

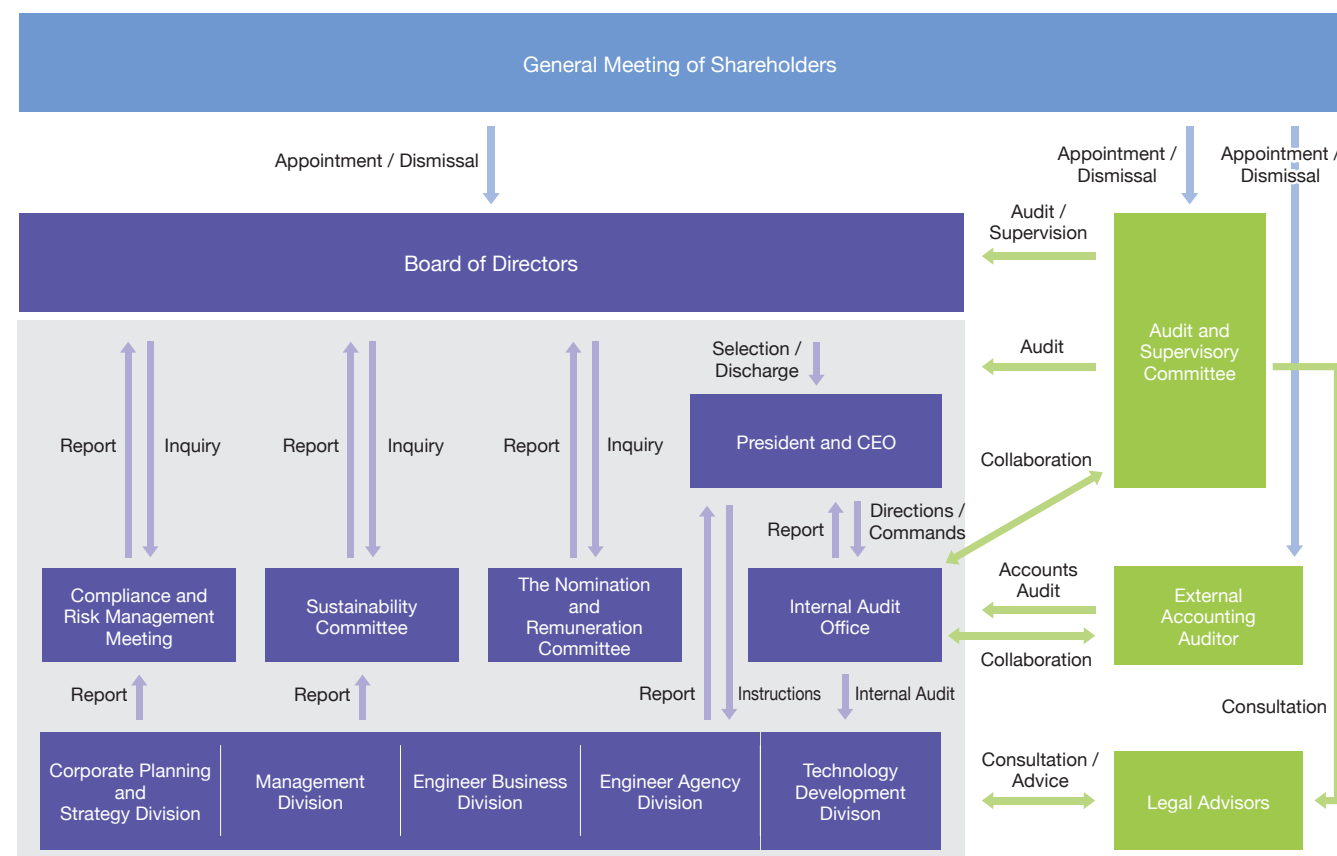
Basic Views

Artner's No.1 business challenge is steadily improving shareholder value over the long term. So in addition to expanding our business and ensuring profitability, we want to grow as a "technical partner" together with our client companies in various industries, as a collective of engineers focused on developing more and more advanced levels of technical expertise. At the same time, with a constant awareness of what society needs most, and a desire to create a demand for it, we strive for business efficiency and soundness to help in the sustainable development of the Company.

At Artner, we are highly conscious of our social responsibility as a company, so in addition to strictly observing all applicable laws and regulations, we strive to sustain and develop favorable relationships with shareholders, with our local community, with all of our client companies, and with all employees.

We are committed to further strengthening our internal control and risk management efforts through the application of business management systems (including internal control systems) to enable flexible adaptation to changes in the business environment. In this way, we will constantly improve our business management. Artner also will promptly disclose relevant information both inside and outside the company and enhance business transparency.

Company organization and internal control system



Overview of the Current Corporate Governance System

The Company has in place the Audit and Supervisory Committee, and has five Directors who are not members of the Audit and Supervisory Committee and three Directors who are members of it.

The Board of Directors

The Board of Directors is comprised of eight Directors, five of whom are not members of the Audit and Supervisory Committee and three who are members of the committee.

The Board meets twice a month: At a mid-month business report board meeting, the members deliberate on the Company's monthly business performance; and at a regular month-end board meeting, they deliberate and decide on matters relating to the Company's management plan, as well as significant matters relating to day-do-day business operations.

The Audit and Supervisory Committee

The Audit and Supervisory Committee is comprised of three Outside Directors and meets twice a month.

Directors who are members of the committee also attend board meetings and other important internal meetings. The committee provides impartial and independent oversight of the Company's corporate management, based on the audit standards as well as the audit policy and plans established by the committee.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee, chaired by the member of the Audit and Supervisory Committee, is composed of four members including the President and CEO and three members of the Audit and Supervisory Committee who are Outside Directors, and will be held at least four times a year.

The Nomination and Remuneration Committee will report to the Board of Directors on the appointment/dismissal and remuneration of Directors in order to enhance the fairness and objectivity of the decision-making process of nominating and determining the remuneration of Directors as well as enhancing corporate governance.

The Compliance and Risk Management Meeting

The Company convenes Compliance and Risk Management Meetings once a month, attended by the President and CEO and other Directors who are not members of the Audit and Supervisory Committee, Directors who are members of the committee, and division and department heads.

In these meetings, members discuss policies and actions to ensure that all officers and employees of the Company abide by laws and the Company's Articles of Incorporation, and draw up the Risk Management Guidelines.

Sustainability Committee

The Company convenes the Sustainability Committee four times a year, attended by the President and CEO and other Directors who are not members of the Audit and Supervisory Committee, Directors who are members of the committee, and division and department heads.

The members hold discussions to promote and manage the progress of issues and initiatives related to sustainability.

External Accounting Auditor of Record

The Company employs KPMG AZSA LLC as its accounting auditor of record.

The Company has no conflict of interest with the accounting firm or with the firm's managing partners who conduct accounting audits of the Company.

Policy and process for appointment or removal of director candidates who are not members of the Audit and Supervisory Committee

The Nomination and Remuneration Committee deliberates and reports to the Board of Directors on director candidates who are not members of the Audit and Supervisory Committee after an extensive scrutiny of their knowledge, experience, and ability necessary to manage the Company’s business divisions and day-to-day operations. The Board of Directors then nominates the director candidates.

Policy and process for appointment or removal of director candidates who are members of the Audit and Supervisory Committee

The Nomination and Remuneration Committee deliberates and reports to the Board of Directors on director candidates who are members of the Audit and Supervisory Committee after an extensive scrutiny of their experience, expertise in corporate financing and accounting, practical knowledge on the Company’s businesses, and general knowledge on corporate management necessary to audit and oversee the performance of duties by directors who are not members of the Audit and Supervisory Committee. The Board of Directors then nominates the director candidates.

Appointment or removal of the President and CEO

The Board of Directors, which includes three Outside Directors who are members of the Audit and Supervisory Committee, deliberates on the appointment or removal of the President and CEO from office when such need arises, based on the business performance of the Company as well as the job performance of the President and CEO.

Regarding future CEO appointments and dismissals, Nomination and Remuneration Committee, a voluntary advisory board composed of a majority of Independent Directors, shall deliberate and report to the Board of Directors, thereby establishing a structure with high fairness, transparency and objectivity under appropriate supervision from the Board of Directors.

Succession plan

The Company recognizes that it is critically important to have in place a succession plan for the President and CEO and other members of the Executive Team. The Board of Directors is responsible for nominating successors to these members from among qualified candidates after an extensive scrutiny of their experience, knowledge, and expertise in recruiting, training, sales, and administrative functions that support the Company’s engineer placement business.

Regarding future nominations of successors to the President and CEO, and other members of the Executive Team, a voluntarily established Nomination and Remuneration Committee, composed of a majority of Independent Directors, shall deliberate and make recommendations to the Board of Directors, thereby establishing a structure with high fairness, transparency and objectivity under appropriate supervision from the Board of Directors.

Appointment or removal of Executive Team members

The Board of Directors makes a decision upon deliberation of the job performance of the member and other factors.

Status of outside directors

The Company has three outside directors, and one of them holds shares of the Company. Apart from this shareholding position, none of the three outside directors has any vested interests in he Company, including personal, capital, or business relationships.

Each outside director plays a role in ensuring that highly effective audits are conducted, from an objective and neutral view point, and we believe that the current system satisfactorily fulfills its management monitoring and advisory functions. The three outside directors are designated as independent directors as defined by the Tokyo Stock Exchange and they are registered with the exchange.

Although the Company does not have any specific standards or policies regarding independence for the appointment of outside directors, when making such appointments we not only meet the regulatory requirements established by the Companies Act, but also take into account the Tokyo Stock Exchange’s criteria for ensuring the independence of independent directors.

	Reasons for appointment
NOMURA Ryuichiro	He has been appointed as Outside Director as he has a wealth of experience and expertise gained from years of service in key roles and positions at financial institutions and in corporate management, and as he is expected to deliver well-rounded judgments based on his unique career and provide impartial and objective oversight.

Attendance	Attended all 14 meetings of the Board of Directors and all 12 meetings of the Audit and Supervisory Committee since assuming office on July 29, 2022.
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	Reasons for appointment
TERAMURA Yasuhiko	He has been appointed as Outside Director as he has a wealth of experience and expertise gained from years of service in key roles and positions at financial institutions, and as he is expected to deliver well-rounded judgments based on his unique career and provide impartial and objective oversight.

Attendance	Attended all 31 meetings of the Board of Directors and all 26 meetings of the Audit and Supervisory Committee.
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	Reasons for appointment
MORII Shinichiro	He has been appointed as Outside Director as he has a wealth of experience and expertise gained from his career at key positions at Takara Standard Co., Ltd., and as he is expected to deliver wellrounded judgments based on his unique career and provide impartial and objective oversight.

Attendance	Attended all 31 meetings of the Board of Directors and all 26 meetings of the Audit and Supervisory Committee.
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Policies for determining the remuneration of directors and calculation methods

Remuneration of directors

The remuneration of directors consists of a basic remuneration and a performance-linked bonus. The upper limits of the remuneration established by resolution at the general meeting of shareholders held on April 27, 2017, are ¥200 million per year for five directors who are not members of the Audit and Supervisory Committee and ¥30 million per year for three directors who are members of the Committee.

The Board of Directors and the Audit and Supervisory Committee

The Board of Directors and the Audit and Supervisory Committee have the authority over the remuneration of directors. This authority extends to deliberating and determining the amount of a basic remuneration and a performance-linked bonus for each director.

The remuneration of directors who are not members of the Audit and Supervisory Committee is determined solely by the Board of Directors, whereas the remuneration of Audit and Supervisory Committee members is determined by deliberation among the members of the Committee.

Determining the policy for determining the remuneration for each individual

The method of determining this policy is set forth in the rules concerning the remuneration of directors, resolved by the Board of Directors.

The Board of Directors

The Board of Directors receives reports that are deliberated by the Nomination and Remuneration Committee based on the policy for determining the remuneration and within the range of the total amount resolved by the General Meeting of Shareholders, so the Board of Directors deems that the content of the report is in line with the said policy.

The policy for determining the percentage of the amount of remuneration for each individual

This policy shall be decided based on the reports that are deliberated by the Nomination and Remuneration Committee, comprehensively taking into account the role and contribution status of each director as well as business performance.

The basic remuneration

The basic remuneration is determined based on the amount established for each director position, with the Company's business performance, relative weight against employee salaries, and remuneration levels at other companies taken into consideration. However, if it is not appropriate to pay a remuneration calculated in such a manner due to a significant decline in the Company's business performance or other factors, the Company reserves the right to reduce the amount of basic remuneration.

The metrics for performance-linked bonuses

The metrics for performance-linked bonuses is calculated using a formula based on the Company's annual profit, as this is judged to be the most reasonable way to measure the performance of directors.

Analysis and evaluation of the effectiveness of the Board of Directors

Under its Corporate Governance Code, the Company periodically analyzes and evaluates the effectiveness of its Board of Directors in order to make it work better.

A summary of the findings from the analysis and evaluation conducted for the fiscal year ended January 31, 2023, is as follows.

Evaluation method and process

A questionnaire survey to evaluate effectiveness for the fiscal year ended January 31, 2023, was distributed to all eight directors. Based on the responses collected, the Board of Directors discussed its issues and actions to address them.

Evaluation items

The Company conducted a 31-item questionnaire survey to evaluate effectiveness. The survey asked members of the Board to make a self-evaluation by giving comments and grading on a point scale.

The survey focused on the following five areas:

- The composition of the Board of Directors
- Planning, convening, and administration of board meetings
- Matters selected for deliberation at board meetings
- Administrative assistance provided to the Board of Directors
- Relationships with shareholders

Summary of the analysis and evaluation results

The Company has found from the most recent survey results that the effectiveness of its Board of Directors has been maintained.

The Nomination and Remuneration Committee discussed and reported to the Board of Directors the basic policy on the requirements, qualifications, and education for President and CEO, directors, and other executives as the main items for deliberation, and confirmed the need for continuous discussion.

It was also confirmed that important agenda items for the Board of Directors, such as the Medium-Term Business Plan and risk management efforts, require discussion on medium- and long-term strategies and appropriate supervision of the progress of each measure.

The way forward

The Board of Directors will take the necessary actions to address some remaining issues identified from the survey to continue to enhance its effectiveness.

Total amount of remuneration of directors(FY2023)

*The remuneration below includes that of one outside director who resigned as of July 29, 2022.

Type of director	Total amount of remuneration (in thousands of yen)	Amount by type of remuneration (in thousands of yen)		Number of corresponding directors
		Basic remuneration	Performance-linked bonus	
Directors who are not members of the Audit and Supervisory Committee or outside directors	109,896	93,109	16,787	5
Outside directors	24,096	22,815	1,281	4

Summary of Major Risks and Countermeasures

Artner has defined a clear system for managing different risks in which we classify and define management risks, and each responsible division identifies and analyzes the risk situation for each type of risk. Under this system, the various kinds of risks are managed through the Compliance and Risk Management Meeting. Management and countermeasures for each type of risk are clarified and managed in the meeting.

Development of the Internal Controls System

The Company has developed an internal control system in accordance with the basic framework of the internal control system established by the Board of Directors.

The Compliance and Risk Management Meeting

At Artner, we have implemented the Compliance and Risk Management Meeting, chaired by the President and CEO, as part of a system aimed at thoroughly educating employees regarding all applicable laws and regulations and the Articles of Incorporation, and also ensuring such compliance.

Internal Whistleblowing System

We have set up an internal whistleblowing system, under which Directors, employees, and other people engaged in work for the Company can report corruption or wrongdoing to the Whistleblowing Committee, which has a duty of confidentiality. It is prohibited to subject persons who submit whistleblower reports using the system to any disadvantageous treatment as a result of such reporting. The system is designed to ensure the effectiveness of whistleblowing to prevent or quickly detect violations of applicable laws and regulations.

Internal Audits by the Internal Audit Office

The Internal Audit Office, operating independently of other divisions that execute business practices, conducts internal audits. Through such audits, it verifies the appropriateness and effectiveness of the internal management system of each division, and by promoting the improvement of the systems, it ensures that all employees lawfully execute their duties.

Risk	Definition	Countermeasure
Performance trends in the manufacturing industry	Our major clients belong to the manufacturing industry, and we dispatch engineers primarily to their design and development departments. There is a risk that these major clients may reduce their capital investments, R&D costs, and the use of external engineers due to economic recession and other factors in the countries or regions in which they operate. There is a risk that significant changes in the business environment may take place for automobile-related manufacturers, which account for a large share of our sales.	We will strengthen measures such as sector rotation and new business development and sales in order to build a client base that is capable of ensuring stable earnings that are not dependent on specific sectors or influenced by specific corporate trends.
Competition with other companies in the industry	There is a risk that competition with other companies may intensify due to market contraction or new entrants in the engineer staffing industry, where we operate our business, and this may result in a fierce price competition.	We will facilitate the improvement of all engineers' skill levels through educational programs and training curricula segmented by business field, with the aim of promoting the assignment of engineers to upstream business areas where the unit price of engineers is likely to be higher.
Effectiveness of education and training	There is a risk that the training does not turn out to be as effective as expected and the unit price of engineers does not increase due to low customer satisfaction , as well as the risk that we fail to satisfy the requests from clients, and they start to make complaints.	We will support our engineers in improving their skills by providing general, external, basic, customized, and/or career training based on our long-accumulated experience. We will strive to improve the technical and human skills of our staff by holding skill development seminars for all employees and human development training for managers.
Securing suitable clients for our dispatching business	Although we always strive to secure and expand our clients for our engineer dispatching business, there is a risk that we may be unable to find suitable clients that match our engineers and cannot maintain or improve the unit price of engineers and/or utilization rates.	We will secure and expand our business partners by strengthening our new business development and sales capabilities, utilizing online conferencing tools, and making proposals for the selection of engineers, team dispatching, and organization of contracting services in response to client needs.
Regulations on total work person-hours	The total work person-hours of our engineers is determined based on the business conditions of the client company. There is a risk that the revisions to relevant laws and regulations generate a larger pressure against long working hours, which may result in a significant decrease in the total work person-hours of engineers.	To compensate for a decrease in the total work person-hours, we will facilitate the improvement of all engineers' skill levels through educational programs and training curricula segmented by business field, with the aim of promoting the assignment of engineers to upstream business areas where the unit price of engineers is likely to be higher.
Securing science and engineering graduates	We consider science and engineering graduates to be an important managerial resource , and there is a risk that the population of science and engineering graduates may decrease due to the declining birth rate and other factors, making it significantly more difficult to hire talented graduates.	We will attract students by offering a variety of options, including a performance-based salary system , a limited area system , an internal recruitment program , and a job change assistance program.
Securing career engineers	We consider engineers with work experience to be an important managerial resource , and there is a risk that the competition to secure career hires may intensify due to a shortage of engineers who wish to change jobs as a result of booming design and development activities in the manufacturing industry, making it significantly more difficult to hire talented career engineers.	We will attract prospective employees by offering a variety of options, including a performance-based salary system , a limited area system, an internal recruitment program , and a job change assistance program.
Information management	There is a risk that information may be leaked to outside parties for some reason, and our social credibility will be damaged. There is a risk that system failures and other problems may be caused by computer viruses, unauthorized access, natural disasters, or other unforeseen events.	We will acquire the "PrivacyMark" and introduce other such measures to properly manage personal information, confidential information, and all other information obtained in the course of business operations. We will take appropriate cybersecurity measures to ensure the stable supply of our services.
Laws, regulations, licenses, and permits	There is a risk that we may violate the Worker Dispatching Act and other relevant laws and regulations, which would hinder the continuity of our business. There is a risk that revisions to relevant laws and regulations may be made that are significantly unfavorable to our business.	We consider compliance with the Worker Dispatching Act and other relevant laws and regulations to be one of our highest priorities, and we will maintain a legal compliance system by monitoring compliance with laws and regulations via internal audits and by regularly confirming compliance with laws and regulations at different meetings. We will take appropriate measures whenever relevant laws and regulations are revised.
Disasters, accidents, etc.	There is a risk that natural disasters, man-made disasters, and other disasters and accidents that significantly exceed our prediction may take place. There is a risk that our business activities may be hindered as a result of the spread of COVID-19 and other infectious diseases.	We will establish a Business Continuity Plan (BCP) and manual to deal with such disasters and accidents in an effort to mitigate the damage.
Climate change	There is a risk that our business activities may be halted or stagnated as a result of our facilities being damaged by natural disasters due to climate change. If a carbon tax is introduced or environmental regulations are tightened as part of the government's efforts to transition to a decarbonized society, there is a risk that we may be unable to offer personnel that meet our clients' demands for engineers committed to carbon neutrality initiatives.	We have announced our support for the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and have rated climate change as a high-priority issue. We will commit to taking actions and initiatives based on our environmental activity policy with the aim of achieving a more sustainable society.
Mergers and acquisitions	There are risks of significant capital demands and amortization of goodwill, etc. Such M&As may not necessarily generate synergies as expected, and there is a risk that business performance may not progress as expected due to major changes in the business environment or business conditions.	Our M&As are implemented after thorough consideration of the risks involved by conducting preliminary research through detailed due diligence on market trends and client needs, as well as the financial status and contractual relationships of the target company.
Medium-Term Business Plan	There is a risk that the market environment or economic conditions may change dramatically beyond expectations, and the business environment may not develop as predicted.	We will promote the Medium-Term Business Plan with carbon neutrality as the pillar of our business activities and establish internal systems for recruitment, training, and sales activities.
Prime Market listing maintenance criteria	Depending on our financial status and business performance as well as the market environment and economic conditions, there is a risk that we may not be able to meet the Prime Market's listing maintenance criteria by the fiscal year ending January 31, 2025.	In order to meet the listing maintenance criteria by the fiscal year ending January 31, 2025, we will take various measures such as increasing the ratio of tradable shares, increasing earnings per share (EPS), increasing shareholder returns, and improving capital efficiency.

(center)

NOMURA RyuichiroDirector and standing member of the
Audit and Supervisory Committee

(left)

TERAMURA YasuhikoDirector and member of the
Audit and Supervisory Committee

(right)

MORII ShinichiroDirector and member of the
Audit and Supervisory Committee**How do you see your roles as Outside Directors and Audit and Supervisory Committee members?**

Nomura: In addition to auditing the work of the Executive Directors, I work with the Directors to enhance transparency and fairness in corporate governance. At the same time, I try to provide them with advice, drawing from my experience, connections, and expertise.

Teramura: As stipulated by law, and on behalf of the shareholders, my first priority is to establish a corporate governance system through the work of the Executive Directors. I also aim to encourage the Executive Directors to act proactively by leveraging my experience and knowledge to advise them on management policies and areas for improvement.

Morii: I supervise the overall management of the company by providing advice on management policies and areas for improvement, focusing on both the “defensive” aspect of striving to maintain an environment in which governance is implemented properly and risks are mitigated, and the “growth-oriented” aspect of achieving sustainable growth, with the ultimate goal of maximizing corporate value.

Looking back on the previous Medium-Term Business Plan, what are your thoughts on the new Medium-Term Business Plan?

Nomura: I think the new Medium-Term Business Plan, which was prepared while selecting the Prime Market of the Tokyo Stock Exchange, is appropriate. The target of net sales of 11.6 billion yen by FY2025 (final year of the Medium-Term Business Plan) is well within reach. In the midst of a drastically changing social environment, I believe that stakeholders will appreciate that the company has positioned carbon neutrality as a pillar of its operations, which will lead to an increase in corporate value.

Teramura: The previous Medium-Term Business Plan coincided exactly with the COVID-19 pandemic. Although the company struggled in FY2022 due to delays in assigning newly graduated employees and other factors, client demand for our dispatched engineers remained strong, and there was no significant slowdown of business. Under these circumstances, with respect to strategies by segment, which is one of the Basic Measures of the Medium-Term Business Plan, I believe that the company made steady progress in the recruitment, education, and assignment of talent in each segment. The Audit and Supervisory Committee conducts interviews every year with the individuals in charge of each division within the company, and I feel that appropriate

measures are being taken for each segment in terms of recruitment, education, and assignment. The new Medium-Term Business Plan was created in response to the reorganization of the Tokyo Stock Exchange, when the company selected the Prime Market. The basic policies remain unchanged from the previous Medium-Term Business Plan, but the new plan specifies that the company will focus on dispatching engineers to carbon neutral fields. The company has dispatched many engineers to carbon neutral fields so far, and this is a well-timed measure, considering clients' current needs and the characteristics of the company's engineers. As for diversity and inclusion in talent management, women and foreign workers (overseas students) are gradually coming to play more active roles. The fact that work is increasing in the contracting business is also a plus in this regard. The company's immediate task is to satisfy the criterion for tradable share market capitalization, which is part of the listing maintenance criteria for the Prime Market. I believe that the company will be able to achieve this goal by steadily working on the various tasks listed in the Medium-Term Business Plan.

Morii: Achieving the targets of the Medium-Term Business Plan will lead to fulfillment of the listing maintenance criteria. To do so, the company needs to closely monitor progress and address any issues and tasks early-on. The market size of the engineer dispatching business and clients' R&D costs are increasing year after year, so it is important to work toward achieving the goal of reaching 1,600 engineers.

What is your assessment of the effectiveness of the Board of Directors and how it operates?

Nomura: The Board of Directors meets twice a month, once to deliberate on the company's business performance, and once to decide on important matters. Detailed matters are reported at business report board meetings, and management strategies are discussed at regular month-end board meetings, with an eye to increasing corporate value over the medium to long term. I think it is an effective operational approach. In addition, based on the content discussed in these meetings, specific measures are discussed at company-wide verification meetings and management strategy meetings. I think everyone is mindful of streamlining this process for prompt and accurate operational measures.

Teramura: The Board of Directors holds two separate meetings, which helps to narrow down the agenda for each Board of Directors meeting. I believe it operates effectively. Very detailed matters are reported at the business report board

meetings. Although it can be a little too detailed, it is helpful for us Outside Directors to understand the situation inside the company. I also appreciate that the board meeting materials are distributed at least one day in advance, and that the documents about important agenda items are presented in advance at a prior board meeting to allow us time to review them carefully. In addition, because I am based at the Tokyo headquarters, I am able to ask questions about detailed matters to the Corporate Planning and Strategy Division on the same floor. This has been very helpful for our auditing activities.

Morii: I think that the bimonthly board meetings and quarterly special board meetings enable all Directors to communicate and share their opinions on policies and issues.



What is your assessment of the company's sustainability efforts?

Nomura: The company is aiming to achieve its management philosophy based on the basic policies of cultivating people, employee happiness, corporate governance, and contributing to society. I expect the company to continue to strengthen its efforts around sustainability, including social responsibility and environmental issues.

Teramura: Originally, the company mainly focused its efforts on

contributions to society as a form of CSR. In July 2022, however, it reorganized the then CSR Promotion Meeting into the Sustainability Committee, strengthening its efforts to address sustainability issues. The company has been focusing on developing talent and strengthening governance, and I expect it to make further progress toward achieving the goals it has set in its materiality assessment.

Morii: I commend the company for promoting a business plan that places carbon neutrality as one of the pillars of its business activities, and for its progress in tightening governance and compliance.

What do you think Artner's role should be in addressing social issues, and how has it contributed to that end?

Nomura: I believe that the company is enhancing its responsiveness by providing educational opportunities for its engineers to improve their skills, and by striving to enhance their technical and human capabilities. I applaud the company for its role in society, which is supporting engineers and working to contribute to the sustainable growth of client companies.

Teramura: Japan's employment system has changed drastically from one that was mainly based on a model of lifetime employment. Today, in what is also known as the VUCA (Volatile, Uncertain, Complex, and Ambiguous) age, younger generations need to hone their skills even more than our generation and grow up prepared to adapt to any social environment. Artner provides young engineers with job and learning opportunities, and offers a variety of career paths to suit each individual's respective interests. It can be said that the company is contributing to society by improving Japan's technical capabilities and providing a place for reskilling. Going forward, I believe that the company can make an even greater contribution to society by further promoting diversity and inclusion in talent management, as outlined in its Medium-Term Business Plan.

Morii: Going forward, the company will need to continue to expand its operations toward carbon neutrality in line with the SDGs. I also think that it is important to engage in community service activities.

What are some of the challenges facing Artner? What are your expectations for Artner in the future?

Nomura: Meeting the listing maintenance criteria for the Prime Market of the Tokyo Stock Exchange and fulfilling the

Medium-Term Business Plan. The company is facing a difficult environment in terms of recruitment and other matters, I am certain that it will achieve these goals. In the future, I hope that Artner will contribute to the creation of a more enriched society by meeting clients' needs and gaining their confidence through the provision of talent that will contribute to a variety of technologies and services, such as EVs and industrial robots.

Teramura: As discussed by the Nomination and Remuneration Committee, Artner celebrated the 60th anniversary of its founding in 2022, and it will need to pass down the management of the company to the next generation in the not-too-distant-future. The majority of the current officers have been involved in the management of the company since before it went public. I think they need to start searching for and developing talent to lead the next generation right now. Going forward, I hope that young employees will take the initiative in growing the company.

Morii: The aging of Directors and the low utilization rate of women are challenges that the company needs to resolve. I also think there is much room for improvement in cooperation and information-sharing between units.



Lastly, please leave us with a message from your respective standpoints.

Nomura: The company must achieve sustained growth and increase its medium- and long-term enterprise value in order to fulfill its responsibility to society in cooperation with shareholders and other stakeholders. I will strive to ensure the effectiveness of corporate governance by exercising my audit capability and being mindful of maintaining objectivity.

Teramura: Although progress on the Medium-Term Business Plan has been smooth so far, the most important things to watch out for are scandals and any other issues that may betray shareholders' expectations. To avoid this, it is critical to ensure that the company's Internal Control System is well managed and that everyone deals with issues with a sense of urgency. We, too, are determined to do our utmost to avoid any such issues.

Morii: This is a growing and expanding industry, and market conditions are good. I believe that there is a bright and promising future ahead if the entire company tackles each challenge and plan.

Directors who are not members of the Audit and Supervisory Committee

As of April 27, 2023



President and CEO | **SEKIGUCHI Sozo**

Born December 31, 1964
 June 1983 Joined MEITEC CORPORATION
 April 1988 Joined Osaka Technology Center Co., Ltd. (previous name of the Company)
 March 1993 Appointed Director; Head of the Business Planning Office
 February 1998 Appointed Director; Vice President
 February 2002 Appointed President and CEO (current)

February 2012 Appointed Head of the Hyper Artner Business Division



Director | **HARIGAE Tomonori** | Head of the Management Division

Born May 24, 1954
 April 1978 Joined Toyobo Interior Co., Ltd.
 March 1982 Joined Osaka Technology Center Co., Ltd. (previous name of the Company)
 March 1990 Appointed Head of the Kanto Business Dept.
 March 1991 Appointed Director
 March 1993 Appointed Managing Director; Head of the General Affairs Dept.

February 2007 Appointed Managing Director; Head of the Management Division
 May 2008 Appointed Director; Head of the Management Division (current)



Director | **OKUSAKA Kazuya** | Head of the Engineer Business Division

Born September 3, 1955
 April 1978 Joined Osaka Technology Center Co., Ltd. (previous name of the Company)
 October 1993 Appointed Head of the No.3 Business Dept.
 February 2002 Appointed Standing Auditor
 April 2004 Appointed Managing Director; Head of the Human Resources Dept.
 February 2007 Appointed Managing Director; Head of the Human Resources Division
 April 2007 Appointed Managing Director; Head of the Business Management Division

March 2009 Appointed Managing Director; Head of the Technology Development Division
 February 2010 Appointed Managing Director; Head of the Business Promotion Division
 February 2011 Appointed Managing Director; Head of the Engineer Business Division
 April 2011 Appointed Director; Head of the Engineer Business Division
 February 2013 Appointed Director; Head of the Human Resources Business Division
 February 2016 Appointed Director; Head of the Engineer Business Division (current)



Director | **SATO So** | Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division

Born August 14, 1973
 April 1998 Joined Nihon Bayer Agrochem (now Bayer Crop Science)
 June 2004 Joined Aon Affinity
 April 2007 Joined Artner Co., Ltd. Appointed Head of the Corporate Planning and Strategy Division
 February 2013 Appointed Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division

April 2015 Appointed Director; Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division
 February 2016 Appointed Director; Head of the Corporate Planning and Strategy Division
 February 2022 Appointed Director; Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division (current)



Director | **EGAMI Yoji** | Head of the Technology Development Division

Born September 26, 1958
 April 1981 Joined Osaka Technology Center Co., Ltd. (previous name of the Company)
 February 2007 Appointed Head of the Technology Development Dept. of the Human Resources Division
 April 2007 Appointed Director; Head of the Human Resources Division
 February 2010 Appointed Director; Head of the Business Promotion Division

February 2011 Appointed Director; Head of the Human Resources Business Division
 February 2013 Appointed Director; Head of the Engineer Business Division
 February 2016 Appointed Director; Head of the Human Resources Business Division
 February 2022 Appointed Director; Head of the Technology Development Division (current)

Directors who are members of the Audit and Supervisory Committee

As of April 27, 2023



Director and standing member of the Audit and Supervisory Committee

NOMURA Ryuichiro

Outside Director / Independent Director

Born February 18, 1956
 April 1978 Joined Yasuda Trust & Banking Co., Ltd. (now Mizuho Trust & Banking Co., Ltd.)
 May 1999 Appointed Kinshicho Branch Manager
 April 2002 Appointed Hiroshima Branch Manager
 April 2004 Appointed Head of the Securities Agency Sales Dept.
 October 2005 Appointed Head of the Solution Sales Dept.
 April 2007 Appointed Executive Officer; Head of the Solution Sales Dept.

April 2008 Joined Mizuho Realty Co., Ltd. as Senior Managing Executive Officer
 September 2016 Joined Taiyo House Co., Ltd. as Vice President
 March 2020 Joined Nihon Unist Inc. as Advisor
 August 2020 Joined Marubeni Private Reit Inc. as Executive Officer
 July 2022 Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee
 April 2023 Joined Artner Co., Ltd. as Director and standing member of the Audit and Supervisory Committee (current)



Director and member of the Audit and Supervisory Committee

TERAMURA Yasuhiko

Outside Director / Independent Director

Born November 22, 1955
 April 1978 Joined The Bank of Yokohama, Ltd.
 December 1997 Appointed New York Branch Manager
 April 2003 Appointed Executive Officer; Head of the Financial Markets Dept.
 April 2006 Appointed Managing Executive Officer
 June 2006 Joined Kyodo Shiryō Co., Ltd. (now Feed One Co., Ltd.) as Part-time Auditor
 November 2007 Joined Mabuchi Corporation as Managing Director

November 2008 Appointed Senior Managing Director
 June 2011 Joined Sagami Transportation & Warehouse Co., Ltd. as Outside Director
 November 2018 Joined Multitrans, Ltd. as CEO
 April 2021 Joined Artner Co., Ltd. as Director and standing member of the Audit and Supervisory Committee
 April 2023 Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee (current)



Director and member of the Audit and Supervisory Committee

MORII Shinichiro

Outside Director / Independent Director

Born November 28, 1953
 March 1976 Joined Takara Standard Co., Ltd.
 May 2006 Appointed Kansai Direct Demand Branch President
 April 2011 Appointed Executive Officer; Kansai Direct Demand Branch President
 April 2013 Appointed Managing Executive Officer;

April 2019 Kansai Direct Demand Branch President
 Appointed Managing Executive Officer; Kansai Direct Demand Branch Manager and Chubu Direct Demand Branch Manager
 June 2020 Appointed Advisor
 April 2021 Joined Artner Co., Ltd. as Director and member of the Audit and Supervisory Committee (current)

Skill Matrix of Executives

Name	Positions and areas of responsibility	Corporate management	Business strategy	Recruitment and development	Sales	Finance and accounting	Governance
SEKIGUCHI Sozo	President and CEO	●	●	●	●	●	
HARIGAE Tomonori	Director Head of the Management Division	●		●	●	●	
OKUSAKA Kazuya	Director Head of the Engineer Business Division	●		●	●		
SATO So	Director Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division	●	●	●		●	
EGAMI Yoji	Director Head of the Technology Development Division	●		●	●		
NOMURA Ryuichiro	Outside Director and member of the Audit and Supervisory Committee	●			●	●	●
TERAMURA Yasuhiko	Outside Director and standing member of the Audit and Supervisory Committee	●				●	●
MORII Shinichiro	Outside Director and member of the Audit and Supervisory Committee				●		●

Note: The table above does not represent all the experience and expertise possessed by each candidate for Director.