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January 30, 2024

To whom it may concern:

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

## Notice regarding revision of skills required of members of the Board of Directors

Net One Systems Co., Ltd. (the “Company”) hereby announces that, following discussions by the Board of Directors and based on the deliberations and reports of the Nomination Advisory Committee, it has made the following revisions regarding the skills required of its Board members.

In addition, as a premise for the revision, the Company also discussed and decided on the ideal vision for its Board of Directors and topics the Board of Directors should address.

Furthermore, in light of the series of discussions leading to the revision of these skills required of its Board members, at a meeting held on January 30, 2024, the Board of Directors approved proposals for candidates for positions as executive directors (not executive directors serving concurrently as Audit and Supervisory Committee members) and for positions as executive directors serving concurrently as Audit and Supervisory Committee members, to be presented at the 37th Annual Shareholders Meeting scheduled for June 2024 (the “Meeting”). Please refer to the press release entitled “Notice regarding candidates for positions as executive directors” separately disclosed today for the specific executive director candidates and the skill matrix of the executive directors to be appointed following the conclusion of the Meeting.

### 1. Ideal vision for the Company’s Board of Directors

#### (1) Conducting proactive management to establish our position as a leader in the industry

Since the early days of the Internet, we have continued to grow as a leading network company, responding to the changing times and customer needs by leveraging our strengths of deep expertise, customer-oriented viewpoints, and executive capabilities.

Going forward, we will continue to add value as an “elite group” of professionals to achieve continuous growth by pursuing an appropriate profit structure, while aiming to go beyond network operations to become a leading company across all corporate activities.

To achieve this goal, we believe that the role and responsibility of our Board of Directors is to overcome past cases of misconduct and spearhead proactive management by drawing up a big picture of management based on diverse opinions, while leveraging our traditional strengths of deep expertise, customer-oriented viewpoints, and executive capabilities.

#### (2) Independent, objective, and effective supervision

We have been focusing on governance and corporate culture reforms in the wake of the revelations of past cases of misconduct. Moving forward, we aim to overcome these cases and develop the Company into a “role model of governance” by securing highly independent and objective management supervision from our Board of Directors.

To make this happen, we believe it is important to ensure highly independent and objective management supervision from our Board of Directors comprised of a majority of independent outside executive directors and chaired by an independent outside executive director. It is also critical for our Board of Directors to conduct effective supervision and monitoring by clarifying the roles of vice presidents and other corporate officers and delegating authority to these individuals.

## 2. Topics our Board of Directors should address

Our Board of Directors will address topics including our growth strategy, reinforcement of our business base, our social responsibilities, and our external environment to achieve our Medium-Term Business Plan and drive proactive management. Furthermore, to conduct independent, objective, and highly effective supervision, our Board of Directors will address comprehensive corporate management in addition to the seven key topics for which individual committees have been established due to their importance to the Company's management.

Ideal vision	Directing proactive management				Supervision	
Classification	Growth strategy	Reinforcement of business base	Social responsibilities	External environment	Overall	Key individual topics
Topics to be addressed	Business and service strategy, customer-oriented viewpoints, deep expertise, executive capabilities, finance and accounting	Personnel and organization, visualization, corporate culture reform	Environmental, social, and governance (ESG)	Megatrends	Corporate management	Nomination, compensation, governance and corporate culture, compliance, risk management, investments and loans, sustainability

## 3. Skills required of our Board members, definition of skills, and reasons for selection

We selected the knowledge and experience necessary to discuss the topics identified for achieving the ideal vision for our Board of Directors as skills required of our Board members, as shown in the table below.

Topics to be addressed		Skills	Definition and reason for selection
Directing proactive management	Supervision		
Customer-oriented viewpoints	Corporate management	<b>Corporate management / management strategy</b>	As we aim to fulfill our Purpose and all other elements of the Declaration of the Net One Group while simultaneously enhancing our corporate value, we must ensure appropriate oversight and support for the decision-making processes of our executive management team by securing experience in the fields of corporate management or managerial oversight.
Business and service strategy			
Megatrends			
Business and service strategy	—	<b>Technology</b>	To maintain our position as a leading network company and continue to expand into other areas, we must demonstrate thorough understanding and experience in technological areas, including our strengths of advanced technological capabilities and expertise in networks and ICT, market acumen, and perception of future trends.
Customer-oriented viewpoints			
Deep expertise			
Megatrends			
Personnel and organization	—	<b>Human resources and organization management</b>	The source of our competitive strength is our personnel, and in order to acquire and develop professional and diverse personnel and build a highly effective organization based on the success of individuals, we must exhibit knowledge and experience concerning basic HR principles and human capital management.
Executive capabilities			
Visualization			

Corporate culture reform	Corporate culture		<b>Corporate culture reform</b>	To overcome past cases of misconduct and foster a culture of collaboration and taking on challenges while controlling risks to achieve targets, we must have knowledge and experience in corporate culture and organizational reform, such as instilling a corporate philosophy and code of conduct and creating a rewarding work environment.
Visualization	—			
Governance (G)	Governance		<b>Governance</b>	To become a shining example of effective corporate governance, we must exhibit comprehensive knowledge and experience in strengthening the management and supervisory functions of the Board of Directors, streamlining and expediting business execution, and in the nomination and compensation of executive directors and vice presidents.
	Nomination			
	Compensation			
Environmental (E)	Sustainability		<b>Sustainability</b>	To position sustainable development together with society as the foundation of our management and accelerate efforts addressing our four materiality-related issues of information society, personnel, decarbonized society, and governance, we must demonstrate knowledge and experience related to the co-creation of social and corporate value.
Social (S)				
Megatrends				
—	Compliance		<b>Law / risk management</b>	To strengthen risk management and compliance systems with the aim of developing strong trust-based relationships with stakeholders and making transparent, impartial, and swift decisions, we must exhibit knowledge and experience in legal affairs and risk management to help strengthen internal controls.
	Risk management			
Finance and accounting	Investments and loans		<b>Finance / accounting</b>	As we aim to increase our medium- to long-term corporate value, we must demonstrate knowledge and experience in finance, accounting, and shareholder relations, thereby ensuring a proper balance between strategic business investment and the proactive delivery of shareholder returns while facilitating our pursuit of an optimal capital structure and our establishment of a stable business base.

In principle, the applicability of skills will be judged based on the following criteria: (1) whether or not the executive director candidate has practical experience in each skill area at the Company or at other companies; (2) whether or not the candidate has experience in corporate management and supervision at the Company or at other companies; (3) whether or not the candidate has experience in promoting policies in each skill area at government or other public agencies; and (4) whether or not the candidate holds national qualifications in the specific skill area.