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(Stock Exchange Code 9682)
June 3, 2021

To Shareholders with Voting Rights:

Tomoaki Kitamura
Representative Director and President
DTS CORPORATION
2-23-1 Hatchobori Chuo-ku, Tokyo

NOTICE OF THE 49TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby notify you of the 49th Annual General Meeting of Shareholders of DTS CORPORATION (the “Company”). The meeting will be held for the purposes as described below.

Instead of attending the meeting, you can exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights.

Guide to Exercise of Voting Rights

Exercise of Voting Rights by attending the General Meeting of Shareholders

Date of the meeting: Thursday, June 24, 2021 at 10:00 a.m. (reception will open at 9:00 a.m.)

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

Please bring this convocation notice with you to conserve natural resources.

Exercise of Voting Rights by Mail

Voting deadline: By 5:00 p.m. on Wednesday, June 23, 2021 (Arrival of Voting Forms)

Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form, and return it so that it is received by the voting deadline.

If there is no indication for or against any proposal, the vote will be deemed to have been cast for such proposal.

Exercise of Voting Rights by electromagnetic means (via the Internet, etc.)

Voting deadline: By 5:00 p.m. on Wednesday, June 23, 2021

Please access the voting rights exercise website noted on the Voting Rights Exercise Form (<https://www.web54.net>), review the Reference Documents for the General Meeting of Shareholders that are attached on this convocation notice or posted on the voting rights exercise website, and enter your vote for or against the proposals following the on-screen instructions.

* For the details of Exercise of Voting Rights via the Internet, etc., please refer to page 7 through 8.

- 1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (reception will open at 9:00 a.m.)
- 2. Venue:** 8F Conference Room (reception on 8F)
DTS CORPORATION Headquarters
Empire Building, 2-23-1 Hatchobori Chuo-ku, Tokyo
(The venue is different from the last time.)
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 49th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 49th Fiscal Year (April 1, 2020 - March 31, 2021)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Ten (10) Directors
- Proposal 3:** Election of One (1) Corporate Auditor
- Proposal 4:** Determination of Compensation for the Allotment of Restricted Shares to Directors
- 4. Other matters regarding the convocation of the General Meeting of Shareholders**
- If you wish to make a diverse exercise of your voting rights, please notify the Company of your intention of making a diverse exercise of voting rights and the reasons thereof by three (3) days prior to the General Meeting of Shareholders.

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- (Request) When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this Notice of Convocation with you.
- (Notice) Pursuant to the laws and regulations and the provisions of the Articles of Incorporation of the Company, part of the Business Report, the Consolidated Statement of Changes in Net Assets, the Notes to the Consolidated Financial Statements, the Non-consolidated Statement of Changes in Net Assets, and the Notes to the Non-consolidated Financial Statements are posted on the Company's website, and are not included in this convocation notice.
- Furthermore, the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Corporate Auditors and Board of Corporate Auditors and the Accounting Auditor when creating their respective audit reports consist of all of the Financial Statements attached to this convocation notice, as well as the Consolidated Statement of Changes in Net Assets, the Notes to the Consolidated Financial Statements, the Non-consolidated Statement of Changes in Net Assets, and the Notes to the Non-consolidated Financial Statements posted on the Company's website.
- In addition, should the Reference Documents for the General Meeting of Shareholders and the Appendix require revision, the revised versions will be posted on the Company's website at the following address:
- <https://www.dts.co.jp/>

Notes Regarding Exercise of Voting Rights via the Internet, etc.

Exercise of voting rights via the Internet is only possible via the voting rights exercise website designated by the Company. It is also possible to access the voting website using a smartphone, mobile phone, etc.

Voting deadline: By 5:00 p.m. on Wednesday, June 23, 2021

For the sake of tallying votes, please exercise your voting rights as soon as possible.

Voting rights exercise website: <https://www.web54.net>



You can access the voting rights exercise website by reading the QR code on the left using a mobile phone with a bar code reader.

For details on how to operate, please refer to the instruction manual for your mobile phone.

(QR code is a registered trademark of DENSO WAVE INCORPORATED.)

How to access the voting website using a personal computer

1. Access the voting rights exercise website
Then, click “Next.”
2. Enter the voting rights exercise code
Enter the “voting rights exercise code” written on the Voting Rights Exercise Form at hand (or in the convocation email) and click “Log In.”
3. Enter the password
Enter the “password” written on the Voting Rights Exercise Form at hand (or in the convocation email) and click “Next.”

After that, please follow the on-screen instructions to enter your vote for or against the proposals.

How to exercise your voting rights with “Smart Exercise”

1. Read the QR code
Activate a camera on your smartphone and read the “QR code to log in to the voting rights exercise website for smartphones” printed on the Voting Rights Exercise Form at hand.
2. Choose how to exercise your voting rights
3. Choose to vote for or against each proposal

Please follow the on-screen instructions to complete the exercise.

* By reading the “QR code to log in to the voting rights exercise website for smartphones,” you can access the voting rights exercise website without entering the “voting rights exercise code” or “password.” With the “Smart Exercise,” only one vote can be entered.

* When you change your vote after the exercise, it is required to re-read the QR code and enter the “voting rights exercise code” and “password” written on your Voting Rights Exercise Form (or in the convocation email).

Matters to be attended to:

- If voting rights are exercised via the Internet, etc., it is not required to exercise voting rights by mail.
If voting rights are exercised both by mail and via the Internet, the exercise of voting rights via the Internet will be deemed valid.
- If voting rights are exercised via the Internet multiple times, or they are exercised redundantly using a PC, a smartphone, a mobile phone, etc., the last exercise of voting rights will be deemed valid.
- Internet service provider connection fees and telecommunications carrier fees (telephone fees, etc.) when accessing the voting rights exercise website shall be borne by the shareholder.

For any inquiries on exercise of voting rights via the Internet, please contact the following:	
Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited	
Dedicated line	0120 (652) 031 (Toll free within Japan) Open from 9:00 a.m. to 9:00 p.m.
Other inquiries	0120 (782) 031 (Toll free within Japan) Open from 9:00 a.m. to 5:00 p.m. (except for weekends and holidays)

For institutional investors	Nominal shareholders (including standing proxies) such as management trust banks, etc. can use the electronic voting rights exercise platform operated by ICJ, Inc., which was incorporated by the Tokyo Stock Exchange, Inc., as the electromagnetic method of exercising voting rights for the General Meeting of Shareholders of the Company, in addition to exercise of voting via the Internet as described above, if an application for participation in the platform is made in advance.
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Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

Regarding the appropriation of surplus, the Company proposes the following.

Matters concerning year-end dividends

The Company recognizes the return of profits to shareholders as one of its most important management issues, and believes that the enhancement of corporate value over the medium to long term will serve as the greatest source of the return of profits. Moving forward, the Company will consider required funds held for business expansion, and upon comprehensively accounting for trends in business results and financial conditions, the Company believes that continuously conducting a stable dividend policy will contribute to the return of profits to shareholders over the medium to long term.

Based on the policies mentioned above, as the Company achieved record high operating profit as well as record high profit attributable to owners of parent exceeding the initial results forecast, the Company proposes the following for the year-end dividend for the fiscal year under review.

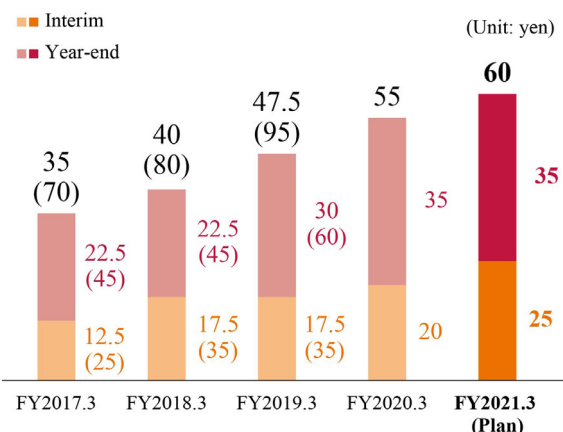
- (1) Matters concerning the allotment of dividend assets and the total amount

Amount per share of common stock: 35.0 yen
Total amount: 1,603,596,575 yen

Annual dividend for this fiscal year including the interim dividend of 25 yen that has been already paid will be 60 yen per share, an increase of 5 yen from the previous year.

- (2) Effective date of distribution of surplus
June 25, 2021

Dividend per share



* The Company carried out a two-for-one split of its common stock with an effective date of July 1, 2019. The figures in the parentheses for the reporting periods before the fiscal year ended March 31, 2019 represent the amount before the stock split.



Proposal 2: Election of Ten (10) Directors



The terms of office of all ten (10) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect ten (10) Directors.



The candidates are as follows:


No.	Name	Current positions at the Company	Attendance at the Board of Directors meetings	Number of years served as Director
1	<u>Reelection</u> Koichi Nishida	Representative Director and Chairman	11/11 (100%)	12 years
2	<u>Reelection</u> Tomoaki Kitamura	Representative Director and President	9/9 (100%)	1 year
3	<u>Reelection</u> Takao Sakamoto	Director Managing Executive Officer	11/11 (100%)	12 years
4	<u>Reelection</u> Minoru Takeuchi	Director Managing Executive Officer	11/11 (100%)	11 years
5	<u>Reelection</u> Hirotoishi Kobayashi	Director Senior Executive Officer	11/11 (100%)	5 years
6	<u>Reelection</u> Isao Asami	Director Senior Executive Officer	11/11 (100%)	2 years
7	<u>Reelection</u> Tadayuki Hagiwara <u>Outside Independent</u>	Director	11/11 (100%)	9 years
8	<u>Reelection</u> Masayuki Hirata <u>Outside Independent</u>	Director	11/11 (100%)	6 years
9	<u>Reelection</u> Shinya Shishido <u>Outside Independent</u>	Director	11/11 (100%)	2 years
10	<u>Reelection</u> Shinichi Yamada <u>Outside Independent</u>	Director	9/9 (100%)	1 year


(Note) As Messrs. Tomoaki Kitamura and Shinichi Yamada assumed office on June 19, 2020, the number of meetings they attended and the attendance rates are for the meetings held after taking office (nine meetings of the Board of Directors).


No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 <p>Reelection</p> <p>Koichi Nishida (January 24, 1956)</p> <p>Number of years served as Director: 12 years (at the conclusion of the meeting)</p>	<p>June 2001 Head, Planning Department, Financial System Platforms Sector, NTT DATA Corporation</p> <p>November 2003 Deputy Head, Financial System Platforms Sector, NTT DATA Corporation</p> <p>May 2004 Deputy Head, Regional Banking System Platforms Sector, NTT DATA Corporation</p> <p>Head, General Banking Business Unit, NTT DATA Corporation</p> <p>June 2005 Senior Vice President, NTT DATA Corporation</p> <p>Head, Regional Banking System Platforms Sector, NTT DATA Corporation</p> <p>June 2009 Director and Vice President, the Company</p> <p>Executive Officer</p> <p>April 2010 Representative Director and President</p> <p>April 2021 Representative Director and Chairman (current position)</p> <p>[Significant concurrent positions]</p> <p>Not applicable</p>	46,251
<p>[Reasons for nomination and outline of expected roles]</p> <p>Mr. Koichi Nishida has a wealth of experience in corporate management in the financial sector of a major information and telecommunications company. He has been leading the overall management of the Group as Representative Director and President since 2010, and has been working on business expansion and management reform. The Company expects that he will leverage his abundant experience and achievements and play a role in supervising its business execution for promoting ESG management and creating new corporate value. Therefore, the Company reappoints him as a candidate for Director.</p>			
2	 <p>Reelection</p> <p>Tomoaki Kitamura (September 24, 1964)</p> <p>Number of years served as Director: 1 year (at the conclusion of the meeting)</p>	<p>July 2003 Head, Business Development Sector, NTT DATA Corporation</p> <p>July 2009 Head, Data Center Business Unit, Business Solution Sector, NTT DATA Corporation</p> <p>July 2012 Head, Data Center Business Unit, Fundamental System Platforms Sector, NTT DATA Corporation</p> <p>June 2015 President and CEO, NTT DATA TOKAI Corporation</p> <p>June 2018 Senior Vice President and Head, Business Solution Sector, NTT DATA Corporation</p> <p>Director, NTT DATA INTRAMART CORPORATION</p> <p>Director, NTT DATA BUSINESS SYSTEMS CORPORATION</p> <p>June 2020 Director and Executive Vice President, the Company</p> <p>April 2021 Representative Director and President (current position)</p> <p>General Manager, Digital Solution Sector (current position)</p> <p>[Significant concurrent positions]</p> <p>Not applicable</p>	784
<p>[Reasons for nomination and outline of expected roles]</p> <p>Mr. Tomoaki Kitamura has a wealth of experience and a high level of insight in corporate management, including achievements in managing a major information and telecommunications company and its group companies. He has been responsible for managing the Group as Director and Executive Vice President since 2020, and as Representative Director and President since 2021. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and play a role in supervising its business execution for promoting ESG management and creating new corporate value. Therefore, the Company reappoints him as a candidate for Director.</p>			


No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	 <p>Reelection</p> <p>Takao Sakamoto (January 4, 1961)</p> <p>Number of years served as Director: 12 years (at the conclusion of the meeting)</p>	<p>April 1987 Joined the Company</p> <p>April 2004 General Manager, Planning Department, Corporate Staff Division</p> <p>April 2007 Executive Officer</p> <p>June 2009 Director</p> <p>April 2013 General Manager, Human Resources Department</p> <p>March 2014 Representative Director and President, MIRUCA CORPORATION</p> <p>April 2016 Executive Managing Director, the Company</p> <p>April 2019 Director and Managing Executive Officer, the Company (current position)</p> <p>March 2020 Director, DTS palette Inc. (current position)</p> <p>June 2020 Director, JAPAN SYSTEMS ENGINEERING Corporation (current position)</p> <p>[Significant concurrent positions]</p> <p>Director, JAPAN SYSTEMS ENGINEERING Corporation</p> <p>Director, DTS palette Inc.</p>	17,765
<p>[Reasons for nomination and outline of expected roles]</p> <p>With his experience in administrative departments such as company-wide corporate planning and human resources, as well as his experience and track records of managing Group companies, Mr. Takao Sakamoto has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.</p>			
4	 <p>Reelection</p> <p>Minoru Takeuchi (June 21, 1961)</p> <p>Number of years served as Director: 11 years (at the conclusion of the meeting)</p>	<p>April 1985 Joined the Company</p> <p>April 2007 General Manager, Financial System Sector</p> <p>October 2007 Executive Officer</p> <p>June 2010 Director</p> <p>April 2016 Executive Managing Director</p> <p>July 2017 Chairman, DTS (Shanghai) Corporation (current position)</p> <p>July 2017 Chairman, DTS SOFTWARE VIETNAM Co., LTD. (current position)</p> <p>April 2018 Chairman, DTS America Corporation (current position)</p> <p>March 2019 Chairman, DLSE Co., Ltd. (current position)</p> <p>April 2019 Director and Managing Executive Officer, the Company (current position)</p> <p>August 2019 Representative Director and Chairman, Japan Super Electronics Co., Ltd. (current position)</p> <p>September 2019 Chairman, Nelito Systems Limited (current position)</p> <p>[Significant concurrent positions]</p> <p>Chairman, DTS (Shanghai) Corporation</p> <p>Chairman, DTS SOFTWARE VIETNAM Co., LTD.</p> <p>Chairman, DTS America Corporation</p> <p>Chairman, DLSE Co., Ltd.</p> <p>Representative Director and Chairman, Japan Super Electronics Co., Ltd.</p> <p>Chairman, Nelito Systems Limited</p>	14,564
<p>[Reasons for nomination and outline of expected roles]</p> <p>With his experience and track records of organizational management in the financial sector, as well as of managing Group companies outside Japan, Mr. Minoru Takeuchi has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	 <div>Reelection</div> <p>Hirotooshi Kobayashi (September 4, 1960)</p> <p>Number of years served as Director: 5 years (at the conclusion of the meeting)</p>	<p>April 1980 Joined the Company</p> <p>April 2008 General Manager, Planning Department, Corporate Staff Division</p> <p>April 2010 Executive Officer</p> <p>April 2014 Director, YOKOGAWA DIGITAL COMPUTER CORPORATION</p> <p>March 2016 Director, ART System Co., Ltd.</p> <p>March 2016 President & CEO, Digital Technologies Corporation (current position)</p> <p>April 2016 General Manager, General Administration Department, the Company</p> <p>June 2016 Director (current position)</p> <p>April 2019 General Manager, ICS Sector (current position)</p> <p>April 2020 Senior Executive Officer (current position)</p> <p>[Significant concurrent positions]</p> <p>President & CEO, Digital Technologies Corporation</p>		10,798
<p>[Reasons for nomination and outline of expected roles]</p> <p>With his experience in organizational management in the industry and telecommunications sector and in company-wide corporate planning, as well as his experience and track records of managing Group companies, Mr. Hirotooshi Kobayashi has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.</p>				
6	 <div>Reelection</div> <p>Isao Asami (October 20, 1964)</p> <p>Number of years served as Director: 2 years (at the conclusion of the meeting)</p>	<p>April 1987 Joined the Company</p> <p>April 2010 General Manager, Corporate Planning Department</p> <p>April 2012 Executive Officer</p> <p>April 2013 General Manager, Embedded Systems Business Department, iCT Sector</p> <p>April 2014 Director, YOKOGAWA DIGITAL COMPUTER CORPORATION</p> <p>April 2015 Director, ART System Co., Ltd.</p> <p>April 2015 Representative Director and President, ART System Co., Ltd.</p> <p>April 2017 Representative Director and President, DTS INSIGHT CORPORATION (current position)</p> <p>June 2019 Director, the Company (current position)</p> <p>April 2020 Senior Executive Officer (current position)</p> <p>General Manager, Enterprise and Solution Sector (current position)</p> <p>[Significant concurrent positions]</p> <p>Representative Director and President, DTS INSIGHT CORPORATION</p>		17,355
<p>[Reasons for nomination and outline of expected roles]</p> <p>With his experience in organizational management in the built-in software and telecommunications sector and in company-wide corporate planning, as well as his experience and track records of managing Group companies, Mr. Isao Asami has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	 <div style="border: 1px solid black; padding: 2px; margin: 5px 0;"> Reelection Outside Independent </div> <p>Tadayuki Hagiwara (October 11, 1955)</p> <p>Number of years served as Director: 9 years (at the conclusion of the meeting)</p>	<p>April 2000 General Manager, IT Project Promotion Division, IT Promotion Department, Fuji Bank, Ltd.</p> <p>April 2002 Deputy General Manager, IT and Systems Control Department, Mizuho Corporate Bank, Ltd.</p> <p>March 2006 Executive Officer, General Manager, IT & Systems Control Department, Mizuho Bank, Ltd.</p> <p>June 2006 Director, the Company (retired in June 2010)</p> <p>April 2009 Executive Managing Director, Mizuho Bank, Ltd.</p> <p>April 2011 Managing Executive Officer, Mizuho Bank, Ltd. (retired in June 2011)</p> <p>June 2011 Senior General Manager, Mizuho Bank, Ltd. (retired in June 2012)</p> <p>June 2012 Director, the Company (current position) Representative Director and President, Avanti Staff Corporation (retired in January 2019)</p> <p>June 2013 Outside Corporate Auditor, FUYO AUTO LEASE CO., LTD. (retired in June 2017)</p> <p>January 2020 Outside Corporate Auditor, Tokyo Tatemono Real Estate Sales Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Outside Corporate Auditor, Tokyo Tatemono Real Estate Sales Co., Ltd.</p>	—
<p>[Reasons for nomination and outline of expected roles]</p> <p>Mr. Tadayuki Hagiwara has experience being in charge of the IT division of a city bank and serving as a manager of a temp staff agency, and abundant experience and knowledge, etc. of the industry and as a manager. The Company expects that he will utilize this experience and knowledge in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective as an Outside Director. Therefore, the Company reappoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for nine (9) years as of the conclusion of this Annual General Meeting of Shareholders.</p> <p>[Matters concerning Independence]</p> <p>Mr. Tadayuki Hagiwara satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Hagiwara, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured.</p> <p>Mr. Tadayuki Hagiwara previously served as Managing Executive Officer of Mizuho Bank, Ltd., which is one of our business partners. However, as it has already been ten years since he resigned from the bank, and he has not been involved in execution of business of the bank after his resignation, the Company has determined that his former position does not have any influence on his independence. The bank and the Group had business transactions totaling less than ¥200 million per year and less than 0.2% of net sales (consolidated results for the fiscal year ended March 31, 2021). The Company has no borrowings from financial institutions including the bank. Additionally, Mizuho Research & Technologies, Ltd., which is responsible for Mizuho Bank's system development, and the Group had business transactions totaling less than ¥4.3 billion per year and less than 4.8% of net sales (consolidated results for the fiscal year ended March 31, 2021).</p> <p>Mr. Takayuki Hagiwara previously served as Representative Director and President of Avanti Staff Corporation. However, the Company has no business relationship with said company.</p> <p>(Note) Mr. Tadayuki Hagiwara is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Tadayuki Hagiwara is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	 <div style="text-align: center;"> <div>Reelection</div> <div>Outside</div> <div>Independent</div> </div> <p>Masayuki Hirata (July 30, 1947)</p> <p>Number of years served as Director: 6 years (at the conclusion of the meeting)</p>	<p>June 1998 General Manager, Business Administration Department, Group Company Headquarters, NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>July 1999 Head, Fourth Sector, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (retired in June 2000)</p> <p>June 2000 Member of the Board of Directors, General Manager of Affiliated Business Department, NTT DOCOMO, INC.</p> <p>June 2001 Executive Managing Director, General Manager of Accounts and Finance Department, NTT DOCOMO, INC.</p> <p>June 2004 Senior Executive Vice President, General Manager of Global Business Division, NTT DOCOMO, INC. (retired in June 2008)</p> <p>June 2008 President & CEO, InfoCom Research, Inc. (retired in June 2013)</p> <p>June 2013 Corporate Adviser, InfoCom Research, Inc. Outside Board Director, SKY Perfect JSAT Holdings Inc. (retired in June 2016)</p> <p>July 2014 Adviser, InfoCom Research, Inc.</p> <p>June 2015 Outside Director, CHUCO Co., Ltd. (retired in June 2019)</p> <p>July 2016 Director, the Company (current position)</p> <p>Senior Fellow, InfoCom Research, Inc. (current position)</p> <p>[Significant concurrent positions] Senior Fellow, InfoCom Research, Inc.</p>	—
<p>[Reasons for nomination and outline of expected roles] Mr. Masayuki Hirata has wide-ranging operational experience in the telecommunications industry and abundant experience and a high level of insight regarding corporate management. The Company expects that he will utilize this experience and insight in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective as an Outside Director. Therefore, the Company reappoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for six (6) years as of the conclusion of this Annual General Meeting of Shareholders.</p> <p>[Matters concerning Independence] Mr. Masayuki Hirata satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Hirata, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured. Mr. Masayuki Hirata previously served as an executive officer of InfoCom Research, Inc. However, the Group has no business relationship with said company.</p> <p>(Note) Mr. Masayuki Hirata is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Masayuki Hirata is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	 <div style="border: 1px solid black; padding: 2px; margin: 5px 0;"> Reelection Outside Independent </div> <p>Shinya Shishido (September 29, 1948)</p> <p>Number of years served as Director: 2 years (at the conclusion of the meeting)</p>	<p>April 1998 General Manager, Systems Department, Japan Housing Finance Agency</p> <p>May 2001 General Manager, Osaka Branch, Japan Housing Finance Agency</p> <p>June 2003 Director, Japan Housing Finance Agency (retired in March 2007)</p> <p>April 2007 Managing Director, HGS Co., Ltd. (retired in March 2011)</p> <p>June 2007 Representative Director and President, JLS. LTD. (retired in March 2011)</p> <p>April 2011 Chairman, Incorporated Administrative Agency Japan Housing Finance Agency (retired in March 2015)</p> <p>April 2015 Councillor, TOHOKU GAKUIN (retired in March 2019)</p> <p>May 2016 Director, Escrow Agent Japan, Inc. (retired in May 2019)</p> <p>June 2019 Director, the Company (current position)</p> <p>June 2020 Director, Takamatsu Corporation Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Director, Takamatsu Corporation Co., Ltd.</p>	—
<p>[Reasons for nomination and outline of expected roles]</p> <p>Mr. Shinya Shishido has abundant experience and a high level of insight as a manager in the housing loan industry and the real estate industry. The Company expects that he will utilize this experience and insight in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective as an Outside Director. Therefore, the Company reappoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for two (2) years as of the conclusion of this Annual General Meeting of Shareholders.</p> <p>[Matters concerning Independence]</p> <p>Mr. Shinya Shishido satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Shishido, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured.</p> <p>Mr. Shinya Shishido previously served as an executive officer of Incorporated Administrative Agency Japan Housing Finance Agency and Escrow Agent Japan, Inc. However, the Company has no business relationship with these companies.</p> <p>Mr. Shinya Shishido serves as an executive officer of Takamatsu Corporation Co., Ltd. However, the Group has no business relationship with said company.</p> <p>(Note) Mr. Shinya Shishido is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Shinya Shishido is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	 <div> <div>Reelection</div> <div>Outside</div> <div>Independent</div> </div> <p>Shinichi Yamada (February 25, 1952)</p> <p>Number of years served as Director: 1 year (at the conclusion of the meeting)</p>	<p>June 2003 Director and Deputy Head, Business Development Sector, NTT DATA Corporation</p> <p>May 2004 Director and Head, Business Development Sector, NTT DATA Corporation</p> <p>June 2005 Senior Vice President and Head, Fundamental System Platforms Sector, NTT DATA Corporation</p> <p>June 2007 President and CEO, NTT DATA INTELLILINK Corporation (retired in June 2011) Executive Vice President; Head, Fundamental System Platforms Sector and Head, Technology Development Sector, NTT DATA Corporation</p> <p>June 2009 Representative Director and Executive Vice President; Head, Fundamental System Platforms Sector and Head, Technology Development Sector, NTT DATA Corporation</p> <p>July 2009 Representative Director and Executive Vice President; Head, S&T Company; Head, SI Competency Sector and Head, Technology Development Sector, NTT DATA Corporation (retired in June 2011)</p> <p>June 2011 President and CEO, NTT Software Corporation (retired in March 2017)</p> <p>April 2017 Director, NTT TechnoCross Corporation (retired in June 2017)</p> <p>June 2017 Special Advisor, NTT TechnoCross Corporation (retired in June 2018)</p> <p>June 2020 Director, the Company (current position)</p> <p>[Significant concurrent positions] Not applicable</p>	—
10	<p>[Reasons for nomination and outline of expected roles] Mr. Shinichi Yamada has abundant experience and a high level of insight regarding the industry trends and corporate management in the IT industry. The Company expects that he will utilize this experience and insight in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective as an Outside Director. Therefore, the Company appoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for one (1) year as of the conclusion of this Annual General Meeting of Shareholders.</p> <p>[Matters concerning Independence] Mr. Shinichi Yamada satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Yamada, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured. Mr. Shinichi Yamada previously served as Representative Director and Executive Vice President of NTT DATA Corporation, which is one of our business partners. However, as it has already been ten years since he resigned from said company, and he has not been involved in execution of business of the company after his resignation, the Company has determined that his former position does not have any influence on his independence. NTT DATA Corporation and the Group had business transactions totaling less than ¥8.8 billion per year and less than 10% of net sales (consolidated results for the fiscal year ended March 31, 2021). Furthermore, Mr. Shinichi Yamada previously served as Director of NTT TechnoCross Corporation (NTT Software Corporation and NTT-IT Corporation were merged into NTT TechnoCross Corporation), which is one of our business partners. However, as it has already been four years since he resigned from said company, and he has not been involved in execution of business of the company after his resignation, the Company has determined that his former position does not have any influence on his independence. NTT TechnoCross Corporation and the Group had business transactions totaling less than ¥40 million per year and less than 0.1% of net sales (consolidated results for the fiscal year ended March 31, 2021).</p> <p>(Note) Mr. Shinichi Yamada is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Shinichi Yamada is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</p>		

(Notes)


1. There are no special interests between each candidate for Director and the Company.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Messrs. Tadayuki Hagiwara, Masayuki Hirata, Shinya Shishido, and Shinichi Yamada to limit their liability stipulated in Article 423, Paragraph 1 of the Companies Act. Under the agreement, their liability is limited to one (1) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater. If the reappointment of each of these candidates is approved, the Company plans to continue these liability limitation agreements with the candidates.
3. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers damages that may arise when the Directors, etc. assume liability for the performance of their duties as well as litigation expenses. If each of the candidates is elected as a Director and assumes office, each of them will be insured under the insurance contract. The term of the insurance contract is one year, and will be renewed by resolution of the Board of Directors prior to the expiration of its term. The insurance premiums are fully borne by the Company.

Proposal 3: Election of One (1) Corporate Auditor

The term of office of Corporate Auditor Mr. Kenichiro Akamatsu will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Corporate Auditor is proposed. (If this Proposal is approved and resolved, there will be four (4) Corporate Auditors, including incumbent Corporate Auditors.)

The Board of Corporate Auditors has given its consent to this Proposal.

The candidate is as follows:

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
 <p>Reelection</p> <p>Kenichiro Akamatsu (June 9, 1957)</p> <p>Number of years served as Corporate Auditor 4 years (at the conclusion of the meeting)</p>	<p>November 2002 General Manager, Trust Operations Department, Mitsui Asset Trust and Banking Company, Limited</p> <p>January 2007 General Manager, Sales Department II, Osaka Branch, The Chuo Mitsui Trust and Banking Company</p> <p>April 2011 Deputy General Manager, Financial Business Division, the Company</p> <p>April 2012 Executive Officer</p> <p>April 2014 General Manager, Financial Business Division-2</p> <p>April 2016 General Manager, Social Business Division</p> <p>June 2017 Corporate Auditor (current position)</p> <p>March 2018 Auditor, Digital Technologies Corporation (current position)</p> <p>June 2018 Corporate Auditor, DTS INSIGHT Corporation (current position)</p> <p>June 2020 Corporate Auditor, KYUSHU DTS CORPORATION (current position)</p> <p>[Significant concurrent positions] Auditor, Digital Technologies Corporation Corporate Auditor, DTS INSIGHT Corporation Corporate Auditor, KYUSHU DTS CORPORATION</p>	2,689
<p>[Reasons for nomination and outline of expected roles]</p> <p>Mr. Kenichiro Akamatsu has experience in financial institutions cultivated over many years, experience in the Company's business execution, and achievements as a Corporate Auditor of the Company. In order to utilize his experience and achievements in the audit structure of the Company, the Company reappoints him as a candidate for Corporate Auditor.</p>		

(Notes)

1. There are no special interests between Mr. Kenichiro Akamatsu and the Company.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Kenichiro Akamatsu to limit his liability stipulated in Article 423, Paragraph 1 of the Companies Act. Under the agreement, liability is limited to one (1) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater. If his reappointment is approved, the Company plans to continue the liability limitation agreement with the candidate.
3. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers any damages that may arise when the Directors, etc. assume liability for the performance of their duties as well as litigation expenses. If Mr. Kenichiro Akamatsu is elected as a Corporate Auditor and assumes office, he will be insured under the insurance contract. The term of the insurance contract is one year, and will be renewed by resolution of the Board of Directors prior to the expiration of its term. The insurance premiums are fully borne by the Company.

Proposal 4: Determination of Compensation for the Allotment of Restricted Shares to Directors

The maximum amount of compensation for Directors of the Company was approved to be within 300 million yen per annum (including within 40 million yen per annum for Outside Directors) at the 44th Annual General Meeting of Shareholders held on June 23, 2016, and such amount has continued to this day.

In order to provide an incentive to Directors of the Company (excluding Outside Directors; hereinafter, “Eligible Directors”) to sustainably enhance the Company’s corporate value and further promote the sharing of value with shareholders, the Company now requests approval to revise the compensation system for Directors and introduce a restricted stock compensation plan (hereinafter, the “Plan”), as follows. In addition, separate from the aforementioned compensation, the Company requests approval to pay compensation to Eligible Directors for the purpose of allotting restricted shares.

Outline of the Plan

Grantees	Directors (excluding Outside Directors)
Transfer restriction period	30 years (transfer restrictions removed upon retirement)
Total amount of monetary compensation receivables	Within 45 million yen per annum
Maximum number of shares of common stock to be issued or disposed of	Within 26,000 shares per annum
Dilution ratio	0.052% 26,000 shares (total number of maximum shares) / 50,444,532 shares (total number of issued shares)

The total amount of monetary compensation receivables to be paid to Eligible Directors based on this Proposal shall be within 45 million yen per annum, which is an amount considered appropriate in view of the aforementioned objectives. The specific timing and allocation of payments to each Eligible Director shall be determined by the Board of Directors in accordance with the “Policy for Determining Individual Compensation, etc. for Directors.”

The Company believes that the granting of restricted shares based on the Plan is appropriate, considering the objectives of the Plan and the ratio of shares granted under the Plan over a year to the total number of issued shares (as of March 31, 2021), which is a maximum 0.052% representing an insignificant dilution rate.

The current number of Eligible Directors is six (6) (a total number of ten (10) Directors, including four (4) Outside Directors) and if Proposal 2 is approved as originally proposed at this General Meeting of Shareholders, the number of Eligible Directors shall remain at six (6) (a total number of ten (10) Directors, including four (4) Outside Directors).

Each fiscal year, Eligible Directors shall, in principle, make in-kind contribution of all monetary compensation receivables paid based on a resolution of the Board of Directors of the Company, and shall receive the Company’s common stock that will be issued or disposed of.

The total number of shares of the Company’s common stock that the Company will issue or dispose of for Eligible Directors under the Plan shall be a maximum of 26,000 shares per annum. However, in the event that the Company’s common stock is subject to a stock split (including the gratis allotment of the Company’s stock) or reverse stock split effective on or after the date of resolution of this General Meeting of Shareholders, the number of total shares may be adjusted within a reasonable extent on or after said effective date.

The payment amount per share of the Company’s common stock to be issued or disposed of for Eligible Directors based on the Plan shall be determined by the Board of Directors within a range that is not especially advantageous to Eligible Directors, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding each date of resolution by the Board of Directors meeting that determines the subscription details for said common stock of the Company (if no transactions are concluded on that day, the closing price on the immediately preceding date).

In addition, when issuing or disposing of the common stock of the Company, the Company and Eligible Directors shall enter into a restricted share allotment agreement (hereinafter, the “Allotment Agreement”) whose contents shall include the following (the common stock allotted under the Allotment Agreement is hereinafter referred to as “Allotted Shares”).

(1) Transfer Restriction Period

Eligible Directors shall not transfer, establish a security interest on, gift inter vivos, or otherwise dispose of Allotted Shares during a thirty-year period from the payment date of the Allotted Shares (hereinafter, "Transfer Restriction Period").

(2) Removal of the Transfer Restrictions

The Company shall remove the transfer restrictions on all Allotted Shares upon the expiration of the Transfer Restriction Period provided that Eligible Directors have continuously remained in a position as Director of the Company, or any other position stipulated by the Board of Directors of the Company during the Transfer Restriction Period.

However, in the event that an Eligible Director resigns or retires for a justifiable reason prior to the expiration of the Transfer Restriction Period, the number of Allotted Shares for which the transfer restrictions are to be removed and the timing thereof shall be reasonably adjusted as necessary.

(3) Causes for Acquisition without Consideration

In the event that there are Allotted Shares whose transfer restrictions have not been removed at the time of the removal of transfer restrictions stipulated in (2) above, the Company shall acquire these as a matter of course without consideration. Other causes for acquisition without consideration shall be stipulated in the Allotment Agreement based on resolution of the Board of Directors of the Company.

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

Notwithstanding the provisions in (1) above, in the event that, during the Transfer Restriction Period, the Company's General Meeting of Shareholders approves a merger agreement whereby the Company becomes the non-surviving company, a share exchange agreement or share transfer plan whereby the Company becomes a wholly-owned subsidiary, or any other matters pertaining to restructuring, etc. (however, in the event that the approval of the Company's General Meeting of Shareholders for said restructuring, etc. is not required, approval by the Company's Board of Directors), the number of Allotted Shares whose transfer restrictions are to be removed and the timing thereof, shall be reasonably adjusted as necessary. In that event, if there are any Allotted Shares whose transfer restrictions have not been removed immediately after the transfer restrictions have been removed, the Company shall acquire them as a matter of course without consideration.

(5) Other Matters

Other matters pertaining to the Allotment Agreement shall be determined by the Board of Directors of the Company.

It is the Company's intention that shares that have been allotted to Eligible Directors under the Plan shall be managed by a securities company stipulated by the Company in dedicated accounts opened by Eligible Directors so that they cannot be subject to transfer, establishment of a security interest on, gifted inter vivos, or otherwise disposed of during the Transfer Restriction Period.

< Policy for Determining Individual Compensation, etc. for Directors >

- The policy regarding the determination of the amount of compensation, etc. for officers and the calculation method thereof shall be determined upon the comprehensive consideration of past payment records and the Company's performance.
- Performance-linked compensation shall be paid as a bonus, and shall be calculated by establishing an amount of consolidated ordinary profit as a standard, comparing it against the consolidated ordinary profit in the fiscal year in which the bonus is to be paid, and multiplying the growth rate by the amount of the performance-linked standard. However, in the event that business performance deteriorated significantly, the bonus may not be paid.
- Non-monetary compensation shall be paid as restricted shares, and shall be calculated based on a standard amount predetermined in accordance with position in order to appropriately function as an incentive to sustainably enhance the corporate value of the Company.
- Compensation for Executive Directors shall consist of fixed compensation, performance-linked compensation and stock-based compensation. When determining the payment ratios, the ratio of basic compensation (fixed compensation) shall decrease the higher the position, and the ratios of bonus (performance-linked compensation) and stock-based compensation (non-monetary compensation) shall increase the higher the position.
- The timing for payment of Director compensation shall be monthly for basic compensation and once a

year for bonuses and stock-based compensation.

- Determination of individual compensation, etc. for Directors shall be delegated as follows.

1) Delegated person

Director and Chairman, however, if the position of Director and Chairman is vacant, Director and President

2) Delegated authority

Basic compensation (fixed compensation), bonuses (performance-linked compensation) and stock-based compensation (non-monetary compensation) paid to each Director shall be determined within an annual amount of the compensation limit approved at the General Meeting of Shareholders and within the maximum number of shares of common stock to be granted.

3) Measures for the appropriate exercise of delegated authority

Delegated persons in 1) above shall calculate individual compensation in accordance with rules approved by the Advisory Committee (the majority of whose members are Outside Directors).

[Reference]

In the event that this Proposal is approved, the Company intends to introduce a restricted stock compensation plan for Executive Officers of the Company.

End