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(Stock Exchange Code 3992)

December 6, 2024

(Commencement date of measures for electronic provision: November 22, 2024)

To Shareholders with Voting Rights:

Kozo Funatsu
President and CEO
Needs Well Inc.
4-1 Kioi-cho, Chiyoda-ku, Tokyo, Japan

**NOTICE OF CONVOCAATION OF
THE 38TH ANNUAL SHAREHOLDERS MEETING**

Dear Shareholders:

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

You are hereby notified that the 38th Annual Shareholders Meeting of Needs Well Inc. (the “Company”) will be held as described below.

In convening this Shareholders Meeting, the Company has taken measures for electronic provision of information contained in the Reference Documents for the Shareholders Meeting, etc. (the “matters subject to measures for electronic provision”) and has posted the information on the Company’s website on the Internet. Please access the following website and check it.

The Company’s website: <https://www.needswell.com/ir/library/english>
(Please access the above website and check “The 38th Annual Shareholders Meeting.”)

In addition to the Company’s website, the matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) website. Please check them on the following website.

Tokyo Stock Exchange website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>
(Please access the above website, enter “Needs Well” in the “Issue name (company name)” field or “3992” in the “Code” field, click “Search,” select “Basic information” and “Documents for public inspection/PR information” in order, and check the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” under the “Filed information available for public inspection.”)

If you are not able to attend the meeting, you can exercise your voting rights by either of the following methods. We would like to ask our shareholders to exercise your voting rights after reviewing the attached Reference Documents for the Shareholders Meeting.

[If exercising voting rights in writing (by mail)]

Please indicate your votes for or against the proposals on the Voting Rights Exercise Form sent together with this Notice and return it such that it arrives by 5:30 p.m. on Friday, December 20, 2024, Japan time.

[If exercising voting rights via the Internet]

Please access the voting rights exercise website designated by the Company (<https://evote.tr.mufg.jp/>) and enter your approval or disapproval of the proposals in accordance with the instructions onscreen by 5:30 p.m. on Friday, December 20, 2024, Japan time.

- 1. Date and Time:** Monday, December 23, 2024 at 10:00 a.m., Japan time
(Reception begins at 9:30 a.m.)
- 2. Place:** 6F “Hall 6B,” TKP Ichigaya Conference Center located at
8 Ichigayahachiman-cho, Shinjuku-ku, Tokyo, Japan
(Please refer to the map in the original Japanese document.)
- 3. Meeting Agenda:**
Matters to be reported:
1. The Business Report and Consolidated Financial Statements for the Company’s 38th Fiscal Year (October 1, 2023 – September 30, 2024) as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. The Non-consolidated Financial Statements for the Company’s 38th Fiscal Year (October 1, 2023 – September 30, 2024)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Seven Directors
Proposal 3: Election of One Audit & Supervisory Board Member

- If you exercise your voting rights in writing (by mail) without indicating a vote for or against any of the proposals on the Voting Rights Exercise Form, you will be deemed to have indicated your approval for the proposal.
- If you exercise your voting rights both in writing (by mail) and via the Internet, regardless of the time of arrival, the voting rights exercised via the Internet will be treated as valid.
- If you exercise your voting rights via the Internet multiple times, the last exercise of voting rights will be treated as valid.
- When attending the meeting, please submit the Voting Rights Exercise Form sent together with this Notice at the reception desk. Furthermore, please bring this Notice as reference materials for the proceedings.
- We kindly ask you to carefully consider the current status of the COVID-19 pandemic and your own health condition before deciding whether to attend the meeting. If attending the meeting, please pay attention to infection prevention measures.
- Should the matters subject to measures for electronic provision require revisions, the revised items will be provided on each website where these matters are posted.
- For this Annual Shareholders Meeting, we have decided to send paper-based documents stating the matters subject to measures for electronic provision to all shareholders, regardless of whether they have made a request for delivery of such documents. However, the following matters subject to measures for electronic provision are not included in the documents sent to shareholders in accordance with the stipulations of laws and regulations as well as Article 13 of the Company’s Articles of Incorporation.
 - (i) “Notes on Consolidated Financial Statements” of Consolidated Financial Statements
 - (ii) “Notes on Non-consolidated Financial Statements” of Non-consolidated Financial StatementsAccordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements included in the documents are a subset of the documents audited by the Accounting Auditor in preparing the accounting audit report and by the Audit & Supervisory Board (or Audit & Supervisory Committee or Audit Committee) in preparing the audit report.

The Company’s website (<https://www.needswell.com/ir/>)

Reference Documents for the Shareholders Meeting

Proposal 1: Appropriation of Surplus

The Company believes returning profit to shareholders is one of the most important issues. Taking into consideration future business development while fundamentally maintaining stable dividends, year-end dividends for the 38th fiscal year are as follows.

Matters concerning the year-end dividend

In consideration of factors including business results for the current fiscal year and future business development, the Company proposes the following for year-end dividends for the current fiscal year.

Type of dividend property	Cash
Matters related to allocation of dividend property to shareholders and its total amount	9.0 yen per share of the Company's common stock Total dividends: 341,106,174 yen
Effective date of distribution of surplus	December 24, 2024

Proposal 2: Election of Seven Directors

The terms of office of all seven Directors will expire at the conclusion of this Annual Shareholders Meeting. Accordingly, the Company proposes the election of seven Directors.

The candidates for Director were nominated based on the deliberation of the Nomination and Remuneration Committee of which the majority members are Outside Directors.

The candidates for Director are as follows.

Candidate No.	Name	Gender	Positions	Responsibilities	
1	Kozo Funatsu	Male	President and CEO	–	Reappointment
2	Hajime Matsuoka	Male	Director and Senior Managing Executive Officer	Assistant to President; in charge of Technology Division	Reappointment
3	Koji Tabata	Male	Director and Managing Executive Officer	In charge of Administrative Division; in charge of Sales Division; General Manager of Sales Department	Reappointment
4	Chinami Arai	Female	Director and Executive Officer	In charge of Affiliates; in charge of Finance and Accounting Department; General Manager of Management Planning Department	Reappointment
5	Hiroki Yanagawa	Male	Director	–	Reappointment Outside Independent
6	Mamoru Yasuoka	Male	Director	–	Reappointment Outside Independent
7	Nobuo Terauchi	Male	Director	–	Reappointment Outside Independent

<Reference> Nomination Policies and Procedures for Candidates for Director

Directors of the Company are expected to perform decision making after evaluating risk from diverse viewpoints through concrete and lively discussions based on individual knowledge from being well versed in their areas of responsibility and knowledge of finance, legal affairs, labor, etc. When nominating candidates, emphasis is placed on work experience and leadership in software development, sales, planning, etc., having knowledge of finance, legal affairs, labor, etc., ability to appropriately manage risk and monitor business execution, and being thoroughly ethical. Candidates for Outside Director are nominated from persons who will contribute to improving the Company's corporate governance function among persons possessing a high degree of specialty in law and company finance, etc., and views, etc., concerning international affairs and trends in society and the economy. As per the Articles of Incorporation, the total number of Directors is to be 13 or less. In addition, persons well versed in the Company's business and having excellent personality, views, and ability to execute and recognized by the Board of Directors as having the ability to fulfill duties are elected as senior management who execute business based on decisions of the Board of Directors.

The Board of Directors deliberates based on reports from the "Nomination and Remuneration Committee," comprised of several officers with the majority Independent Outside Officers, on nominations for candidates for Director based on the aforementioned policies.

Candidate No. 1 Kozo Funatsu <u>Reelection</u> Date of birth July 27, 1951 Number of shares of the Company held 498,884 shares Terms of office 10 years Attendance at meetings of the Board of Directors 19 / 19	Career summary and positions and responsibilities at the Company April 1970 Joined Hitachi, Ltd. July 1973 Joined FUJI SOFTWARE LABORATORY, Ltd. (current FUJI SOFT INCORPORATED) June 1991 Director of Software Planning Co., Ltd. (current Cyber Com Co., Ltd.) June 1996 Director of FUJI SOFT INCORPORATED June 1998 Managing Director of FUJISOFT ABC Incorporated (current FUJI SOFT INCORPORATED) April 1999 Representative Director and Vice President of Diamond Fujisoft Co., Ltd. May 1999 Director of FUJISOFT ABC SERVICE BUREAU INCORPORATED (current FUJISOFT SERVICE BUREAU INCORPORATED) October 2001 Senior Managing Director of FUJISOFT ABC Incorporated (current FUJI SOFT INCORPORATED) May 2004 Joined Cyber Com Co., Ltd. June 2004 Chairman and Representative Director of Cyber Com Co., Ltd. June 2009 President and Representative Director of Cyber Com Co., Ltd. June 2012 Chairman and Director of Cyber Com Co., Ltd. June 2013 Advisor of Cyber Com Co., Ltd. June 2014 Corporate Auditor of Cyber Com Co., Ltd. July 2014 Counselor of the Company December 2014 Outside Director June 2015 Corporate Auditor of FUJISOFT SERVICE BUREAU INCORPORATED December 2016 President and CEO of the Company (current position) Significant concurrent positions Not applicable Reasons for nomination as a candidate for Director The candidate, possessing an abundance of experience and accomplishments as the management executive of the Company, is deemed able to appropriately monitor the Company as a whole together with making efforts to realize strategy aimed at business growth and improving company business results, and the Company therefore proposes his continued election as Director.
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<p>Candidate No. 2</p> <p>Hajime Matsuoka</p> <p><u>Reelection</u></p> <p>Date of birth August 3, 1979</p> <p>Number of shares of the Company held 50,282 shares</p> <p>Terms of office 3 years</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p>	<p>Career summary and positions and responsibilities at the Company</p> <p>April 2002 Joined COMSIS Co., Ltd.</p> <p>April 2006 Joined the Company</p> <p>October 2019 General Manager of System Department I, System Business Unit II</p> <p>June 2021 Executive Officer and General Manager of System Business Unit II</p> <p>October 2021 Managing Executive Officer and General Manager of System Business Unit II</p> <p>October 2021 Senior Managing Director of Zeroichi Production Co., Ltd., a subsidiary of the Company (current position)</p> <p>December 2021 Director and Executive Officer in charge of System Business Unit II; General Manager of System Business Unit II</p> <p>October 2022 Director and Executive Officer in charge of Technology Division; General Manager of System Business Unit II</p> <p>October 2022 Director of BO STUDIO Inc., a subsidiary of the Company (current position)</p> <p>December 2022 Director and Managing Executive Officer in charge of Technology Division; General Manager of System Business Unit II</p> <p>January 2023 Director and Managing Executive Officer in charge of Technology Division</p> <p>December 2023 Director and Senior Managing Executive Officer in charge of Technology Division; General Manager of System Business Unit III</p> <p>April 2024 Director and Senior Managing Executive Officer in charge of Technology Division; in charge of System Business Unit I</p> <p>June 2024 Director and Senior Managing Executive Officer in charge of Technology Division; in charge of Sales Department; in charge of System Business Unit I</p> <p>September 2024 Director and Senior Managing Executive Officer in charge of Technology Division; in charge of Sales Department; in charge of System Business Unit I; General Manager of Sales Department</p> <p>October 2024 Director and Senior Managing Executive Officer; Assistant to President; in charge of Technology Division (current position)</p> <p>Significant concurrent positions</p> <p>Not applicable</p> <p>Reasons for nomination as a candidate for Director</p> <p>The candidate, possessing many years of work experience in the IT industry and an abundance of experience and accomplishments related to systems as General Manager of the Company's System Division, is deemed able to appropriately monitor the Technology Division as a whole together with making efforts to realize strategy aimed at business growth and improving company business results, and the Company therefore proposes his continued election as Director.</p>
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<p>Candidate No. 3</p> <p>Koji Tabata</p> <p><u>Reelection</u></p> <p>Date of birth August 31, 1975</p> <p>Number of shares of the Company held 103,489 shares</p> <p>Terms of office 2 years</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p>	<p>Career summary and positions and responsibilities at the Company</p> <p>April 1999 Joined Atlux Inc. (current NOC Outsourcing & Consulting Inc.)</p> <p>November 2005 Joined FFC Co., Ltd. (current Fujitsu Limited)</p> <p>September 2006 Joined the Company</p> <p>October 2018 General Manager of Human Resources Department</p> <p>October 2019 General Manager of General Affairs Department</p> <p>October 2021 Executive Officer and General Manager of General Affairs Department</p> <p>April 2022 Executive Officer in charge of Business Promotion Management Department; General Manager of General Affairs Department</p> <p>October 2022 Executive Officer in charge of Administrative Division; General Manager of Business Promotion Management Department; General Manager of General Affairs Department</p> <p>December 2022 Director and Executive Officer in charge of Administrative Division; General Manager of Business Promotion Management Department; General Manager of General Affairs Department</p> <p>April 2023 Director and Executive Officer in charge of Administrative Division; General Manager of General Affairs Department; General Manager of Partnership Promotion Division</p> <p>December 2023 Director and Managing Executive Officer in charge of Administrative Division; General Manager of General Affairs Department; General Manager of Partnership Promotion Division</p> <p>January 2024 Director and Managing Executive Officer in charge of Administrative Division; General Manager of Partnership Promotion Division</p> <p>October 2024 Director and Managing Executive Officer in charge of Administrative Division; in charge of Sales Division; General Manager of Sales Department (current position)</p> <p>Significant concurrent positions</p> <p>Not applicable</p> <p>Reasons for nomination as a candidate for Director</p> <p>The candidate, involved in operations of the General Affairs and Human Resources Divisions since joining the Company and possessing specialized knowledge and an abundance of experience, is deemed able to apply said knowledge and experience to the Company's Director system together with appropriately monitoring the Administrative Division as a whole, and the Company therefore proposes his continued election as Director.</p>
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<p>Candidate No. 4</p> <p>Chinami Arai</p> <p><u>Reelection</u></p> <p>Date of birth July 25, 1967</p> <p>Number of shares of the Company held 10,859 shares</p> <p>Terms of office 1 year</p> <p>Attendance at meetings of the Board of Directors 14 / 14</p>	<p>Career summary and positions and responsibilities at the Company</p> <p>April 1990 Joined The Hokkaido Bank, Ltd. May 2002 Joined Neix Co., Ltd. October 2010 Joined Double A Relations Co., Ltd. December 2013 Joined TAKAGI SECURITIES Co., Ltd. September 2014 Joined Watari Japan Co., Ltd. February 2016 Joined Pacific Business Consulting, Inc. June 2017 Joined the Company January 2020 General Manager of Corporate Communication Division April 2022 Executive Officer in charge of Finance and Accounting Department; General Manager of Corporate Communication Division May 2023 Executive Officer in charge of Affiliates; in charge of Finance and Accounting Department; General Manager of Corporate Communication Division December 2023 Director and Executive Officer in charge of Affiliates; in charge of Finance and Accounting Department; General Manager of Corporate Communication Division December 2023 Director of Zeroichi Production Co., Ltd., a subsidiary of the Company April 2024 Director and Executive Officer in charge of Affiliates; in charge of Management Planning Division; in charge of Finance and Accounting Department; General Manager of Corporate Communication Division July 2024 Director and Executive Officer in charge of Affiliates; in charge of Finance and Accounting Department; General Manager of Management Planning Department (current position)</p> <p>Significant concurrent positions</p> <p>Not applicable</p> <p>Reasons for nomination as a candidate for Director</p> <p>The candidate, involved in operations of general affairs and management planning since joining the Company and possessing specialized knowledge and an abundance of experience, is in charge of the Finance and Accounting Department, leveraging her previous work experience. She is deemed able to apply said knowledge and experience to the Company's Director system, and the Company therefore proposes her continued election as Director.</p>
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<p>Candidate No. 5</p> <p>Hiroki Yanagawa</p> <p><u>Reelection</u></p> <p>Date of birth January 19, 1954</p> <p>Number of shares of the Company held 39,509 shares</p> <p>Terms of office 8 years</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p>	<p>Career summary and positions and responsibilities at the Company</p> <p>April 1978 Joined NEC Corporation</p> <p>June 2002 Concurrently served as Member of the Board of NEC's overseas subsidiaries, namely Tianjin NEC Telecommunication Engineering (current NEC (China) Co., Ltd.) and VNPT-NEC Telecommunication Systems Company Limited (current NEC Vietnam Co., Ltd.)</p> <p>April 2004 Seconded to NEC Communication Systems, Ltd. as General Manager of Mobile Communication Business Division</p> <p>April 2007 Deputy General Manager of Domestic Network Development Business Headquarters, NEC Communication Systems, Ltd.</p> <p>June 2007 Returned to NEC Corporation</p> <p>April 2009 General Manager of Corporate Network Development Headquarters, NEC Corporation</p> <p>January 2014 Principal of Community Systems, Cross Cat Co., Ltd.</p> <p>February 2014 Counselor of Verint Systems Japan K.K.</p> <p>March 2015 Counselor of SecuLynx Co., Ltd.</p> <p>September 2016 Counselor of SEC Hitech Co., Ltd. (current position)</p> <p>December 2016 Outside Director of the Company (current position)</p> <p>Significant concurrent positions</p> <p>Counselor of SEC Hitech Co., Ltd.</p> <p>Reasons for nomination as a candidate for Outside Director and outline of expected roles</p> <p>The candidate, possessing an abundance of experience and accomplishments as a person experienced in technology, is deemed as someone from who advice on management of the Company from an objective perspective can be expected in order to make efforts to realize strategy aimed at business growth and improving company business results, and the Company therefore proposes his continued election as Director. In addition, if elected, he will continue as Chairperson of the Nomination and Remuneration Committee, and we plan for him to be involved in nominating officer candidates of the Company and deciding officer remuneration, etc., from an objective and neutral standpoint.</p>
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<p>Candidate No. 6</p> <p>Mamoru Yasuoka</p> <p><u>Reelection</u></p> <p>Date of birth March 18, 1956</p> <p>Number of shares of the Company held 5,032 shares</p> <p>Terms of office 4 years (including 1 year serving as an Audit & Supervisory Board Member)</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p>	<p>Career summary and positions and responsibilities at the Company</p> <p>April 1978 Joined Fujitsu Limited</p> <p>December 2003 General Manager of Financial System Department I, Financial Solution Division, Fujitsu Limited</p> <p>April 2004 General Manager of Project Management Department, Financial Solution Division, Fujitsu Limited</p> <p>June 2007 General Manager of Banking Solution Business Division I, Fujitsu Limited</p> <p>June 2007 Director of The Japan Net Bank, Limited</p> <p>June 2009 Director of FUJITSU ADVANCED SOLUTIONS LIMITED</p> <p>May 2011 Assistant to Chief of Financial Solution Business Group, Fujitsu Limited</p> <p>April 2012 Director and Managing Executive Officer of FUJITSU ADVANCED SOLUTIONS LIMITED</p> <p>June 2016 Corporate Auditor of Nissay Information Technology Co., Ltd.</p> <p>July 2020 Senior Advisor of Nissay Information Technology Co., Ltd. (current position)</p> <p>July 2020 Senior Advisor of CLIMB CO., LTD.</p> <p>July 2020 Counselor of TRYSERVE Co., Ltd. (current position)</p> <p>December 2020 Outside Audit & Supervisory Board Member of the Company</p> <p>December 2021 Outside Director of the Company (current position)</p> <p>April 2022 Outside Director (not full-time) of Mizuho Research & Technologies, Ltd. (current position)</p> <p>Significant concurrent positions</p> <p>Counselor of TRYSERVE Co., Ltd.</p> <p>Outside Director (not full-time) of Mizuho Research & Technologies, Ltd.</p> <p>Reasons for nomination as a candidate for Outside Director and outline of expected roles</p> <p>The candidate, possessing specialized knowledge and experience related to the area of financial systems, is deemed able to apply said abundance of knowledge and experience to the Company's management, being well versed on the Company's business matters and as someone from who advice on management of the Company from an objective perspective can be expected in order to make efforts to realize strategy aimed at business growth and improving company business results, and the Company therefore proposes his continued election as Director. In addition, if elected, he will continue as a member of the Nomination and Remuneration Committee, and we plan for him to be involved in nominating officer candidates of the Company and deciding officer remuneration, etc., from an objective and neutral standpoint.</p>
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<p>Candidate No. 7</p> <p>Nobuo Terauchi</p> <p><u>Reelection</u></p> <p>Date of birth March 7, 1958</p> <p>Number of shares of the Company held 7,227 shares</p> <p>Terms of office 2 years</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p>	<p>Career summary and positions at the Company</p> <p>April 1986 Joined FUJI SOFT INCORPORATED</p> <p>April 1998 General Manager of Sales Department, Tokyo Office, FUJI SOFT INCORPORATED</p> <p>April 2003 Deputy General Manager of IT Business Division, FUJI SOFT INCORPORATED</p> <p>December 2004 Executive Officer and Chief of Department Dept., EM Systems Co., Ltd.</p> <p>June 2006 Director and Chief of Development HQ, EM Systems Co., Ltd.</p> <p>June 2009 Managing Director and Chief of Development HQ, EM Systems Co., Ltd.</p> <p>April 2015 Managing Director and Chief of Medical Information Alliance Promotion HQ, EM Systems Co., Ltd.</p> <p>June 2017 Full-time Auditor of EM Systems Co., Ltd.</p> <p>June 2018 Director and Full-time Member of Audit and Supervisory Committee, EM Systems Co., Ltd.</p> <p>July 2020 Representative Director of EM Technology Lab. Limited</p> <p>December 2022 Outside Director of the Company (current position)</p> <p>Significant concurrent positions</p> <p>Not applicable</p> <p>Reasons for nomination as a candidate for Outside Director and outline of expected roles</p> <p>The candidate, possessing an abundance of experience as a person experienced in technology and based on specialized knowledge and experience related to the area of medical systems, is deemed as someone from who advice on management of the Company from an objective perspective can be expected in order to make efforts to realize strategy aimed at business growth and improving company business results, and the Company therefore proposes his continued election as Director. In addition, if elected, he will continue as a member of the Nomination and Remuneration Committee, and we plan for him to be involved in nominating officer candidates of the Company and deciding officer remuneration, etc., from an objective and neutral standpoint</p>
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- (Notes)
1. There are no special interests between each of the candidates and the Company.
 2. Each candidate's number of shares of the Company held is as of the end of the current fiscal year (September 30, 2024). In addition, this includes the candidate's equity through the shareholder's association.
 3. Mr. Hiroki Yanagawa, Mr. Mamoru Yasuoka, and Mr. Nobuo Terauchi are candidates for Outside Director.
 4. Mr. Hiroki Yanagawa currently serves as the Company's Outside Director. His term of office as Outside Director will be eight years at the conclusion of this Annual Shareholders Meeting.
 5. Mr. Mamoru Yasuoka currently serves as the Company's Outside Director. His term of office as Outside Director will be three years at the conclusion of this Annual Shareholders Meeting, and his total term of office of four years includes serving as an Audit & Supervisory Board Member.
 6. Mr. Nobuo Terauchi currently serves as the Company's Outside Director. His term of office as Outside Director will be two years at the conclusion of this Annual Shareholders Meeting.
 7. The Company has entered into agreements with Mr. Hiroki Yanagawa, Mr. Mamoru Yasuoka, and Mr. Nobuo Terauchi in accordance with stipulations of Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages stipulated in Article 423, Paragraph 1 of the same Act. In the event that the reelection of each of them is approved, the Company plans to continue such agreements with them. The maximum liability amount based on said agreements is the amount stipulated by laws and regulations. However, said liability limitation is recognized only when performance of the duties that caused the liability have been in good faith and without gross negligence by said Directors (excluding Directors executing business, etc.)
 8. The Company has submitted a notification of the appointment of Mr. Hiroki Yanagawa, Mr. Mamoru Yasuoka, and Mr. Nobuo Terauchi as Independent Directors in accordance with the stipulations of the Tokyo Stock Exchange. In the event that each of them is reappointed, the Company plans to continue to appoint them as Independent Directors.

9. The Company has entered into a directors and officers liability insurance agreement to insure all officers with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance agreement covers compensation for damages and litigation costs to be borne by the insured persons in the event of claims made against them for actions taken to execute duties of the Company. The Company bears the full amount of all insurance premiums for the insured persons. If this proposal is approved, each candidate will be insured under the insurance agreement. The Company plans to renew the insurance agreement with the same content during their terms of office.

Proposal 3: Election of One Audit & Supervisory Board Member

The terms of office of Audit & Supervisory Board Member Mr. Kotaro Niwa will expire at the conclusion of this Annual Shareholders Meeting. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member.

The candidate for Audit & Supervisory Board Member was nominated based on the deliberation of the Nomination and Remuneration Committee of which the majority members are Outside Directors. In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows.

Name	Gender	Positions	
Kotaro Niwa	Male	Outside Audit & Supervisory Board Member	Reappointment

<Reference> Nomination Policies and Procedures for Candidates for Audit & Supervisory Board Member

Audit & Supervisory Board Members of the Company are required to perform audit operations after evaluating risk from diverse viewpoints through concrete and lively discussions based on expertise in finance, etc. and knowledge derived from individual business experiences. When nominating candidates, emphasis is placed on work experience and leadership in software development, sales, planning, etc., having knowledge of finance, legal affairs, labor, etc., ability to appropriately manage risk and monitor business execution, and being thoroughly ethical. Candidates for Outside Audit & Supervisory Board Member are nominated from persons who will contribute to improving the Company's corporate governance function among persons possessing a high degree of specialty in law and company finance, etc., and views, etc., concerning international affairs and trends in society and the economy.

In order to ensure independence, the Board of Directors deliberates based on reports from the "Nomination and Remuneration Committee," comprised of several officers with the majority Independent Outside Officers, on nominations for candidates for Audit & Supervisory Board Member after obtaining the consent of the Audit & Supervisory Board.

<p>Kotaro Niwa</p> <p><u>Reelection</u></p> <p>Date of birth November 26, 1974</p> <p>Number of shares of the Company held 20,093 shares</p> <p>Terms of office 8 years</p> <p>Attendance at meetings of the Board of Directors 19 / 19</p> <p>Attendance at meetings of the Audit & Supervisory Board 13 / 13</p>	<p>Career summary and positions at the Company</p> <table> <tr> <td>October 2000</td> <td>Registered as an attorney at law</td> </tr> <tr> <td>October 2000</td> <td>Joined Oshima Sogo Law Office</td> </tr> <tr> <td>June 2004</td> <td>Auditor of TAC Co., Ltd.</td> </tr> <tr> <td>May 2006</td> <td>Established Niwa Sogo Law Office</td> </tr> <tr> <td>May 2010</td> <td>Partner of IPAX PARTNERS</td> </tr> <tr> <td>March 2011</td> <td>Director of ES-CON JAPAN Ltd.</td> </tr> <tr> <td>November 2015</td> <td>Director of TANKEN SEAL SEIKO CO., LTD.</td> </tr> <tr> <td>March 2016</td> <td>Director (Auditor) of ES-CON JAPAN Ltd.</td> </tr> <tr> <td>August 2016</td> <td>Partner of Minatsuki Law Office (current position)</td> </tr> <tr> <td>December 2016</td> <td>Outside Audit & Supervisory Board Member of the Company (current position)</td> </tr> <tr> <td>June 2021</td> <td>Outside Director (Audit and Supervisory Committee) of TAC Co., Ltd. (current position)</td> </tr> </table> <p>Significant concurrent positions</p> <p>Partner of Minatsuki Law Office Outside Director (Audit and Supervisory Committee) of TAC Co., Ltd.</p> <p>Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member</p> <p>The candidate, possessing an abundance of experience and broad insight as an attorney at law, is deemed able to appropriately take a role as an Outside Audit & Supervisory Board Member, and the Company therefore nominates him as a candidate for Outside Audit & Supervisory Board Member. Although he has no prior experience in direct corporate management apart from serving as an outside officer, based on the reasons mentioned above, the Company proposes his continued election as Outside Audit & Supervisory Board Member.</p>	October 2000	Registered as an attorney at law	October 2000	Joined Oshima Sogo Law Office	June 2004	Auditor of TAC Co., Ltd.	May 2006	Established Niwa Sogo Law Office	May 2010	Partner of IPAX PARTNERS	March 2011	Director of ES-CON JAPAN Ltd.	November 2015	Director of TANKEN SEAL SEIKO CO., LTD.	March 2016	Director (Auditor) of ES-CON JAPAN Ltd.	August 2016	Partner of Minatsuki Law Office (current position)	December 2016	Outside Audit & Supervisory Board Member of the Company (current position)	June 2021	Outside Director (Audit and Supervisory Committee) of TAC Co., Ltd. (current position)
October 2000	Registered as an attorney at law																						
October 2000	Joined Oshima Sogo Law Office																						
June 2004	Auditor of TAC Co., Ltd.																						
May 2006	Established Niwa Sogo Law Office																						
May 2010	Partner of IPAX PARTNERS																						
March 2011	Director of ES-CON JAPAN Ltd.																						
November 2015	Director of TANKEN SEAL SEIKO CO., LTD.																						
March 2016	Director (Auditor) of ES-CON JAPAN Ltd.																						
August 2016	Partner of Minatsuki Law Office (current position)																						
December 2016	Outside Audit & Supervisory Board Member of the Company (current position)																						
June 2021	Outside Director (Audit and Supervisory Committee) of TAC Co., Ltd. (current position)																						

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. The candidate's number of shares of the Company held is as of the end of the current fiscal year (September 30, 2024). In addition, this includes the candidate's equity through the shareholder's association.
 3. Mr. Kotaro Niwa is a candidate for Outside Audit & Supervisory Board Member. He meets the requirements for independent officers as stipulated by the Tokyo Stock Exchange, and in the event that his election as Outside Audit & Supervisory Board Member is approved, the Company plans to appoint him as an Independent Audit & Supervisory Board Member.
 4. In the event that Mr. Kotaro Niwa is elected, the Company plans to enter into an agreement with him in accordance with stipulations of Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability amount based on said agreement is the amount stipulated by laws and regulations.
 5. The Company has entered into a directors and officers liability insurance agreement to insure all officers with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance agreement covers compensation for damages and litigation costs to be borne by the insured persons in the event of claims made against them for actions taken to execute duties of the Company. The Company bears the full amount of all insurance premiums for the insured persons. If this proposal is approved, Mr. Kotaro Niwa will be insured under the insurance agreement. The Company plans to renew the insurance agreement with the same content during his term of office.

(Reference) Skill Matrix of Directors and Audit & Supervisory Board Members

Aiming to realize the Company's Medium-Term Management Plan, areas of particular expectations are defined as the areas of (1) Corporate management, (2) Manufacturing, technology, and PMO, (3) Marketing and sales, (4) Finance and accounting, (5) Personnel affairs, labor, and talent development, (6) Legal affairs and risk management, and (7) ESG and sustainability. If Proposal 2 and Proposal 3 are approved, the following chart is a summary of the skills of Directors.

Name		Areas						
		Corporate management	Manufacturing, technology, and PMO	Marketing and sales	Finance and accounting	Personnel affairs, labor, and talent development	Legal affairs and risk management	ESG and sustainability
Director	Kozo Funatsu	●	●	●	●	●	●	●
	Hajime Matsuoka	●	●	●		●	●	●
	Koji Tabata	●		●	●	●	●	●
	Chinami Arai	●			●	●	●	●
	Hiroki Yanagawa	●	●	●		●	●	
	Mamoru Yasuoka	●	●	●		●	●	
	Nobuo Terauchi	●	●	●	●	●	●	
Audit & Supervisory Board Member	Kazuhiko Kato		●		●	●	●	●
	Kotaro Niwa					●	●	
	Shigeru Sato				●		●	