



April 28, 2022

To whom it may concern:

Net One Systems Co., Ltd.
(Stock Code: 7518, TSE Prime)

Notice regarding reorganization of the Advisory Committee

At a Board of Directors meeting held today, Net One Systems Co., Ltd. ("Net One Systems" or the "Company") resolved to separate the functions of the Advisory Committee, a voluntary advisory body to the Board of Directors, into a Nomination Advisory Committee and Remuneration Advisory Committee as detailed following.

1. Purpose of reorganization

Net One Systems' Advisory Committee serves as a voluntary advisory body to the Board of Directors regarding matters such as the appointment, dismissal, and remuneration of executive directors and vice presidents. The Company decided to reorganize and separate the body into a Nomination Advisory Committee (to consider the appointment of executive directors and vice presidents) and a Remuneration Advisory Committee (to consider the remuneration of executive directors and vice presidents). This takes into consideration their distinct roles and aims to clarify their objectives and facilitate deeper deliberations.

2. Roles of advisory committees

The committees shall deliberate on the following matters as consulted on by the Board of Directors and report to it.

(1) Nomination Advisory Committee

- Policies and standards for nominating executive directors and vice presidents
- The appointment and dismissal of executive directors and vice presidents
- The appointment and dismissal of representative directors, executive directors with officer's post, and vice presidents with officer's post
- Succession planning for executive directors and vice presidents
- The composition and skills matrix of the Board of Directors
- Other important matters related to the above which the Board of Directors has consulted with the committee on

(2) Remuneration Advisory Committee

- Policies and systems regarding the remuneration of executive directors and vice presidents
- Remuneration for individual executive directors (excluding those who are members of the Audit & Supervisory Committee*) and vice presidents
- Other important matters related to the above which the Board of Directors has consulted with the committee on

Note: At the 35th Annual Shareholders Meeting to be held on June 22, 2022, subject to the approval of the relevant proposal, the Company plans to partially amend its Articles of Incorporation and transition to a company with an audit and supervisory committee. For details, please refer to the March 25, 2022 announcement, “Notice regarding Net One Systems’ transition into a company with an audit and supervisory committee and candidates for the position of executive director.”

3. Composition of advisory committees

(1) Basic policy regarding composition

- Each committee shall be composed of at least three executive directors chosen by the Board of Directors.
- Independent outside executive directors shall comprise the majority of each advisory committee. The chairperson of each committee shall be selected from its independent outside executive directors by the vote of committee members.

(2) Composition (planned)

	Nomination Advisory Committee	Remuneration Advisory Committee
Chairperson	Hideki Suda (outside executive director)* ²	Masayoshi Wada (outside executive director)* ²
Members	Maya Ito (outside executive director) Takafumi Takeshita (representative director)	Maya Ito (outside executive director) Mitsuru Kiuchi (executive director)* ²

Notes 1. The above table shows the planned position of each committee member after the Annual Shareholders Meeting.

2. Each individual is a new candidate for executive director (excluding those who are members of the Audit & Supervisory Committee). For details of their current position and brief personal history, please refer to the March 25, 2022 announcement, “Notice regarding Net One Systems’ transition into a company with an audit and supervisory committee and candidates for the position of executive director.”

4. Reorganization date

The Company expects that executive directors who will become members of each committee will be selected and the chairperson of each committee will be decided on by a vote among relevant executive directors at a Board of Directors meeting following the Annual Shareholders Meeting scheduled for June 22, 2022.