

Notice of the 16th Annual General Meeting of Shareholders

SIGMAXYZ Holdings Inc.

SIGMAXYZ Group’s Corporate Philosophy

Purpose

CREATE A BEAUTIFUL TOMORROW TOGETHER

The concept of social capital based on the 3 axes of “trust,” “standards of reciprocities,” and “bonds,” and the importance of them being widely permeated, are being reevaluated in countries around the world. Further, we believe that these social relationship assets themselves are the identity that we have cultivated in Japan and the beauty of society.

We aim to contribute to the creation of such a beautiful society. A society in which we respect each other beyond generations and personalities and everyone can live and thrive comfortably with hope in daily life.

The SIGMAXYZ Group cooperates with clients, partners, and various individuals and organizations to create value as Sherpas.

We start with taking one step at a time for a more beautiful tomorrow.

Vision | What We Want To Be

LOVED by EVERYONE	With us...	
	You can meet friends.	You can grow and be more capable.
	You can expand your opportunities.	You can contribute to society.
	You can take on challenges.	You can enrich your life.

Mission | Our Social Duty

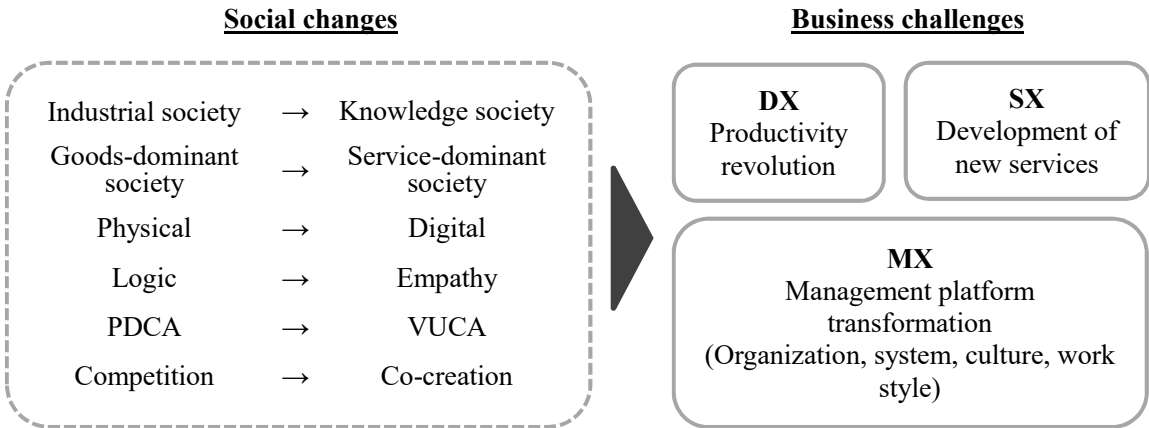
Promote transformation in companies and contribute to attaining the SDGs together with clients and partners.

Value	What We Treasure
	Human Value
	Business Value
	<ul style="list-style-type: none"> • Openness & Trust • Sincerity • Hospitality • Sense of Beauty • Respect for Difference • Camaraderie
	<ul style="list-style-type: none"> • Sharing Thoughts • Collaboration • Aggregation • Sherpa • Agility & Speed • Intellectual Fight

Three Innovations

The SIGMAXYZ Group defines the key transformations that companies must address in the digital economy as follows.

- **Management Transformation (MX)**
Build a platform that ensures the autonomy and psychological safety of people involved in the business, improves engagement, creates continuous innovation, and enables rapid individual-customer interaction
- **Digital Transformation (DX)**
Transform the core business model and achieve significant performance improvements through a productivity revolution
- **Service Transformation (SX)**
Build a business model that will serve as a new growth engine in growth markets



To Our Shareholders

With human assets as our source of value co-creation, we will take on new challenges that are not bound by existing frameworks

I would like to express my sincere gratitude to our shareholders for their everyday support for our company.

In an environment where future changes are unpredictable, SIGMAXYZ Group is always looking to the future to create a new vision for the industry, combining its consulting and investment businesses to engage in value co-creation together with clients and business partners.

Supported by strong client demand, we expect to achieve the consolidated revenue target of ¥25 billion, which was announced in our August 2022 medium- to long-term growth vision “Blueprint Toward the Fiscal Year Ending March 2026,” one year ahead of schedule. We will continue to accelerate the growth of our consulting business and aim to contribute to revenue from our investment business, aiming for ordinary profit of ¥7 billion.

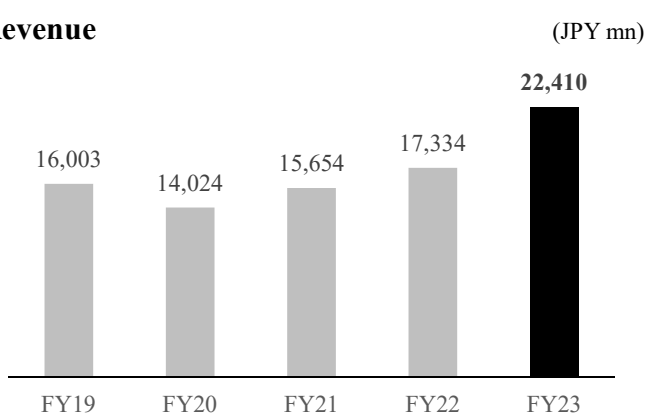
We will continue to position our human assets, our source of value co-creation, as our most important management resource. We will continue to grow as an organization by maximizing the capabilities and motivation of each professional. We will expand collaboration not only within the Group but also with companies, organizations and individuals across industries to take on new challenges without being bound by existing frameworks.

We will continue to make strong progress toward fulfilling the SDGs and a creating a beautiful tomorrow through thorough corporate governance standard and co-creation of value throughout the Group. Your continued support would be highly appreciated.

Hiroshi Ota, Representative Director and President

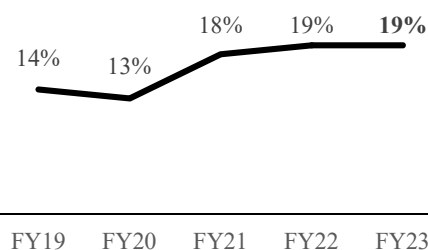
Consolidated Financial Highlights

Revenue

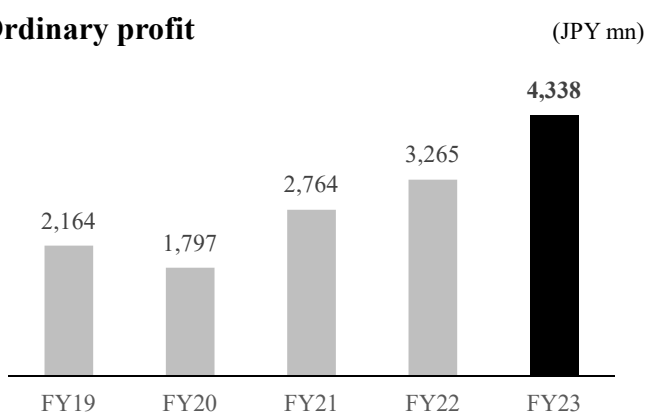


KPI

Ordinary profit rate

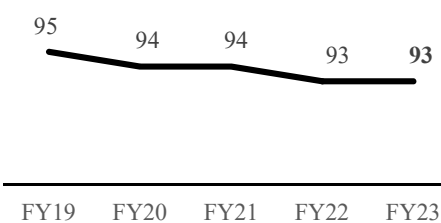


Ordinary profit

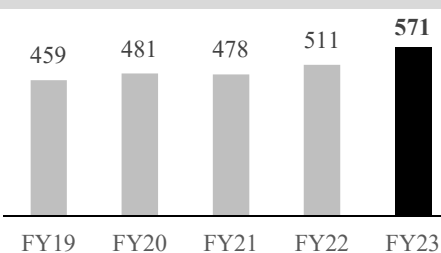


SIGMAXYZ

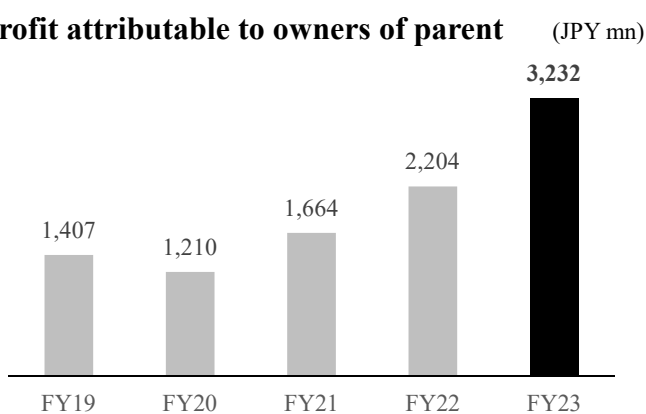
Project satisfaction (Net Satisfaction Index)



Number of consultants



Profit attributable to owners of parent



SIGMAXYZ Investment Inc.

Balance of investments

(Billions of yen)



Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Stock Code: 6088
June 4, 2024

To our shareholders:

Hiroshi Ota
Representative Director and President
SIGMAXYZ Holdings Inc.
4-1-28 Toranomom, Minato-ku, Tokyo, Japan

Notice of the 16th Annual General Meeting of Shareholders

We hereby announce the 16th Annual General Meeting of Shareholders of SIGMAXYZ Holdings Inc. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on either of the following websites. Please access either of these websites by using the internet address shown below to review the information.

[Company’s website]

<https://www.sigmaxyz.com/ja/ir/shareholder/meeting.html> (in Japanese)

[Tokyo Stock Exchange website (Listed Company Search)]

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

(Access the TSE website by using the internet address shown above, enter “SIGMAXYZ Holdings” in “Issue name (company name)” or the Company’s securities code “6088” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”)

Instead of exercising your voting rights at the venue on the day of the meeting, you may exercise your voting via the Internet or in writing (postal mail). Please review the subsequent Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights no later than 6:00 p.m. on Monday, June 24, 2024 (JST).

To exercise your voting rights via the internet

Please access the Company’s designated website (<https://evote.tr.mufg.jp/>) (in Japanese) and enter the “login ID” and “password” found on the voting form. Follow the instructions on screen to indicate your approval or disapproval of the proposals by the deadline stated above.

When exercising your voting rights via the Internet, please review the “Instructions for exercising voting rights via the Internet, etc.” below.

To exercise your voting rights in writing (by mail)

Please indicate your approval or disapproval of each proposal on the voting form and return it to the Company by postal mail so that it arrives before the above deadline.

1. Date and Time: Tuesday, June 25, 2024, at 10:00 a.m.

(Reception opens at 9:30 a.m.)

2. Venue: Trust City Conference Kamiyacho, 2nd Floor, Tokyo World Gate (Kamiyacho Trust Tower)

4-1-1 Toranomom, Minato-ku, Tokyo, Japan

* The venue has changed from this General Meeting of Shareholders.

3. Purpose of the Meeting:

Matters to be reported

1. Business Report, Consolidated Financial Statements for the 16th fiscal year (from April 1, 2023 to March 31, 2024), and audit results of the Consolidated Financial Statements by the Accounting Auditors and Audit & Supervisory Committee
2. Non-consolidated Financial Statements for the 16th fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved

Proposal No. 1: Partial Amendments to the Articles of Incorporation

Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Proposal No. 3: Election of Three Directors Who Are Audit & Supervisory Committee Members

Proposal No. 4: Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

Matters to be Determined for Convocation (Information on Exercising Voting Rights)

- (1) When exercising your voting rights in writing (by postal mail), if there is no indication of approval or disapproval of the proposal on the voting form, it will be treated as if there was an indication of approval.
- (2) If you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.
- (3) If you exercise the voting rights both in writing (postal mail) and via the Internet, the contents of the voting rights exercised via the Internet shall be deemed valid, irrespective of the date and time received.
- (4) If exercising your voting rights by proxy, you may appoint one other shareholder of the Company with voting rights as a proxy for the meeting. However, please be aware that a document evidencing the proxy's authority to represent must be submitted to the Company.
- (5) If you plan to exercise your voting rights in a non-uniform way, please inform the Company of this intention with the reason at least three days prior to the date of the meeting.

- For those who will be in attendance, we would like to ask that you submit the voting rights form at the reception desk.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the aforementioned websites on the Internet.
- Shareholders who have requested delivery of paper-based documents will also receive a document stating the matters subject to measures for electronic provision, but this document excludes the following matters based on the provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation.

Business Report

Status of the Corporate Group

1. Offices
2. Employees
3. Primary lenders

Status of the Company

1. Shares of the Company
2. The Company's share acquisition rights
3. Officers
 - (1) Directors
 - Significant concurrent positions outside the Company
 - Substantial knowledge of finance and accounting of the Audit & Supervisory Committee Members
 - (2) Outside Directors and outside Audit & Supervisory Committee Members
 - (3) Summary of details of limited liability agreement
4. Accounting Auditors
5. System to ensure appropriate execution of business operations and implementation thereof
6. Policy on determination of dividends of surplus and others

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

Notes to the Consolidated Financial Statements

Non-consolidated Financial Statements

Non-consolidated Statement of Changes in Equity

Notes to the Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements described in this document are part of the documents audited by the accounting auditor when preparing the accounting audit report and by the Audit & Supervisory Committee when preparing the audit report.

Instructions on How to Complete the Voting Form

Please indicate “approval” or “disapproval” for each proposal here.

Proposal Nos. 1 and 4:

- In case of “approval”: please circle the word “Approval.”
- In case of “disapproval”: please circle the word “Disapproval.”

Proposal Nos. 2 and 3:

- In case of “approval” for all candidates: please circle the word “Approval.”
- In case of “disapproval” for all candidates: please circle the word “Disapproval.”
- In case of “disapproval” for certain candidates: please circle the word “approval” and write the number(s) of the candidate(s) you are against.

* Example of the voting right exercise form (in Japanese only)

Please note that your voting via the internet shall prevail, if you exercise your voting rights both by postal mail and via the internet. In addition, if you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.

Instructions on Exercising Voting Rights via the Internet, etc.

Scanning QR code®

You can simply log in to the website for exercising voting rights without entering your login ID and password printed on the voting form.

1. Please scan the QR code® printed on the voting form.

*QR code is a trademark of DENSO WAVE INCORPORATED.

2. Hereafter, please enter your approval or disapproval by following the instructions on the screen.

Entering login ID and password

Access the website for exercising voting rights using a computer or smartphone, enter the “login ID” and “password” on the voting form, and then exercise your voting rights by following the instructions on screen.
Website for exercising voting rights: <https://evote.tr.mufg.jp/>

In case you need instructions on how to operate your PC/smartphone in order to exercise your voting rights via the Internet, please contact the Help Desk, for which the details are provided below.

Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027 (hours: 9:00 a.m. to 9:00 p.m., JST; toll free within Japan)

Institutional investors may use the electronic voting platform operated by ICJ, Inc.

Reference Documents for the Annual General Meeting of Shareholders

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

For the purpose of ensuring the ability to make prompt decisions and optimizing the total number of Directors to best suit the corporate management of a holding company, regarding Article 18 of the Articles of Incorporation, the Company proposes to change the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) from ten or less to seven or less and the number of Directors who are Audit & Supervisory Committee Members from five or less to three or less.

2. Details of the amendments

The amendments are described below.

(The proposed amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 18. (Number of Directors)</p> <p>1. The Company shall have not more than <u>ten</u> Directors (excluding Directors who are Audit & Supervisory Committee Members).</p> <p>2. The Company shall have not more than <u>five</u> Directors who are Audit & Supervisory Committee Members.</p>	<p>Article 18. (Number of Directors)</p> <p>1. The Company shall have not more than <u>seven</u> Directors (excluding Directors who are Audit & Supervisory Committee Members).</p> <p>2. The Company shall have not more than <u>three</u> Directors who are Audit & Supervisory Committee Members.</p>

Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all nine Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of seven Directors.

As for this proposal, the Audit & Supervisory Committee has judged that all the candidates for Director are qualified.

The candidates for Director are as follows:

[Reference] List of the candidates for Director

Candidate No.	Name	Current position and responsibility in the Company	Candidate attributes
1	Hiroshi Ota	Representative Director and President	Reelection
2	Shunichi Shibanuma	Representative Director and Executive Vice President	Reelection
3	Shinya Tabata	Representative Director and CFO	Reelection
4	Sono Uchiyama	Director, Director in charge of Communication & Capability	Reelection Female
5	Komei Yamaguchi	Outside Director	Reelection Outside Independent
6	Makiko Yamamoto	Outside Director	Reelection Outside Independent Female
7	Makiko Yoshida	Outside Director	Reelection Outside Independent Female


Reelection: Candidate for Director to be reelected


New: Candidate for Director to be newly elected



Outside: Candidate for outside Director


Independent: Independent Officer stipulated by the stock exchange


Female: Female candidate for Director


Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
1	<p data-bbox="411 286 533 315">Hiroshi Ota</p>  <p data-bbox="379 707 564 736">(October 20, 1969)</p> <p data-bbox="416 763 528 792">Rerelection</p> <p data-bbox="397 819 547 875">Term of office: 2 years</p> <p data-bbox="357 902 587 981">Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p data-bbox="630 286 730 315">Apr. 1993</p> <p data-bbox="630 324 730 353">Oct. 1998</p> <p data-bbox="630 387 730 416">Jan. 2006</p> <p data-bbox="630 450 730 479">Apr. 2009</p> <p data-bbox="630 488 730 517">Apr. 2015</p> <p data-bbox="630 526 730 555">Apr. 2019</p> <p data-bbox="630 564 730 593">Oct. 2021</p> <p data-bbox="630 649 730 678">June 2022</p> <p data-bbox="630 687 735 716">June 2023</p> <p data-bbox="783 286 1086 315">Joined Japan Airlines Co., Ltd.</p> <p data-bbox="783 324 1182 380">Joined Pricewaterhouse Consultants Co., Ltd.</p> <p data-bbox="783 389 1206 445">Partner, IBM Business Consulting Services KK</p> <p data-bbox="783 454 995 483">Partner, the Company</p> <p data-bbox="783 492 970 521">Managing Director</p> <p data-bbox="783 530 1027 560">Senior Executive Officer</p> <p data-bbox="783 568 1182 647">Executive Officer, the Company Co-representative Director, SIGMAXYZ Inc.</p> <p data-bbox="783 656 868 685">Director</p> <p data-bbox="783 694 1142 750">Representative Director, President (current position)</p> <p data-bbox="783 759 1158 815">Representative Director and President, SIGMAXYZ Inc. (current position)</p>	<p data-bbox="1257 620 1407 649">159,500 shares</p>
<p data-bbox="325 996 836 1025">Reasons for nomination as candidate for Director</p> <p data-bbox="325 1025 1407 1184">Hiroshi Ota has many years of experience in the consulting industry, in particular as the head of IT consulting divisions, and since June 2023 he has served as Representative Director and President of the Company as well as Representative Director and President of SIGMAXYZ Inc., a Group company that provides consulting services, leading the further growth of the Company. The Company once again requests his election as Director so that he may facilitate collaboration among the Group operating companies and use his experience and insight in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
2	<p data-bbox="368 284 571 309">Shunichi Shibamura</p>  <p data-bbox="384 703 555 728">(March 27, 1973)</p> <p data-bbox="416 757 523 786">Reelection</p> <p data-bbox="395 815 544 869">Term of office: 2 years</p> <p data-bbox="357 898 587 983">Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p data-bbox="632 284 1214 338">Apr. 1995 Joined Bank of Japan (seconded to Ministry of Economy, Trade and Industry)</p> <p data-bbox="632 349 1214 403">Apr. 2004 Joined McKinsey & Company Incorporated Japan</p> <p data-bbox="632 414 1190 468">Sept. 2006 Executive Officer, Kazaka Securities Co., Ltd</p> <p data-bbox="632 479 995 506">Aug. 2010 Partner, the Company</p> <p data-bbox="632 517 970 544">Apr. 2015 Managing Director</p> <p data-bbox="632 555 1209 582">Sept. 2016 Director, SX Capital, Inc. (current position)</p> <p data-bbox="632 593 1166 620">Apr. 2019 Senior Executive Officer, the Company</p> <p data-bbox="632 631 1158 707">Apr. 2021 President and Representative Director, SIGMAXYZ Investment Inc. (current position)</p> <p data-bbox="632 719 1098 745">Oct. 2021 Executive Officer, the Company</p> <p data-bbox="632 757 868 784">June 2022 Director</p> <p data-bbox="632 795 1193 848">June 2023 Representative Director, Executive Vice President (current position)</p>	104,000 shares
<p data-bbox="325 990 836 1016">Reasons for nomination as candidate for Director</p> <p data-bbox="325 1019 1374 1209">Shunichi Shibamura has been appointed President and Representative Director of SIGMAXYZ Investment Inc., a Group company engaged in investment businesses, since 2021, leveraging his business experience in financial institutions, as well as his long years of experience in the consulting industry. Serving as Representative Director and Executive Vice President since June 2023, he has further driven the Company's growth. The Company once again requests his election as Director so that he may facilitate collaboration among the Group operating companies and use his experience and insight in working to achieve sustainable growth of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company		Number of the Company's shares owned
3	<p>Shinya Tabata</p>  <p>(March 5, 1963)</p> <p>Reelection</p> <p>Term of office: 10 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Apr. 1985</p> <p>Sept. 1989</p> <p>Feb. 2004</p> <p>July 2006</p> <p>Oct. 2006</p> <p>Sept. 2008</p> <p>Sept. 2013</p> <p>June 2019</p> <p>June 2023</p>	<p>Joined Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Joined IBM Japan, Ltd.</p> <p>Global Business Service CFO, IBM Japan, Ltd.</p> <p>Global Business Service CFO, IBM Japan, Ltd. and CFO, IBM Business Consulting Services KK</p> <p>Global Financing CFO, IBM Japan, Ltd.</p> <p>CFO and Director of Corporate Planning and Finance Dept., the Company</p> <p>Director, CFO</p> <p>Managing Director, CFO</p> <p>Representative Director, CFO (current position)</p>	137,600 shares
<p>Reasons for nomination as candidate for Director Shinya Tabata has extensive experience and insight in management of the Company as Representative Director and CFO. The Company once again requests his election as Director so that he may use his experience, insight, etc. in working to achieve sustainable growth of corporate value.</p>				
4	<p>Sono Uchiyama</p>  <p>(October 26, 1969)</p> <p>Reelection</p> <p>Female</p> <p>Term of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Apr. 1993</p> <p>Apr. 2002</p> <p>Apr. 2005</p> <p>Apr. 2007</p> <p>May 2008</p> <p>Apr. 2017</p> <p>Apr. 2020</p> <p>June 2021</p> <p>Apr. 2023</p>	<p>Joined Pricewaterhouse Consultants Co., Ltd.</p> <p>Director of Communication and PR, IBM Business Consulting Services KK</p> <p>Director of Communication and Branding, Japan Telecom Co., Ltd.</p> <p>PR Manager, RHJ International Japan, Inc.</p> <p>PR Manager, RHJ International Japan, Inc. and Director of Communication Dept., the Company</p> <p>Director of Communication / Knowledge Management Dept., the Company</p> <p>Director of Communication & Capability Section</p> <p>Director Director of Communication & Capability Section</p> <p>Director in charge of Communication & Capability (current position)</p>	100,200 shares
<p>Reasons for nomination as candidate for Director Sono Uchiyama has extensive experience and insight in management of the Company as Director in charge of Communication & Capability that is responsible for HR, recruiting, training, knowledge management, public relations, and IR. The Company once again requests her election as Director so that she may use her experience and insight, while working to achieve sustainable growth of corporate value.</p>				

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
5	<p>Komei Yamaguchi</p>  <p>(June 7, 1967)</p> <p>Reelection Outside Independent</p> <p>Term of office: 2 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>Apr. 1990 Joined INTEC Inc.</p> <p>Apr. 2010 General Manager of Public Utilities Promotion Dept., INTEC Inc.</p> <p>Apr. 2012 General Manager of Public Utilities Sales Dept., INTEC Inc.</p> <p>Oct. 2017 General Manager of Public Utilities Sales Dept. and General Manager of Healthcare Sales Dept., INTEC Inc.</p> <p>Apr. 2018 General Manager of Metropolitan Social Infrastructure Headquarters and General Manager of Healthcare Sales Dept., INTEC Inc.</p> <p>Oct. 2018 General Manager of Metropolitan Social Infrastructure Headquarters, INTEC Inc.</p> <p>Apr. 2019 Executive Officer, General Manager of Social Infrastructure Business Division, INTEC Inc.</p> <p>June 2022 Outside Director, the Company (current position)</p> <p>Apr. 2023 Managing Executive Officer, General Manager of Social Infrastructure Business Division, INTEC Inc. (current position)</p> <hr/> <p>Significant concurrent positions outside the Company</p> <p>Managing Executive Officer, General Manager of Social Infrastructure Business Division, INTEC Inc.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Komei Yamaguchi has consistently served in various capacities in the IT industry and has extensive experience and network in this field. He is expected mainly to oversee management as Director at the Company based on his extensive experience and knowledge as an IT expert. Consequently, he is deemed appropriate as an outside Director, thus the Company once again requests his election as an outside Director.</p> <p>Supplementary explanation to independence Mr. Yamaguchi is Managing Executive Officer of INTEC Inc. INTEC Inc. is a shareholder owning 9.0% of the Company's shares and INTEC Inc.'s transactions with the Company and its subsidiaries do not exceed 1% of INTEC Inc.'s consolidated revenue in the most recent business year. None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Yamaguchi, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
6	<p style="text-align: center;">Makiko Yamamoto</p>  <p style="text-align: center;">(May 29, 1971) (Name as shown on the family register: Makiko Yasukawa)</p> <p style="text-align: center;"> <input type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent <input type="checkbox"/> Female </p> <p style="text-align: center;">Term of office: 6 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 100% (12/12 meetings)</p>	<p>July 1995 Joined TMI Associates</p> <p>Apr. 1999 Entered the Legal Training and Research Institute of the Supreme Court of Japan</p> <p>Oct. 2000 Registered Tokyo Bar Association</p> <p>Sept. 2005 Simmons & Simmons (London)</p> <p>Sept. 2006 TMI Associates</p> <p>Feb. 2012 Registered Solicitor (England and Wales)</p> <p>June 2012 Simmons & Simmons (London)</p> <p>Sept. 2014 TMI Associates</p> <p>June 2016 Outside Corporate Auditor, Starzen Co., Ltd.</p> <p>June 2018 Outside Director, the Company (current position)</p> <p>June 2019 Outside Director (Audit & Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd. (current position)</p> <p>Feb. 2020 Registered Fukuoka Bar Association TMI Partners LPC (Attorney at law) (current position)</p> <p>Mar. 2020 Outside Director, ASICS Corporation</p> <p>Sept. 2021 Outside Corporate Auditor, SUSMED, Inc. (current position)</p> <hr/> <p>Significant concurrent positions outside the Company</p> <p>Outside Director (Audit & Supervisory Committee Member), Musashi Seimitsu Industry Co., Ltd.</p> <p>TMI Partners LPC (Attorney at law)</p> <p>Outside Corporate Auditor, SUSMED, Inc.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Makiko Yamamoto is an attorney at law certified in Japan and overseas, with expert knowledge in corporate legal affairs. After her election, she is expected mainly to oversee management as Director at the Company, based on her extensive experience and knowledge as a legal expert. Consequently, she is deemed appropriate as an outside Director, thus the Company once again requests her election as an outside Director.</p> <p>Supplementary explanation to independence None of the items of the “Independence Criteria for Outside Directors” apply to Ms. Yamamoto, and she has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
7	<p data-bbox="389 680 552 707">Makiko Yoshida</p>  <p data-bbox="363 1128 577 1155">(September 13, 1960)</p> <p data-bbox="416 1189 528 1319"> <input type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent <input type="checkbox"/> Female </p> <p data-bbox="395 1352 544 1406">Term of office: 1 year</p> <p data-bbox="357 1435 587 1514">Attendance at Board of Directors meetings: 100% (10/10 meetings)</p>	<p data-bbox="628 286 1224 1749"> Apr. 1984 Joined the Ministry of Posts and Telecommunications of Japanese Government July 2001 Director, Telecommunications User Policy Office, Telecommunications Bureau, Ministry of Internal Affairs and Communications Feb. 2004 Deputy Mayor, Setagaya City July 2007 Director, International Policy Division, International Department, Telecommunications Bureau, Ministry of Internal Affairs and Communications July 2010 Director, Budget and Accounts Division, Minister's Secretariat, Ministry of Internal Affairs and Communications June 2013 Deputy Director-General (IT Policy), Minister's Secretariat, Ministry of Economy, Trade and Industry Nov. 2013 Executive Secretary to the Prime Minister, Cabinet Secretariat July 2015 Director-General of the Global ICT Strategy Bureau, Ministry of Internal Affairs and Communications June 2016 Director-General of Minister's Secretariat, Ministry of Internal Affairs and Communications July 2017 Director-General, Information and Communication Bureau, Ministry of Internal Affairs and Communications July 2019 Vice-Minister for Policy Coordination, Ministry of Internal Affairs and Communications Sept. 2020 Cabinet Public Relations Secretary, Cabinet Secretariat June 2022 President, The Association for Promotion of Public Local Information and Communication (current position) June 2022 Independent Director and Audit & Supervisory Committee Member, Tokai Tokyo Securities Co., Ltd. (current position) June 2022 Visiting Professor, Showa Women's University (current position) Sept. 2022 Senior Guest Researcher and Part-time Lecturer, Faculty of Science and Engineering, Waseda University (current position) June 2023 Outside Director, the Company (current position) </p> <p data-bbox="628 1753 1224 1904"> Significant concurrent positions outside the Company President, The Association for Promotion of Public Local Information and Communication Independent Director and Audit & Supervisory Committee Member, Tokai Tokyo Securities Co., Ltd. </p>	0 shares

<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill</p> <p>Makiko Yoshida has expert knowledge in broad fields including broadcasting and information communication, having served as Director-General of the Information and Communications Bureau, Ministry of Internal Affairs and Communications, Vice-Minister for Policy Coordination, Ministry of Internal Affairs and Communications, and Cabinet Public Relations Secretary, Cabinet Secretariat. After her election, she is expected mainly to oversee management as Director at the Company, based on her extensive experience and knowledge as an expert in the broadcasting and information communication fields. Consequently, she is deemed appropriate as an outside Director, thus the Company once again requests her election as an outside Director.</p> <p>Supplementary explanation to independence</p> <p>None of the items of the “Independence Criteria for Outside Directors” apply to Ms. Yoshida, and she has sufficient independence.</p>
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- Notes:
1. Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida are candidates for outside Director.
 2. Matters regarding candidates for outside Director
 - Tenure as outside Director of the Company
 - Makiko Yamamoto has served as outside Director of the Company since June 2018 and her tenure as outside Director will have been six years at the conclusion of this meeting.
 - Komei Yamaguchi has served as outside Director of the Company since June 2022 and his tenure as outside Director will have been two years at the conclusion of this meeting.
 - Makiko Yoshida has served as outside Director of the Company since June 2023 and her tenure as outside Director will have been one year at the conclusion of this meeting.
 3. In accordance with laws and regulations and the Articles of Incorporation, the Company has entered into a limited liability agreement with Komei Yamaguchi, Makiko Yamamoto and Makiko Yoshida as follows. If Komei Yamaguchi, Makiko Yamamoto and Makiko Yoshida are reelected, the Company plans to enter into the same limited liability agreement with them.
 - After the conclusion of the agreement, provided that the officer acts in good faith and without gross negligence regarding his or her performance of duties, when liable to make a compensation payment for damages pursuant to Article 423 of the Companies Act, the officer's liability to the Company shall be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 4. There is no special interest between each candidate for Director and the Company.
 5. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida have been appointed as an independent officer as provided for by the aforementioned exchange.
 6. Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida have sufficient independence based on the "Independence Criteria for Independent Outside Directors" (described below) established by the Company.
 7. The Company has entered into a directors and officers liability insurance policy provided in Article 430-3, paragraph (1) of the Companies Act with an insurance company to insure all of its Directors, bearing the entire insurance premium. The insurance policy covers legal damages, litigation expenses, etc. to be paid by the insured and, if each candidate assumes the office of Director, each candidate shall be included in the insured of the said insurance policy. The Company plans to renew the said insurance policy with the same contents during the term of office.
 8. Makiko Yoshida will assume the position of Executive Managing Director of FUJI MEDIA HOLDINGS, INC. subject to approval at the 83rd Ordinary General Meeting of Shareholders of the same company to be held on June 26, 2024.

[The Company's Rationale Regarding Independence for Outside Officers]

- The Company has formulated its own "Independence Criteria for Independent Outside Directors" (Note) in addition to the requirements provided by the Companies Act. An outside Director to whom none of the conditions in the criteria apply is judged to be sufficiently independent and reported as an independent officer to the Tokyo Stock Exchange, Inc.

(Note) "Independence Criteria for Independent Outside Directors"

- The Company's outside Directors to whom any of the following items apply shall be determined not to have independence:
 - (1) A major shareholder of the Company (i.e., a shareholder who holds 10% or more of voting rights) or any person who executes operations of such shareholder;
 - (2) A counterparty with whom the Company transacts in cases when said counterparty's transaction amount with the Company in the most recent business year exceeded 5% of the annual consolidated revenue of the Company and its subsidiaries, or any person who executes operations of said counterparty;
 - (3) A counterparty that transacts with the Company in cases when said counterparty's transaction amount with the Company and its subsidiaries in the most recent business year exceeded 5% of said counterparty's annual consolidated revenue, or any person who executes operations of said counterparty;
 - (4) A certified public accountant or employee, partner or staff member of an audit corporation serving as the Accounting Auditors of the Company;

- (5) Any person who executes operations of an organization that received a donation or subsidy from the Company and its subsidiaries of 10 million yen or more per year in the most recent business year;
- (6) An attorney at law, certified public accountant, certified tax accountant or any other consultant who received 10 million yen or more in the form of money or other financial benefits from the Company and its subsidiaries, other than remuneration as an officer of the Company;
- (7) A person who corresponded to any of the items from (1) to (6) above in the past three years;
- (8) A relative within the second degree of kinship of a person falling under any of items (1) to (7) above;
- (9) A relative within the second degree of kinship of a director who executes operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary; or
- (10) A relative within the second degree of kinship of a person who had served as a director who executed operations, etc. (when said entity is a corporation, any member thereof who is in charge of such duty is included) of the Company or its subsidiary in the last three years.

Proposal No. 3: Election of Three Directors Who Are Audit & Supervisory Committee Members

The terms of office of all three Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

As for this proposal, the consent of the Audit & Supervisory Committee has been obtained.

The candidates for a Director who is Audit & Supervisory Committee Member are as follows:

[Reference] List of the candidates for Audit & Supervisory Committee Member

Candidate No.	Name	Current position and responsibility in the Company	Candidate attributes
1	Hiroshi Nakahara	–	New Outside Independent
2	Mitsuhiro Amitani	Outside Director (Audit & Supervisory Committee Member)	Reelection Outside Independent
3	Mitsuru Komiyama	–	New Outside Independent


Reelection: Candidate for Director to be reelected


New: Candidate for Director to be newly elected


Outside: Candidate for outside Director

Independent: Independent Officer stipulated by the stock exchange

Female: Female candidate for Director

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
1	<p>Hiroshi Nakahara</p>  <p>(July 24, 1958)</p> <p>New Outside Independent</p> <p>Term of office: -</p>	<p>Apr. 1981 Joined Ministry of Finance</p> <p>July 2002 Counselor, the Supervision Bureau of Financial Services Agency</p> <p>July 2004 Director for Fiscal Investment and Loan Appropriation, the Financial Bureau of Ministry of Finance</p> <p>July 2005 Director, Government Financial Institutions Division of Minister's Secretariat</p> <p>July 2009 Deputy Director-General, the Budget Bureau</p> <p>June 2013 Director-General, Accounting Center and President of Policy Research Institute, Ministry of Finance</p> <p>July 2014 Director-General, the Financial Bureau</p> <p>July 2015 Commissioner, National Tax Agency (resigned in June 2016)</p> <p>June 2017 Outside Director, the Company (resigned in June 2022)</p> <p>Oct. 2017 Senior Director, Shinkin Central Bank</p> <p>June 2022 Representative Director and Deputy President, Shinkin Central Bank (current position) (retirement scheduled for June 21, 2024)</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Hiroshi Nakahara has served as Commissioner of the National Tax Agency, Director-General of the Financial Bureau, Counselor of the Supervision Bureau of Financial Services Agency, Representative Director and Deputy President of Shinkin Central Bank, etc. The Company requests his election as he is expected to monitor the Company's management and provide appropriate advice and suggestions from an independent standpoint, making use of his deep knowledge and extensive experience in a broad range of fields including treasury, finance, and corporate management.</p> <p>Supplementary explanation to independence None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Nakahara, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company	Number of the Company's shares owned
2	<p>Mitsuhiro Amitani</p>  <p>(June 2, 1956)</p> <p>Reelection Outside Independent</p> <p>Term of office: 6 years</p> <p>Attendance at Board of Directors meetings: 100% (12/12 meetings)</p> <p>Attendance at Audit & Supervisory Committee meetings: 100% (13/13 meetings)</p>	<p>Apr. 1985 Registered as an attorney at law Joined Hashidate Law Office</p> <p>Nov. 1989 Joined Wakita Law Office</p> <p>Mar. 1990 Attorney at law, Shimada, Seno, and Amitani Law Office (currently SAH & Co.) (current position)</p> <p>June 2006 Outside Audit & Supervisory Board Member, STANLEY ELECTRIC CO., LTD. (current position)</p> <p>May 2013 Outside Audit & Supervisory Board Member, HUB CO., LTD. (current position)</p> <p>June 2018 Outside Director, the Company</p> <p>June 2022 Outside Director (Audit & Supervisory Committee Member) (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Partner, SAH & Co.</p> <p>Outside Audit & Supervisory Board Member, STANLEY ELECTRIC CO., LTD.</p> <p>Outside Audit & Supervisory Board Member, HUB CO., LTD.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Mitsuhiro Amitani is an attorney at law certified in Japan with expert knowledge in corporate legal affairs. The Company requests his election as he is expected to monitor the Company's management and provide appropriate advice and suggestions from an independent standpoint, making use of his extensive experience and deep knowledge as a legal expert.</p> <p>Supplementary explanation to independence None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Amitani, and he has sufficient independence.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned			
3	Mitsuru Komiyama  (July 28, 1954) <table border="1" data-bbox="406 790 534 891"> <tr><td>New</td></tr> <tr><td>Outside</td></tr> <tr><td>Independent</td></tr> </table> Term of office: -	New	Outside	Independent	<p>Aug. 1977 Joined Peat, Marwick, Mitchell & Co. (Tokyo)</p> <p>Mar. 1979 Registered as Certified Public Accountant in Japan</p> <p>Sept. 1983 Registered as U.S. Certified Public Accountant in the state of California</p> <p>Nov. 1984 Opened Komiyama & Co., CPAs</p> <p>Jan. 2007 Executive Representative Partner, Azabu Partners Tax & Accounting Co. (current position)</p> <p>July 2010 Deputy President, the Japanese Institute of Certified Public Accountants</p> <p>June 2015 Outside Director, NITTO KOHKI CO., LTD. (current position)</p>	0 shares
	New					
Outside						
Independent						
<p>Significant concurrent positions outside the Company</p> <p>Executive Representative Partner, Azabu Partners Tax & Accounting Co.</p> <p>Outside Director, NITTO KOHKI CO., LTD.</p>						
<p>Reasons for nomination as candidate for outside Director and roles expected to fulfill Mitsuru Komiyama holds qualifications as a certified public accountant and certified tax accountant, and thus has expert knowledge in tax and accounting. The Company requests his election as he is expected to monitor the Company's management and provide appropriate advice and suggestions from an independent standpoint, making use of his extensive experience and deep knowledge as a tax and accounting expert.</p> <p>Supplementary explanation to independence None of the items of the "Independence Criteria for Outside Directors" apply to Mr. Komiyama, and he has sufficient independence.</p>						


- Notes:
- Hiroshi Nakahara, Mitsuhiro Amitani and Mitsuru Komiyama are candidates for outside Director. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Hiroshi Nakahara, Mitsuhiro Amitani and Mitsuru Komiyama have been appointed as independent officers as provided for by the aforementioned exchange.
 - In accordance with laws and regulations and the Articles of Incorporation, the Company has entered into a limited liability agreement with Mitsuhiro Amitani as follows. If Mitsuhiro Amitani is reelected, the Company plans to enter into the same limited liability agreement with him. In addition, if Hiroshi Nakahara and Mitsuru Komiyama are elected, the Company plans to enter into the same limited liability agreement with them.
 - After the conclusion of the agreement, provided that the officer acts in good faith and without gross negligence regarding his or her performance of duties, when liable to make a compensation payment for damages pursuant to Article 423 of the Companies Act, the officer's liability to the Company shall be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 - Mitsuhiro Amitani is an outside Director who is an Audit & Supervisory Committee Member. Mr. Amitani has served as outside Director of the Company since June 2018 and his tenure as outside Director will have been six years at the conclusion of this meeting. Hiroshi Nakahara has served as a non-executive officer of the Company (outside Director) for five years from June 2017 until June 2022.
 - There is no special interest between each candidate for Director and the Company.
 - The Company has entered into a directors and officers liability insurance policy provided in Article 430-3, paragraph (1) of the Companies Act with an insurance company to insure all of its Directors, bearing the entire insurance premium. The insurance policy covers legal damages, litigation expenses, etc. to be paid by the insured and, if each candidate assumes the office of Director, each candidate shall be included in the insured of the said insurance policy. The Company plans to renew the said insurance policy with the same contents during the term of office.
 - Hiroshi Nakahara will assume the position of Outside Audit & Supervisory Board Member of MIROKU JYOHO SERVICE CO., LTD. subject to approval at the 47th Annual General Meeting of Shareholders of the same company to be held on June 27, 2024.

Proposal No. 4: Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

In preparation for a case of a shortfall in the number of Directors who are Audit & Supervisory Committee Members stipulated by laws and regulations, the Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member, pursuant to the provision in Article 329, Paragraph (3) of the Companies Act.

As for this proposal, the consent of the Audit & Supervisory Committee has been obtained.

The tenure of the substitute Director who is an Audit & Supervisory Committee Member would last until the expiration date of the tenure that of retired Director who is an Audit & Supervisory Committee Member's. The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary	Number of the Company's shares owned
<p data-bbox="343 683 478 712">Nobuko Aoki</p>  <p data-bbox="331 1131 489 1160">(April 13, 1964)</p>	<p data-bbox="632 683 1198 741">Apr. 1987 Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)</p> <p data-bbox="632 748 1177 806">July 1995 Joined the Inter-American Development Bank</p> <p data-bbox="632 813 979 842">July 1996 Joined Congrès Inc.</p> <p data-bbox="632 848 1015 878">Apr. 2002 Joined IBM Japan, Ltd.</p> <p data-bbox="632 884 1174 943">June 2015 Director of Systems Hardware Business Administration, IBM Japan, Ltd.</p> <p data-bbox="632 949 1174 1008">June 2018 Director of Finance, Global Technology Services, IBM Japan, Ltd.</p> <p data-bbox="632 1014 1222 1072">Sept. 2021 Managing Executive Officer, CFO, Kyndryl Japan GK</p> <p data-bbox="632 1079 1163 1137">Feb. 2022 Director (Member of the Board), CFO, Kyndryl Japan KK</p>	<p data-bbox="1326 909 1407 938">0 shares</p>
<p data-bbox="204 1167 1345 1225">Reasons for nomination as candidate for substitute outside Director who is an Audit & Supervisory Committee Member and roles expected:</p> <p data-bbox="204 1225 1374 1332">Nobuko Aoki has extensive experience in finance and accounting areas, as well as corporate management. The Company requests her election as she is expected to monitor the Company's management and provide appropriate advice and suggestions from an independent standpoint, making use of her extensive experience and deep knowledge of finance, accounting and management.</p> <p data-bbox="204 1350 663 1379">Supplementary explanation to independence</p> <p data-bbox="204 1379 1294 1431">None of the items of the "Independence Criteria for Outside Directors" apply to Ms. Aoki, and she has sufficient independence.</p>		

- Notes:
1. Nobuko Aoki is a candidate for substitute outside Director.
 2. There is no special interest between the candidate for substitute outside Director who is an Audit & Supervisory Committee Member and the Company.
 3. If Nobuko Aoki is elected as a Director who is an Audit & Supervisory Committee Member, the Company will enter into a limited liability agreement with her, in accordance with laws and regulations and the Articles of Incorporation.
 - After the conclusion of the agreement, provided that the officer acts in good faith and without gross negligence regarding his or her performance of duties, when liable to make a compensation payment for damages pursuant to Article 423 of the Companies Act, the officer's liability to the Company shall be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 4. If Nobuko Aoki is elected as a Director who is an Audit & Supervisory Committee Member, the Company will submit notification that she has been appointed as an independent officer as provided for by the Tokyo Stock Exchange, Inc.
 5. The Company has entered into a directors and officers liability insurance policy provided in Article 430-3, paragraph (1) of the Companies Act with an insurance company to insure all of its Directors, bearing the entire insurance premium. The insurance policy covers the insured's damages and legal expenses, etc. and, if Nobuko Aoki assumes the office of Director, she shall be included in the insured of the said insurance policy.

(Reference) Outline of Remuneration for Directors

Remuneration for the Company's Directors who execute operations consists of "monetary remuneration" and "share-based remuneration" in order to secure management personnel, improve performance in the medium to long term, and enhance corporate value. The purpose of the share-based remuneration plan is to provide the Company's Directors who execute operations with an incentive to continuously improve the Company's corporate value and to promote further shared value with the shareholders. Remuneration for outside Directors, on the other hand, consists only of monetary remuneration that is not linked to performance, with consideration of their independent position unaffected by corporate performance.

An outline of remuneration, etc. for Directors in fiscal year 2024 is as follows:

Outline of remuneration, etc. for Directors in fiscal year 2024

	Director (excluding Directors who are Audit & Supervisory Committee Members and outside Directors)	Outside Director (excluding Audit & Supervisory Committee Members)	Total amount of remuneration	Supplement
Number of Directors	5	4	–	
Monetary remuneration*	○	○ (No more than 60 million yen per year)	No more than 500 million yen	
Share-based remuneration with restricted shares*	○	–	No more than 400 million yen	
Performance-linked share- based remuneration plan (share issuance trust)	○	–	Within the amount calculated by multiplying 300 million yen by the number of years of the extended trust period	Dividends accrued on shares held by the trust will be distributed. No new additional trusts will be created.

* The total amount of remuneration for Directors for the following fiscal year is determined by combining monetary remuneration and share-based remuneration, taking into account the achievement rate of performance indicators such as the amount equal to consolidated revenue less project outsourcing expenses and outflow cost, consolidated ordinary profit, and the ratings from client surveys evaluating project satisfaction (NSI).

(Reference) Skill Matrix [Planned After This General Meeting of Shareholders]

Under our Purpose, “Create a Beautiful Tomorrow Together,” we are engaged in sustainability-oriented management in order to contribute to the achievement of SDGs. Our Directors and Audit & Supervisory Committee Members possess qualities to support the governance structure for realizing these goals. The details are as follows.

Position	Name of Director	Corporate Management	SDGs/ESG	Technology	Investment, Market	Marketing	Finance, Accounting, Risk Management	Internal Control, Legal, Compliance	Organization, Human Assets Communication
Representative Director and President	Hiroshi Ota	○	○	○		○	○	○	
Representative Director and Executive Vice President	Shunichi Shibamura	○	○		○	○			○
Representative Director and CFO	Shinya Tabata	○	○		○		○	○	
Director	Sono Uchiyama	○	○			○			○
Independent Outside Director	Komei Yamaguchi	○	○	○		○			
Independent Outside Director	Makiko Yamamoto		○		○			○	
Independent Outside Director	Makiko Yoshida	○	○	○				○	○
Independent Outside Director (Audit & Supervisory Committee Member)	Hiroshi Nakahara	○	○		○		○	○	○
Independent Outside Director (Audit & Supervisory Committee Member)	Mitsuhiro Amitani		○					○	
Independent Outside Director (Audit & Supervisory Committee Member)	Mitsuru Komiyama		○				○		

The skills, etc. in which the inside Directors have insight and experience are indicated with “○,” and the skills, etc. for which contributions are particularly expected from outside Directors are indicated with “○.”

(Attachment) Business Report (From April 1, 2023 to March 31, 2024)

I Status of the Corporate Group

1. Progress and results of the business

Japan's economy is gradually recovering, although stagnation can also be seen. In terms of future prospects, amid the improvements in employment and personal income situations, a gradual recovery is expected to continue owing to the effects of various policies. However, there is a risk that a downturn in overseas economies will put downward pressure on Japan's economy due to the impact of monetary tightening worldwide, concerns about the future of the Chinese economy, etc. In addition, sufficient heed must be paid to impacts caused by rising prices, changes in the financial and capital markets, etc.

In such an environment, with a synergy between “consulting services” and “investment,” the Group creates value in a wide range of industries and companies and creates new markets that solve social issues. In the consulting business, we define the key three transformations that companies must address in the digital economy as; “Digital Transformation” to transform the core business model and achieve significant performance improvements through a productivity revolution, “Service Transformation” to build a business model that will serve as a new growth engine in growth markets, and “Management Transformation” to build a management platform. We have professionals with diverse skills who are working to solve corporate issues, create new value, and co-create new businesses and industries through collaboration among companies. In the investment business, the focus is on the use of advanced digital technologies and the “regenerative & wellbeing” area, such as city development, food, and wellness. Through the linkage with our consulting business, we support the growth and enhancement of our investee companies' corporate value.

The consolidated financial results and key business indicators for the fiscal year ended March 31, 2024 are as follows.

	The 15th term (Fiscal year ended March 31, 2023)	The 16th term (Fiscal year ended March 31, 2024)	Comparison with the previous fiscal year	
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Rate of change
Revenue	17,334	22,410	+5,076	+29.3%
Operating profit	3,235	4,232	+997	+30.8%
Ordinary profit	3,265	4,338	+1,073	+32.9%
Profit attributable to owners of parent	2,204	3,232	+1,028	+46.6%

The Group's revenue for the fiscal year ended March 31, 2024 amounted to ¥22,410 million (up 29.3% year on year).

Cost of revenue stood at ¥12,400 million (up 38.4% year on year). In a response to strong demand, outsourcing expenses increased.

Selling, general and administrative expenses were ¥5,777 million (up 12.4% year on year) due to the increase in sundry expenses and recruiting expenses associated with the increase in the number of personnel and the revived face-to-face activities.

Due to an increase in revenue, gross profit increased by ¥1,635 million to ¥10,009 million (up 19.5% year on year), operating profit increased by ¥997 million to ¥4,232 million (up 30.8% year on year), and ordinary profit increased by ¥1,073 million to ¥4,338 million (up 32.9% year on year).

Profit before income taxes came to ¥4,338 million (up 32.9% year on year), and profit attributable to owners of parent came to ¥3,232 million (up 46.6% year on year). Comprehensive income attributable to owners of parent came to ¥3,141 million (up 24.8% year on year).

Operating results by segment are as follows.

The 16th term (Fiscal year ended March 31, 2024)	Consulting Business	Investment Business
	Amount (millions of yen)	Amount (millions of yen)
Segment revenue*	22,203	345
Segment profit (loss)	6,109	(117)

* Includes internal revenue, etc.

(Consulting Business)

The financial results of the Consulting Business for the fiscal year ended March 31, 2024 shows revenue of ¥22,203 million (up 28.6% year on year) and segment profit of ¥6,109 million (up 21.4% year on year). The Consulting Business was driven by projects supporting the introduction of SaaS core systems, the promotion of digital transformation, the launch of new services and the compliance with regulations for clients targeted by industry, mainly in the transportation, finance, information communication, trading, retail, and manufacturing industries.

On the hiring front, the Company added 73 mid-career recruits and 61 new graduates in the current fiscal year. New graduate hires began working in October 2023. The number of consultants was 571 as of the end of March 2024. Project satisfaction remained high at 93 points.

(Investment Business)

The financial results of the Investment Business for the fiscal year ended March 31, 2024 shows revenue of ¥345 million (up 106.6% year on year), and segment loss of ¥117 million (compared to a segment loss of ¥130 million in the previous fiscal year) as a result of recognizing an impairment loss for listed shares held in the second quarter.

In January, we made a new investment in EUCALIA Inc., which provides hospital management support and services for the elderly, and the cumulative investment balance as of the end of March, including the valuation difference, was approximately ¥3.7 billion. We continue to promote investments contributing to social value creation.

In March, we concluded a capital and business alliance agreement with Syuppin Co., Ltd. (TSE Prime: Securities code 3179, hereinafter referred to as Syuppin). With an investment of approximately ¥500 million by SIGMAXYZ Investment Inc. and business support by SIGMAXYZ Inc., including the secondment of consulting personnel, we will accompany Syuppin as its Sherpa towards the realization of strengthening Syuppin's foundation for sustainable growth and transformation into a technology company.

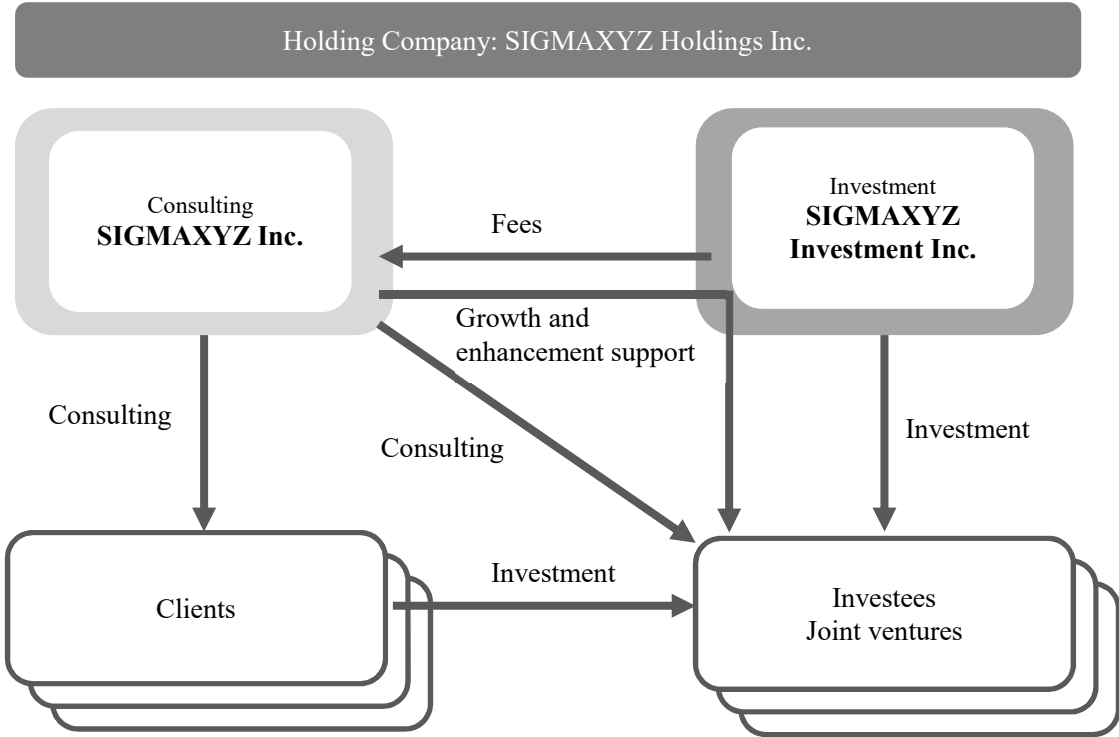
SIGMAXYZ Group’s Business Operations Structure

With a synergy between “consulting services” and “investment,” the Group creates value in a wide range of industries and companies and creates new markets that solve social issues.

In the consulting business, we define the key three transformations that companies must address in the digital economy as; “Digital Transformation” to transform the core business model and achieve significant performance improvements through a productivity revolution, “Service Transformation” to build a business model that will serve as a new growth engine in growth markets, and “Management Transformation” to build a management platform. We have professionals with diverse skills who are working to solve corporate issues, create new value, and co-create new businesses and industries through collaboration among companies.

In the investment business, the focus is on the use of advanced digital technologies and the “regenerative & wellbeing” area, such as city development, food, and wellness. Through the linkage with our consulting business, we support the growth and enhancement of our investee companies’ corporate value.

■ Group Structure



(Reference) Business referrals (Consulting and Investment businesses)

Since the founding of our group, we have deepened our relationships with our clients based on the “Sherpa” concept.

The Sherpas are mountain climbing professionals who live in the Himalayas. We would like to carry our client’s luggage from the foot of the mountain, share the risks, and accompany them on their descent from the summit.

In the fiscal year ended March 31, 2024, too, we continued to engage in value co-creation activities with clients as their Sherpa. As a result, we maintain a high project satisfaction level of 93, and the rate of repeat orders from our clients exceeds 80% of revenue.

Below are several of the cases that we received client approval for disclosure.

■ **Utilization of SaaS in international forwarding operations**

We supported MOL Logistics Co., Ltd. with the introduction of “CargoWise,” a specialized SaaS for the logistics industry, as part of their initiatives to “utilize SaaS in international forwarding operations.” SIGMAXYZ promoted the project as planned as the PMO. We contributed to the realization of a business foundation based on SaaS that can make the most of the evolution in technology.



■ **Introduction of a generative AI service**

In May 2023, we participated in the “Generative AI Research Lab” launched by ITOCHU Corporation. ITOCHU Techno-Solutions Corporation and BrainPad Inc. are also participating in the lab, which will jointly promote business transformation and support for new business development using generative AI such as ChatGPT.



■ **New business development and operation support**

We supported the development and operation of business solution packages for companies as a new business for JALPAK Co., Ltd. It aims to create value for both companies and local communities through business development training camps that include local experiences.



■ **New business concept and development project support**

We supported H2O Retailing Corporation’s new business concept and development project. We developed an application service as the first step in an online-centered “customer service business” initiative. We will continue to support the company’s transformation towards the new retail industry they are aiming for.



Value co-creation activity through a synergy of investment and consulting

In March 2024, we concluded a capital and business alliance agreement with Syuppin Co., Ltd., which operates an e-commerce-based revaluing business.

Following the conclusion of the agreement, SIGMAXYZ Investment invested approximately ¥500 million in April. In addition, through the secondment of consulting personnel from SIGMAXYZ, we will support the planning of individual strategies to achieve the Syuppin's medium-term management plan and human resource development in system planning and development; we will also provide consulting services in the implementation of the individual strategies, such as the renewal of e-commerce system, increasing the sophistication of operations through the use of digital technology, strengthening of their algorithms using AI, and applying AI to their marketing domain.

SIGMAXYZ has been providing consulting services to the Syuppin since 2013, and as a Sherpa under this scheme, we will work alongside Syuppin to strengthen its foundation for sustainable growth and realize its transformation into a technology company.

SYUPPIN®

Investment



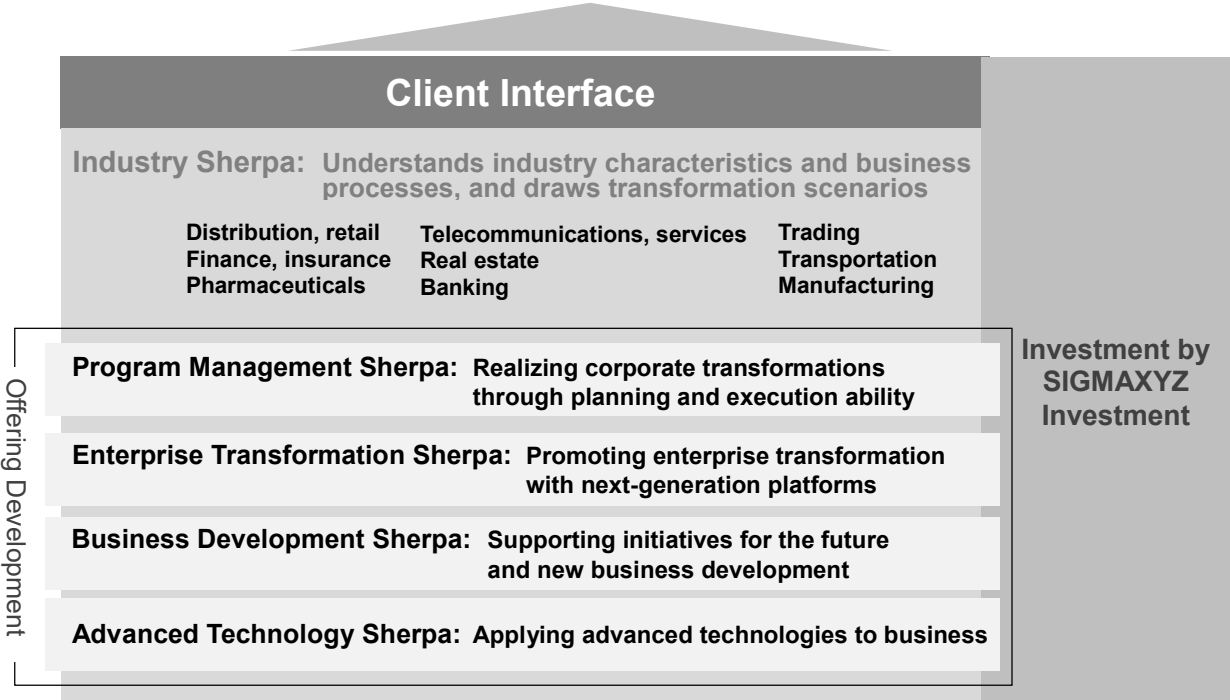
**Employee
secondment and
consulting services**

Consulting Business (SIGMAXYZ Inc.)

The Consulting Business provides consulting services that combine a diverse range of capabilities to achieve the Three Innovations. We will draw up scenarios for inter-company collaboration and the establishment of joint ventures, and work together with clients and partners to create new value in cooperation with SIGMAXYZ Investment Inc., the Group’s investment arm. In addition, we are working to conceptualize the future of industry and society, create new businesses that cut across companies and industries, and share business functions among companies.

Business Operation System

**Promoting “blueprint proposals”
that capture the essential issues of clients and their industry as a whole**



Investment Business (SIGMAXYZ Investment Inc.)

In the Investment Business, we are promoting investment activities primarily in the Regenerative & Well-being area, which intersects with a number of industries. In addition, we provide consulting services to investees to add value to their business and enhance corporate value.

We made new investments in 4 companies in the fiscal year ended March 31, 2024, and the cumulative investment balance as of March 31, 2024, including valuation differences, was approximately ¥3.7 billion.

Investment areas	Regenerative & well-being (Investments in areas that enrich people's lives while revitalizing global resources)	
New investees in the fiscal year ended March 31, 2024	GVA TECH, Inc	
	iGrid Solutions Inc.	
	Social Interior Inc.	
	EUCALIA Inc.	
New investees in the fiscal year ending March 31, 2025	Syuppin Co., Ltd.	(TSE Prime Market: 3179)
Investees exited in the fiscal year ended March 31, 2024	PROGRIT Inc.	(TSE Growth Market: 9560)

2. Financing

The Company did not carry out any major fundraisings in the fiscal year under review.

3. Significant corporate restructuring, etc.

No applicable matters to report.

4. Issues to be addressed by the Corporate Group

We will accelerate the growth of both our consulting and investment businesses and promote our business in order to realize our “Blueprint” toward the fiscal year ending March 31, 2026, which is the Group’s medium- to long-term growth vision.

Specifically, we will take actions in the following areas.

(1) Cultivation of deep client relationships

- Building strong relationships
- Discovering issues with an eye on the future

(2) Implementation of blueprint proposals

- Understanding the factors that drive change and presenting countermeasures
- Proposing improvement of business value by leveraging investment

(3) Improvement of service value

- Developing capabilities
- Recruitment of personnel
- Network expansion and ecosystem formation

(4) Improvement of productivity

- Facilitating knowledge sharing
- Utilizing advanced technologies

(Reference) Blueprint in FY2025 (fiscal year ending March 31, 2026)

* Announced in August 2022

- In the rapidly changing environment recently, the Group has not formulated a medium-term management plan because it believes that it is desirable to flexibly review strategies every year and reflect them in the business plan for the following fiscal year.
- “Blueprint” is announced every few years as reference information for the purpose of sharing the Group’s medium- to long-term growth image with shareholders and investors.

	(Fiscal year ending March 31, 2026) Blueprint
Consolidated revenue	¥25.0 billion
Ordinary profit	¥7.0 billion
Profit rate	28%
Number of employees	Approx. 800

5. Property and profits or losses

(1) History of the Corporate Group's operating results and assets

Particulars		The 13th term	The 14th term	The 15th term	The 16th term (Fiscal year under review)
Revenue	(Millions of yen)	14,024	15,654	17,334	22,410
Operating profit	(Millions of yen)	1,747	2,759	3,235	4,232
Ordinary profit	(Millions of yen)	1,797	2,764	3,265	4,338
Profit attributable to owners of parent	(Millions of yen)	1,210	1,664	2,204	3,232
Profit per share	(yen)	31.66	39.63	52.32	76.62
Total assets	(Millions of yen)	10,283	14,656	14,461	18,295
Net assets	(Millions of yen)	5,462	10,302	10,878	13,193

Notes: 1. The Company carried out a two-for-one split of its common stock with an effective date of April 1, 2022. The figure for "Profit per share" was calculated on the assumption that the stock split was conducted at the beginning of the 13th term.

2. Profit per share is calculated based on the average number of shares outstanding during the period excluding treasury stock.

(2) History of the Company's operating results and assets

Particulars		The 13th term	The 14th term	The 15th term	The 16th term (Fiscal year under review)
Revenue	(Millions of yen)	13,736	9,632	5,833	5,226
Operating profit	(Millions of yen)	1,668	2,026	2,565	1,738
Ordinary profit	(Millions of yen)	1,792	2,099	2,612	1,823
Profit	(Millions of yen)	1,247	1,260	1,870	1,702
Profit per share	(yen)	32.64	30.01	44.41	40.37
Total assets	(Millions of yen)	10,193	12,834	12,258	12,791
Net assets	(Millions of yen)	5,415	9,842	9,796	10,813

Notes: 1. The Company carried out a two-for-one split of its common stock with an effective date of April 1, 2022. The figure for "Profit per share" was calculated on the assumption that the stock split was conducted at the beginning of the 13th term.

2. Profit per share is calculated based on the average number of shares outstanding during the period excluding treasury stock.

6. Primary business (as of March 31, 2024)

With a synergy between "consulting services" and "investment," the Group creates value in a wide range of industries and companies and creates new markets that solve social issues.

In the consulting business, we define the key three transformations that companies must address in the digital economy as; "Digital Transformation" to transform the core business model and achieve significant performance improvements through a productivity revolution, "Service Transformation" to build a business model that will serve as a new growth engine in growth markets, and "Management Transformation" to build a management platform. We have professionals with diverse skills who are working to solve corporate issues, create new value, and co-create new businesses and industries through collaboration among companies.

In the investment business, the focus is on the use of advanced digital technologies and the "regenerative & wellbeing" area, such as city development, food, and wellness. Through the linkage

with our consulting business, we support the growth and enhancement of our investee companies' corporate value.

7. Parent company and important subsidiaries

(1) Parent company

No applicable matters to report.

(2) Important subsidiaries

Company name	Share capital	Voting rights ratio	Primary business
SIGMAXYZ Inc.	¥200 million	100.0%	Consulting business
SIGMAXYZ Investment Inc.	¥425 million	100.0%	Investment business
SXF Inc.	¥50 million	100.0%	Agency service for electronic payment and others

II Status of the Company

Officers

(1) Directors (as of March 31, 2024)

Name	Position	Responsibility
Ryuichi Tomimura	Director and Chairman of the Board	
Hiroshi Ota	Representative Director and President	
Shunichi Shibamura	Representative Director and Executive Vice President	
Shinya Tabata	Representative Director	CFO
Sono Uchiyama	Director	Director in charge of Communication & Capability
Shuichi Kondo	Director	
Komei Yamaguchi	Director	
Makiko Yamamoto	Director	
Makiko Yoshida	Director	
Fumio Sunami	Director (Audit & Supervisory Committee Member, full-time)	
Noburo Hata	Director (Audit & Supervisory Committee Member, full-time)	
Mitsuhiro Amitani	Director (Audit & Supervisory Committee Member)	

- Notes: 1. Directors Shuichi Kondo, Komei Yamaguchi, Makiko Yamamoto, and Makiko Yoshida are outside Directors.
2. Fumio Sunami, Noburo Hata and Mitsuhiro Amitani are outside Directors who are Audit & Supervisory Committee Members.
3. The Company has selected Fumio Sunami and Noburo Hata as full-time Audit & Supervisory Committee Members in order to improve the effectiveness of audits and reinforce auditing and supervising functions through enhanced information-gathering and adequate collaboration with its internal control and other sections.
4. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Shuichi Kondo, Komei Yamaguchi, Makiko Yamamoto and Makiko Yoshida, who are outside Directors, and Fumio Sunami, Noburo Hata and Mitsuhiro Amitani, who are Audit & Supervisory Committee Members, have been appointed as independent officers as provided for by the aforementioned exchange.
5. The Company has entered into a Directors and Officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. The scope of the insured under the said insurance contract includes directors and officers of the Company and its subsidiaries, and the insured does not bear the relevant premiums. Said insurance contract will cover the insured's damages and legal expenses.

(2) Director's remuneration, etc.

1. Policy and others on determining details of officer's remuneration, etc.

The Company determined and resolved its policy on details of individual remuneration, etc. for Directors (excluding those who are Audit & Supervisory Committee Members; the same applies hereinafter) as below at the Board of Directors meetings held on March 25 and April 22, 2021. Furthermore, the Board of Directors has deemed that this is in line with the policy on determining remuneration, etc. as it was decided after deliberations at the Remuneration Committee concerning individual remuneration, etc. for Directors in the fiscal year under review.

(i) Policy on determining details of individual remuneration, etc. for Directors

While setting monetary remuneration as fixed remuneration, the Company shall determine individual remuneration through comprehensive consideration of a Director's position, responsibilities, its operating results and so forth with the aim of securing management personnel and enhancing its corporate value in the medium to long term.

(ii) Policy on determining the details of performance indicators and the calculation method for working out the amount or number for performance-linked remuneration and so forth if there is any performance-linked remuneration, etc.

A trust set by the Company shall acquire the Company's shares, determine the number of points to be granted to each Director based on the following method, and allot the Company's shares equivalent to the points to Directors who execute operations.

i) Indicators

- a. Consolidated revenue less project outsourcing expenses and outflow cost (weight: 50%)
- b. Consolidated ordinary profit (weight: 25%)
- c. Net Satisfaction Index (weight: 25%)

ii) Calculation method

Standard number of points granted \times Performance achievement rate (%)

Maximum points granted: Standard number of points granted \times 150%

There will be no allotment if the achievement rate is less than 75%.

(iii) Determined policy on details of non-monetary remuneration and so forth and the amount or number, or the calculation method if there is any non-monetary remuneration, etc.

i) Non-monetary remuneration shall be i) performance-linked share-based remuneration as defined in (ii) and ii) share-based remuneration with restricted shares, which can be determined through comprehensive consideration of a Director's position, responsibilities and so forth.

(iv) Policy on determining the ratio of (i), (ii), and (iii) about individual remuneration, etc. for Directors

i) Directors who execute operations

It shall be composed of monetary remuneration, performance-linked share-based remuneration, and share-based remuneration with restricted shares. The ratio shall be determined in a balanced manner so it can contribute to the enhancement of corporate value while considering a Director's position and responsibilities.

ii) Outside Directors

It shall be monetary remuneration only with consideration given to their independent position unaffected by corporate performance.

(v) Policy on determining the timing or conditions to grant the remuneration, etc.

i) Monetary remuneration

Every month

ii) Share-based remuneration

- a. Performance-linked share-based remuneration: Points to be granted on June 20 every year

(No new additional trust shall be established while the remuneration plan for share-based remuneration with restricted shares is in place.)

- b. Share-based remuneration with restricted shares: To be resolved at Board of Directors meetings

(vi) Matters related to the delegation of authority pertaining to the determination of individual remuneration, etc. for Directors

Within the limits of the above policies and the maximum amount of remuneration decided at the General Meeting of Shareholders, the Board of Directors shall delegate the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee. Matters for decision shall be determined by the committee chair, who is selected from independent outside Directors after discussions among the committee members, and be reported to the Board of Directors.

<Structure of the Remuneration Committee>

Committee chair	Fumio Sunami, Independent Outside Director (Audit & Supervisory Committee Member)
Committee member	Ryuichi Tomimura, Director and Chairman of the Board
Committee member	Mitsuhiro Amitani, Independent Outside Director (Audit & Supervisory Committee Member)

2. Total amount of the remuneration, etc. for the fiscal year under review

Officer type	Total amount of the remuneration (Thousands of yen)	Total amount of remuneration by type (Thousands of yen)			Number of relevant officers
		Monetary remuneration	Performance-linked share-based remuneration	Share-based remuneration with restricted shares	
Directors (excluding Audit & Supervisory Committee Members) (of which, outside Directors)	633,207 (48,000)	406,497 (48,000)	11,257 (-)	215,452 (-)	11 (5)
Director (Audit & Supervisory Committee Member) (of which, outside Directors)	60,000 (60,000)	60,000 (60,000)	- (-)	- (-)	3 (3)
Total (of which, outside Directors)	693,207 (108,000)	466,497 (108,000)	11,257 (-)	215,452 (-)	14 (8)

- Notes: 1. Remuneration for Directors who execute operations consists of monetary remuneration (not performance-linked) and two types of share-based remuneration of a. performance-linked share-based remuneration (performance-linked) and b. share-based remuneration with restricted shares (not performance-linked), while remuneration for outside Directors is monetary remuneration only (not performance-linked) with consideration given to their independent position unaffected by corporate performance.
2. Basic indicators for performance-linked remuneration are consolidated revenue less project outsourcing expenses and outflow cost, consolidated ordinary profit, and NSI (Net Satisfaction Index: Indexed scores from 0 to 100, with 100 being the best and 0 the lowest, based on the ratings from client surveys evaluating project satisfaction). Performance-linked remuneration is determined using the achievement rate of performance evaluation indicators calculated reflecting the achievement rate of the basic indicators at weights of 50%, 25%, and 25%, respectively. These indicators were selected since the Company believes they are effective for improving performance in the medium to long term and enhancing corporate value in its primary business, consulting services. That is because consolidated revenue less project outsourcing expenses and outflow cost is the most appropriate way to manage the money remaining in the Company after subtracting outflow cost from the revenue received from clients by each project; also, ordinary profit is an important indicator to see profits from an external perspective, and NSI, which is an evaluation indicator of client satisfaction, is an important indicator for continuing and expanding the services going forward.
3. Share-based remuneration for Directors who execute operations is calculated by multiplying the base number of shares by the achievement rate of performance evaluation indicators (there is no share-based remuneration if the achievement rate is less than 75%; the maximum rate is 150%).
4. Targets and actual results of the indicators for performance-linked remuneration for the fiscal year ended March 31, 2024 are as follows.
Consolidated revenue less project outsourcing expenses and outflow cost: Target ¥14,550 million / Actual result ¥14,416 million
Consolidated Ordinary profit: Target ¥3,180 million / Actual result ¥3,265 million
NSI: Target 90 / Actual result 93
5. The date of resolution at the General Meeting of Shareholders on the monetary remuneration for the Company's Directors was June 24, 2021. Then the amount of the monetary remuneration for Directors (excluding those who are Audit & Supervisory Committee Members) was resolved to be no more than ¥500 million per year (of which, no more than ¥60 million per year for outside Directors). The amount of remuneration for Directors (excluding those who are Audit & Supervisory Committee Members) does not include any employee salaries for Directors who serve concurrently as employees. As of the closure of this Annual General Meeting of Shareholders, the number of Directors (excluding those who are Audit & Supervisory Committee Members) is ten (of which, four are outside Directors). The date of resolution at the General Meeting of Shareholders on remuneration for Directors who are Audit & Supervisory Committee Members was June 26, 2019. The amount of monetary remuneration for Directors who are Audit & Supervisory Committee Members was resolved there to be no more than ¥60 million per year. As of the closure of this Annual General Meeting of Shareholders, the number of Directors who are Audit & Supervisory Committee Members is three (of which, three are outside Directors). The date of resolution at the General Meeting of Shareholders on the share-based remuneration for the Company's Directors was June 24, 2021, when it was resolved that monetary remuneration claims of up to ¥400 million per year to Directors (excluding those who are Audit & Supervisory Committee Members and Outside Directors, hereinafter referred to as "Eligible Directors") as remuneration, etc. for the allotment of restricted shares be granted. As of the closure of this Annual General Meeting of Shareholders, the number of Eligible Directors who execute operations is six.
6. The Board of Directors delegates the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee (Committee chair: Fumio Sunami, Audit & Supervisory Committee Member and independent outside Director / Committee members: Ryuichi Tomimura, Director, and Mitsuhiro Amitani, Audit & Supervisory Committee Member and independent outside Director). The reason for delegating the authority to determine the calculation method for the remuneration etc., and the authority to determine the amount of individual remuneration to the Remuneration Committee is that the Company can secure objectivity and transparency by leaving a decision to the Remuneration Committee, in which independent outside Directors constitute the majority (and the committee chair is also an independent outside Director).

- Amounts in this report are rounded down to the specified unit.

Consolidated Financial Statements

Consolidated Balance Sheet (As of March 31, 2024)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	14,463,907	Current liabilities	3,913,332
Cash and deposits	7,171,106	Accounts payable - trade	542,195
Notes and accounts receivable - trade, and contract assets	2,795,564	Accounts payable - other	1,785,334
Operational investment securities	3,735,127	Income taxes payable	1,012,554
Other	762,108	Allowance for bonuses	57,168
Non-current assets	3,831,718	Provision for share awards	274,337
Property, plant and equipment	302,680	Other	241,740
Buildings	200,129	Non-current liabilities	1,188,676
Other	102,551	Lease liabilities	21,908
Intangible assets	370,398	Provision for share awards	406,314
Software	329,793	Provision for share awards for directors (and other officers)	595,224
Software in progress	34,635	Asset retirement obligations	101,031
Other	5,969	Other	64,197
Investments and other assets	3,158,639	Total liabilities	5,102,008
Investment securities	1,831,097	Net assets	
Deferred tax assets	458,833	Shareholders' equity	12,963,950
Other	868,708	Share capital	3,000,000
		Capital surplus	3,151,600
		Retained earnings	9,283,020
		Treasury shares	(2,470,670)
		Accumulated other comprehensive income	229,666
		Valuation difference on available-for-sale securities	229,666
		Total net assets	13,193,616
Total assets	18,295,625	Total liabilities and net assets	18,295,625

Consolidated Statement of Income (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

Item	Amount	
Revenue		22,410,611
Cost of revenue		12,400,626
Gross profit		10,009,985
Selling, general and administrative expenses		5,777,198
Operating profit		4,232,786
Non-operating income		
Interest income	3,024	
Gain on sale of investment securities	23,539	
Lectures fee income	47,481	
Sponsorship money income	21,977	
Miscellaneous income	23,406	119,429
Non-operating expenses		
Interest expenses	161	
Commission for purchase of treasury shares	2,805	
Non-deductible consumption tax, etc.	3,379	
Loss on investment securities	7,584	
Miscellaneous losses	54	13,984
Ordinary profit		4,338,231
Extraordinary losses		
Loss on sale of non-current assets	81	
Loss on retirement of non-current assets	56	137
Profit before income taxes		4,338,094
Income taxes - current	1,240,542	
Income taxes - deferred	(134,554)	1,105,987
Profit		3,232,107
Profit attributable to owners of parent		3,232,107

Top Commitment to Sustainability

The Group believes that the value of a company is a synthesis of financial and non-financial value, and place importance on Sustainable Development Goals (SDGs) and Environmental, Social and Governance (ESG) factors in promoting our business. In our “Basic Sustainability Policy” that was established in 2021, we define our aim to create a sustainable and beautiful society through embodying “Create a Beautiful Tomorrow Together,” and are pursuing a contribution to solving social issues through our business activities. Furthermore, we position human assets as one of the most important management resources. The Group believes that value co-creators responsible for co-creating value represent the source of the Group’s business growth and ability to create a sustainable and beautiful society of tomorrow, and in 2023 we established a Human Assets Development Policy and are progressing with various initiatives. All group employees will strive to realize a high level of governance and solve social issues through value co-creation activities based on collaboration that combines diverse human assets, knowledge, capabilities, and technology.

Hiroshi Ota, Representative Director and President

Human Assets Development Policy (Established in March 2023)

Employee is human assets, not human resource

The growth and value creation of employees is the source of the organization’s growth.

In other words, employees are assets.

SIGMAXYZ Group aims to establish a work environment where diverse human assets can demonstrate their abilities with high motivation, and work on value creation in their own way, while growing sustainably.



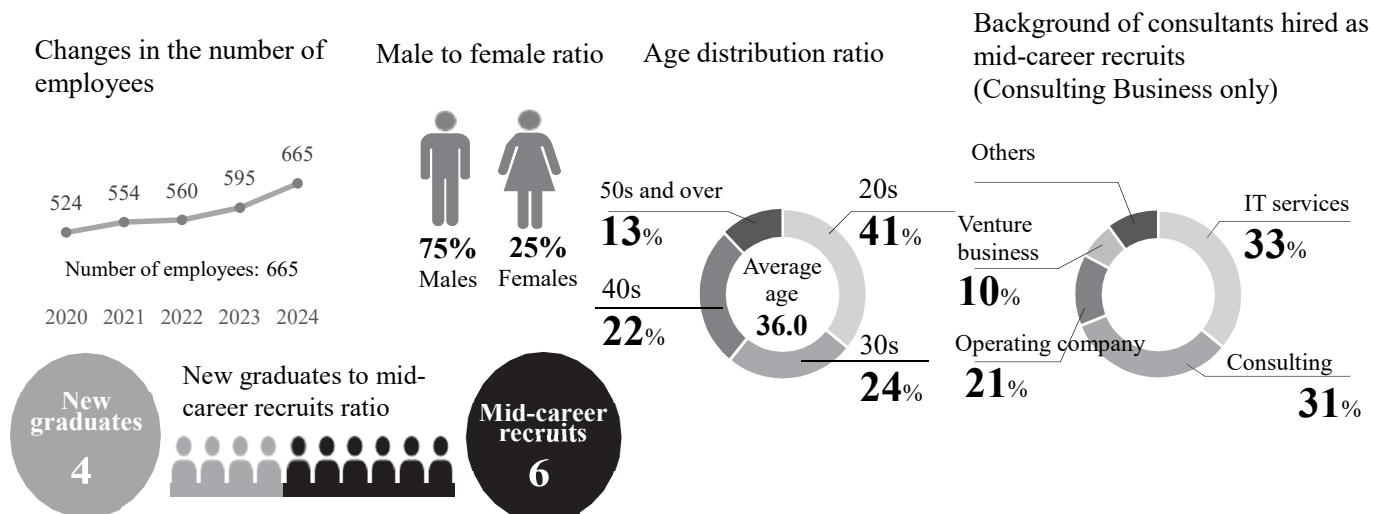
For details about our human assets and sustainability initiatives, please visit <https://www.sigmaxyz.com/en/company.html>

Diverse Human Assets and Ways of Working

Diversity maximizes the value of collaboration

The more people who aspire to grow professionally while maintaining their own life-work balance join an organization, the more diverse it will become. There is a dynamic joy in admitting and respecting differences among people, and creating value out of the combination. SIGMAXYZ Group believes that only when there is a culture where employees embrace it will we become an organization where not only female and international personnel, but also people with diverse personalities, gather and thrive.

Changes in the number of employees and the details (as of the end of March 2024, consolidated)



	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023	Results for fiscal year ended March 31, 2024
Proportion of women in management positions	43 (19%)	50 (20%)	54 (21%)
Proportion of mid-career personnel recruited in management positions	198 (85%)	202 (82%)	217 (82%)
Proportion of foreigners in management positions	2 (0.9%)	1 (0.4%)	1 (0.4%)
Proportion of employees taking childcare leave, etc.*	—	53%	50%
Gender pay gap (SIGMAXYZ Inc. only)**	—	73%	79%

* The proportion of employees taking childcare leave, etc. for the fiscal year ended March 31, 2024 has temporarily decreased due to high ratio of eligible employees taking maternity leave.

** The criteria for determining class and pay are the same for both men and women.

(Each indicator above is calculated in accordance with the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace)

The “Miho Nijo Dream Power Project” is a lecture event for elementary and junior high school students by an athlete who belongs to our company.

We held lectures for elementary and junior high school students in Hokkaido, the hometown of former professional wheelchair tennis player and Paralympian Miho Nijo. Through lectures and discussions on the theme of “The Power of Dreams,” we aim to convey that having dreams and taking on challenges without giving up can be a great source of strength in life, as well as providing an opportunity to think together about respecting diversity and deepen our understanding.

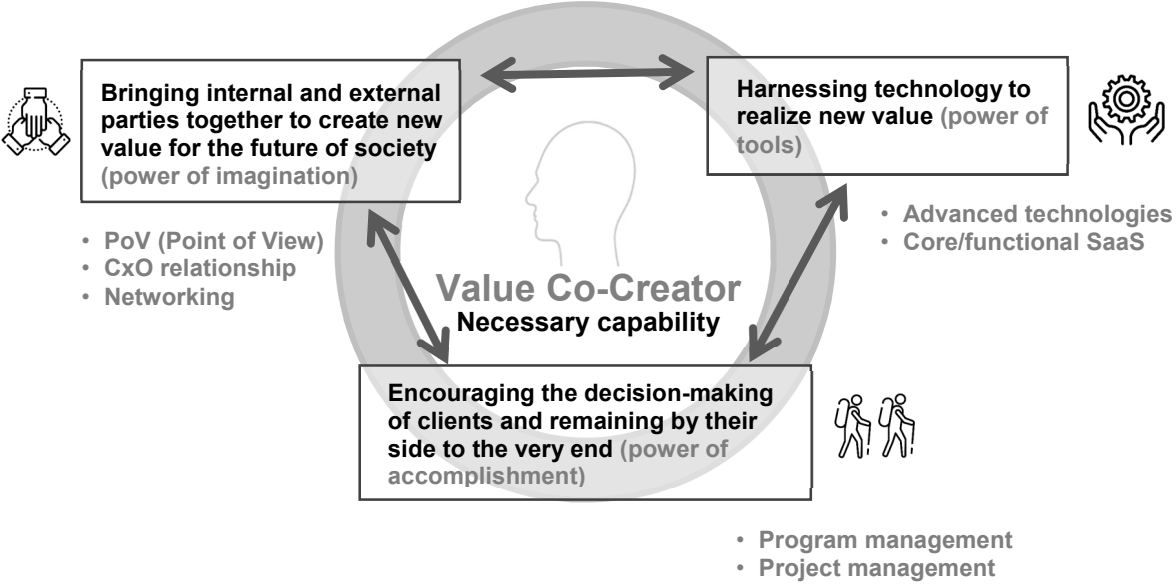


The Group’s work style is characterized as “Professional & Collaboration,” and we have created an environment where diverse human assets can demonstrate their abilities with high motivation, and work on value creation in their own way, while growing sustainably.

Holacracy-based organization Network-type organization emphasizing the autonomy of every individual	Capability development framework (CDF) Sustainable growth through work and learning based on personalized career plan	Learning program Access to various training opportunities internally and externally according to individual learning plans in a cafeteria-type format
Knowledge-sharing system Sharing of information, knowledge and experiences, and growing together	Professional personnel system Evaluate based on the performance they demonstrated, not the time they took on work	Digital and mobile workplace Fully digital environment allowing employees to freely select where and when they work
Free address system Work spaces emphasizing collaboration and value creation	Health management program Provision of various programs empowering employees to acquire health knowledge, know themselves, and take required actions autonomously	Benefits program Various programs allowing employees to concentrate on value creation while achieving work-life balance

Redefinition of personnel capability categories (Capability development framework)

In the fiscal year ended March 31, 2024, we redefined the personnel capability categories in the consulting business. We are re-designing our evaluation framework based on the three elements of the power of imagination, the power of accomplishment, and the power of tools, with a view to nurturing the human assets (Value Co-Creators) that can take charge of creating new markets and businesses to solve issues in society and create value for various industries and companies. We will continue to promote initiatives to improve the capabilities of all employees.



Updating the environment that supports value co-creation

In the fiscal year ended March 31, 2024 as well, we took initiatives to continually update the environment that supports value co-creation.

Establishment of a new training center (March 2024)

We have established a new training center near our headquarters office with the aim of further enhancing human assets development and capability development, which is the most important management issue for the Group. The layout is flexible and can be changed to suit the number of people and training content, and it is being used as a learning space for new graduates and existing employees.



Commencement of trial operation of “X-base Sakudaira” (May 2023)

We have started the trial operation of “X-base Sakudaira,” as a new base that has a theme of “Agriculture x Co-working.” We are exploring diverse ways of working by having employees refresh themselves with each other, their families, clients, business partners, etc. in a natural environment, while working in agriculture and interacting with the local people.



Expansion of current headquarters office (scheduled for July 2024)

The Group’s workplaces are positioned as places for value creation, where professionals from inside and outside the company gather, both online and face-to-face, and stimulate each other’s creativity through collaboration.

In July 2024, we plan to expand the floor space of our headquarters office in Toranomom in order to evolve this value co-creation space. The facilities which we plan to install include a mini stage that can be used for meetups, meeting rooms designed for online meetings, and a streaming studio.



ESG and SDGs Initiatives

Initiatives for Climate Change

- The Group has established a target to reduce greenhouse gas emissions 50% compared to FY 2021 by FY 2030 and to reach net-zero by FY 2050.

In the fiscal year ended March 31, 2024, we reduced our greenhouse gas emissions by approximately 50% year on year via the following measures.

- Introduction of Non-Fossil Certificates
- Promoting the conversion to LED lighting in the headquarters office

	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023	Results for fiscal year ended March 31, 2024
Greenhouse gas emissions (Scope 1 and 2)	148t	127t	61t

Our environment-related KPIs are as follows.

	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023	Results for fiscal year ended March 31, 2024
Electricity usage	191,730kWh	180,590kWh	160,260kWh
renewable energy usage*	-	-	83,333kWh
Paper usage**	1,080Kg	1,360Kg	1,300Kg
Waste**	5,497Kg	6,021Kg	6,021Kg
Amount recycled**	2,160Kg	2,480Kg	2,880Kg

* Renewable energy via the procurement of FIT Non-Fossil Certificates (Headquarter)

** Headquarters only

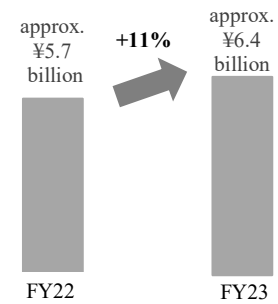
For more information on the Company's information on disclosures recommended by the TCFD (Task Force on Climate-related Financial Disclosures), please visit
<https://www.sigmaxyz.com/en/company/sdgsesg/tcf.html>

Contributing to Achieve the SDGs

- Striving to expand value-added activities to address social issues as well as our clients' issues with a view to achieving the SDGs, we always set up a meeting on commencing a project for consensus-building with a client concerning which of the SDGs' 17 goals are to be achieved, and how.

In the fiscal year ended March 31, 2024, the contract value of SDGs-related projects increased by approximately 11% year on year. We will continue to promote projects with the aim of creating an impact on social issues.

SDGs-related project contract volume



[Project Example] GX strategy planning and implementation support for a new environment and energy business (Azbil Corporation)

SIGMAXYZ supported Azbil Corporation, which operates a building automation business, in formulating and implementing a new energy business strategy. By utilizing our knowledge and insight in the GX market, we will continue to support business growth as a Sherpa on initiatives for co-creation of the future of environment and energy markets.

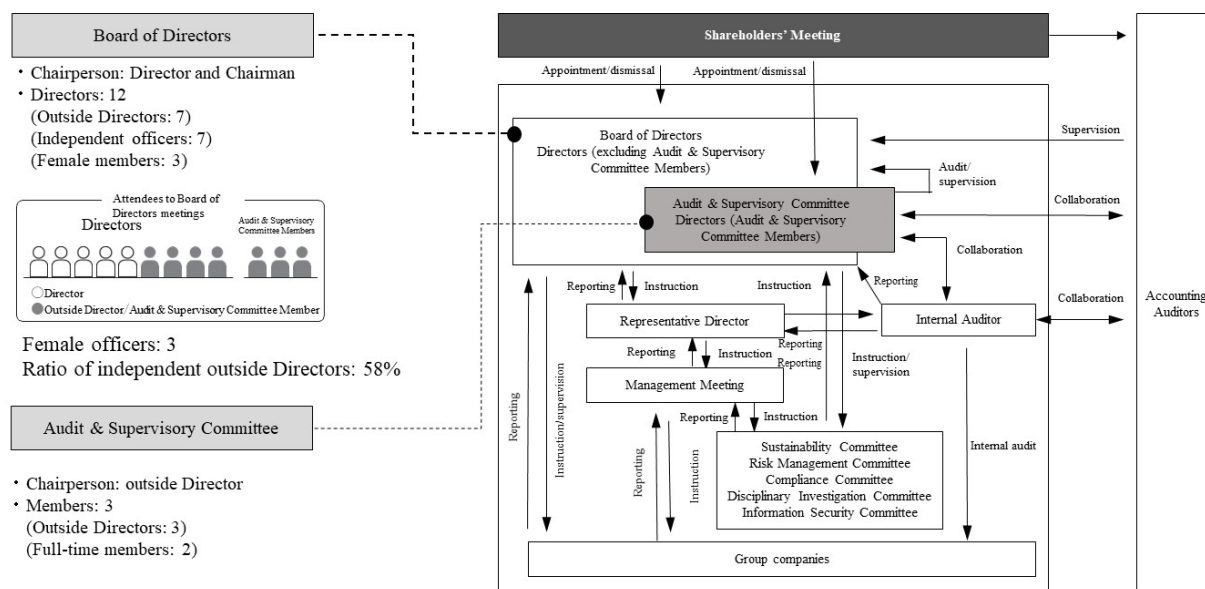


For details about our sustainability initiatives and KPIs, please visit <https://www.sigmaxyz.com/en/company/sdgsesg.html>

Establishment of “Anti-Bribery Policy” and “Human Rights Policy”

In order to further enhance our corporate governance system, we established and announced an “Anti-Bribery Policy” in September 2023. By prohibiting bribery and declaring our initiatives to prevent bribery, we will strive to detect and prevent fraudulent acts. Further, we established a “Human Rights Policy” in April 2024. We will continue to strengthen the supervisory function of the Board of Directors under the following governance structure, and strive to ensure management transparency and improve efficiency.

■ Diagram of the corporate governance system (as of April 2024)



	Results for fiscal year ended March 31, 2022	Results for fiscal year ended March 31, 2023	Results for fiscal year ended March 31, 2024
Number of Directors	13	13	12
Number of Outside Directors	7	7	7
Number of Independent Officers	7	7	7
Number of Female Directors	2	2	3
Number of Audit & Supervisory Committee Members	3	3	3

