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Securities code: 6183
(Mailing date) May 13, 2025
(Start date for electronic provision measures) May 2, 2025

To Shareholders with Voting Rights:

Hiroshi Kajiwara
Representative Director
BELLSYSTEM24 Holdings, Inc.
4-1-1, Toranomom, Minato-ku,
Tokyo, Japan

**NOTICE OF
THE 11TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

The 11th Ordinary General Meeting of Shareholders of BELLSYSTEM24 Holdings, Inc. (the “Company”) will be held as follows.

Regarding the convocation of this General Meeting of Shareholders, measures for electronic provision have been taken for the information included in the Reference Documents for the General Meeting of Shareholders, etc. (matters subject to electronic provision measures), and the information has been posted on the Company’s website as “Notice of the 11th Ordinary General Meeting of Shareholders and Materials for the General Meeting of Shareholders.” Please access the Company’s website below.

The Company’s website: <https://www.bell24.co.jp/en/ir/finance/meeting/>

In addition to the Company’s website, matters subject to electronic provision measures will also be posted on the Tokyo Stock Exchange (TSE) website. Please access the following TSE website (Listed Company Search), search for “BELLSYSTEM24 Holdings, Inc.” in the issue name (company name) search box or “6183” in the code search box, then select “Basic information,” and “Documents for public inspection/PR information” in order, and confirm by checking “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” located under “Filed information available for public inspection.”

Tokyo Stock Exchange website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

As an alternate option to attending the event in person, you can exercise your voting rights in writing (with the voting rights exercise form) or electronically (on the Internet, etc.). Accordingly, we ask that you examine the Reference Documents for the General Meeting of Shareholders listed below and exercise your voting rights by 6:00 p.m. on Wednesday, May 28, 2025.

Date and Time: Thursday, May 29, 2025 at 10:00 a.m. Japan time
(Reception opens at 9:00 a.m.)

Place: **Trust City Conference Kamiyacho**
2F Kamiyacho Trust Tower, 4-1-1, Toranomom, Minato-ku, Tokyo, Japan

Meeting Agenda:

Matters to be reported:

1. Contents of the Business Report and contents of the Consolidated Financial Statements for the Company's 11th Fiscal Year (March 1, 2024–February 28, 2025) and audit results of the Consolidated Financial Statements from the Accounting Auditor and the Board of Corporate Auditors
2. Contents of the Non-consolidated Financial Statements for the Company's 11th Fiscal Year (March 1, 2024–February 28, 2025)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Eight (8) Directors

Proposal 3: Election of One (1) Substitute Corporate Auditor

Matters concerning the Exercise of Voting Rights

1. If voting rights are exercised more than once via the Internet, etc., the last vote shall be deemed to be the valid vote.
2. If voting rights are exercised both by the voting rights exercise form and via the Internet, etc., the vote cast via the Internet, etc. shall be deemed to be the valid vote.
3. If there is no indication of approval or disapproval for each agenda item on the voting rights exercise form sent to us, we will treat it as an indication of approval.

Regarding other matters subject to electronic provision measures (matters omitted from documents to be delivered)

Of the matters subject to electronic provision measures, the following matters will not be included in the documents delivered to shareholders who have requested delivery of documents, in accordance with the provisions of laws and regulations and the provisions of the Company's Articles of Incorporation. Corporate Auditors and the Accounting Auditor audit the documents subject to audit, including the following matters.

(1) "Status of Stock Acquisition Rights, etc." in the Business Report

(2) "Systems to Ensure the Appropriateness of Business Operations and the Status of Operation of Such Systems" in the Business Report

(3) "Basic Policy regarding Control of the Company" in the Business Report

(4) "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements

(5) "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

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- Should there be any amendments to the matters subject to electronic provision measures, the matters before and after amendment will be posted on each website.
 - If you plan to attend the meeting in person, please submit the enclosed voting rights exercise form to the reception at the meeting.
 - We would like to ask for your understanding in advance that no souvenirs will be provided for shareholders attending this General Meeting of Shareholders.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Taking into comprehensive consideration the Company's performance for the current fiscal year, its financial condition, and the future business environment, the Company proposes to pay a year-end dividend for the current fiscal year as follows.

Matters related to year-end dividend

(1) Type of dividend assets

Cash

(2) Matters concerning the allocation of dividend assets and the total amount thereof

Per share of common stock of the Company: ¥30

Total amount of dividends: ¥2,212,589,070

(3) Effective date of distribution of surplus

May 30, 2025

Proposal 2: Election of Eight (8) Directors

The terms of office of all Directors (eight (8) Directors) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors (including five (5) Outside Directors).

The candidates for Directors are as follows.

No.	Name	Current positions	Attendance at the Board of Directors meetings
1	Hiroshi Kajiwara [Reappointment]	President, CEO and Representative Director	15/15
2	Toyohisa Tsuji [Reappointment]	Director and Corporate Officer SVP	15/15
3	Takehiko Go [Reappointment]	Director and Corporate Officer SVP	15/15
4	Masato Horiuchi [Reappointment] [Outside]	Outside Director	12/12
5	Kenji Umekawa [New appointment] [Outside]	—	-/-
6	Nobuya Ishizaka [Reappointment] [Outside] [Independent]	Outside Director	13/15
7	Aki Tsurumaki [Reappointment] [Outside] [Independent]	Outside Director	13/15
8	Makiko Takahashi [Reappointment] [Outside] [Independent]	Outside Director	15/15

(Note) Director Mr. Masato Horiuchi was newly appointed as Directors at the 10th Ordinary General Meeting of Shareholders held on May 24, 2024, therefore their attendance at Board of Directors Meetings held on or after May 24, 2024 is stated.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Hiroshi Kajiwara (December 23, 1966)</p> <p>[Reappointment]</p> <p>[Term of office as Director] 2 years and 0 months</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p>	<p>April 1990 Joined ITOCHU Corporation</p> <p>June 2012 Outside Director, SPACE SHOWER NETWORKS INC.</p> <p>March 2015 Outside Director, Asurion Japan K.K.</p> <p>April 2015 General Manager, Communication & Mobile Business Department, ITOCHU Corporation</p> <p>April 2016 Representative Director, ITOCHU Fuji Partners, Inc.</p> <p>April 2017 Deputy Chief Operating Officer, ICT Division, ITOCHU Corporation</p> <p>April 2020 Chief Operating Officer, ICT Division</p> <p>June 2020 Director, ITOCHU Techno-Solutions Corporation</p> <p>April 2021 Executive Officer, Chief Operating Officer, ICT Division, ITOCHU Corporation</p> <p>May 2023 Outside Director of the Company</p> <p>April 2024 President, CEO and Representative Director (current position)</p> <p>April 2024 President and Representative Director, BELLSYSTEM24, Inc. (current position)</p>	1,900
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Kajiwara has business experience in the information and communications field at a trading company, and as a representative director of other companies in the same field, he has accumulated a wealth of experience and knowledge by participating in management decision-making. Furthermore, he served as an Outside Director of the Company from May 2023, and has sufficient understanding of the Company's strategies and operations. Therefore, we have determined that he can apply the experience and knowledge he has accumulated to management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Toyohisa Tsuji (April 11, 1964)</p> <p>[Reappointment]</p> <p>[Term of office as Director] 5 years and 0 months</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p>	<p>April 1989 Joined ITOCHU Corporation</p> <p>November 2005 Seconded to arukikata.com Co., Ltd. (currently GIO CLUB Co., Ltd.), Representative Director</p> <p>January 2006 Seconded to Chikyuno Arukikata T&E Co., Ltd. (currently GIO CLUB Co., Ltd.), Representative Director and Executive Vice President</p> <p>April 2009 Seconded to ITOCHU Electronics Corporation (currently ITOCHU Interactive Corporation), Representative Director and President</p> <p>October 2014 Corporate Officer, former BELLSYSTEM24 Holdings, Inc.</p> <p>October 2014 Corporate Officer, BELLSYSTEM24, Inc.</p> <p>March 2015 Corporate Officer, former BELLSYSTEM24 Holdings, Inc.</p> <p>September 2015 Corporate Officer of the Company</p> <p>December 2019 Director, True Touch Co., Ltd.</p> <p>May 2020 Director and Corporate Officer of the Company</p> <p>March 2021 Director and Corporate Officer SVP of the Company (current position)</p> <p>March 2021 Corporate Officer EVP, BELLSYSTEM24, Inc. (current position)</p> <p>(In charge) Corporate planning and public relations</p>	5,700
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tsuji has business experience mainly in the information and communications business field at a trading company. Also, as a representative director of other companies in the same field, he has accumulated a wealth of experience and knowledge such as by participating in management decision-making. Since joining the Company, he first earned experience in corporate planning, public and investor relations, business strategy, digital CX promotion, and oversight of subsidiaries. Currently, as Director and Corporate Officer SVP, he is in charge of corporate planning and public relations, contributing to the Company's execution of its management strategy. Therefore, we have determined that he can continue to apply the experience and knowledge he has accumulated to management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Takehiko Go (April 1, 1971)</p> <p>[Reappointment]</p> <p>[Term of office as Director] 3 years and 0 months</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p>	<p>April 1994 Joined Osaka Chuo Seika Co., Ltd.</p> <p>April 1997 Joined the former BELLSYSTEM24, Inc.</p> <p>March 2005 Seconded to BB Call, Inc. (currently BELLSYSTEM24, Inc.)</p> <p>March 2008 Corporate Officer</p> <p>March 2009 Director</p> <p>March 2010 Managing Director</p> <p>March 2012 Corporate Officer, former BELLSYSTEM24, Inc.</p> <p>March 2012 Representative Director and President, BB Call, Inc. (currently BELLSYSTEM24, Inc.)</p> <p>March 2014 Corporate Officer SVP, COO, BELLSYSTEM24, Inc.</p> <p>May 2016 Corporate Officer EVP (current position)</p> <p>July 2017 Director, CTC First Contact Corporation</p> <p>May 2020 Director, TB Next Communications Co., Ltd.</p> <p>March 2022 Director, Horizon One Inc. (current position)</p> <p>May 2022 Director and Corporate Officer SVP of the Company (current position)</p> <p>(In charge) Personnel strategies, general affairs and business oversight</p>	3,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Go has business experience in the CRM domain, focused on the information and communications field at an operating company. He has also accumulated experience in business oversight, including base development, personnel recruiting, and educational measures, and contributes to the Group's execution of its management strategies in a wide range of fields. As a representative director of an operating company, he has a wealth of experience and knowledge such as by participating in management decision-making. Currently, as Director and Corporate Officer SVP, he is in charge of personnel strategies, general affairs and business oversight, contributing to the Company's execution of its management strategy. Therefore, we have determined that he can continue to apply the experience and knowledge he has accumulated to management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Masato Horiuchi (May 27, 1967)</p> <p>[Reappointment] [Outside]</p> <p>[Term of office as Director] 1 year and 0 months</p> <p>[Attendance at the Board of Directors meetings] 12/12 (100%)</p>	<p>April 1992 Joined ITOCHU Corporation</p> <p>April 2017 General Manager, Information Technology Business Department, ITOCHU Corporation</p> <p>December 2019 Director, FreakOut Holdings, inc.</p> <p>December 2019 Outside Director, WingArc1st Inc.</p> <p>May 2020 Outside Director of the Company</p> <p>December 2020 Representative Director and President, ITOCHU Interactive Corporation</p> <p>February 2021 Vice Chairman, Beijing Xinyi Consulting Co., Ltd.</p> <p>April 2023 Outside Director, Belong Inc.</p> <p>April 2023 Outside Director, Asurion Japan K.K.</p> <p>April 2024 Chief Operating Officer, ICT Division, ITOCHU Corporation (current position)</p> <p>April 2024 Outside Director, ITOCHU Techno-Solutions Corporation (current position)</p> <p>April 2024 Representative Director, ITOCHU Fuji Partners, Inc. (current position)</p> <p>May 2024 Outside Director of the Company (current position)</p> <p>April 2025 Executive Officer, ITOCHU Corporation (current position)</p>	—
<p>[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p>Mr. Horiuchi has business experience in the information and communications field at a trading company, and as a representative director of other companies in the same field, he has accumulated a wealth of experience and knowledge such as by participating in management decision-making. Therefore, we have determined that we can expect him to continue offering useful advice for the supervision of the Board of Directors and the management of the Company, from a professional point of view. In addition, as a candidate for the member of the Nominating Committee and the Remuneration Committee, we intend for him to continue to participate in deliberations regarding the selection of candidates for officers of the Company and the determination of executive compensation from an objective and neutral point of view.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p data-bbox="220 568 421 636">Kenji Umekawa (March 26, 1970)</p> <p data-bbox="209 678 432 745">[New appointment] [Outside]</p> <p data-bbox="197 788 443 878">[Term of office as Director] – years and – months</p> <p data-bbox="213 920 427 1039">[Attendance at the Board of Directors meetings] –/– (–%)</p>	<p data-bbox="475 277 596 300">April 1992</p> <p data-bbox="475 320 596 342">April 2012</p> <p data-bbox="475 477 596 499">April 2014</p> <p data-bbox="475 633 596 656">April 2018</p> <p data-bbox="475 768 596 790">May 2019</p> <p data-bbox="475 925 596 947">April 2021</p> <p data-bbox="475 1025 596 1048">April 2023</p> <p data-bbox="475 1115 596 1137">April 2024</p> <p data-bbox="475 1216 596 1238">April 2025</p> <p data-bbox="692 277 1273 1339"> Joined TOPPAN INC. General Manager of Customer Marketing Department, New Business Development Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd. General Manager of Customer Marketing Department, Communication Design Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd. General Manager of Communication Design Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd. General Manager of Communication Design Division and General Manager of Engagement Services Division, Toppan Idea Center, Information & Communication Division, Toppan Printing Co., Ltd. General Manager of Digital Marketing Center, Information & Communication Division, Toppan Printing Co., Ltd. General Manager of Business Transformation Center, Information & Communication Division, Toppan Printing Co., Ltd. Director and General Manager of Business Transformation Center, Information & Communication Division, TOPPAN Inc. Director and General Manager of Business Transformation Division, Information & Communication Division, TOPPAN Inc. (to present) </p>	—
<p data-bbox="197 1352 1214 1375">[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p data-bbox="197 1391 1461 1648">Mr. Umekawa has accumulated a wealth of experience and knowledge in the field of information communications, especially in the fields of marketing and new business development, at a printing company. Therefore, we have determined that we can expect him to offer useful advice for the supervision of the Board of Directors and the management of the Company, from a professional point of view. In addition, as a candidate for the member of the Nominating Committee and the Remuneration Committee, we intend for him to participate in deliberations regarding the selection of candidates for officers of the Company and the determination of executive compensation from an objective and neutral point of view.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p>Nobuya Ishizaka (December 10, 1966)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Term of office as Director] 9 years and 8 months</p> <p>[Attendance at the Board of Directors meetings] 13/15 (87%)</p>	<p>April 1990 Joined Mitsubishi Corporation</p> <p>May 2000 Established Golf Digest Online Inc., President and Representative Director (current position)</p> <p>June 2012 Representative Director and President, Insight Co., Ltd.</p> <p>August 2013 Director, Venture Republic Inc.</p> <p>September 2014 President and Representative Director, GDO GolfTEC Co., Ltd. (currently Golf Digest Online Inc.)</p> <p>April 2015 Director, Insight Co., Ltd.</p> <p>May 2015 Director, former BELLSYSTEM24 Holdings, Inc.</p> <p>September 2015 Outside Director of the Company (current position)</p> <p>April 2016 Director, GolfTEC Enterprises, LLC (USA)</p> <p>November 2016 President and Representative Director, KIDS GOLF Inc. (currently Golf Digest Online Inc.)</p> <p>April 2017 President and Representative Director, GDO Sports, Inc. (U.S.A.) (current position)</p> <p>November 2017 Representative Director, Japan Speedgolf Association (current position)</p> <p>July 2018 Chairman and Director, GolfTEC Enterprises, LLC (USA) (current position)</p> <p>March 2021 Director, GDO GolfTEC Co., Ltd. (currently Golf Digest Online Inc.)</p>	—
<p>[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p>Mr. Ishizaka is expected to act on the basis of protecting the interests of general shareholders as an independent officer. He has broad experience at a trading company and also has accumulated a wealth of management experience and knowledge as a representative director of a listed company, as well as by working both inside and outside of Japan. Therefore, we have determined that we can expect him to continue offering useful advice for management of the Company, from an objective point of view. In addition, as a candidate for the member of the Nominating Committee and the Remuneration Committee, we intend for him to continue to participate in deliberations regarding the selection of candidates for officers of the Company and the determination of executive compensation from an objective and neutral point of view.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	<p>Aki Tsurumaki (November 17, 1968)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Term of office as Director] 9 years and 0 months</p> <p>[Attendance at the Board of Directors meetings] 13/15 (87%)</p>	<p>April 1993 Joined Tokyo Metropolitan Government</p> <p>October 1994 Passed bar examination</p> <p>April 1995 Joined Legal Training and Research Institute of Japan</p> <p>April 1997 Registered as an attorney (Tokyo Bar Association)</p> <p>September 2002 Co-Representative, Kamijo & Tsurumaki Law Office (current position)</p> <p>June 2012 Outside Corporate Auditor, Ichikoh Industries, Ltd. (current position)</p> <p>May 2016 Outside Director of the Company (current position)</p> <p>August 2023 Outside Auditor, JPH Co., Ltd. (current position)</p>	—
<p>[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p>Mr. Tsurumaki is expected to act on the basis of protecting the interests of general shareholders as an independent officer. He also utilizes his experience and insight as an attorney to contribute to the Board of Directors' efforts on governance. Therefore, we have determined that we can expect him to continue offering useful advice for promoting compliance management of the Company, from an objective point of view. In addition, as a candidate for the member of the Nominating Committee and the Remuneration Committee, we intend for him to continue to participate in deliberations regarding the selection of candidates for officers of the Company and the determination of executive compensation from an objective and neutral point of view.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	Makiko Takahashi (May 12, 1967) [Reappointment] [Outside] [Independent] [Term of office as Director] 8 years and 0 months [Attendance at the Board of Directors meetings] 15/15 (100%)	<p>April 1993 Joined Kanagawa Academy of Science and Technology (currently Kanagawa Institute of Industrial Science and Technology)</p> <p>January 2004 Project Associate Professor, Intellectual Property and Technology Transfer, Office of Industry Liaison, Tokyo Institute of Technology (currently Institute of Science Tokyo)</p> <p>September 2006 Project Associate Professor, Center for Research Strategy and Support, Tohoku University</p> <p>April 2010 Research Strategy Planning Member, Committee for Research Strategy, Institute of Physical and Chemical Research (currently RIKEN)</p> <p>September 2010 Doctor (engineering), School of Engineering, Tohoku University</p> <p>July 2014 Professor, Graduate School of Innovation Management, Kanazawa Institute of Technology (current position)</p> <p>May 2017 Outside Director of the Company (current position)</p> <p>March 2021 Outside Director, Golf Digest Online Inc. (current position)</p>	—
<p>[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p>Ms. Takahashi is expected to act on the basis of protecting the interests of general shareholders as an independent officer. She has advanced expertise in knowledge creation through collaboration between industry and academia, as well as in research and development projects, technology transfer, and strategic management of intellectual property. She also has a wealth of experience in joint research with private companies and government institutions. Therefore, we have determined that we can expect her to continue offering useful advice for the Company's process management, executive management training, and initiatives for new technology, from an objective point of view. In addition, as a candidate for the member of the Nominating Committee and the Remuneration Committee, we intend for her to continue to participate in deliberations regarding the selection of candidates for officers of the Company and the determination of executive compensation from an objective and neutral point of view.</p>			

- Notes:
1. There is no special interest between each candidate for Director and the Company.
 2. Mr. Masato Horiuchi, Mr. Kenji Umekawa, Mr. Nobuya Ishizaka, Mr. Aki Tsurumaki, and Ms. Makiko Takahashi are candidates for Outside Director as stipulated in Article 2, Item 15 of the Companies Act.
 3. Mr. Aki Tsurumaki and Ms. Makiko Takahashi have never been involved in corporate management, but are judged to be able to appropriately perform their duties as Outside Director based on the above "Reason for nomination as candidate for Outside Director and summary of expected roles."
 4. The Company currently has an agreement with Mr. Masato Horiuchi, Mr. Nobuya Ishizaka, Mr. Aki Tsurumaki, and Ms. Makiko Takahashi to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provision of Article 427, Paragraph 1 of the said Act. If the election of each of them is approved, the Company intends to continue the said agreement. In addition, if the election of Mr. Kenji Umekawa is approved, the Company intends to enter into the same agreement with him. The maximum amount of liability for damages under the said agreement is the amount stipulated in laws and regulations.

5. The Company has entered into a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. If this proposal is passed, each Director candidate will be insured through this agreement.
6. Mr. Masato Horiuchi, Mr. Nobuya Ishizaka, Mr. Aki Tsurumaki, and Ms. Makiko Takahashi are currently Outside Directors of the Company, and their terms of office will be one (1) year, nine (9) years and eight (8) months, nine (9) years, and eight (8) years, respectively, at the conclusion of this General Meeting of Shareholders.
7. Mr. Nobuya Ishizaka, Mr. Aki Tsurumaki, and Ms. Makiko Takahashi meet all the requirements in the Independence Standards for Outside Officers set by the Company (see page 16), and we have registered them with the Tokyo Stock Exchange as independent officers stipulated by the Exchange. Transactions exist between the Company and Golf Digest Online Inc., where Mr. Nobuya Ishizaka concurrently serves as Representative Director, but the amount paid by the Company was less than 0.1% of the Company's net sales in the most recent consolidated fiscal year.
8. Mr. Masato Horiuchi has previously served as an Outside Director of the Company.

Proposal 3: Election of One (1) Substitute Corporate Auditor

The Company proposes the election of one (1) substitute Corporate Auditor in preparation for a shortfall in the number of Corporate Auditors as provided for in laws and regulations.

The Board of Corporate Auditors has given its consent to this proposal.

The candidate for the substitute Corporate Auditor is as follows.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
Michiharu Matsuda (February 14, 1961) [Outside] [Independent]	April 1983 Joined Japan Finance Corporation for Small and Medium Enterprise (currently Japan Finance Corporation) October 2010 Office Manager, Saitama Office, Deloitte Touche Tohmatsu LLC September 2017 Established Matsuda Certified Public Accountants Office (current position) November 2017 Director, MANI, INC. November 2018 Director, Member of the Audit & Supervisory Committee, Saizeriya Co., Ltd. (current position) June 2019 Auditor, Open Door Inc. (current position)	—
<p>[Reason for nomination as candidate for substitute Corporate Auditor]</p> <p>Mr. Matsuda has knowledge of the fields of taxation and accounting as a certified public accountant, and is capable of ensuring the propriety of auditing in these fields, which is a critical role of auditing. He also has experience as an outside auditor and outside director of multiple companies, including listed companies. Therefore, we have determined that we can expect him to apply his knowledge and experience to the Company's auditing activities.</p>		

- Notes:
1. There is no special interest between Mr. Michiharu Matsuda and the Company.
 2. Mr. Michiharu Matsuda is to be elected as a substitute for Ms. Yoshiko Hayama and Mr. Kenichiro Soma, who are Outside Corporate Auditors as stipulated in Article 2, Item 16 of the Companies Act.
 3. In the event that the Company does not have the number of Corporate Auditors required by laws and regulations and Mr. Michiharu Matsuda assumes office as Outside Corporate Auditor, the Company will enter into an agreement with Mr. Matsuda to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provision of Article 427, Paragraph 1 of the said Act. The maximum amount of liability for damages under the said agreement will be the amount stipulated in laws and regulations.
 4. In the event that the Company does not have the number of Corporate Auditors required by laws and regulations and Mr. Michiharu Matsuda assumes office as Outside Corporate Auditor, he will be insured by the directors and officers liability insurance agreement that the Company has entered into, as provided for in Article 430-3, Paragraph 1 of the Companies Act.
 5. Mr. Michiharu Matsuda meets all the requirements in the Independence Standards for Outside Officers set by the Company (see page 16). If the Company does not have the number of Corporate Auditors required by laws and regulations and Mr. Matsuda assumes office as Outside Corporate Auditor, the Company plans to register him with the Tokyo Stock Exchange as an independent officer stipulated by the Exchange.

(Reference) Skills and experience of Directors and Corporate Auditors after this Ordinary General Meeting of Shareholders

Based on the Group’s purpose to “sustain the prosperity of society, through innovation and communication,” we aim to pursue sustained, healthy growth, and strive to attain a balance of knowledge, experience, ability, and expertise of the Board of Directors and the Board of Corporate Auditors as a whole, as well as give consideration to diversity, including gender and internationalism. Accordingly, we have identified the following as skills that Directors and Corporate Auditors should possess.

If Proposal 2 is approved as originally proposed at this General Meeting of Shareholders, the skills of each Director and Corporate Auditor who will continue to hold office will be as follows.

	Name (Gender)	Corporate management	Human resources	Technology/ digital	Global	Sustainability	Finance/ accounting	Legal affairs/ risk management
Director	Hiroshi Kajiwara (Male)	•	•	•	•			
	Toyohisa Tsuji (Male)	•		•			•	•
	Takehiko Go (Male)	•	•			•		
	Masato Horiuchi (Male)			•	•			
	Kenji Umekawa (Male)			•		•		
	Nobuya Ishizaka (Male)	•		•	•			
	Aki Tsurumaki (Male)		•					•
	Makiko Takahashi (Female)			•		•		
Corporate Auditor	Satoko Hamaguchi (Female)		•			•	•	•
	Yoshiko Hayama (Female)					•	•	•
	Kenichiro Soma (Male)				•		•	•

(Reference) Independence Standards for Outside Officers

BELLSYSTEM24 Holdings, Inc. (the “Company”) defines the following standards for determining that Outside Directors and Outside Corporate Auditors have independence (the “Independence Standards”) and designates as independent officers stipulated by Tokyo Stock Exchange, Inc. those who do not fall under any of the Independence Standards.

- (1) A person (or its person performing an executive role) whose major customers*¹ include the BELLSYSTEM24 Group (the “Group”)*²
 - *¹ Meaning cases in which sales between the counterparty and the Group exceed 2% of the consolidated net sales of the counterparty for the most recent business year.
 - *² Meaning the Company and its subsidiaries and affiliated companies.
- (2) A counterparty (or its person performing an executive role) who is a major customer* of the Group
 - * Meaning cases in which sales between the counterparty and the Group exceed 2% of the consolidated revenue of the Group for the most recent business year.
- (3) A consultant, accountant or lawyer who receives a large amount of monetary compensation or other property*, other than officer’s remuneration, from the Group (if the person who receives the said property is a legal entity, association or other organizations, this means a person who belongs to the said organization.)
 - * Meaning cases in which the payment amount for the most recent business year of the Group exceeds the following amounts.
 - In the case of a legal entity, association or other organizations, the higher of 10 million yen and 2% of the annual sales (total revenue) of the said organization
 - In cases other than the above, 10 million yen
- (4) A person who receives a large amount of donation* from the Group (if the person who receives the said donation is a legal entity, association or other organizations, this means a person who belongs to the said organization.)
 - * Meaning cases in which the total amount of donation from the Group exceeds 10 million yen for the most recent business year.

- (5) A major lender* (or its person performing an executive role) for the Group
 - * Meaning a person within the top three persons who are funding sources of the Group for the most recent business year.
- (6) A major shareholder* (or its person performing an executive role) of the Company
 - * Meaning a person holding 10% or more of the Company’s stock directly or indirectly.
- (7) A person performing an executive role at a company whose major shareholder* is the Company
 - * Meaning cases in which the Company directly or indirectly owns 10% or more of the said company’s stock.
- (8) A person performing an executive role at an auditing corporation that serves as an accounting auditor of the Group
- (9) A person who fell under any of (1) to (8) above in the past 3 years
- (10) A close relative* of a person falling under any of the following (limited to an important person)
 - (a) A person falling under any of (1) to (9) above
 - (b) A person performing an executive role at a subsidiary of the Company (including Non-Executive Directors or an accounting advisor in cases in which Outside Corporate Auditors are designated as independent officers)
 - (c) A person who was performing an executive role at a subsidiary of the Company (including Non-Executive Directors or an accounting advisor in cases in which Outside Corporate Auditors are designated as independent officers) for the past 3 years
 - (d) A person who was performing an executive role at the Company (including Non-Executive Directors in cases in which Outside Corporate Auditors are designated as independent officers) for the past 3 years
 - * Meaning spouse and relatives within the second degree of relationship.

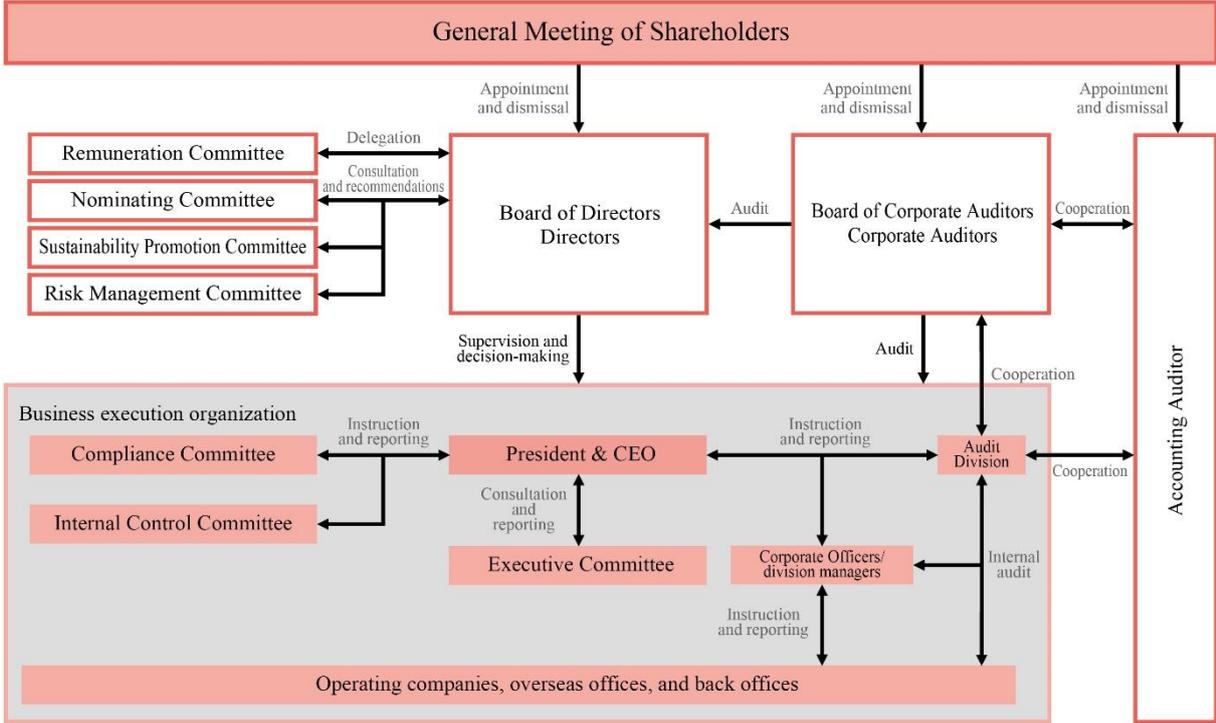
End

(Reference) Corporate Governance Initiatives

■ **Basic Concept of Corporate Governance**

The Company believes that building good relationships with all stakeholders of the Group such as shareholders, clients, business partners and employees and winning their trust are essential for maximizing its corporate value. For this purpose, the Company regards strengthening corporate governance as one of its most important management issues. Based on this recognition, we endeavor to operate with a focus on transparency and soundness while improving management efficiency.

■ **Corporate Governance System**



■ **Board of Directors**

The Board of Directors meets each month and at other times as required to decide on important matters and supervise the execution of business by the Directors and the Corporate Officers according to laws, regulations, the Articles of Incorporation, the Board of Directors Regulations and other company regulations. The Board of Directors consists of eight (8) Directors, including three (3) Independent Outside Directors to strengthen its supervisory function. Three (3) Corporate Auditors, including one (1) Independent Outside Corporate Auditor, also attend meetings of the Board of Directors.

Each fiscal year, the Board of Directors analyzes and evaluates the effectiveness of the Board of Directors as a whole based on self-evaluations by each Director and Corporate Auditor via questionnaires, and announces the results.

■ **Nominating Committee and Remuneration Committee**

The Nominating Committee, as an advisory body to the Board of Directors, reports the appointment and dismissal standards for Directors and Corporate Auditors and deliberates on individual draft personnel proposals for Directors, Representative Director, and Corporate Auditors pursuant to the standards for the appointment and dismissal of Directors, Corporate Auditors, and Representative Director approved by the Board of Directors.

The Company has also formulated and announced criteria for the independence of candidates for Independent Outside Directors based on the criteria for independence set forth by the Tokyo Stock Exchange.

The Remuneration Committee, as delegated by the Board of Directors and in accordance with the basic policy on executive compensation and compensation resolutions at the General Meetings of Shareholders, deliberates and decides on individual remuneration plans for Directors based on the criteria for executive compensation.

The Nominating Committee and the Remuneration Committee consist of the Representative Director, President and Chief Executive Officer, Non-Executive Directors, Independent Outside Directors and Independent Outside Corporate Auditors in order to establish a system for decision-making that ensures transparency and fairness, in which the majority of members are Independent Outside Directors and Independent Outside Corporate Auditors.

■ Remuneration System for Directors

The remuneration for Directors of the Company is paid based on a compensation system with awareness of medium- to long-term improvement of corporate value and shareholder interests. The remuneration for individual Directors, pursuant to compensation resolutions made at the General Meeting of Shareholders, consists of three components. “Basic compensation” is paid according to their positions and the importance of roles, “Performance-linked compensation” based on financial results in each fiscal year, and “Stock-based compensation” with the goal of raising awareness of contributions to the improvement of medium- to long-term financial results and corporate value. However, compensation for Outside Directors consists only of basic compensation and excludes any connection to financial results due to their independence from the Company’s business operations.

Note: The numbers of persons indicate those in the case of approval of Proposal 2 of this General Meeting of Shareholders.