

**To Our Shareholders with Voting Rights**

Toshihiko Suzuki  
Representative Director and President  
AIDA ENGINEERING, LTD.  
2-10 Ohyama-cho, Midori-ku, Sagamihara,  
Kanagawa 252-5181, Japan

**Notice of the 88th Ordinary General Meeting of Shareholders**

Dear Shareholders:

We would like to take this opportunity to express our sincere appreciation for your support.

Please be informed that the 88th Ordinary General Meeting of Shareholders of AIDA ENGINEERING, LTD. (hereinafter, the “Company”) to be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information contained in the Reference Documents for the General Meeting of Shareholders, etc. (matters subject to the measures for electronic provision). Please review the matters subject to the measures for electronic provision, which are posted on the following website on the Internet.

The Company’s website: <https://www.aida.co.jp/en/ir/event/index.html#anc03>

In addition to the website above, matters subject to the measures for electronic provision are posted on the Tokyo Stock Exchange (TSE)’s website. Please access the TSE website (Listed Company Search) below, enter and search for “AIDA ENGINEERING” in the “Issue name (company name)” field or “6118,” the securities code of the Company in the “Code” field, select “Basic information” and “Documents for public inspection/PR information,” in that order to peruse the available information.

TSE’s website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

In the event that you do not attend the meeting in person on the day, you can exercise your voting rights via the Internet or by postal mail. Please review the Reference Documents for the General Meeting of Shareholders provided in the matters subject to the measures for electronic provision, and exercise your voting rights by no later than 6:00 p.m., Monday, June 26, 2023.

1. Date/Time: 10:30 a.m., Tuesday, June 27, 2023
2. Place: The conference room of the Company  
2-10 Ohyama-cho, Midori-ku, Sagamihara, Kanagawa, Japan

3. Meeting Agenda:

- Matters to be reported:
1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 88th Fiscal Year (from April 1, 2022 to March 31, 2023)
  2. Audit Reports of the Accounting Auditors and the Board of Statutory Auditors on the Consolidated Financial Statements for the 88th Fiscal Year (from April 1, 2022 to March 31, 2023)

Proposals to be resolved:

- |            |                                    |
|------------|------------------------------------|
| Proposal 1 | Appropriation of Retained Earnings |
| Proposal 2 | Election of Eight (8) Directors    |

#### 4. Other Matters Determined for Convocation of the General Meeting of Shareholders

- (1) In accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation, among the matters subject to the measures for electronic provision, the following items are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the paper-based documents delivered to shareholders who have made a request for delivery of such documents are part of the target documents audited by the Statutory Auditors and the Accounting Auditors in the preparation of their audit reports.
  - "Matters Related to the Company's Stock Acquisition Rights" and "Corporate Systems and Policies" in the Business Report
  - "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
  - "Non-Consolidated Statements of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements" in the Non-Consolidated Financial Statements
- (2) If you exercise your voting rights both via the Internet and by postal mail, we will only accept the exercise of your voting rights via the Internet as valid. If you exercise your voting rights more than once via the Internet, we will only accept the most recent exercise of your voting rights as valid.
- (3) If you make no indication whether you are voting for or against the proposals on the returned voting form, you shall be deemed to have voted FOR the proposals.
- (4) The exercise of voting rights by proxy is limited to exercise by delegating said rights to another shareholder with voting rights. If you do so, please note that you are requested to submit a document evidencing the authority of proxy (a power of attorney and your voting form to be used by the proxy to exercise your voting rights) in addition to the voting form of the shareholder to attend as proxy at the reception of the venue.
- (5) Notice of resolutions made by this General Meeting of Shareholders shall be posted on the Company's website. Thank you for your understanding.

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- ◎ If attending the meeting on the day, please submit the enclosed voting form at the reception desk upon your arrival.
  - ◎ If revisions to the matters subject to the measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's website and TSE's website on the Internet, which are mentioned in the previous page.

#### (Information)

- Proceedings on the day will be in Japanese. Please note that we will not provide an interpreter.

## Reference Documents for the General Meeting of Shareholders

Proposals and references

### Proposal 1-Appropriation of Retained Earnings

Our basic policy regarding shareholder return is to provide stable shareholder returns by aiming for a consolidated dividend payout ratio of 40% or higher while taking into consideration the need to ensure the stability of our management and financial foundations and our strategic investments for sustainable growth, which is consistent with our management policy of growing together with our stakeholders.

The Company will pay an ordinary dividend of ¥30 per share (the consolidated dividend payout ratio: 138.3%) to maintain stable dividend payment.

### Matters relating to year-end dividends

- (1) Category of dividend assets  
Cash
- (2) Matters relating to the allocation of dividend assets and the total amount of such allocation  
¥30 per share of the Company's common stock  
Total payment: ¥1,921,434,330
- (3) Date on which the dividend of retained earnings shall take effect  
June 28, 2023

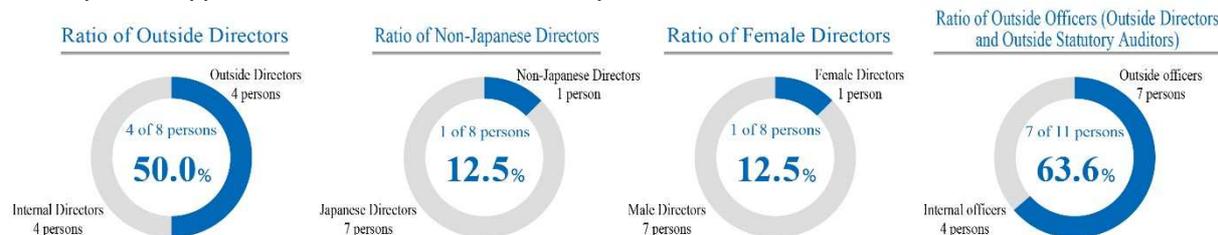
## Proposal 2-Election of Eight (8) Directors

The terms of office of all seven (7) Directors (of which, three (3) are Outside Directors) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, in order to further strengthen corporate governance, the increase of one (1) female Outside Director and the election of eight (8) Directors are proposed.

If this Proposal is approved in its current form, the proportion of Independent Outside Directors in the Board of Directors will be 50%.

[Reference]

If this Proposal is approved in its current form, the composition of the Board of Directors will be as follows:



The candidates for Directors are listed below.

No.	Name	Gender	Current positions and duties at the Company	Candidate attribute
1	Kimikazu Aida	Male	Representative Director and Chairman	Candidate for re-election
2	Toshihiko Suzuki	Male	Representative Director and President Chief Executive Officer (CEO) Division Manager, Production Headquarters Division Manager, Research & Development Headquarters	Candidate for re-election
3	Hiromitsu Ugawa	Male	Director, Managing Executive Officer Division Manager, General Administration Headquarters	Candidate for re-election
4	Yap Teck Meng	Male	Director, Operating Officer	Candidate for re-election
5	Hirofumi Gomi	Male	Director	Candidate for re-election Outside Director Independent Director
6	Mikio Mochizuki	Male	Director	Candidate for re-election Outside Director Independent Director
7	Isao Iguchi	Male	Director	Candidate for re-election Outside Director Independent Director
8	Kiyoe Kado (Name on the family register: Kiyoe Takeda)	Female		New candidate Outside Director Independent Director



No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
2	<p>Toshihiko Suzuki (August 28, 1961)</p> <p>[Candidate for re-election]</p>	<p>December 2011    Joined AIDA ENGINEERING, LTD.  June 2014        Operating Officer  May 2015        Division Manager, Engineering Headquarters  June 2015        Director  June 2017        Managing Executive Officer  Division Manager, Sales Headquarters  June 2018        Senior Managing Executive Officer  October 2018    Division Manager, Sales &amp; Customer Service  Headquarters  April 2020       Representative Director (current position)  Executive Vice President  Chief Operating Officer (COO)  Division Manager, Sales Headquarters  Division Manager, Production Headquarters  (current position)  June 2022        Division Manager, Research &amp; Development  Headquarters (current position)  April 2023        President (current position)  Chief Executive Officer (CEO) (current  position)  &lt;Concurrent holding of important positions&gt;  Chairman, REJ Co., Ltd.  Vice Chairman, AIDA AMERICA CORP.</p>	12,150
<p>&lt;Reasons for electing the candidate for Director&gt;  In addition to the engineering division, Toshihiko Suzuki has also engaged in sales and customer service divisions. He is well versed in the entire business of the Company, and has abundant experience and broad knowledge, including working overseas. From April 2023, he has demonstrated his capacities for strength in leadership as Representative Director and President and assumed responsibility for the management of the Group, providing a powerful push forward to the start of the new medium-term management plan. Based on the above, we judge that he is the right person for steady achievement of the medium-term management plan and realization of sustainable improvement of corporate value, and request his re-election as Director.</p>			

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
3	<p>Hiromitsu Ugawa (December 13, 1961)</p> <p>[Candidate for re-election]</p>	<p>April 1984 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>February 2012 General Manager, Agent Business Office, Investment Business Administration Department, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>April 2014 Joined AIDA ENGINEERING, LTD. General Manager, Finance &amp; Accounting Department, General Administration Headquarters</p> <p>March 2015 Deputy Division Manager, General Administration Headquarters</p> <p>June 2016 Operating Officer Division Manager, General Administration Headquarters (current position)</p> <p>June 2018 Managing Executive Officer</p> <p>June 2020 Director (current position) Operating Officer</p> <p>June 2022 Managing Executive Officer (current position)</p> <p>&lt;Concurrent holdings of important positions&gt; Chairman, AIDA S.r.l.</p>	9,723
<p>&lt;Reasons for electing the candidate for Director&gt; In addition to finance and accounting, Hiromitsu Ugawa has participated in overall administrative work including IR, general affairs, human resources, cost management, system since joining the Company in 2014, and currently supervises the administration division as Managing Executive Officer and Division Manager, General Administration Headquarters. In addition, he has extensive knowledge on finance and financial matters gained through his long years of service at financial institutions as well as abundant experience on overseas business, investment banking business, and risk management, and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.</p>			

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
4	<p>Yap Teck Meng (September 4, 1962)</p> <p>[Candidate for re-election]</p>	<p>June 1996 Joined AIDA MANUFACTURING (MALAYSIA) SDN.BHD. (currently AIDA ENGINEERING (M) SDN. BHD.)</p> <p>November 2007 Operating Officer, AIDA ENGINEERING, LTD.</p> <p>June 2010 Managing Executive Officer</p> <p>June 2013 Director (current position) Executive Officer</p> <p>June 2014 Managing Executive Officer</p> <p>June 2022 Operating Officer (current position)</p> <p>&lt;Concurrent holdings of important positions&gt; Chairman, AIDA GREATER ASIA PTE. LTD. Chairman, AIDA ENGINEERING (M) SDN. BHD. Chairman, AIDA MANUFACTURING (ASIA) SDN. BHD.</p>	0
	<p>&lt;Reasons for electing the candidate for Director&gt; Yap Teck Meng has assumed management for many years as the top of Asian regional subsidiaries of the Group and has abundant experience and knowledge concerning operations in general and management of the Company. He currently assists the supervision of the sales and service business of the entire Group, and supervises the Group's businesses in South East Asia and China as Operating Officer of the Company as well, and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.</p>		

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
5	<p data-bbox="268 701 448 763">Hirofumi Gomi (May 13, 1949)</p> <p data-bbox="240 808 475 902">[Candidate for re-election] [Outside Director] [Independent Director]</p> <p data-bbox="240 992 475 1189">Board of Directors' meeting attendance during the fiscal year ended March 31, 2023 - 100% (12 out of 12 meetings)</p>	<p data-bbox="496 286 1214 1603"> April 1972 Joined the Ministry of Finance  July 1996 Director of the Research Division, Banking  Bureau, Ministry of Finance  June 1998 Director-General, Inspection Department,  Financial Supervisory Agency (currently  Financial Services Agency)  July 2000 Secretary-General, Executive Bureau,  Securities and Exchange Surveillance  Commission, Financial Services Agency  July 2001 Director-General, Inspection Bureau,  Financial Services Agency  July 2002 Director-General, Supervisory Bureau,  Financial Services Agency  July 2004 Commissioner, Financial Services Agency  July 2007 Resigned Financial Services Agency  November 2009 Visiting Professor, Aoyama Gakuin  University (current position)  January 2014 Advisor, NISHIMURA &amp; ASAHI  February 2015 Senior Advisor, THE BOSTON  CONSULTING GROUP  June 2015 Outside Director, AIDA ENGINEERING,  LTD. (current position)  June 2016 Outside Director, Infoteria Corporation  (currently Asteria Corporation) (current  position)  Outside Director, MIROKU JYOHO  SERVICE CO., LTD. (current position)  June 2017 Outside Director, SBI Holdings, Inc.  June 2019 Outside Director, ZUU Co., Ltd. (current  position)  June 2020 Outside Director, THE FUKUSHIMA  BANK, LTD.  February 2022 Chairman of the Board, Shinsei Bank,  Limited (currently SBI Shinsei Bank,  Limited) (current position)  &lt;Concurrent holding of important positions&gt;  Chairman of the Board, SBI Shinsei Bank, Limited </p>	0
<p data-bbox="233 1615 1246 2040"> &lt;Reasons for electing the candidate for Outside Director and the overview of expected  roles&gt;  Hirofumi Gomi has abundant experience and advanced expertise acquired through his  participation in the financial administration of the country as Commissioner of the  Financial Services Agency, etc. and has been providing advice and suggestions useful for  management of the Company. He has abundant experience in corporate management of  other multiple companies, including as a director and chairman of a private sector financial  institution and as an outside officer, which he has utilized for the Company's management,  and has played appropriate managerial roles such as supervising management from an  independent and objective point of view. Based on the above, the Company judges that he  is suitable as Outside Director of the Company and expects him to continue playing the  above-mentioned roles. Therefore, the Company requests his re-election as Outside  Director. </p>			

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions		Number of the Company's shares held	
6	<p>Mikio Mochizuki (July 8, 1954)</p> <p>[Candidate for re-election] [Outside Director] [Independent Director]</p> <p>Board of Directors' meeting attendance during the fiscal year ended March 31, 2023 - 100% (12 out of 12 meetings)</p>	April	1978	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)	408
	April	2011	Executive Officer, IHI Corporation President and CEO, IHI INC. (Regional Headquarter for the Americas)		
		April	2014	Managing Executive Officer, General Manager of Finance & Accounting Division, IHI Corporation	
		June	2016	Director, Managing Executive Officer, General Manager of Finance & Accounting Division, IHI Corporation	
		April	2017	Director, Managing Executive Officer, President of Industrial Systems and General-Purpose Machinery Business Area, IHI Corporation	
		April	2018	Director, IHI Corporation	
		June	2018	Adviser, IHI Corporation (resigned in June 2021)	
		June	2021	Outside Director, AIDA ENGINEERING, LTD. (current position)	
		June	2022	Outside Director, Toshiba Corporation (current position)	
		<Concurrent holding of important positions>		Not applicable	
	<Reasons for electing the candidate for Outside Director and the overview of expected roles>				
	<p>Mikio Mochizuki has acquired abundant experience and broad knowledge in the industrial machinery business including the press machine business as well as experience in corporate management at other companies as an outside officer, through his career at IHI Corporation as President and CEO of Regional Headquarter for the Americas, Director, Managing Executive Officer, General Manager of Finance &amp; Accounting Division, and Director responsible for Industrial Systems and General-Purpose Machinery Business Area, and he has been providing advice and suggestions useful for management of the Company. He has been utilizing these for the Company's management and supervising management from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Director of the Company and expects him to continue playing the above-mentioned roles. Therefore, the Company requests his re-election as Outside Director.</p>				

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
7	<p style="text-align: center;">Isao Iguchi (September 3, 1954)</p> <p>[Candidate for re-election] [Outside Director] [Independent Director]</p> <p>Board of Directors' meeting attendance during the fiscal year ended March 31, 2023 - 100% (12 out of 12 meetings)</p>	<p>April 1977 Joined Mitsubishi Electric Corporation</p> <p>April 2008 Corporate Executive, General Manager, Industrial Products Marketing Division, Factory Automation Systems Group, Mitsubishi Electric Corporation</p> <p>April 2010 Corporate Executive, Senior General Manager, Chubu Branch Office, Mitsubishi Electric Corporation</p> <p>April 2012 Executive Officer, Vice President, Corporate Marketing Group, Mitsubishi Electric Corporation</p> <p>April 2016 Senior Vice President, Group President, Automotive Equipment Group, Deputy Senior General Manager, ITS Business Development Group, Mitsubishi Electric Corporation</p> <p>April 2019 Senior Corporate Adviser, Mitsubishi Electric Corporation (resigned in March 2022)</p> <p>June 2021 Outside Director, AIDA ENGINEERING, LTD. (current position)</p> <p>&lt;Concurrent holding of important positions&gt; Not applicable</p>	1,069
<p>&lt;Reasons for electing the candidate for Outside Director and the overview of expected roles&gt;</p> <p>Isao Iguchi has acquired abundant experience and broad knowledge in the automatic machines and factory automation businesses, on which the Company focuses, as well as insights into corporate management, through his career at Mitsubishi Electric Corporation as Corporate Executive and General Manager of Industrial Products Marketing Division of Factory Automation Systems Group, Executive Officer and Vice President of Corporate Marketing Group, and Senior Vice President and Group President of Automotive Equipment Group, and he has been providing advice and suggestions useful for management of the Company. He has been utilizing these for the Company's management and supervising management from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Director of the Company and expects him to continue playing the above-mentioned roles. Therefore, the Company requests his re-election as Outside Director.</p>			

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
8	<p style="text-align: center;">Kiyoe Kado (February 8, 1955) (Name on the family register: Kiyoe Takeda)</p> <p style="text-align: center;">[New candidate] [Outside Director] [Independent Director]</p>	<p>April 1978 Assistant, University of Tokyo Faculty of Law</p> <p>July 1981 Researcher, Anderson Mōri &amp; Rabinowitz (Currently Anderson Mōri &amp; Tomotsune)</p> <p>April 1985 Full-Time Lecturer, University of Toyama Faculty of Economics</p> <p>April 1987 Assistant Professor, University of Toyama Faculty of Economics</p> <p>April 1988 Assistant Professor, University of Tsukuba Faculty of Social Sciences</p> <p>April 1992 Assistant Professor, Seijo University Faculty of Law</p> <p>April 1995 Professor, Rikkyo University College of Law and Politics</p> <p>October 2005 Managing Director, Rikkyo Educational Corporation</p> <p>April 2010 Dean, Rikkyo University College of Law and Politics</p> <p>April 2016 Auditor (part time), Chiba University</p> <p>June 2017 Outside Director, LIXIL VIVA CORPORATION (currently ARCLANDS CO., LTD.)</p> <p>June 2018 Outside Director (Audit and Supervisory Committee Member), LIXIL VIVA CORPORATION (currently ARCLANDS CO., LTD.)</p> <p>April 2020 Professor Emeritus, Rikkyo University (current position)</p> <p>July 2020 Registered as an attorney-at-law (Dai-ichi Tokyo Bar Association) Joined Shimada Hamba &amp; Osajima as Visiting Attorney (current position)</p> <p>April 2022 Visiting Professor, Meiji Gakuin University (current position)</p> <p>June 2022 Director, Trust Forum Foundation (current position)</p> <p>&lt;Concurrent holding of important positions&gt; Not applicable</p>	0
<p>&lt;Reasons for electing the candidate for Outside Director and the overview of expected roles&gt;</p> <p>In addition to participating in research studies in the field of civil law, Kiyoe Kado has acquired advanced expertise and abundant experience in general business legal practices, including corporate and financial legal practices, as a legal specialist. In addition, she has experience in corporate management at other companies as an outside officer. We expect her to utilize these for the Company's management and supervise management from an independent and objective point of view. Based on the above, the Company judges that she is suitable as Outside Director of the Company and request her new election as Outside Director.</p>			

- (Notes)
1. There is no special interest between the above candidates and the Company.
  2. The number of the Company's shares each candidate holds is shown including shares of stock in Officer's Shareholding Association.
  3. Hirofumi Gomi, Mikio Mochizuki, Isao Iguchi and Kiyoe Kado are candidates for Outside Directors as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
  4. The Company designated Hirofumi Gomi, Mikio Mochizuki and Isao Iguchi as Independent Directors as defined by Tokyo Stock Exchange, Inc., and registered them with the Tokyo Stock Exchange as Independent Directors. If the re-election of these candidates is approved at this General Meeting of Shareholders, the Company will re-designate them as Independent Directors. If the election of Kiyoe Kado is approved, the Company will designate her as an Independent Director and register her with the Tokyo Stock Exchange.
  5. Mikio Mochizuki had served until June 2018 as Director of IHI Corporation, one of the Company's business partners, but for the fiscal year ended March 31, 2023, the transaction amount between the Company and IHI Corporation is immaterial, as the Company's sales to IHI Corporation and purchases from IHI Corporation each comprised less than 1% of the Company's consolidated net sales. Therefore, the Company judges that there is no risk of a conflict of interest with ordinary shareholders and no impact on independence.
  6. Isao Iguchi had served until March 2019 as Senior Vice President of Mitsubishi Electric Corporation, one of the Company's business partners, but for the fiscal year ended March 31, 2023, the transaction amount between the Company and Mitsubishi Electric Corporation is immaterial, as the Company's sales to Mitsubishi Electric Corporation and purchases from Mitsubishi Electric Corporation each comprised less than 1% of the Company's consolidated net sales. Therefore, the Company judges that there is no risk of a conflict of interest with ordinary shareholders and no impact on independence.
  7. Mikio Mochizuki had served from June 2016 until June 2018 as Director of IHI Corporation, where it was announced in March 2019 that inadequate practices had occurred in IHI Corporation's Civil Aero Engine Maintenance Business. IHI Corporation conducted an investigation covering the period from January 2009 to January 2019, and it received a business improvement order from the Ministry of Land, Infrastructure, Transport and Tourism in April of that year. In May 2019, it announced that there were inadequate practices, including inspections being performed by parties without the proper qualifications. He had already resigned as Director of IHI Corporation when these practices were discovered, and was not aware of the relevant facts before the issue was announced, either when he was a Director, or before that.
  8. Improper quality control practices were discovered at multiple manufacturing locations of Mitsubishi Electric Corporation, where Isao Iguchi had served in an executive role from April 2012 to March 2019. These were investigated by an investigative committee consisting of outside experts established by said company from July 2021, and investigative reports were publicly released in October and December 2021 as well as May and October 2022. He had already resigned from this executive role at Mitsubishi Electric Corporation when these practices were discovered, and was not aware of the relevant facts before the issue was announced, either when he was in the executive role, or before that.
  9. Kiyoe Kado had served from June 2017 until March 2021 as Outside Director of LIXIL VIVA CORPORATION (currently ARCLANDS CO., LTD.), during which LIXIL VIVA CORPORATION received a recommendation from the Japan Fair Trade Commission related to the identification of actions in violation of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors. Although she was not aware of these practices before the facts were uncovered, she regularly brought attention to the importance of compliance with laws and regulations at meetings of the Board of Directors, and after the facts were uncovered, she endeavored to duly perform her duties in regard to the situation by offering various recommendations and expressing opinions toward improving said Company's internal legal compliance system to order to prevent recurrence.
  10. The term of office of Hirofumi Gomi as an Outside Director is eight (8) years at the closing of this General Meeting of Shareholders. The terms of office of Mikio Mochizuki and Isao Iguchi as Outside Directors are two (2) years at the closing of this General Meeting of Shareholders.
  11. Pursuant to the Articles of Incorporation, the Company has entered into contracts with Hirofumi Gomi, Mikio Mochizuki, and Isao Iguchi, which provide that the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be up to the minimum liability amount specified in each item of Article 425, Paragraph 1 of the same Act. If the re-election of these candidates is approved at this

General Meeting of Shareholders, the Company will continue the aforementioned liability limitation contracts with them. If the election of Kiyoe Kado is approved, the Company will enter into the same contract with her.

12. The Company has concluded a directors and officers liability insurance agreement with an insurance company. The insurance policy covers damage that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the election of each candidate for Director is approved, he or she will be insured under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of the next renewal.

(Reference) Skills expected of Director candidates

Category Name	Outside Independent Officer	Expertise/experience							
		Corporate management	Finance & accounting	Risk management, legal affairs, & compliance*1	International operations	Sales & marketing	Technology & research and development	IT & DX	Personnel affairs & human resource development
Kimikazu Aida		○			○	○	○		
Toshihiko Suzuki		○		○		○	○	○	
Hiromitsu Ugawa			○	○	○				○
Yap Teck Meng					○	○			
Hirofumi Gomi	✓	○	○	○					
Mikio Mochizuki	✓		○	○	○				
Isao Iguchi	✓					○		○	
Kiyoe Kado	✓			○					○

- (Notes) 1. "Risk management, legal affairs, & compliance" includes the perspective of product liability (PL).  
2. The above table shows areas where each Director is particularly expected to contribute to the Company's management. It does not indicate all of the skills and expert knowledge possessed by each Director.

(Reference) Independence Criteria for Outside Officers

The Company has stipulated the criteria for the independence of Outside Officers as follows for the determination of their independence.

In principle, a person who does not fall under any of the following items at present or within the past three years

- (1) A party whose major business partner is the Company, or an executor of business thereof if the party is a corporation, etc.
- (2) A major business partner of the Company, or an executor of business thereof if the party is a corporation, etc.
- (3) A consultant, accounting specialist or legal specialist who receives a significant amount of money or other property from the Company other than the compensation from the Company as an Outside Officer.
- (4) An employee, etc. of the consulting firm, accounting office or law firm, etc. whose major business partner is the Company
- (5) A party who receives a significant amount of donation, etc. from the Company, or an executor of business thereof if the party is a corporation, etc.
- (6) A major shareholder (a party who holds more than 10% of the total voting rights) of the Company, or an executor of business thereof if the party is a corporation, etc.
- (7) A close relative of the following (excluding insignificant person)
  - A. A person who falls under (1) to (6) described above
  - B. A Director, Statutory Auditor, Operating Officer or important employee of the Company or its subsidiary

End of document