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(Stock Exchange Code: 2428)  
August 31, 2022

**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 40TH 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 40th Annual General Meeting of Shareholders of WELLNET CORPORATION (the “Company”) will be held as described below.

Preventing the spread of the novel coronavirus disease (COVID-19) has become a social issue, and after careful consideration, we have decided to hold this General Meeting of Shareholders after implementing appropriate measures to prevent infection, the same as the previous year.

As we place the highest priority on the safety and security of all our shareholders, we strongly recommend that you refrain from traveling to the venue on the day of the meeting and exercise your voting rights in advance via the Internet or in writing if at all possible.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Tuesday, September 20, 2022, Japan time.

- 1. Date and Time:** Wednesday, September 21, 2022 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:** WELLNET HALL, Sapporo Headquarters Bldg. 1F, WELLNET CORPORATION  
10-11-4 Odorihigashi, Chuo-ku, Sapporo, Hokkaido, Japan  
\* As in the previous year, we will have significantly fewer chairs at this year’s meeting because we will need to space them out to help prevent the spread of COVID-19. As a result, it is possible that not everyone who comes to the meeting will be able to enter the venue. We appreciate your understanding.  
\* In December 2021, we moved our head office from Minato-ku, Tokyo to Sapporo, Hokkaido. Therefore, the new location for the General Meeting of Shareholders is as indicated above.  
To find the venue, please carefully review the General Meeting of Shareholders Location Map at the end of this document. (Japanese only)
- 3. Meeting Agenda:**  
**Matter to be reported:** The Business Report and Financial Statements for the Company’s 40th Fiscal Year (July 1, 2021 - June 30, 2022)  
**Proposals to be resolved:**  
**Proposal 1:** Partial Amendments to the Articles of Incorporation  
**Proposal 2:** Election of Three (3) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- 4. Guidance for Exercising Voting Rights:**  
Please refer to [Guidance for Exercising Voting Rights] on page 3.

#### <Requests to Shareholders>

- We may revise the measures outlined above depending on the situation regarding the spread of the virus and announcements by the government or other institutions ahead of the General Meeting of Shareholders. We would therefore ask that you check for information regarding this on the Company's website (<https://www.well-net.jp/ir/>) (Japanese only).
- Exercise of voting rights with Voting Rights Exercise Form carries the risk of infection due to the process to return it and the work to tally the votes. Accordingly, we ask you to exercise voting rights via the Internet if at all possible when exercising voting rights prior to the meeting.
- We will provide liquid hand disinfectant for our shareholders near the reception of the venue. (We ask that shareholders attending the meeting bring and wear masks.)
- Body-temperature checks will be administered close to the venue's entrance, and persons who are recognized as having a fever, or appear to be in poor health may be refused admission and asked to return home.
- Staff members at the General Meeting of Shareholders will also be wearing masks and have their temperature and health checked.
- Detailed explanations of the matter to be reported (including the audit report) and proposal will be omitted at this General Meeting of Shareholders to shorten the meeting's duration, from the perspective of preventing the spread of COVID-19.

#### <Other points to note>

- Reception is scheduled to open at 12:30 p.m. on the day of the meeting.
- 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.
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Based on the provisions of the relevant laws and the Company's Articles of Incorporation, the provided documents noted below are posted on the Company's website (<https://www.well-net.jp/ir/>) (Japanese only), and are therefore not included in the documents provided with this convocation notice.  
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 provided here 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.
- If there are revisions to the Reference Documents for the General Meeting of Shareholders, Business Report or Financial Statements, the revised information will be announced and posted on the Company's website (<https://www.well-net.jp/ir/>) (Japanese only).
- The Company, at the Board of Directors' meeting held on August 12, 2022, passed a resolution to pay a dividend of surplus with a payout ratio of 50% (¥14.13 per share), with starting date of payment of September 22, 2022.

## [Guidance for Exercising Voting Rights]

### ■ Exercising Voting Rights in Writing

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 6:00 p.m. on Tuesday, September 20, 2022, Japan time.

### ■ 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 2:00 a.m. and 5:00 a.m. every day.)
- (2) Your ability to exercise your voting rights online may be affected by 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 possible, or if a proxy server is used.
- (3) Exercise of voting rights via the Internet will be accepted until 6:00 p.m. on Tuesday, September 20, 2022, 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 will be asked to change your temporary password 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.)
- From the perspective of security, exercising voting rights by using the QR code is available only once.  
When scanning the QR code for the second and subsequent times, you will 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)

(Provided document)

# Business Report

(From July 1, 2021 to June 30, 2022)

## 1. Items Regarding Current Status of the Company

### (1) Status of business during the fiscal year ended June 30, 2022

#### 1) Progress and results of business

During the fiscal year under review, the Japanese economy has not fully recovered from the economic downturn caused by the COVID-19 pandemic, and its effects are becoming prolonged, while factors such as increasing geopolitical risks surrounding the situation in Ukraine and monetary tightening in the US have caused resource prices to rise and financial markets to become unstable, and the situation remains unpredictable.

In the Company's main business domain markets, the impact related to transportation-related businesses such as airlines, buses, and railroads has not returned to pre-pandemic levels. At the same time, DX (Digital Transformation) is being actively promoted in a variety of industries and business categories, and the non-face-to-face and non-contact services are increasing, and IT is playing an increasingly important role in society. In the midst of this paradigm shift, the Company has been promoting activities such as "Response to the age of electronic money" and "IT Promotion Solution Project for transportation industry and the MaaS Business" as priority measures, with "paperless" and "cashless" as the keywords, and conducting activities considering a lifestyle-based fin-tech platform in this context. In addition, we have focused on expanding our "Payment Plus Alpha Platform," including the start of full-scale sales expansion of *ekaiin.com* (e-member.com), a service that promotes digital transformation of membership management. Also, the consolidation of back-office operations into our Sapporo head office has begun to produce efficiency gains.

As a result of these business activities, for the fiscal year ended June 30, 2022, the Company reported net sales of ¥8,950 million (up 1.2% year on year), operating profit of ¥735 million (up 29.7% year on year), ordinary profit of ¥754 million (up 13.2% year on year), and profit of ¥532 million (up 35.1% 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, 2022 was ¥163 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 online payment market, the Company's business domain, is expected to continue achieving a certain level of growth in the future, but we believe that the expansion of electronic payment will lead to the commoditization of payments themselves, and we are making efforts to expand and improve cloud services that support digital transformation for businesses as a concrete form of payment plus alpha.

#### A. "Smartphone payment service," *Shiharai-Hisho* during shift to paperless and cashless

*Shiharai-Hisho* (payment secretary), which carries out payments via bank-account-linked smartphones, has already been introduced at eight electric power companies, and the number of payments for local taxation and public utility charges that can be made using *Shiharai-Hisho* is also increasing, especially in areas where there are many partner banks, in addition to developing seamless linkage with the Company's cloud services ("B"), which are *Bus Mori!*, *ALTAIR triple star*, and *ekaiin.com*.

For *ekaiin.com*, a membership management service that enables electronic billing and payment of various expenses using the *Shiharai-Hisho* and credit cards, it has been adopted in a wide range of fields, including the solicitation of donations for Higashi Honganji Temple, various sales for students of Meidai Support Corporation, collection of alumni association fees for high schools, reception work for public interest incorporated association workshops and merchandise sales, and solicitation of support for future support crowdfunding for restaurants in Sapporo in fiscal 2022. In the future, we will further expand our service areas and focus on horizontal development of proven fields. In addition, we have completed the

development of a new function, “non-stop payment,” which is more advanced than the current one-stop payment function, and commenced marketing activities.

On the other hand, we have completed alliances with 36 banks, including Sumitomo Mitsui Banking Corporation and Japan Post Bank Co., Ltd. After completion of security measures of identity verification due to a series of unauthorized use of fund transfer agent accounts connected with several banks, the Company is working to resume operations with them. As of August 1, 2022, the number of available banks has recovered to 24, and we will make continuous efforts to increase the number of available banks, including new ones.

#### B. Actively promoting IT (DX) projects for transportation operators

Launched in August 2016, the smartphone electronic ticketing application *Bus Mori!* has expanded the types of electronic ticket to include single-trip tickets, coupon tickets, commuter passes, unlimited ride passes, and discount passes, and now handles more than 450 routes of bus and rail. In the wake of the COVID-19 pandemic, the Company is expanding smartphone commuter passes and smartphone coupon tickets, which can be purchased non-face-to-face. In addition, the Company continues to expand functions for *ALTAIR triple star*, a MaaS cloud service, which the Company has been developing since 2017. *ALTAIR triple star* is an all-in-one total cloud service ticket sales system that can automate a series of operations, from inventory and timetable management for rides and events, ticket reservation, purchase, issuance, and authentication, to sales information aggregation and settlement processing. Especially in the case of MaaS, which is provided jointly by multiple operators, our extensive knowledge and experience in the labor-intensive settlement operations is a major advantage.

In the MaaS domain, since the *DohNa!!* service was launched for use on Hakodate’s trams, buses, and railroads from January 2020, in the fiscal year under review, the Company has been actively responding to the strong demand for DX in the transportation industry by participating in Sendai MaaS in October 2021, *OkhoNavi* in the Hokkaido Okhotsk area in January 2022, joining JAL MaaS in February 2022, and participating in the Going Around Hokkaido: Public Transportation Usage Promotion Campaign promoted by Hokkaido in May 2022. A key feature of the services we deploy is that they comprise a sustainable scheme that continues to be used even after the so-called demonstration period is over, since they realize conversion to variable costs from system costs, which are the mainstay of cloud services.

#### C. Current status of WELLNET’s “key product,” Multi Payment Services

Multi Payment Services are expected to have the potential to grow in the area of non-face-to-face payments. Various operators have been adopting the Company’s payment services for over 30 years, and The Company aims to continue to provide payment gateway services that contribute to increase in convenience for both operators and consumers. The Company will continue to promote the development of payments and more services, and we believe that we have a significant advantage in this area because of our payment infrastructure.

#### D. Activities contributing to local communities and SDGs

We recognize that our business of “IT utilization and digital transformation” itself supports the shift to an environmentally friendly business model, and that business expansion itself contributes to global environmental conservation.

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. As of the end of fiscal 2021, a total of 610 students have been awarded WELLNET scholarships, totaling approximately 72 million yen. Many of the award recipients have responded with letters of gratitude, which serve to further motivate our employees. Although many students were affected by COVID-19 in the fiscal year 2021, continuing from last year, we received reports that four colleges of technology in Hokkaido achieved a zero dropout rate as a result of our support. We will continue with these activities.

Moreover, in response to a request to participate in the “Scrum Sapporo” concept promoted by Hokkaido All Olympians, which aims to contribute to the promotion of local sports and to bid for the 2030 Sapporo Olympics and Paralympics in cooperation with Hokkaido, Sapporo City, and others, as part of its local contribution activities, the Company concluded a sponsorship agreement on April 21, 2022 with Masaya Yamada, a speed skater who holds the Japanese record in the men’s 1000 meters and is expected to compete in the Olympics. We intend to actively utilize *ekaiin.com* to support athletes and also support sports through the Company’s services.

In addition, Sapporo City aims to become a sustainable city with a good living environment based on the revised Building Energy Conservation Law, and has established the Comprehensive Assessment System for Building Environmental Efficiency in Sapporo (CASBEE Sapporo) with the aim of spreading and promoting environmentally efficient buildings. Our new Sapporo head office, which was completed in June 2021, has already received the A rank under CASBEE Sapporo, and with the completion of the new Sapporo

head office, we are aiming to obtain the platinum rank of WELL Certification through office design and operation that consider the health and working environment of our employees. The WELL Certification is an advanced initiative that began in 2014 in the U.S. to evaluate and certify spaces including buildings and offices from the standpoint of human health. Recognizing that this initiative represents an investment in the Company's most important asset, our employees, and we believe that it will lead to increased corporate value in the form of increased productivity and workstyle reforms.

E. Performance forecast and shareholder returns

Regarding the performance forecast, we plan to announce our three-year medium-term plan in the near future.

Meanwhile, out of consideration for our shareholders, we plan for the dividend payout ratio to continue to be 50% or more.

Based on our long-term vision, we will continue to work together to improve the Company's corporate value, and we ask for the continued support and encouragement of our shareholders.

# Reference Documents for the General Meeting of Shareholders

## Proposal 1: Partial Amendments to the Articles of Incorporation

### 1. Reason for Proposal

The revised provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) came into effect on September 1, 2022. Accordingly, in order to prepare for the introduction of a system for providing materials for General Meetings of Shareholders in electronic format, the Company will make the following amendments to the Articles of Incorporation.

- (1) Article 18 (Provision in Electronic Format, etc.), Paragraph 1 will be newly established due to the obligation to stipulate in the Articles of Incorporation that information contained in the reference documents, etc. for General Meetings of Shareholders shall be provided in electronic format.
- (2) With respect to the content of reference documents, etc., for General Meetings of Shareholders to be provided in electronic format, Article 18, (Provision in Electronic Format, etc.), Paragraph 2 will be newly established to enable limiting of the scope of the items stated in paper-based documents delivered to shareholders who have requested the delivery of written documents, to the scope stipulated by the Ordinance of the Ministry of Justice.
- (3) Since the provisions of Article 18 (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meetings of Shareholders) in the current Articles of Incorporation will no longer be required after the introduction of an electronic materials delivery system for General Meetings of Shareholders, the provisions will be deleted.
- (4) In line with the above deletion of provisions, supplementary articles related to the effect of those to be deleted will be established along with the addition of article numbers. These supplementary provisions will be deleted after the expiration of the relevant term.

### 2. Description of amendments

Description of amendments is as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendment
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meetings of Shareholders)</u></p> <p><u>Article 18. When convening a General Meeting of Shareholders, the Company may deem that information on matters to be stated or indicated in the reference documents for the General Meeting of Shareholders, business reports, financial statements and consolidated financial statements has been provided to shareholders by disclosing it through the Internet in accordance with the provisions of the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>(Provision in Electronic Format, etc.)</u></p> <p><u>Article 18.</u></p> <p>(1) <u>When convening a General Meeting of Shareholders, the Company shall take measures to provide the information contained in the reference documents, etc. for the General Meeting of Shareholders in electronic format.</u></p> <p>(2) <u>Regarding matters subject to measures for provision in electronic format, the Company may forgo stating all or part of the matters stipulated by the Ordinance of the Ministry of Justice in written documents delivered to shareholders who have requested delivery of written documents before the record date for voting rights.</u></p>



Current Articles of Incorporation	Proposed amendment
<p data-bbox="328 217 598 246">(Supplementary Provisions)</p> <p data-bbox="172 253 754 333"><u>(Transitional Measures in Relation to Agreements for Limitation of Liabilities of Corporate Auditors)</u></p> <p data-bbox="391 306 533 336">(Text omitted)</p>  <p data-bbox="365 463 560 492">(Newly established)</p>	<p data-bbox="935 217 1204 246">(Supplementary Provisions)</p> <p data-bbox="783 253 1366 309"><u>(Transitional Measures in Relation to Agreements for Limitation of Liabilities of Corporate Auditors)</u></p> <p data-bbox="783 338 879 367"><u>Article 1.</u></p> <p data-bbox="1002 374 1144 403">(Text omitted)</p> <p data-bbox="783 409 1366 465"><u>(Transitional Measures for Electronic Provision of Materials for General Meetings of Shareholders)</u></p> <p data-bbox="783 468 879 497"><u>Article 2.</u></p> <p data-bbox="831 504 1366 667">(1) <u>Article 18 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meetings of Shareholders) shall remain in effect for a General Meetings of Shareholders which is held within six (6) months after September 1, 2022.</u></p> <p data-bbox="831 669 1366 797">(2) <u>These Supplementary Provisions shall be deleted six (6) months after September 1, 2022 or three (3) months after the General Meetings of Shareholders provided for in the preceding paragraph, whichever comes later.</u></p>

**Proposal 2:** Election of Three (3) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members) (Messrs. Kazuhiro Miyazawa, Tatsuya Kato, and Shinji Munaoka) will expire at the conclusion of this meeting.

Accordingly, the Company proposes the election of three (3) Directors.

Further, this proposal has been reviewed by the Audit and Supervisory Committee of the Company, and the opinion has been received that all candidates for Director 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	Joined TOYO KEIKI CO., LTD.	Number of shares of the Company held 511,205
		March 1996	Joined ICHITAKA TAKAHASHI CO., LTD. (currently ICHITAKA Gas One Co., Ltd.)	
		September 1996	Director, General Manager of Sales Division of the Company	Attendance at the Board of Directors' meetings: 16/16 Attendance at the voluntary Remuneration Advisory Committee: 5/5
		September 2009	President and Representative Director of the Company (to present)	
[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.				
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 5,976
		April 2009	Seconded to Sumitomo Mitsui Banking Corporation (China) Limited (Shanghai)	
		April 2013	General Manager of Transaction Banking Department of Sumitomo Mitsui Banking Corporation Limited	Attendance at Board of Directors meetings after appointment on September 22, 2021: 12/12
		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	General Manager of the Settlement Innovation Promotion Department of the Company	
		September 2021	Director, Executive Officer, and General Manager of the Settlement Innovation Promotion Department of the Company (to present)	
[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 development into over 100 companies. Furthermore, he contributed to various financial services both in Japan and abroad (including capital tie-up management and Sumitomo's "Net de Uketori" service), such as supporting the advancement of Japanese companies in Shanghai, planning, developing and promoting global pooling systems, and establishing a global fund management policy. Since his appointment as Director, Executive Officer, and General Manager of the Settlement Innovation Promotion Department in September 2021, he has made effective management decisions regarding sales activities, including business policy creation and sales strategies. The Company has appointed Mr. Kato as a candidate for Director as it is expected that he will continue to lead the Company's sales activities with his strong leadership.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		
3	Shinji Munaoka (September 14, 1961)  Reappointed	April 1985 January 1991 June 1997 October 2000 October 2002 March 2005  March 2012  April 2014  September 2021	Joined ITOCHU Techno-Science Corporation Joined Visa International Joined NTT Leasing Co., Ltd Joined Global Processing Support Co., Ltd. Joined First Data Japan Co., Ltd. Joined POCKET CARD CO., LTD. as Head of Alliance Office, Sales Development Department General Manager of Sales Operations Department of POCKET CARD CO., LTD. General Manager of Information System Department of POCKET CARD CO., LTD. Director, Executive Officer, and General Manager of the Service Development Department of the Company (to present)	Number of shares of the Company held 5,976  Attendance at Board of Directors meetings after appointment on September 22, 2021: 12/12
<p>[Reason for nomination as a candidate for Director] Mr. Shinji Munaoka has a wealth of expertise in infrastructure and networking, has carried out system development, management and operation for various companies, and has a lot of experience as a project leader, such as constructing an overall system for project operation. In the field of cybersecurity, he participated in Cabinet Office cyber-related study panels as a member, and contributed to activities as the leading person for cybersecurity in the credit card industry and the establishment of new business models that impact social infrastructure. Since being appointed Director, Executive Officer, and General Manager of the Service Development Department in September 2021, he has made effective management decisions regarding system development in the Company's FinTech business. The Company has appointed Mr. Munaoka as a candidate for Director as it is expected that he will continue to lead the Company's systems development activities with his strong leadership.</p>				

(Notes)

1. There are no special interests between the Director candidates 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 the Director candidate is approved, the individual will continue to 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.

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:

Legend: ●Responsibilities/Attributes    ⊙Main skills    ○Auxiliary skills

Categories				Position in the Company	Name	Expertise and characteristics of candidates for Director							
						Business execution	Supervisory function	Corporate strategy	Business strategy	Management resources	System development	Finance	Legal affairs
1	Re-appointed			Representative Director	Kazuhiro Miyazawa	●		⊙	○	○			
2	Re-appointed			Director	Tatsuya Kato	●			⊙			○	
3	Re-appointed			Director	Shinji Munaoka	●			○		⊙		
4	Incumbent	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Takashi Hanazawa		●	○	⊙		○		
5	Incumbent	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Ryuzo Yokouchi		●	○		○			⊙
6	Incumbent	Outside	Independent	Director who is an Audit and Supervisory Committee Member	Yoshinori Urata		●		⊙	○		○	