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[Documents Provided]
Securities identification code: 9603
January 4, 2024

To our shareholders:

Motoshi Yada
President
H.I.S. Co., Ltd.
4-1-1 Toranomom, Minato-ku, Tokyo, JAPAN

NOTICE OF THE 43RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 43rd Ordinary General Meeting of Shareholders of H.I.S. Co., Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet beforehand. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights in accordance with the “Information on Exercise of Voting Rights” (Japanese only) no later than 6:30 p.m., Wednesday, January 24, 2024 (Japan Standard Time).

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the shareholders meeting, etc. (items for which the measures for providing information in electronic format will be taken). This information is posted on the following websites.

The Company’s website

<https://www.his.co.jp/ir/invitation/> (in Japanese)

TSE website (Listed Company Search):

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

Enter “H.I.S.” in “Issue name (company name)” or the Company’s securities code “9603” 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].”

[Website for posted informational materials for the general meeting of shareholders]

<https://d.sokai.jp/9603/teiji/> (in Japanese)

In accordance with laws and regulations and the provisions of the Company’s Articles of Incorporation, some items are not included in the documents sent out to shareholders. Page numbers, paragraph numbers, and other enumerations may not be in order because they have been aligned with the items for which the measures for providing information in electronic format will be taken.

Please note that no gifts will be provided to shareholders attending the meeting.

Meeting Details

1. **Date and time:** Thursday, January 25, 2024 at 10:00 a.m. (Japan Standard Time)
2. **Venue:** Tokyo World Gate Kamiyacho Trust Tower,
Trust City Conference Kamiyacho on the second floor
4-1-1 Toranomom, Minato-ku, Tokyo, Japan
3. **Purposes:**

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 43rd Term (from November 1, 2022 to October 31, 2023), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 43rd Term (from November 1, 2022 to October 31, 2023)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 3:** Election of three (3) Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Determination of remuneration and other specific details concerning share acquisition rights as stock options for Directors (excluding Directors who are Audit and Supervisory Committee Members, Non-Executive Directors, Part-Time Directors, or Outside Directors)

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company proposes the appropriation of surplus as follows.

Even though earnings are recovering following the COVID-19 pandemic, the Company still recorded a net loss attributable to shareholders of the parent company in the consolidated financial results for the fiscal year under review. Under such circumstances, we regrettably seek to forgo the year-end dividend given the dire task we face of bringing stability to our financial position to restore earnings.

Proposal 2: Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all ten (10) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire. In that regard, the Company proposes to elect eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members).

Note that the Audit and Supervisory Committee has deemed the contents of this proposal to be appropriate.

Candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

No.		Name	Current position and responsibilities in the Company	Number of the Company's shares owned
1	Reelection	Motoshi Yada	President-Representative Director (CEO)	7 thousand shares
2	Reelection	Tatsuya Nakamori	Senior Managing Director responsible for Inbound Business Strategy	31 thousand shares
3	Reelection	Masayuki Oda	Managing Director Responsible for Group Strategy, Affiliates and M&A, and Chief Information Security Officer	10 thousand shares
4	Reelection	Atsushi Yamanobe	Director, Senior Executive Officer, General Manager of Corporate Sales Headquarters	9 thousand shares
5	Reelection	Mutsumi Gomi	Director, Senior Executive Officer responsible for New Business Strategy	8 thousand shares
6	Reelection	Hidetaka Sawada	Director, Senior Executive Officer Responsible for Individual Travel Business Strategy and Domestic Travel, and Manager of Investment Strategy Headquarters	655 thousand shares
7	Reelection Outside Independent	Junko Owada	Outside Director	1 thousand shares
8	Reelection Outside Independent	Shingo Kagawa	Outside Director	- thousand shares

Reelection Candidate for Director to be reelected

Outside Candidate for Outside Director

Independent Independent officer as defined by the securities exchange

Notes: 1. The Company has entered into a directors and officers liability insurance policy with an insurance company, and each candidate will be included as an insured in this policy. The policy is renewed every year, and upon the next renewal, the Company plans to renew the policy with the same details.

2. The Company has entered into a limited liability agreement with Ms. Owada and Mr. Kagawa for damages referred to in Article 423, paragraph (1) of the Companies Act, based on Article 427, paragraph (1) of the same act (the amount of limited liability is the amount specified in Article 425, paragraph (1)). If their reelection is approved, the Company plans to renew the said agreement with them. The Company has submitted notification to Tokyo Stock Exchange, Inc. that they have been designated as independent officers as defined by the aforementioned exchange.
3. There are no special interest between the Company and either of Ms. Owada and Mr. Kagawa, or between the Company and any of the companies at which they hold significant concurrent positions.

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
1	 <p data-bbox="357 817 507 891">Motoshi Yada (July 25, 1961)</p>	<p data-bbox="571 338 1359 996"> August 1993 Joined the Company May 1998 Assistant Manager of Kanto Sales Headquarters May 2000 Manager of Head Office President Office September 2001 Manager of Head Office Human Resource Department November 2004 Manager of Kansai Sales Headquarters October 2005 Advisor of Kyushu Industrial Transportation Co., Ltd. (currently Kyushu Sangyo Kotsu Holdings Co., Ltd.) November 2005 Representative Director and President January 2020 Director of the Company April 2021 Director, Senior Executive Officer responsible for Consolidated Finance and Accounting, Consolidated HR, CS/ES, General Affairs, Business Planning Headquarters, CSR, Legal Affairs and Internal Control, and Compliance, Chief Financial Officer (CFO) Chairman-Director of Kyushu Sangyo Kotsu Holdings Co., Ltd. (present position) March 2022 President-Representative Director, Chief Operating Officer (COO) of the Company February 2023 President-Representative Director (CEO) (present position) </p> <p data-bbox="571 1010 1359 1077"> [Significant concurrent positions] Chairman-Director of Kyushu Sangyo Kotsu Holdings Co., Ltd. </p>
<p data-bbox="316 1088 874 1115">Reasons for nomination as candidate for Director, etc.</p> <p data-bbox="316 1122 1359 1534"> Motoshi Yada has extensive business experience in the marketing and product planning sectors of the Company, and is also familiar with the Company's management and human resource departments, having held the positions of Manager of Head Office President Office and Manager of Head Office Human Resource Department of the Company. Since 2005, when Yada was appointed as Representative Director and President of Kyushu Industrial Transportation Co., Ltd. (currently Kyushu Sangyo Kotsu Holdings Co., Ltd.), he has led the redevelopment business in the center of Kumamoto Prefecture and driven the Group's regional revitalization business, which includes regional revitalization and contributing to the recovery efforts following the 2016 Kumamoto earthquakes, significantly contributing to the growth of the entire Group. Since 2022, he has served as President-Representative Director of the Company and is responsible for the management of the Company. Yada has been nominated as a candidate for Director for his experience and accomplishments, which are expected to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value. Furthermore, the Company and Kyushu Sangyo Kotsu Holdings Co., Ltd., of which Yada is Chairman-Director, are in a business relationship involving primarily the sale of travel products. </p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
2	 <p data-bbox="341 719 523 790">Tatsuya Nakamori (August 4, 1967)</p>	<p data-bbox="568 338 943 367">November 1986 Joined the Company</p> <p data-bbox="568 383 1353 434">January 2010 Director responsible for Overall Control of West Japan Region Sales, General Manager of Kansai Sales Headquarters</p> <p data-bbox="568 450 1337 501">March 2014 Managing Director responsible for Airline Ticket Purchasing and Arrangement, and Online Travel Business</p> <p data-bbox="568 517 1161 546">November 2016 Managing Director, President of HIS Japan</p> <p data-bbox="568 562 1315 613">January 2018 Director, Senior Managing Executive Officer, President of HIS Japan</p> <p data-bbox="568 629 1315 680">August 2020 Director, Senior Managing Executive Officer, President of HIS Japan, Chief Digital Officer (CDO)</p> <p data-bbox="568 696 1353 797">April 2022 Senior Managing Director responsible for Inbound Business Strategy (present position) President and Representative Director of Japan Holiday Travel Co., Ltd. (present position)</p> <p data-bbox="568 813 887 842">[Significant concurrent positions]</p> <p data-bbox="568 857 1262 887">President and Representative Director of Japan Holiday Travel Co., Ltd.</p>
<p data-bbox="316 891 826 920">Reasons for nomination as candidate for Director</p> <p data-bbox="316 927 1331 1088">Tatsuya Nakamori has extensive business experience in the Company's marketing and sales sectors, and has leveraged his track record in the procurement and planning sectors to participate in the management. In the reorganization of the management execution structure implemented in 2016, Nakamori was appointed as President of HIS Japan, a quasi-in-house company, and has served as the overall supervisor for the business departments handling overseas travel departing from Japan and domestic travel within Japan, and he has been engaged in the management.</p> <p data-bbox="316 1095 1347 1254">Nakamori has been nominated as a candidate for Director for his experience and accomplishments, which are expected to continue to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value. Furthermore, the Company and Japan Holiday Travel Co., Ltd., of which Nakamori is Representative Director and President, are in a business relationship involving primarily the sale of travel products.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
3	 <p data-bbox="347 907 518 981">Masayuki Oda (January 1, 1966)</p>	<p data-bbox="571 340 944 369">June 1996 Joined the Company</p> <p data-bbox="571 380 1284 409">March 2014 Officer, General Manager of Kansai Sales Headquarters</p> <p data-bbox="571 421 1332 504">January 2016 Director responsible for Kansai, Chugoku, Shikoku, Kyushu Sales and Global Product Marketing, General Manager of Kansai Sales Headquarters</p> <p data-bbox="571 515 1316 571">November 2016 Director, Vice President of HIS Japan, General Manager of Domestic Travel Sales Headquarters</p> <p data-bbox="571 582 1300 660">January 2018 Director, Senior Executive Officer, Vice President of HIS Japan, General Manager of Domestic Travel Sales Headquarters</p> <p data-bbox="571 672 1332 817">February 2018 Director, Managing Executive Officer responsible for Business Planning Headquarters, Overseas Business Strategy Headquarters and Overseas System Development Headquarters, General Manager of Affiliated Company Headquarters</p> <p data-bbox="571 828 1348 963">May 2019 Director, Managing Executive Officer responsible for Business Planning Headquarters, Affiliated Company Headquarters, Head Office HR Headquarters, CS/ES, General Affairs and CSR, General Manager of Overseas Business Strategy Headquarters</p> <p data-bbox="571 974 1348 1086">January 2021 Director, Managing Executive Officer responsible for Affiliated Company Headquarters and Online Experience Headquarters, General Manager of Overseas Business Strategy Headquarters</p> <p data-bbox="571 1097 1332 1153">April 2022 Managing Director responsible for Group Strategy, Affiliates and M&A</p> <p data-bbox="571 1164 1332 1243">July 2023 Managing Director responsible for Group Strategy, Affiliates and M&A, Chief Information Security Officer (present position)</p>
<p data-bbox="316 1258 826 1288">Reasons for nomination as candidate for Director</p> <p data-bbox="316 1294 1348 1451">Masayuki Oda has extensive business experience in the sectors of marketing and sales and has participated in the management as a Director of the Company since 2016. In the reorganization of the management execution structure carried out in 2016, he was appointed as Vice President of HIS Japan, a quasi-in-house company, and has served as the supervisor of the domestic travel business department. He is currently responsible for Group Strategy, Affiliates and M&A, and also serves as the Chief Information Security Officer.</p> <p data-bbox="316 1458 1316 1568">Oda has been nominated as a candidate for Director for his experience and accomplishments, which are expected to continue to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
4	 Atsushi Yamanobe (March 18, 1970)	<p>April 1993 Joined the Company</p> <p>March 2014 Officer, Manager of Kanto Sales Business Department, Manager of Kanto WEB Business Department, Manager of Special Office Business for Kanto Corporation and Group</p> <p>January 2016 Director responsible for East Japan Region Sales, General Manager of Kanto Overseas Travel Sales Headquarters</p> <p>November 2016 Director, Vice President of HIS Japan, General Manager of Kansai Sales Headquarters</p> <p>January 2018 Director, Senior Executive Officer, Vice President of HIS Japan, General Manager of Kansai Sales Headquarters</p> <p>March 2018 Director, Senior Executive Officer, Vice President of HIS Japan, General Manager of Corporate Travel Sales Headquarters</p> <p>April 2022 Director, Senior Executive Officer responsible for New Business Strategy, General Manager of Corporate Sales Headquarters</p> <p>October 2022 Director, Senior Executive Officer, General Manager of Corporate Sales Headquarters (present position)</p>
<p>Reasons for nomination as candidate for Director</p> <p>Atsushi Yamanobe has extensive business experience in the sectors of marketing and sales and has participated in the management as a Director of the Company since 2016. In the reorganization of the management execution structure carried out in 2016, he was appointed as Vice President of HIS Japan, a quasi in-house company, and has served as the west Japan region supervisor of the travel business department. Since 2018 he has overseen the corporate client business as General Manager of Corporate Sales Headquarters.</p> <p>Yamanobe has been nominated as a candidate for Director for his experience and accomplishments, which are expected to continue to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
5	 <p data-bbox="359 772 507 840">Mutsumi Gomi (June 6, 1968)</p>	<p data-bbox="571 340 949 369">April 1992 Joined the Company</p> <p data-bbox="571 380 1220 409">May 2010 Manager of East Japan FIT Business Department</p> <p data-bbox="571 421 1324 504">September 2012 President and Director of PT. HARUM INDAH SARI TOURS & TRAVEL, Branch Manager in charge of Overall Control of Jakarta</p> <p data-bbox="571 515 1268 598">January 2016 Officer of the Company, President and Director of PT. HARUM INDAH SARI TOURS & TRAVEL, Branch Manager in charge of Overall Control of Jakarta</p> <p data-bbox="571 609 1348 714">December 2017 Officer, President and Director of PT. HARUM INDAH SARI TOURS & TRAVEL, General Manager of Southeast Asia General Sales Headquarters and Branch Manager in charge of Overall Control of Jakarta</p> <p data-bbox="571 725 1332 840">January 2018 Director, Senior Executive Officer, President and Director of PT. HARUM INDAH SARI TOURS & TRAVEL, General Manager of Southeast Asia General Sales Headquarters and Branch Manager in charge of Overall Control of Jakarta</p> <p data-bbox="571 851 1348 907">November 2018 Director, Senior Executive Officer, Chief Information Officer (CIO) and responsible for Southeast Asia and South Asia areas</p> <p data-bbox="571 918 1284 974">October 2022 Director, Senior Executive Officer responsible for New Business Strategy (present position)</p>
<p data-bbox="316 990 826 1019">Reasons for nomination as candidate for Director</p> <p data-bbox="316 1025 1348 1182">Mutsumi Gomi has extensive experience in marketing, sales and procurement sectors of the Company, and also from overseas assignments. In 2016 he became an Officer and served as a supervisor for the Company's subsidiary in Indonesia. Also, as General Manager of Southeast Asia General Sales Headquarters, he spearheaded the formulation of strategies for the Southeast Asian market, a growth market. He has participated in the management of the Company as a Director and Chief Information Officer (CIO) since 2018, and has been responsible for New Business Strategy since 2022.</p> <p data-bbox="316 1189 1332 1288">Gomi has been nominated as a candidate for Director for his experience and accomplishments, which are expected to continue to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
6	 <p data-bbox="331 902 534 969">Hidetaka Sawada (November 2, 1981)</p>	<p data-bbox="571 338 1348 394">April 2005 Joined Nikko Cordial Securities Inc. (currently SMBC Nikko Securities Inc.)</p> <p data-bbox="571 405 1348 461">June 2006 Director of Sawada Holdings Co., Ltd. (currently HS Holdings Co., Ltd.)</p> <p data-bbox="571 472 1348 528">September 2006 Director of H.S. SECURITIES CO., LTD. (currently J Trust Global Securities Co., Ltd.)</p> <p data-bbox="571 539 1348 595">February 2012 Representative Director and President of Bestone.Com Co., Ltd.</p> <p data-bbox="571 607 1348 663">July 2016 Representative Director and President of Fivestarcruise Inc. (present position)</p> <p data-bbox="571 674 1348 730">January 2019 Representative Director of EBISU RYOKAN (present position)</p> <p data-bbox="571 741 1348 775">January 2020 Director of the Company</p> <p data-bbox="571 786 1348 887">April 2022 Director, Senior Executive Officer responsible for Domestic Travel Business Strategy Representative Director and Chairman of Bestone.Com Co., Ltd. (present position)</p> <p data-bbox="571 898 1348 999">November 2022 Director, Senior Executive Officer responsible for Domestic Travel Business Strategy, Manager of Investment Strategy Headquarters</p> <p data-bbox="571 1010 1348 1111">March 2023 Director, Senior Executive Officer responsible for Individual Travel Business Strategy and Domestic Travel, Manager of Investment Strategy Headquarters (present position)</p> <p data-bbox="571 1099 1348 1236">[Significant concurrent positions] Representative Director and Chairman of Bestone.Com Co., Ltd. Representative Director and President of Fivestarcruise Inc. Representative Director of EBISU RYOKAN</p>
<p data-bbox="316 1249 826 1283">Reasons for nomination as candidate for Director</p> <p data-bbox="316 1290 1348 1417">Hidetaka Sawada developed his knowledge in financial matters, etc. at Sawada Holdings Co., Ltd. and has experience as a manager, having served as Director. Sawada also has extensive business experience and knowledge regarding IT, etc. In 2012, Sawada was appointed as Representative Director and President of Bestone.Com Co., Ltd. and successfully listed the company on the Mothers Section of the Tokyo Stock Exchange in 2018.</p> <p data-bbox="316 1424 1348 1608">Sawada has been nominated as a candidate for Director for his experience and accomplishments, which are expected to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value. Furthermore, there is no special interest between the Company and Bestone.Com Co., Ltd., of which Sawada is Representative Director and Chairman or Fivestarcruise Inc., of which he is Representative Director and President, or EBISU RYOKAN, of which he is Representative Director.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
7	 <p data-bbox="343 712 523 786">Junko Owada (August 31, 1965)</p> <p data-bbox="359 801 507 875">Number of years in office: 1 year</p>	<p data-bbox="571 342 1342 398">April 1989 Joined Nippon Telegraph and Telephone Corporation (currently NTT Communications)</p> <p data-bbox="571 409 1310 439">August 2001 Recruit Group - Personnel Measurement Institute Co., Ltd.</p> <p data-bbox="571 450 1342 479">April 2009 Executive Officer of Recruit Management Solutions Co., Ltd.</p> <p data-bbox="571 490 1182 519">April 2013 Executive Officer of Recruit Career Co., Ltd.</p> <p data-bbox="571 530 1326 586">July 2016 Fellow of Recruit Careers Co., Ltd. Advisor of Tokyo Ichiban Foods Co., Ltd. (present position)</p> <p data-bbox="571 598 1342 654">April 2017 Professional Contract in the Human Resources Area, Hitachi, Ltd. (present position)</p> <p data-bbox="571 665 1289 721">June 2020 External Director, ARBEIT-TIMES CO., LTD. (present position)</p> <p data-bbox="571 732 1326 761">May 2021 Outside Director, AEON MALL Co., Ltd. (present position)</p> <p data-bbox="571 772 1246 801">January 2023 Outside Director of the Company (present position)</p> <p data-bbox="571 813 1023 958">[Significant concurrent positions] Advisor of Tokyo Ichiban Foods Co., Ltd. External Director, ARBEIT-TIMES CO., LTD. Outside Director, AEON MALL Co., Ltd.</p>
<p data-bbox="316 969 1262 999">Reasons for nomination as candidate for Outside Director and overview of the expected role</p> <p data-bbox="316 1003 1353 1301">At Nippon Telegraph and Telephone Corporation (currently NTT Communications Corporation), Junko Owada gained diverse experience in the Corporate Planning Department of a branch office, the Public Relations Department of a branch office, and the Human Resources Department and International Department of the head office. At Recruit Corporation, she was involved in work including system development dealing with human resource solutions, and has deep knowledge of human resource recruitment and education-related matters, IT, etc. Owada has also served as an advisor and outside director of a listed company, and has a wealth of business experience and insight. Owada has been nominated as a candidate for Outside Director for her experience and accomplishments, which are expected to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
8	 <p data-bbox="355 734 510 902">Shingo Kagawa (March 8, 1958) Number of years in office: 1 year</p>	<p data-bbox="571 338 1345 891"> April 1981 Joined Fujitsu Limited April 2012 Fujitsu - Executive Officer, General Manager of Network Service Business Division and General Manager of Video Network Service Business Division April 2015 Fujitsu - Executive Officer, Executive Vice President, Deputy General Manager of Integration Services Division April 2016 Fujitsu - Executive Officer, Executive Vice President/CTO, General Manager of Digital Services Division April 2018 President and Representative Director of Fujitsu Research Institute Ltd. May 2020 External Director, Furuno Electric Co., Ltd. (present position) October 2020 President and Representative Director of DigiIT Corporation (currently SS Technologies Corporation) October 2021 Chairman of the Board of SS Technologies Corporation May 2022 Outside Director of MINISTOP Co., Ltd. (present position) January 2023 Outside Director of the Company (present position) </p> <p data-bbox="571 902 986 1003"> [Significant concurrent positions] External Director, Furuno Electric Co., Ltd. Outside Director of MINISTOP Co., Ltd. </p>
<p data-bbox="316 1016 1265 1043">Reasons for nomination as candidate for Outside Director and overview of the expected role</p> <p data-bbox="316 1050 1350 1265"> Shingo Kagawa has long promoted network services and digital services at Fujitsu Limited, and has a high level of insight into information and communication technology (ICT) and Digital Transformation (DX). He also participated in the management of Fujitsu Research Institute as a representative director, and has abundant experience and insight as a manager. Kagawa has been nominated as a candidate for Outside Director for his experience and accomplishments, which are expected to aid the decision-making of the Board of Directors, while contributing to the Group's augmentation of its business domains and global expansion, as well as sustainable growth and improvement in corporate value. </p>		

Proposal 3: Election of three (3) Directors who are Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire. Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

This proposal has been agreed to by the Audit and Supervisory Committee.

Candidates for Directors who are Audit and Supervisory Committee Members are as follows.

No.		Name	Current position and responsibilities in the Company	Number of the Company's shares owned
1	Reelection	Sonoko Sekita	Director, Full-Time Audit and Supervisory Committee Member	25 thousand shares
2	Reelection Outside Independent	Atsushi Nabeshima	Outside Director, Audit and Supervisory Committee Member	1 thousand shares
3	New candidate Outside Independent	Hiroto Kaneko	Outside Director	- thousand shares

New candidate Candidate for Director to be newly elected

Reelection Candidate for Director to be reelected

Outside Candidate for Outside Director

Independent Independent officer as defined by the securities exchange

- Notes:
1. The Company has entered into a directors and officers liability insurance policy with an insurance company, and each candidate will be included as an insured in this policy. The policy is renewed every year, and upon the next renewal, the Company plans to renew the policy with the same details.
 2. The Company has entered into a limited liability agreement with each of candidates for damages referred to in Article 423, paragraph (1) of the Companies Act, based on Article 427, paragraph (1) of the same act (the amount of limited liability is the amount specified in Article 425, paragraph (1)). If the election of each candidate is approved, the Company plans to renew the said agreement with them. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Nabeshima and Mr. Kaneko have been designated as independent officers as defined by the aforementioned exchange.
 3. There are no special interest between the Company and either of Mr. Nabeshima and Mr. Kaneko, or between the Company and any of the companies at which they hold significant concurrent positions.

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
1	 <p data-bbox="357 667 509 741">Sonoko Sekita (July 23, 1965)</p>	<p data-bbox="571 353 943 383">February 1988 Joined the Company</p> <p data-bbox="571 394 1238 450">May 2000 Manager of Accounting Section, Kanto Operations Headquarters</p> <p data-bbox="571 461 1353 517">April 2008 Group Leader of Accounting Section, Head Office Accounting Headquarters</p> <p data-bbox="571 528 1299 584">December 2012 Director and Manager of Accounting Department of HIS. MANAGEMENT SERVICES SDN. BHD.</p> <p data-bbox="571 595 1273 651">January 2015 Full-time Audit and Supervisory Board Member of the Company</p> <p data-bbox="571 663 1273 719">January 2016 Director, Full-Time Audit and Supervisory Committee Member (present position)</p>
<p data-bbox="316 766 1289 822">Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member</p> <p data-bbox="316 833 1353 990">Sonoko Sekita has been nominated as a candidate for Director who is an Audit and Supervisory Committee Member in the expectation that the business experience and accomplishments that she has accumulated over many years in the Accounting Division at Overall Control Companies overseas, as well as the experience, accomplishments, and good judgment she has developed as a Full-Time Audit and Supervisory Board Member and Director who is Audit and Supervisory Committee Member will contribute to the performance of the responsibilities of the Audit and Supervisory Committee.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
2	 <p data-bbox="336 719 528 786">Atsushi Nabeshima (August 2, 1946)</p> <p data-bbox="357 804 507 887">Number of years in office: 3 years</p>	<p data-bbox="568 338 1310 394">July 1969 Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)</p> <p data-bbox="568 405 1342 461">July 1995 Director, General Manager of Operation Department of Tokio Marine Medical Service Co., Ltd.</p> <p data-bbox="568 472 1326 528">July 2001 Compliance Officer of Tokio Marine Anshin Life Insurance Co., Ltd.</p> <p data-bbox="568 539 1326 595">June 2003 Director responsible for Product Development and Medical- related Business of HABA Laboratories, Inc.</p> <p data-bbox="568 607 1326 663">January 2007 Director responsible for General Affairs, Human Resources, and Accounting</p> <p data-bbox="568 674 1222 730">December 2007 Representative Director and President of Shinshu Pharmaceutical, Inc.</p> <p data-bbox="568 741 1099 775">June 2019 Executive Director of Showa Kaikan</p> <p data-bbox="568 786 1337 842">January 2021 Outside Director, Audit and Supervisory Committee Member of the Company (present position)</p> <p data-bbox="568 853 1257 887">June 2021 Director General of Showa Kaikan (present position)</p> <p data-bbox="568 898 895 931">[Significant concurrent positions]</p> <p data-bbox="568 931 908 954">Director General of Showa Kaikan</p>
<p data-bbox="316 969 1257 1025">Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role</p> <p data-bbox="316 1032 1347 1223">Atsushi Nabeshima has extensive experience and knowledge encompassing organization management of a large traditional company at Tokio Marine & Fire Insurance Co., Ltd., and management of a venture-type listed company at HABA Laboratories, Inc. He is expected to provide advice and suggestions concerning the management of the Company from an independent and objective perspective, drawing on his superior knowledge concerning corporate ethics and corporate governance, and to fulfill the responsibilities of the Audit and Supervisory Committee. Accordingly, he has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions]
3	 <p data-bbox="331 869 534 943">Hiroto Kaneko (February 26, 1957)</p> <p data-bbox="331 958 534 1032">Number of years in office: —</p>	<p data-bbox="571 338 1348 398">April 1980 Joined Arthur Andersen Accounting (currently KPMG AZSA & Co.)</p> <p data-bbox="571 405 1150 434">March 1983 Registered as Certified Public Accountant</p> <p data-bbox="571 441 1315 470">June 1988 Assigned to Arthur Andersen Germany Duesseldorf Office</p> <p data-bbox="571 477 1193 506">September 1999 Partner of Arthur Andersen (currently KPMG)</p> <p data-bbox="571 512 1310 573">July 2000 Senior Partner of Asahi & Co. (currently KPMG AZSA & Co.)</p> <p data-bbox="571 580 1337 640">June 2005 Deputy General Manager, IFRS Division of KPMG AZSA & Co.</p> <p data-bbox="571 647 1059 676">July 2010 Director of KPMG AZSA & Co.</p> <p data-bbox="571 683 1161 712">July 2015 Managing Director of KPMG AZSA & Co.</p> <p data-bbox="571 719 1348 779">July 2021 Director of Hiroto Kaneko Certified Public Accountant Office (present position)</p> <p data-bbox="571 786 1238 846">March 2022 Outside Director and Audit Committee Member of Doctorbook, Inc. (present position)</p> <p data-bbox="571 853 1243 882">January 2023 Outside Director of the Company (present position)</p> <p data-bbox="571 889 1348 949">June 2023 Outside Director, Audit & Supervisory Committee Member of Nisshin Seifun Group Inc. (present position)</p> <p data-bbox="571 956 1348 1016">Outside Director, Audit and Supervisory Committee Member of PayPay Corporation (present position)</p> <p data-bbox="571 1023 895 1052">[Significant concurrent positions]</p> <p data-bbox="571 1059 1171 1088">Director of Hiroto Kaneko Certified Public Accountant Office</p> <p data-bbox="571 1095 1230 1124">Outside Director and Audit Committee Member of Doctorbook, Inc.</p> <p data-bbox="571 1131 1326 1191">Outside Director, Audit & Supervisory Committee Member of Nisshin Seifun Group Inc.</p> <p data-bbox="571 1198 1270 1258">Outside Director, Audit and Supervisory Committee Member of PayPay Corporation</p>
<p data-bbox="316 1285 1257 1339">Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role</p> <p data-bbox="316 1346 1348 1451">Hiroto Kaneko has cultivated a global perspective at Arthur Andersen & Co. and has extensive experience and a high degree of insight regarding auditing and accounting through his many years as a certified public accountant involved in various issues surrounding corporations. He has also participated in management as a member of corporate management and has knowledge as a manager.</p> <p data-bbox="316 1458 1348 1617">He is expected to provide advice and suggestions concerning the management of the Company from an independent and objective perspective and drawing on his experience and track record to fulfill the responsibilities of the Audit and Supervisory Committee. Although he is currently an Outside Director of the Company, his term of office will expire at the conclusion of this meeting. Accordingly, he has been newly nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>		

[Reference] Management structure and skill matrix if Proposal 2 and Proposal 3 are approved

If Proposal 2 and Proposal 3 are approved, the compositions of the Board of Directors and Audit and Supervisory Committee as well as expertise of each Director will be as follows.

The table below does not portray the full breadth of knowledge and experience of the respective candidates for Director, but instead indicates up to five skills (indicated with a circle in the applicable column) that are deemed to best distinguish each of the individuals.

	Corporate management	Travel business	Business strategy, innovation	Finance and accounting	HR and labor relations	Legal affairs, compliance	Digital strategy, ICT
Motoshi Yada	○	○	○	○	○		
Tatsuya Nakamori	○	○	○				○
Masayuki Oda	○	○	○				○
Atsushi Yamanobe	○	○	○				
Mutsumi Gomi	○	○	○				
Hidetaka Sawada	○	○	○				○
Junko Owada ⁺			○		○	○	○
Shingo Kagawa ⁺	○		○				○
Sonoko Sekita [*]				○		○	
Atsushi Nabeshima ^{* +}	○				○	○	
Hiroto Kaneko ^{* +}	○		○	○		○	

* Director who is an Audit and Supervisory Committee Member

+ Independent Outside Director

[Policy for nominating Directors]

When nominating Directors, the Company considers the abilities, experience, insight and character required according to the role and, in order to promote prompt and efficient decision-making and effective governance for the Company's management as well as ensure an appropriate supervisory function, while giving consideration to the Company's performance and the leadership skills, management skills, decision-making ability, etc. of senior management, selects candidates from within or outside the Company who have extensive experience and a high level of insight and expertise cultivated through that experience and who can make a valuable contribution to achieving sustainable growth and improvement in corporate value.

[Policy for nominating Directors who are Audit and Supervisory Committee Members]

When nominating Directors who are Audit and Supervisory Committee Members, in order to ensure an appropriate supervisory function, the Company selects candidates from within or outside the Company who have an understanding of the Company's management and who have a high level of insight and expertise cultivated through extensive experience, mainly in the areas of finance, accounting, law, risk management, etc.

[Policy for nominating Outside Directors and independence standards]

When nominating Outside Directors, in order to supervise the execution of business from diverse perspectives, the Company considers diversity and balance with respect to a high level of insight and expertise, experience and industry, and places priority on supervising management from multiple viewpoints.

Moreover, the Company determines whether an Outside Director is an independent Outside Director based on the requirements for outside directors stipulated in the Companies Act and the

independence standards stipulated by the Tokyo Stock Exchange. The current independent Outside Directors satisfy those conditions.

Proposal 4: Determination of remuneration and other specific details concerning share acquisition rights as stock options for Directors (excluding Directors who are Audit and Supervisory Committee Members, Non-Executive Directors, Part-Time Directors, or Outside Directors)

At the Company's 36th Ordinary General Meeting of Shareholders held on January 26, 2017, approval was obtained for the allotment of acquisition rights as stock options for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members, non-executive Directors, part-time Directors, and Outside Directors).

As the specific details regarding the granting of share acquisition rights as remuneration for Directors now requires the approval of the General Meeting of Shareholders in accordance with the revised Companies Act that took effect on March 1, 2021, the Company asks approval of the share acquisition rights detailed below so as to maintain the current stock options scheme. Only the parts underlined require approval this time (articles on the acquisition of share acquisition rights).

At the Company's 35th Ordinary General Meeting of Shareholders held on January 27, 2016, approval was obtained to limit the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members, non-executive Directors, part-time Directors, and Outside Directors) to no more than 500 million yen annually (note that this includes Directors' bonuses but does not include the employee salary for those who act as both Directors and employees). Also, given that the purpose of the stock options scheme is to increase the incentive for enhancing the Company's corporate value, approval was obtained to limit the allotment of share acquisition rights as stock options to Directors (excluding Directors who are Audit and Supervisory Committee Members, non-executive Directors, part-time Directors, and Outside Directors) to no more than 100 million yen annually as a limit established separately from the aforementioned amount of remuneration. The limit on the aforementioned amount of remuneration and other conditions for allotting share acquisition rights to Directors based on this proposal have been decided on and judged to be appropriate after taking into consideration the purpose stated above, the Company's business conditions, the policy for determining remuneration for individual Directors, and various other circumstances.

Please note that while the Company currently has seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors), if Proposal 2 (Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)) is approved in its original form, the number of Directors subject to this proposal will be five (5).

Note that the Audit and Supervisory Committee has deemed the contents of this proposal to be reasonable.

(1) Class and number of shares that are the object of the share acquisition rights

The shares that are the object of share acquisition rights shall be the common stock of the Company, and 100 shares of the Company shall be granted for one stock acquisition right (hereafter "number of shares granted").

However, if after the date on which the share acquisition rights are allotted (hereafter "the allotment date"), the Company carries out a stock split (including an allotment of the common stock for which no payment is received; hereinafter the same shall apply to stock splits listed) or a reverse stock split, for those share acquisition rights not exercised as of the time of said stock split or reverse stock split, the number of shares granted shall be adjusted according to the following calculation.

$$\text{Number of shares granted post-adjustment} = \text{Number of shares granted pre-adjustment} \times \text{Split or reverse split ratio}$$

In addition to the above, if a situation arises in which an adjustment of the number of shares granted is unavoidable, an adjustment of the number of shares approved as necessary by the Board of Directors shall be permitted.

Moreover, fractions of less than one share resulting from the above adjustment shall be rounded down to the nearest whole number.

(2) Total number of share acquisition rights allotted

The number of share acquisition rights available for allocation within one year of the date of the Ordinary General Meeting of Shareholders for each fiscal year, shall be 700 units or less.

(3) Paid-in amount for share acquisition rights

The paid-in amount for each share acquisition right shall be determined by the Board of Directors based on the fair value of the share acquisition rights based on fair calculation methods such as the Black-Scholes model, etc., at the time of the allotment of the share acquisition rights.

Moreover, a person in receipt of an allotment of share acquisition rights (hereafter, “share acquisition rights holder”) shall offset their claim on remuneration against the Company, instead of paying said paid-in value, and shall not be required to make any monetary payment.

(4) Amount to be contributed upon exercise of share acquisition rights

The amount to be contributed upon the exercise of share acquisition rights shall be the paid-in amount for one share receivable upon the exercise of a share acquisition right (hereafter “exercise price”), multiplied by the number of shares granted.

The exercise price shall be the higher of the price determined by the Board of Directors and the closing price on the allotment date (if there is no closing price on the allotment date, the closing price of the most recent day).

Furthermore, if any of the following situations occur after the allotment date of the share acquisition rights, the exercise prices shall be adjusted.

- (i) If the Company implements a stock split or a reverse stock split of common stock, the exercise price shall be adjusted using the following calculation, with resulting fractions of less than 1 yen being rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Split / reverse split ratio}}$$

- (ii) If the Company issues new common shares at a price below the market price or disposes of treasury stock (excluding cases in which treasury stock is disposed of or new shares are issued due to the exercise of share acquisition rights, or in which treasury stock is

transferred due to a stock swap), the exercise price shall be adjusted using the following calculation, with resulting fractions of less than 1 yen being rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of newly issued shares} \times \text{Paid-in amount per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of newly issued shares}}$$

In the above calculation, “Number of shares already issued” shall mean the total number of shares issued by the Company less the number of treasury shares held by the Company and, when disposing of treasury stock, “Number of newly issued shares” shall be read as “Number of shares disposed of” and “Paid-in amount per share” shall be read as “Disposal amount per share.”

- (iii) If the Company merges or splits into separate companies, or in other applicable cases when an adjustment to the exercise price is deemed necessary, the exercise price shall be adjusted only to the extent necessary and to a reasonable extent.

(5) Period during which share acquisition rights may be exercised

Period during which share acquisition rights may be exercised shall be determined by the Board of Directors within 10 years from the day following the allotment date of the share acquisition rights.

(6) Conditions for the exercise of share acquisition rights

The share acquisition rights holder shall be, when also exercising the right to acquire stock, a Director or employee of the Company or of a subsidiary of the Company. However, this shall not apply when a Director has retired due to the expiration of their term or based on other reasonable grounds recognized by the Board of Directors.

In addition, other conditions for the exercise of share acquisition rights shall be determined by the Board of Directors when the subscription requirements for the share acquisition rights are decided.

(7) Restrictions on the acquisition of share acquisition rights by transfer

The acquisition of share acquisition rights by transfer shall require the approval of the Board of Directors of the Company.

(8) Articles on the acquisition of share acquisition rights

- (i) If a share acquisition rights holder becomes unable to exercise their share acquisition rights before exercising the rights in accordance with the provisions of (6) above or the provisions of the agreement on the allotment of share acquisition rights, the Company can acquire their share acquisition rights at no cost.
- (ii) If any of the proposals listed under (a), (b), or (c) below are approved at the Company’s General Meeting of Shareholders (or at a meeting of the Board of Directors if a General Meeting of Shareholders resolution is not required), the Company can acquire share acquisition rights at no cost.

- (a) A proposal for approval of a merger agreement in which the Company is the disappearing company
- (b) A proposal for approval of a demerger agreement or demerger plan in which the Company is the demerged company
- (c) A proposal for approval of a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary

(9) Other details regarding share acquisition rights

Other details related to the share acquisition rights shall be determined by the Board of Directors when the subscription requirements for the share acquisition rights are decided.