appointment Procedures for a CEO

- The Nomination and Compensation Committee, the majority of which consists of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members of the Company, shall submit a proposal to the Board of Directors after selecting the CEO candidate.
- If a CEO candidate is selected internally, the Nomination and Compensation Committee shall select such candidate from among internal qualified candidates through deliberations, including the implementation of individual interviews as necessary, while simultaneously taking into consideration overall evaluations from the perspective of the requirements in the abovementioned 1. and attendance in training programs based on plans for the development of human resources, among other factors.
- If no candidate is available internally, the Nomination and Compensation Committee shall select a CEO candidate externally from among qualified candidates.
- The Board of Directors shall conduct deliberations on a candidate submitted by the Nomination and Compensation Committee and determine the next CEO. In doing so, the chairperson of the Nomination and Compensation Committee shall provide a detailed explanation on the selection, including reasons for choosing the relevant candidate (if a CEO is selected from among external candidates, reasons for such selection shall be presented).
- The Nomination and Compensation Committee shall determine a tentative successor in an emergency plan by September 30 of every year in the case of an unexpected incident occurring to a CEO, subject to deliberations based on the evaluation of such a successor by members of the Nomination and Compensation Committee. The selection (cancellation and replacement) of a tentative successor is implemented every year.

3. Dismissal Standards for a CEO

The Company has established “Underperformance” and “Applicable factors that make a CEO unsuitable to assume the highest ranking management position” as dismissal standards for CEO.

(1) (Underperformance)

- The Group remains unprofitable for three consecutive years in terms of consolidated operating income.

(2) (Applicable factors that make a CEO unsuitable to assume the highest ranking management position)

- If the CEO’s health conditions are too poor to discharge his/her duties as a CEO.
- If any matters that apply mutatis mutandis as reason for the disqualification of Directors specified in Article 331 of the Companies Act occurs.
- If the Company’s credibility is considered to be damaged and the smooth operation of businesses is affected due to the CEO’s behavior or words, findings of any misconduct/occurrence of losses and damages for which the CEO should be responsible, or other factors.

4. Dismissal Procedures for a CEO

- Deliberations and necessary surveys pertaining to the applicability or non-applicability of factors in the abovementioned 3. (2) shall be made through meetings held by Independent Officers comprising all Independent Outside Directors and Independent Audit & Supervisory Board Members of the Company. If the dismissal of CEO is decided to be appropriate at a meeting of Independent Officers, the chairperson (chief Independent Outside Director) shall submit a proposal for the dismissal of CEO to the Board of Directors.
- If the requirement in the abovementioned 3. (1) is met or any fact considered to be reason for dismissal without the need for deliberation by a meeting of Independent Officers is identified, the Board of Directors shall resolve to dismiss the CEO unconditionally.

[Independence Standards for Outside Officers]

The Company has established these “Independence Standards for Outside Officers” (hereinafter referred to as the “Standards”) as set forth below, with the aim of clarifying criteria for designating Outside Directors and Outside Audit & Supervisory Board Members of the Company (hereinafter collectively referred to as “Outside Officers”) as Independent Officers.

1. The Company determines that an Outside Officer or a candidate for Outside Officer of the Company is independent of the Company if one or more of the following do not apply with respect to the Outside Officer or the candidate for Outside Officer:

- i. The individual is currently or recently*1 (the same applies hereunder) affiliated with the Company or its subsidiaries (hereinafter collectively referred to as the “Group”);
- ii. The individual is currently or recently affiliated with a business partner of which the Group accounts for at least 2% of the business partner’s prior fiscal year consolidated net sales, or a business partner that accounts for at least 2% of the Company’s prior fiscal year consolidated net sales;
- iii. The individual holds at least 10% of the total number of outstanding shares of the Company as of the last day of the prior fiscal year, or the individual is currently or recently affiliated with a company or a corporate group that holds at least 10% of the total number of outstanding shares of the Company as of the last day of the prior fiscal year;
- iv. The individual is currently or recently affiliated with a company or a group of which the Group holds at least 10% of the total number of issued shares as of the last day of the prior fiscal year;
- v. The individual is currently or recently affiliated with an audit firm that conducts statutory audits of the Group;
- vi. The individual is currently or recently affiliated with a financial institution that is essential in enabling fund procurement of the Group, and is relied on to the extent that there is no substitute for the entity;
- vii. The individual currently or recently acts as a consultant, legal professional, accounting expert, or tax specialist who has received remuneration other than executive compensation exceeding 10 million yen directly from the Group during any one (1) business year of the past three (3) business years (in the case that such individual receiving such remuneration is a corporation, association or other such body, then this refers to an individual belonging to such body);
- viii. The individual currently or recently acts as a trustee or other executor of business of an organization that has received contributions or grant funds exceeding 10 million yen from the Group during any one (1) business year of the past three (3) business years;
- ix. The individual acts as an executor of business of a company involved in mutual dispatch of directors and audit & supervisory board member to and from the Group, or;
- x. The individual is a relative within the second degree of kinship of, or a member of family cohabiting with, an individual as described in any of the aforementioned items (excluding individuals who are not in key*2 positions).

(Notes)

*1: “Recently” refers to a period of less than three (3) years from the date of an individual’s appointment as a Director or an Audit & Supervisory Board Member of the Company.

*2: An individual in a “key” position refers to an important employee of a respective company or business partner such as a director, an executive, an audit & supervisory board member and an executive officer, or an accounting auditor and a CPA or an attorney affiliated with respective audit firms and respective law firms.

2. If any of the circumstances set forth above in section 1 apply to an individual, that individual may still be designated as an Independent Officer at the discretion of the Board of Directors or the Audit & Supervisory Board following deliberations of the Nomination and Compensation Committee.
3. Irrespective of whether or not any of the circumstances set forth above in section 1 apply, an Independent Officer must not be in a situation that could be reasonably judged as one whereby the individual is unable to fulfill his or her duties as an Outside Officer acting in an independent capacity.
4. An Independent Officer must endeavor to ensure ongoing adherence to the Standards until his or her resignation, and must promptly report matters to the Company in cases where he or she no longer maintains independence as set forth in the Standards.

The above is an excerpt from the “TechnoPro Group Corporate Governance Guidelines.” The entire document is available through the Company’s website: <https://www.technoproholdings.com/en/>