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(Stock Exchange Code: 2428)

September 1, 2025

To Shareholders with Voting Rights:

Kazuhiro Miyazawa
President and Representative Director

WELLNET CORPORATION
10-11-4 Odorihigashi, Chuo-ku,
Sapporo, Hokkaido, Japan

NOTICE OF THE 43RD ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We are pleased to announce that the 43rd Annual General Meeting of Shareholders of WELLNET CORPORATION (the “Company”) will be held as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of the Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the website by using the Internet address shown below to review the information.

The Company’s website: <https://www.wellnet.co.jp/ir/soukai.html> (in Japanese)

(From the above website, select “Reference Documents for the General Meeting of Shareholders” from “Menu.”)

In addition to posting matters subject to measures for electronic provision on the website above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE).

Tokyo Stock Exchange website (Listed Company Search):

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

(Access the TSE website by using the Internet address shown above, enter “WELLNET” in “Issue name (company name)” or the Company’s securities code “2428” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are not attending the meeting in person, you may exercise your voting rights via the Internet or in writing (by mail). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, September 25, 2025, Japan time.

[Exercising voting rights via the Internet]

On the website for exercising voting rights designated by the Company (<https://evote.tr.mufg.jp/>), please use the voting rights exercise code and password indicated on the enclosed Voting Rights Exercise Form, and enter your votes for the proposals according to the instructions on the screen by the deadline.

When exercising your voting rights via the Internet, please refer to the “Guidance for Exercising Voting Rights” on pages 4 to 5 of the Notice of the Annual General Meeting of Shareholders (Measures for Electronic Provision) on the Company’s aforementioned website and the TSE website.

[Exercising voting rights in writing (by mail)]

Please indicate your vote for or against each proposal on the Voting Rights Exercise Form and return it so that it is received by the aforementioned deadline.

1. **Date and Time:** Friday, September 26, 2025 at 2:00 p.m. Japan time
 - * Reception opens at 12:30 p.m.
 - * The Management Briefing Session will be held at 1:00 p.m. at the same venue prior to the General Meeting of Shareholders. We would appreciate if you could also attend this session.
2. **Place:** DO-BOX EAST, Hokkaido Shimbun Building 1F, 4-1 Odorihigashi, Chuo-ku, Sapporo, Hokkaido, Japan
3. **Meeting Agenda:**

Matter to be reported: The Business Report and Financial Statements for the Company's 43rd Fiscal Year (July 1, 2024 - June 30, 2025)

Proposals to be resolved:

 - Proposal 1:** Election of Five (5) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
 - Proposal 2:** Election of Two (2) Directors Who Are Audit and Supervisory Committee Members
 - Proposal 3:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member
4. **Other Matters Regarding the Convocation of the Meeting (Guidance for Exercising Voting Rights)**
 - (1) If no indication of approval or disapproval of a proposal is made on the voting form when exercising voting rights in writing (by mail), it will be treated as an indication of approval of the proposal.
 - (2) If you exercise your voting rights more than once via the Internet, your last vote will be treated as valid.
 - (3) If you exercise your voting rights in duplicate via the Internet and in writing (by mail), your vote via the Internet will be treated as valid regardless of the time of arrival.
 - (4) If you exercise your voting rights by proxy, one other shareholder with voting rights may attend the meeting as your proxy. However, please note that you will be required to submit a document certifying your assignment of proxy rights.
 - When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
 - Shareholders who have requested the delivery of written documents will also receive written documents stating the matters subject to measures for electronic provision. However, these written documents will exclude the following matters in accordance with laws and regulations and Article 18, paragraph (2) of the Company's Articles of Incorporation.
 - Status of Stock Acquisition Rights
 - System to Ensure Appropriateness of Operations
 - Overview of Operational Status of System to Ensure Appropriateness of Operations
 - Statement of Changes in Equity
 - Notes to Financial Statements

Accordingly, the documents in question comprise a portion of the Financial Statements audited by the accounting auditor when preparing the accounting audit report and a portion of the Business Report and Financial Statements audited by the Audit and Supervisory Committee when preparing the audit report.
 - We decided to discontinue distribution of gifts to shareholders, who attend the General Meeting of Shareholders, from the 33rd Annual General Meeting of Shareholders. We would like to ask for your kind understanding.
 - The Company, at the Board of Directors' meeting held on August 8, 2025, passed a resolution to pay a dividend of surplus of ¥29 per share under our basic policy of a payout ratio of 50% or more, with starting date of payment of September 29, 2025.

[Guidance for Exercising Voting Rights]

■ Exercising Voting Rights in Writing

Please indicate your vote for or against each proposal on the Voting Rights Exercise Form and return it so that it is received by 6:00 p.m. on Thursday, September 25, 2025, Japan time.

If no indication of approval or disapproval of a proposal is made on the Voting Rights Exercise Form, it will be treated as an indication of approval of the proposal.

■ Exercising Voting Rights via the Internet

Please confirm the following points before opting to exercise your voting rights via the Internet.

If you are attending the meeting in person, you do not need to follow any procedures for exercising your voting rights by mail (Voting Rights Exercise Form) or via the Internet.

1. About the Website for Exercising Voting Rights

- (1) Voting rights can be exercised via the Internet only by accessing the site designated by the Company (<https://evote.tr.mufg.jp/>) using a computer or smartphone. (Services are unavailable between 2:30 a.m. and 4:30 a.m. every day.)
- (2) You may not be able to exercise your voting rights depending on the network environment for your Internet connection, for example, if the firewall is set for the Internet connection, if any anti-virus software is installed, if TLS encryption is not used, or if a proxy server is used.
- (3) Exercise of voting rights via the Internet will be accepted until 6:00 p.m. on Thursday, September 25, 2025, Japan time. Please exercise your voting rights at your earliest convenience. If there are any questions, please contact the Help Desk.

2. Exercising Voting Rights via the Internet

- (1) Using a Computer
 - On the website for exercising voting rights (<https://evote.tr.mufg.jp/>), please use the login ID and temporary password indicated on the enclosed Voting Rights Exercise Form, and enter your vote for the proposal according to the instructions on the screen.
 - To prevent illegal access to the voting system by a person other than the shareholder (impersonation) as well as to avoid falsification of voting data, you can change your temporary password to any password of your choosing on the site for exercising voting rights.
 - A new login ID and temporary password are issued to you each time a general meeting of shareholders is held.
 - (2) Using a Smartphone
 - By scanning the QR Code® indicated on the enclosed Voting Rights Exercise Form with smartphone, you will be automatically connected to the website for exercising voting rights where you can exercise your voting rights.
(You do not need to enter your login ID and temporary password.)
 - You may not be able to log in with the QR Code depending on your smartphone. If you are unable to log in with the QR Code, please exercise your voting rights after reading “2. (1) Using a Computer” above.
- *QR Code is a registered trademark of DENSO WAVE INCORPORATED.

3. Handling of Voting Rights Exercised in Duplicate

- (1) If you exercise your voting rights in duplicate by mail and via the Internet, your vote via the Internet will be treated as valid.
- (2) If you exercise your voting rights more than once via the Internet, your last vote will be treated as valid.

4. Costs Incurred for Voting Website Access

The costs incurred for the access to the website for exercising voting rights (such as Internet connection charges) shall be borne by the shareholder.

5. Technical Inquiries

If you have any system-related questions regarding online voting, please contact the Help Desk below.

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

Business Report

(From July 1, 2024 to June 30, 2025)

1. Items Regarding Current Status of the Company

(1) Status of business during the fiscal year ended June 30, 2025

1) Progress and results of business

During the fiscal year under review, the Japanese economy continued to face uncertainties ahead caused by factors such as rising international instability and political affairs, as well as tariff issues. Under these conditions, active progress was made in digital transformation (DX) across various industries and businesses, and it is expected that this trend will continue in the future.

The Company has also been engaged in “paperless,” “cashless,” and other initiatives, promoting activities such as “Electronic invoices and electronic payment” and “DX Promotion Solution Project for transportation industry and MaaS” as priority measures, and conducting measures considering a lifestyle-based fin-tech platform in this context. The Company has focused on its “Payment Plus Alpha Platform expansion,” including *ekaiin.com* and *SHIMA-YELL* for issuing and storing electronic invoices.

In the fiscal year under review, the Company collaborated with companies that provide a range of different functions to provide total services for Sapporo Life Assistance Premium Gift Certificates, utilizing the Company’s payment portal site and remittance system. In addition, we commenced a collaboration with Japan Communications Inc. (securities code: 9424) for maximizing the efficiency of a safe, secure, easy and convenient “e-money with identity authentication” system utilizing their authentication infrastructure. It was released in July 2025, which was a commencement of the challenge toward social implementation.

“Surutto QRtto,” which was launched in June 2024, is operating smoothly and expanded to Hyogo Prefecture and the northern Osaka region in April, with an increase in the number of users. The core system *ALTAIR triple star* has expanded beyond the Kansai region to include the Shonan Monorail and JR Hokkaido. For “electronic money,” we are making preparations with the prospect of offering a service that enables companies to develop their own corporate money for in-house payment processing. In addition, to strengthen our localized sales, we established a new Kyushu Sales Office in August 2025, completing a four-location business network in Sapporo, Tokyo, Osaka, and Fukuoka.

As a result of these business activities, for the fiscal year ended June 30, 2025, the Company reported net sales of ¥10,918 million (up 7.8% year on year), operating profit of ¥1,502 million (up 22.9% year on year), ordinary profit of ¥1,664 million (up 36.0% year on year), and profit of ¥1,077 million (up 28.8% year on year).

2) Status of capital investment

The total amount of capital investment conducted by the Company during the fiscal year ended June 30, 2025 was ¥334 million and the Company invested in mainly the software for information processing service, server equipment and its auxiliary equipment.

3) Status of fund procurement

There is no relevant information.

(2) Issues to be addressed

The Company has formulated a new five-year management plan (from July 2025 to June 2030) under the theme “Think Wild. - Driving Japan’s digital transformation (DX) through innovative services from Hokkaido.”

The outline of this plan is provided below.

Plan Overview: “Think Wild.” - Bold ideas, bold challenges!
- Driving Japan’s digital transformation (DX) through innovative services from Hokkaido -

► Maximize revenue from existing services

- Improve profit margins by expanding direct sales channels
- Promote full adoption of all payment types among existing clients
- Secure roles as the digital transformation (DX) partner for major existing clients

► Implement safe, secure, comfortable, and convenient e-money in the society

- Develop e-money in *Altair Triple Star*

- Expand OEM adoption of e-money
- Broaden use of WELLNET's general-purpose e-money
- ▶ Promote value-added payment services
 - Expand BPO business
 - Increase adoption of packaged solutions (e.g., *ekaiin.com*, *SHIMA-YELL*)
- ▶ Enhance productivity through management accounting and proactive AI utilization
- ▶ Contribute to the regional community through corporate social responsibility programmes
 - Support technical colleges in Hokkaido to eliminate dropouts due to financial hardship
 - Promote winter sports (e.g., speed skating)

In accordance with that, the Company aims to maximize revenue for the services it currently offers, and will devote its efforts to the following measures.

A. “Smartphone payment service,” *Shiharai-Hisho* and our response to electronic money during the shift to paperless and cashless

The Company's e-money was securely and safely evolved through cooperation with Japan Communications Inc., and the Company will promote the expansion strategy for two types: e-money that can be used in a versatile way and OEM supply-based e-money that can be embedded in applications a company developed for its own customers, etc.

B. Actively promoting IT projects for transport operators

The smartphone electronic ticketing application *Bus Mori!* and *ALTAIR triple star* have expanded the types of electronic ticket to include single-trip tickets, coupon tickets, commuter passes, unlimited ride passes, and discount passes. We believe that, as verification makes a large shift from locally-based to served-based in the future, transportation-related digital transformation in regions where investment was originally difficult will expand, and so will further promote proposal-based sales to expand the usage rate of the Company's ALTAIR triple star, the all-in-one cloud service for transport business operators.

C. WELLNET's key products, Multi Payment Services and Money Transfer Services

Multi Payment Services and Money Transfer Services for non-face-to-face payment are expected to have the potential for continued growth, and the Company aims to continue to enhance payment functions that contribute to increase in convenience for both operators and consumers.

The number of customers for the smartphone barcode payment service *stanp*, which launched at Family Mart in September 2022, is steadily increasing, and we are proactively proposing adoption to other convenience stores.

D. Activities contributing to local communities

We recognize that our work in “IT utilization and DX” itself contributes to global environmental conservation.

In addition, as part of our social contribution, we are providing support to many students through our WELLNET Scholarship, established to help financially struggling students at colleges of technology in Hokkaido. Approximately ¥111 million in scholarships was paid to a total of 1,025 students until the fiscal year 2024, directly contributing to zero students dropping out due to economic difficulties. We will continue these activities moving forward.

In addition, with the aim of contributing to the promotion of local winter sports, the Company is participating in the “Scrum Sapporo” initiative promoted by the Hokkaido All Olympians. Furthermore, we are pleased to announce that we will be supporting the Olympic and other international competitions of employee athletes, including brothers Masaya Yamada and Kazuya Yamada, by adding promising young athletes Yudai Yamamoto and Motonaga Arito to their team. Additionally, we will leverage our *ekaiin.com* service platform to boost the promotion of sports through IT.

In addition, the Company's head office building has received the platinum rank of WELL Certification, which began in the U.S to evaluate and certify spaces including buildings and offices from the standpoint of human health, and has also won the “36th Nikkei New Office Awards,” which awards creativity in office design. By providing our employees as human capital, with the best possible work environment, we are working to increase corporate value through measures such as increased productivity and workstyle reforms.

E. Numerical targets

“2030-2030”: Grow the profit levels by double in five years with net profit to ¥2.0 billion and ordinary profit to ¥3.0 billion in FY2030.

F. Shareholder return policy

We have decided our basic policy for sharing profits with shareholders as follows in order to provide shareholders with more peace of mind in their investments.

- | | |
|--------------------|---|
| (Annual dividend) | Introduced a minimum DOE (dividend on equity ratio) of 5% and consistently pay dividends with a payout ratio of 50% or more |
| (Interim dividend) | To be implemented with a minimum DOE of 2.5% starting from the interim period ending December 31, 2025 |

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Five (5) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members). The selection of candidates for Directors has been the subject of deliberations by the Nomination and Remuneration Committee, the majority of whose members are independent Outside Directors. In addition, this proposal has been reviewed by the Audit and Supervisory Committee of the Company, and the opinion has been received that all candidates for Directors would be appropriate as a Director of the Company.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
1	Kazuhiro Miyazawa (February 24, 1960) Reappointed	March 1983 March 1996 September 1996 September 2009	Joined TOYO KEIKI CO., LTD. Joined ICHITAKA TAKAHASHI CO., LTD. (currently ICHITAKA Gas One Co., Ltd.) Director, General Manager of Sales Division of the Company President and Representative Director of the Company (to present)	Number of shares of the Company held 542,710 Attendance at the Board of Directors' meetings: 16/16 Attendance at the voluntary Nomination and Remuneration Committee: 3/3
	[Reason for nomination as a candidate for Director] Mr. Kazuhiro Miyazawa served as Director, General Manager of Sales Division of the Company from September 1996 and designed, promoted and expanded the Company's service scheme. In addition, after his appointment as President and Representative Director in September 2009, he has been making appropriate management decisions. The Company has appointed Mr. Miyazawa as a candidate for Director as it is expected that he will continue to lead the Company overall with his strong leadership.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
2	Tatsuya Kato (February 1, 1965) Reappointed	April 1988	Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)	Number of shares of the Company held 14,025 Attendance at the Board of Directors' meetings: 16/16
		April 2009	Seconded to Sumitomo Mitsui Banking Corporation (China) Limited (Shanghai)	
		April 2013	General Manager of Transaction Banking Department of Sumitomo Mitsui Banking Corporation	
		April 2017	General Manager of Global Transaction Banking Department of Sumitomo Mitsui Banking Corporation	
		April 2020	General Manager of Transaction Banking Department of Sumitomo Mitsui Banking Corporation	
		April 2021	Executive Officer and Head of President's Office of the Company	
		July 2021	Executive Officer, General Manager of the Settlement Innovation Promotion Department, and Head of President's Office of the Company	
		September 2021	Director, Executive Officer, and General Manager of the Settlement Innovation Promotion Department of the Company	
		May 2023	Director and Chairman of Tokyo Beauty Co., Ltd. (to present)	
		July 2024	Director, Executive Officer, and General Manager of the Head Office Sales Department of the Company (to present)	
		(Significant concurrent positions outside the Company)		
		Director and Chairman of Tokyo Beauty Co., Ltd.		
[Reason for nomination as a candidate for Director] Based on his career at Sumitomo Mitsui Banking Corporation, Mr. Tatsuya Kato has experience in a wide range of areas, such as the planning and development of settlement services for large companies, establishment of a company for the planning, development and operation of software and escrow operations, and the introduction of cash management service into over 100 companies. Since his appointment as Director and Executive Officer in September 2021, he has made effective execution of business operations regarding sales activities. The Company has appointed Mr. Kato as a candidate for Director as it is expected that he will continue to promote the Company's sales activities.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
3	Keisuke Yoshimoto (May 12, 1963) Reappointed	April 1986	Joined MITSUI & CO., LTD.	Number of shares of the Company held 8,884 Attendance at the Board of Directors' meetings: 16/16
		December 1993	Deputy Manager of Machinery Information & Fuel Office, Hokkaido Office of MITSUI & CO., LTD.	
		April 1999	Manager of Telecom Business Department, Information Industry Division of MITSUI & CO., LTD.	
		April 2001	General Manager of Sales Management Department, Mobile Business Division of Mitsui & Associates Telepark Corporation (currently T-Gaia Corporation)	
		October 2009	Executive Officer, General Manager of Sales Division 1 of T-Gaia Corporation	
		June 2011	Senior Executive Officer and General Manager of Sales Division 1 of T-Gaia Corporation	
		April 2017	Managing Executive Officer and General Manager of Mobile Division 1 of T-Gaia Corporation	
		April 2023	Head of President's Office and General Manager of Business Promotion Department of the Company	
		July 2023	Executive Officer, General Manager of West Japan Branch Office, and Head of President's Office of the Company	
		September 2023	Director, Executive Officer, General Manager of West Japan Branch Office, and Head of President's Office of the Company	
		July 2024	Director, Executive Officer, General Manager of West Japan Branch Office, and Head of Head Office President's Office of the Company (to present)	
[Reason for nomination as a candidate for Director] During his career at Hokkaido Office of MITSUI & CO., LTD., Mr. Keisuke Yoshimoto assisted us in the development of our convenience store companies and the airline industry, an important business sector, and was instrumental in building the foundation of our business. In addition, he has extensive experience in scheme architecture, business partner cooperation, sales and organizational operations, mainly at the mobile business at T-Gaia Corporation. Since his appointment as Director and Executive Officer of the Company in September 2023, he has made effective execution of business operations regarding business expansion in the West Japan region, the establishment of amicable relationships with convenience store companies, and growing the electronic money related business. The Company has appointed Mr. Yoshimoto as a candidate for Director as it is expected that he will continue to promote these business activities.				
4	Sachio Higashihara (March 12, 1959) Reappointed	April 1982	Joined Hokuyo Sogo Bank, Ltd. (currently North Pacific Bank, Ltd.)	Number of shares of the Company held 5,764 Attendance at the Board of Directors' meetings: 16/16 Attendance at the Audit and Supervisory Committee meetings held during the term of office as Director (Audit and Supervisory Committee Member): 3/3 Attendance at the voluntary Nomination and Remuneration Committee meetings held during the term of office as Director (Audit and Supervisory Committee Member): 1/1
		January 2006	Branch Manager of Nishisen Branch of North Pacific Bank, Ltd.	
		October 2008	Branch Manager of Sapporo Minami Branch of North Pacific Bank, Ltd.	
		June 2010	General Manager (sub) of System Division of North Pacific Bank, Ltd.	
		June 2011	General Manager of System Division of North Pacific Bank, Ltd.	
		June 2012	Executive Officer and Branch Manager of Hakodate- Chuo Branch of North Pacific Bank, Ltd.	
		June 2014	Director and General Manager of Business Strategy Division of North Pacific Bank, Ltd.	
		June 2016	Managing Director of North Pacific Bank, Ltd.	
		June 2017	President and Representative Director of Koyo Real Estate Co., Ltd.	
		June 2023	Advisor of Koyo Real Estate Co., Ltd.	
		September 2023	Director (Audit and Supervisory Committee Member) of the Company	
September 2024	Director, Executive Officer, and General Manager of the Administration Department of the Company (to present)			
[Reason for nomination as a candidate for Director] Mr. Sachio Higashihara was engaged in corporate investment and loan operations, corporate planning, and IT strategy-related operations at North Pacific Bank, Ltd. and has expertise in finance, regional economics, and information systems. He also has managerial expertise, having served as Managing Director of North Pacific Bank, Ltd., and Representative Director and President of Koyo Real Estate Co., Ltd. Since his appointment as Director and Executive Officer in September 2024, he has made effective execution of business operations in our management team. The Company has appointed Mr. Higashihara as a candidate for Director as it is expected that he will continue to promote these business activities.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
5	Yoji Chujo (May 29, 1964) Reappointed	April 1988	Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)	Number of shares of the Company held 3,950 Attendance at the Board of Directors' meetings after appointment on September 25, 2024: 13/13
		May 2009	Deputy General Manager of IT & Systems Control Office of Mizuho Bank, Ltd.	
		April 2014	General Manager of Business Department of Mizuho Information & Research Institute, Inc. (currently Mizuho Research & Technologies, Ltd.)	
		June 2019	Managing Director of Japan Investor Solutions & Technologies Co., Ltd.	
		August 2024	Advisor of the Company	
		September 2024	Director, Executive Officer, and General Manager of the Service Development Department of the Company (to present)	
[Reason for nomination as a candidate for Director] Mr. Yoji Chujo has been engaged for many years in IT operations at Mizuho Bank, Ltd., information strategy companies within Mizuho Financial Group, Inc., and Japan Investor Solutions & Technologies Co., Ltd. and possesses extensive knowledge and experience managing system development departments. Since his appointment as Director and Executive Officer in September 2024, he has made effective execution of business operations in our service development department regarding system development, quality control, risk countermeasures, and security countermeasures for advanced services at the Company. The Company has appointed Mr. Chujo as a candidate for Director as it is expected that he will continue to promote these business activities.				

(Notes)

1. There are no special interests between candidates for Directors and the Company.
2. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. A summary of the insurance policy details is provided in “(5) Outline of the Details of Directors and Officers Liability Insurance Policy” of “3. Matters Concerning Company Directors and Officers” in the Business Report. If the appointment of each of the Director candidates is approved, the individuals will be included as an insured under this insurance policy. Moreover, at its expiration, the insurance policy is slated to be renewed with the same coverage.

Proposal 2: Election of Two (2) Directors Who Are Audit and Supervisory Committee Members

The terms of office of Mr. Takashi Hanazawa and Mr. Yoshinori Urata, who currently serve as Directors who are Audit and Supervisory Committee Members, will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of two (2) Directors who are Audit and Supervisory Committee Members. In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:				
No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
1	Takashi Hanazawa (May 9, 1951) Reappointed	March 1976	Joined Nippon Telegraph and Telephone Public Corporation (currently NTT, Inc.)	Number of shares of the Company held 11,729 Attendance at the Board of Directors' meetings: 16/16 Attendance at the Audit and Supervisory Committee meetings: 13/13 Attendance at the voluntary Nomination and Remuneration Committee: 3/3
		June 2007	Director, General Manager of Research Planning Department of Nippon Telegraph and Telephone Corporation	
		September 2007	Executive Vice President and Representative Director of NTT Advanced Technology Corporation	
		June 2010	President & CEO of NTT Advanced Technology Corporation	
		June 2015	Director and Senior Advisor of NTT Advanced Technology Corporation	
		September 2017	Outside Director and Audit and Supervisory Committee Member of the Company (to present)	
[Reason for nomination as a candidate for Outside Director and expected roles] Mr. Takashi Hanazawa has for many years been involved in research and development primarily in the network technology field at Nippon Telegraph and Telephone Public Corporation (currently NTT, Inc.). Having served in managerial positions including General Manager of Research Planning Department of Nippon Telegraph and Telephone Corporation and President & CEO of NTT Advanced Technology Corporation, he is also equipped with the insight and the abundant experience of a corporate manager. Additionally, since his appointment as Outside Director of the Company in 2017, he has provided much pertinent guidance and advice as a manager with knowledge regarding systems at the Board of Directors' meetings, and has been strengthening the system development and business operations of the Company. As a result, the Company has appointed Mr. Hanazawa as a candidate for Outside Director (Audit and Supervisory Committee Member) as it has determined that he is capable of making fair and highly transparent management decisions.				
2	Yoshinori Urata (January 13, 1961) Reappointed	April 1983	Joined The Hokkaido Bank, Ltd.	Number of shares of the Company held 6,734 Attendance at the Board of Directors' meetings: 16/16 Attendance at the Audit and Supervisory Committee meetings: 13/13 Attendance at the voluntary Nomination and Remuneration Committee: 3/3
		June 2005	Deputy General Manager of Sales Department of Head Office of The Hokkaido Bank, Ltd.	
		June 2008	General Manager of Kitami Branch of The Hokkaido Bank, Ltd.	
		July 2011	General Manager of Corporate Planning Department of The Hokkaido Bank, Ltd.	
		October 2012	Managing Executive Officer of Dogin Regional Research Institute Co., Ltd.	
		February 2016	Senior Managing Executive Officer of Dogin Regional Research Institute Co., Ltd.	
June 2019	President and Representative Director of Hokkaido Venture Capital, Inc. (to present)			
September 2021	Outside Director and Audit and Supervisory Committee Member of the Company (to present)			
August 2024	Outside Director of Impl Co., Ltd. (to present) (Significant concurrent positions outside the Company) President and Representative Director of Hokkaido Venture Capital, Inc. Outside Director of Impl Co., Ltd.			
[Reason for nomination as a candidate for Outside Director and expected roles] Mr. Yoshinori Urata engaged in investment and loan operations for companies, consulting services, policy proposals for the growth of regional economies and corporate planning, strategy development and administrative duties at The Hokkaido Bank, Ltd., Dogin Regional Research Institute Co., Ltd. and Hokkaido Venture Capital, Inc. and possesses knowledge concerning finance, regional economies and corporate management. Furthermore, in addition to his knowledge as a manager, he also engaged in venture business investment, business regrowth investment and hands-on support for business growth, and possesses knowledge related to the establishment of management systems and the strengthening of their foundations. As a result, the Company has appointed Mr. Urata as a candidate for Outside Director (Audit and Supervisory Committee Member) as it has determined that he is capable of providing accurate advice concerning the Company's management and the appropriate supervision of the execution of duties.				

(Notes)

1. There are no special interests between candidates for Directors and the Company.

2. Mr. Takashi Hanazawa and Mr. Yoshinori Urata are candidates for Outside Directors (Audit and Supervisory Committee Members).
3. Tenure as Outside Director of the Company
Mr. Takashi Hanazawa is currently an Outside Director of the Company. At the conclusion of this meeting, his tenure since assuming office as Outside Director will have been eight (8) years.
Mr. Yoshinori Urata is currently an Outside Director of the Company. At the conclusion of this meeting, his tenure since assuming office as Outside Director will have been four (4) years.
4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and the provisions of the Company's Articles of Incorporation, the Company has entered into agreements with non-executive Directors to limit their liability for damages under Article 423, paragraph (1) of the same act. The maximum amount of liability for damages under such agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act. The Company intends to renew the limited liability agreement with candidates for Outside Directors Mr. Takashi Hanazawa and Mr. Yoshinori Urata subject to the approval of their reappointment.
5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. A summary of the insurance policy details is provided in “(5) Outline of the Details of Directors and Officers Liability Insurance Policy” of “3. Matters Concerning Company Directors and Officers” in the Business Report. If the appointment of Mr. Takashi Hanazawa and Mr. Yoshinori Urata is approved, they will be included as an insured under this insurance policy. Moreover, at its expiration, the insurance policy is slated to be renewed with the same coverage.
6. The Company has registered Mr. Takashi Hanazawa and Mr. Yoshinori Urata as independent officers in accordance with the regulations of the Tokyo Stock Exchange. The Company intends to continue registering them as independent officers subject to the approval of their reappointment.

Reference: Directors' skills (if each candidate is elected at this General Meeting of Shareholders)

The Company arranges each Director's skills appropriately and without insufficiencies. The table of such is as follows:

Categories				Position in the Company	Name	Responsibilities		Experience and expertise					
						Business execution	Audit and supervision	Business management	Sales strategy	Financial markets	System development	Finance	Legal affairs
1	Re-appointed			Representative Director	Kazuhiro Miyazawa	●		○	○	○			
2	Re-appointed			Director	Tatsuya Kato	●		○	○			○	
3	Re-appointed			Director	Keisuke Yoshimoto	●		○	○				
4	Re-appointed			Director	Sachio Higashihara	●		○				○	○
5	Re-appointed			Director	Yoji Chujo	●		○	○		○		
6	Re-appointed	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Takashi Hanazawa		●	○	○		○		
7	Re-appointed	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Yoshinori Urata		●	○		○		○	
8	Incumbent	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Yumi Yamamoto-Tyrrell		●	○		○		○	

Proposal 3: Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

Mr. Kunihiro Kishi, who currently serves as a Substitute Director who is an Audit and Supervisory Committee Member, has submitted a request to decline the position of Substitute Director who is an Audit and Supervisory Committee Member at the conclusion of this meeting. Accordingly, in order to prepare for the case where the number of Directors who are Audit and Supervisory Committee Members falls below the number specified by laws and regulations, the Company proposes to elect one (1) Substitute Director who is an Audit and Supervisory Committee Member in advance, as a substitute for all Directors who are Audit and Supervisory Committee Members. In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:			
Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
Hiroshi Urata (March 28, 1960)	April 2017	Director General of City Development Policy Planning Bureau of Sapporo City	Number of shares of the Company held —
	April 2019	Director General of Transportation Bureau of Sapporo City	
	April 2022	Representative Director and President of Sapporo Development Corporation	
	April 2024	Part-time Lecturer of Hokkaido Bunkyo University (to present)	
	(Significant concurrent positions outside the Company)		
	Part-time Lecturer of Hokkaido Bunkyo University		
[Reason for nomination as a candidate for Substitute Outside Director and expected roles] Mr. Hiroshi Urata possesses knowledge concerning corporate management as Representative Director and President of Sapporo Development Corporation, and has abundant experience and broad insight related to transport systems, which is one of the cores of the Company’s business. As a result, the Company has appointed him as a candidate for Substitute Outside Director (Audit and Supervisory Committee Member) as it has determined that he is capable of providing accurate advice concerning the Company’s management and the appropriate supervision of the execution of duties.			

(Notes)

1. There are no special interests between Mr. Hiroshi Urata and the Company.
2. Mr. Urata is a candidate for Substitute Outside Director who is an Audit and Supervisory Committee Member.
3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and the provisions of the Company's Articles of Incorporation, the Company has entered into agreements with non-executive Directors to limit their liability for damages under Article 423, paragraph (1) of the same act. The maximum amount of liability for damages under such agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act. The Company intends to conclude the limited liability agreement with Mr. Urata subject to his election and assumption of office as Substitute Director who is an Audit and Supervisory Committee Member.
4. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. A summary of the insurance policy details is provided in "(5) Outline of the Details of Directors and Officers Liability Insurance Policy" of "3. Matters Concerning Company Directors and Officers" in the Business Report. Subject to his election and assumption of office as Substitute Director who is an Audit and Supervisory Committee Member, Mr. Urata will be included as an insured under this insurance policy. Moreover, at its expiration, the insurance policy is slated to be renewed with the same coverage.
5. Mr. Urata satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and the Company intends to submit notification to the aforementioned exchange concerning his designation as an independent officer subject to his election and assumption of office as Director who is an Audit and Supervisory Committee Member.