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(Stock Exchange Code 4828)
June 3, 2022

To Shareholders with Voting Rights:

Masakazu Haneda
President & Chief Executive Officer
Business Engineering Corporation
1-8-1 Otemachi, Chiyoda-ku, Tokyo

**NOTICE OF CONVOCATION OF
THE 43rd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 43rd Annual General Meeting of Shareholders of Business Engineering Corporation (the “Company”) will be held for the purposes as described below.

Additionally, to prevent the spread of COVID-19 infection, the Company requests that shareholders consider not attending the venue of the General Meeting of Shareholders and the exercise of voting rights either in writing or via the Internet. For the exercise of voting rights either in writing or via the Internet, please review the Reference Documents for the General Meeting of Shareholders attached to the Japanese version of this document and exercise your voting rights no later than 5:30 p.m. on Thursday, June 23, 2022, Japan time.

Measures that will be put into place at the General Meeting of Shareholders to prevent the spread of COVID-19 infection will be provided on the Company’s website. (<https://www.b-en-g.co.jp/ir/soukai.html>).

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m., Japan time
2. Place: “Ho’oh,” First floor, The Capital Hotel Tokyu
2-10-3 Nagatacho, Chiyoda-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the Company’s 43rd Fiscal Year (April 1, 2021–March 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 43rd Fiscal Year (April 1, 2021–March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Seven Directors (excluding Directors who are Audit & Supervisory Committee Members)
Proposal 4: Election of Three Directors who are Audit & Supervisory Committee Members
Proposal 5: Election of One Substitute Director who is an Audit & Supervisory Committee Member

1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
2. The Notes to the Consolidated Financial Statements of the Consolidated Financial Statements and the Notes to the Non-consolidated Financial Statements of the Non-consolidated Financial Statements are provided on the Company's website* in accordance with laws and regulations and Article 15 of the Articles of Incorporation, and are thus not included with this Notice of Convocation.
Additionally, on the Internet, the attached documents to this Notice of Convocation and the above documents disclosed on the Internet are provided as a combined single file.
The above documents disclosed on the Internet are included in the matters subject to audit by the Accounting Auditor and the Audit & Supervisory Committee.
3. Any revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements will be provided on the Company's website* after revisions have been made.

The Company's website address* <https://www.b-en-g.co.jp/ir/soukai.html>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's policy is to provide shareholders returns through the payment of dividends, which are determined by comprehensive consideration of projections regarding the Company's business environment, business results forecasts, and the Company's financial standing, among other factors. Additionally, while working to provide continuous and stable dividends, the Company's basic policy is to make efforts toward a dividend payout ratio of over 30% for the medium to long term. Regarding the frequency of dividends, the basic policy is twice a year, consisting of an interim dividend and a year-end dividend.

For its 43rd fiscal year, the Company achieved record-high levels of profit for the sixth consecutive year. As a gesture of appreciation to our shareholder for their support, the year-end dividend for the 43rd fiscal year is proposed as stated below based on the policy mentioned above.

As a result, combined with the interim dividend of 35 yen, the annual dividend will be 84 yen per share.

Matters concerning the year-end dividend

- (1) Type of dividend property
Cash
- (2) Matters related to allocation of dividend property to shareholders and its total amount
49 yen per share of the Company's common stock; total of 293,996,717 yen
- (3) Effective date of distribution of surplus
June 27, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 15, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. as set forth in Article 325-2 of the Companies Act shall be provided electronically.
- (2) The purpose of the proposed Article 15, Paragraph 2 is to establish a provision that allows the Company to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the Internet disclosure and deemed provision of the reference materials for the general meeting of shareholders, etc. (Article 15 of the current Articles of Incorporation) will become unnecessary with the introduction of system of electronic provision and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 15 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference materials for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p><Newly established></p> <p><Newly established></p>	<p><Deleted></p> <p><u>(Measures for Electronic Provision, Etc.)</u></p> <p><u>Article 15 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p style="text-align: center;"><u>Supplementary provisions</u></p> <p><u>1. The amendments to Article 15 shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p data-bbox="810 210 1407 405">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p data-bbox="810 405 1407 584">3. <u>These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of Seven Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all eight Directors (excluding Directors who are Audit & Supervisory Committee Members, the same applies hereinafter in this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of seven Directors, reducing the number by one for the purpose of establishing a system enabling flexible execution of management strategy.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
1	Masakazu Haneda (January 13, 1965)	Apr. 1987	Joined Toyo Engineering Corporation	14,100 shares
		Apr. 1999	Joined the Company	
Apr. 2004	Division General Manager, MCFrame Business Division			
Apr. 2006	Division General Manager, Products Business Division			
Jun. 2010	Director			
Jun. 2014	In charge of Kansai Branch; in charge of Chubu Office			
Jun. 2015	Managing Director			
Jun. 2015	Division General Manager, Product & Service Planning Division			
Jun. 2019	Senior Managing Director			
Apr. 2020	Representative Director			
Apr. 2020	President & Chief Executive Officer To the present			
(Currently Representative Director, President & Chief Executive Officer, and Chief Executive Officer (CEO) of the Company)				
[Reasons for selection as a candidate for Director] Mr. Masakazu Haneda has a wealth of experience in the Company's businesses relating to in-house products and has advanced insight in the Company's business fields. The Company believes that this will be useful in the Company's management, and thus requests his election.				
2	Hiroshi Katayama (May 4, 1957)	Apr. 1981	Joined Toyo Engineering Corporation	23,500 shares
		Oct. 2000	Joined Seven-Eleven Japan Co., Ltd.	
Jun. 2002	Joined the Company			
Apr. 2005	Division General Manager, Administration & Finance Division			
Jun. 2007	Director			
Jun. 2013	Managing Director			
Jun. 2015	Representative Director			
Jun. 2015	Senior Managing Director			
Jun. 2019	Executive Vice President To the present			
(Currently Representative Director, Executive Vice President, and Chief Financial Officer (CFO) of the Company)				
[Reasons for selection as a candidate for Director] Mr. Hiroshi Katayama has a wealth of experience and advanced insight in the field of corporate administration including finance, and has served as Representative Director since June 2015. The Company believes that his experience and advanced insight will be useful in the Company's management, and thus requests his election.				

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Shigeaki Betsunou (March 26, 1964)	<p>Apr. 1986 Joined Toyo Engineering Corporation</p> <p>Sep. 1999 Joined the Company</p> <p>Apr. 2011 Deputy Division General Manager, Solutions Project Division</p> <p>Jun. 2013 Director</p> <p>Jun. 2013 Division General Manager, Solutions Project Division</p> <p>Jun. 2015 Division General Manager, Solutions Business Division</p> <p>Apr. 2019 Division General Manager, Administration & Finance Division</p> <p>Jun. 2019 Managing Director</p> <p>Apr. 2020 Division General Manager, Corporate Administration & Planning Division; in charge of Global Business Promotion Division</p> <p>To the present</p> <p>(Currently Managing Director, Division General Manager, Corporate Administration & Planning Division, and in charge of Global Business Promotion Division of the Company)</p>	6,400 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Mr. Shigeaki Betsunou has been involved in businesses which provide IT services mainly using other companies' products for many years and has served as an executive officer, in charge of corporate administration. He has a wealth of experience and advanced insight in a wide range of fields. The Company believes that this will be useful in the Company's management, and thus requests his election.</p>			
4	Atsushi Nakano (March 14, 1965)	<p>Apr. 1989 Joined Toyo Engineering Corporation</p> <p>Apr. 1999 Joined the Company</p> <p>Apr. 2009 Chief General Manager, Systems Development Division, Products Business Division</p> <p>Apr. 2014 Chief General Manager, Sales Division, Products Business Division</p> <p>Jun. 2015 Director</p> <p>Jun. 2015 Division General Manager, Products Business Division; in charge of Kansai Branch; in charge of Chubu Office</p> <p>To the present</p> <p>(Currently Director, Division General Manager, Products Business Division, in charge of Kansai Branch, and in charge of Chubu Office of the Company)</p>	12,000 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Mr. Atsushi Nakano has been involved in businesses relating to in-house products for many years and is familiar with the Company's business fields. The Company believes that his track record and insight will be useful in the Company's management, and thus requests his election.</p>			

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Yusuke Sato (October 6, 1967)	<p>Apr. 1993 Joined Toyo Engineering Corporation</p> <p>Jul. 2000 Joined the Company</p> <p>Apr. 2006 General Manager, Corporate Planning Department, Corporate Planning Division</p> <p>Apr. 2015 Deputy Division General Manager, Corporate Planning Division</p> <p>Apr. 2016 Chief General Manager, Sales Division 2, Solutions Business Division</p> <p>Apr. 2019 Division General Manager, Solutions Business Division</p> <p>Jun. 2019 Director To the present</p> <p>(Currently Director and Division General Manager, Solutions Business Division of the Company)</p>	2,700 shares
<p>[Reasons for selection as a candidate for Director] Mr. Yusuke Sato has been involved in businesses which provide IT services mainly using other companies' products as well as corporate planning for many years and is familiar with the Company's business fields. The Company believes that his track record and insight will be useful in the Company's management, and thus requests his election.</p>			
6	Hiroshi Shimizu (March 29, 1961) Candidate for Outside Director	<p>Apr. 1984 Joined Toyo Engineering Corporation (Retired in Sep. 1990)</p> <p>Oct. 1990 Joined Arthur D. Little Japan Inc.</p> <p>Jan. 2003 Director</p> <p>Apr. 2010 Professor, Graduate School of Management of Technology, Nippon Institute of Technology</p> <p>Jun. 2011 Outside Director, the Company</p> <p>Apr. 2015 Senior Advisor, Arthur D. Little Japan Inc. To the present</p> <p>(Currently Outside Director of the Company)</p> <p>Significant concurrent positions Professor, Graduate School of Management of Technology, Nippon Institute of Technology Senior Advisor, Arthur D. Little Japan Inc.</p>	4,500 shares
<p>[Reasons for selection as a candidate for Outside Director and overview of expected roles] Mr. Hiroshi Shimizu has a wealth of experience in strategic consulting operations and advanced insight regarding business strategy primarily in the manufacturing industry, which is the Company's main client base. The Company expects that this background will enable him to provide advice and appropriate supervision of the Company's management from a broad, medium- to long-term perspective, and thus requests his election.</p>			

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Hideo Higuchi (March 5, 1950) Candidate for Outside Director	<p>Apr. 1972 Joined Tateisi Electronics Co. (Currently OMRON Corporation)</p> <p>Jun. 2004 Executive Officer and Senior General Manager, Operational Reform HQ</p> <p>Jun. 2004 Director, OMRON Network Applications Co., Ltd.</p> <p>Mar. 2007 Senior General Manager, Business Process Innovation HQ, OMRON Corporation</p> <p>Jun. 2007 Managing Executive Officer</p> <p>Dec. 2008 Senior General Manager, Corporate Strategic Planning HQ; Senior General Manager, Business Process Innovation HQ</p> <p>Nov. 2011 Outside Director, SOLOEL Co., Ltd.</p> <p>Mar. 2012 Director</p> <p>Jun. 2012 Outside Statutory Auditor, the Company</p> <p>May 2016 External Director, Furuno Electric Co., Ltd.</p> <p>Jun. 2016 Outside Director, the Company To the present (Currently Outside Director of the Company)</p> <p>Significant concurrent position External Director, Furuno Electric Co., Ltd.</p>	2,300 shares
<p>[Reasons for selection as a candidate for Outside Director and overview of expected roles] Mr. Hideo Higuchi has a wealth of experience and advanced insight regarding corporate management and the IT sector within the OMRON Group. The Company expects that this background will enable him to provide advice and appropriate supervision of the Company's management from a broad, medium- to long-term perspective, and thus requests his election.</p>			

- (Notes) 1. There are no special interests between any of the candidates and the Company.
2. Mr. Hiroshi Shimizu and Mr. Hideo Higuchi are candidates for Outside Director. The Company has submitted both persons to the Tokyo Stock Exchange as Independent Directors under the stipulations of the Exchange, and if they are both elected, they will continue to be Independent Directors.
3. The terms of office of Mr. Hiroshi Shimizu and Mr. Hideo Higuchi as Outside Directors of the Company will be 11 years and 6 years, respectively, at the conclusion of this Annual General Meeting of Shareholders.
4. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with Mr. Hiroshi Shimizu and Mr. Hideo Higuchi to limit liabilities for damages in Article 423, Paragraph 1 of the Companies Act. The limit of liability under said agreement is the minimum amount of liability as stipulated by laws and regulations. If they are both elected, the Company plans to renew the agreements.
5. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance agreement will cover damages that may arise when an insured director or officer assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. However, this policy includes certain exemption clauses, such as not providing compensation for damages attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality. The insured parties of the insurance policy are Directors (including Directors who are Audit & Supervisory Committee Members) of the Company and Directors and Statutory Auditors of its subsidiaries, and the candidates for Directors are included as the insured under this insurance policy. Additionally, all premiums are borne by the Company, and the Company plans to renew the policy with the same contents at the next agreement renewal.

Proposal 4: Election of Three Directors who are Audit & Supervisory Committee Members

The terms of office of all three Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members. Note that the Audit & Supervisory Committee has agreed on this proposal.

The candidates for Directors are as follows:

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Ryuji Maruyama (March 4, 1952)</p> <p>Candidate for Outside Director</p>	<p>Apr. 1974 Joined Mitsubishi Heavy Industries, Ltd.</p> <p>Apr. 2003 Manager, Accounting Department</p> <p>Dec. 2004 Representative Director, MHI Accounting Service Ltd.</p> <p>May 2007 Representative Director, Managing Director</p> <p>Apr. 2011 Representative Director, President</p> <p>Jun. 2016 Outside Director who is an Audit & Supervisory Committee Member, the Company</p> <p>To the present</p> <p>(Currently Outside Director who is an Audit & Supervisory Committee Member of the Company)</p>	1,400 shares
<p>[Reasons for selection as a candidate for Outside Director and overview of expected roles] Mr. Ryuji Maruyama has a wealth of experience and advanced insight regarding finance and accounting in Mitsubishi Heavy Industries Group and also has knowledge in the area of IT. The Company expects that this background will enable him to provide advice and appropriate audit and supervision of the Company's management from a broad, medium- to long-term perspective, and thus requests his election.</p>			

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="359 712 587 846">Naoki Shimizu (August 12, 1953) Candidate for Outside Director</p>	<p data-bbox="639 275 1209 1249"> Apr. 1977 Joined The Industrial Bank of Japan, Limited (Currently Mizuho Bank, Ltd.) Apr. 2002 Vice Manager, Loan Department Jun. 2003 Director and General Manager, Administration Division, MAKIYA Co., Ltd., Nov. 2006 Vice President, Senior Manager of Finance & Accounting Department, SB Technology Corp. Jun. 2007 Director Apr. 2008 Executive Vice President, General Manager of Administrative Division Apr. 2013 General Manager, Administration Division, Meiko Shokai, Co., Ltd. May 2014 Representative Director, With Consulting Co., Ltd. Mar. 2018 Outside Director Who is an Audit & Supervisory Committee, Japan Systems Co., Ltd. Jun. 2018 Outside Director Who is an Audit & Supervisory Committee Member, the Company To the present (Currently Outside Director who is an Audit & Supervisory Committee Member of the Company) Significant concurrent position Representative Director, With Consulting Co., Ltd. </p>	700 shares
<p data-bbox="331 1261 1385 1440"> [Reasons for selection as a candidate for Outside Director and overview of expected roles] Mr. Naoki Shimizu has a wealth of experience and advanced insight regarding finance and accounting and knowledge in corporate management of various industries. The Company expects that this background will enable him to provide advice and appropriate audit and supervision of the Company's management from a broad, medium- to long-term perspective, and thus requests his election. </p>			

Candidate No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Hirofumi Otsuka (May 27, 1961)	<p>Apr. 1986 Joined Toyo Engineering Corporation</p> <p>Apr. 1999 Joined the Company</p> <p>Nov. 2005 Branch Manager, Kansai Branch</p> <p>Jan. 2012 General Manager, Toyo Business Engineering (Shanghai) Co., Ltd.</p> <p>Apr. 2012 Chairman, Toyo Business Engineering (Shanghai) Co., Ltd.</p> <p>Jun. 2015 Deputy Division General Manager, Products Business Division; Chief General Manager, Marketing Division, Products Business Division, the Company</p> <p>Apr. 2018 Deputy Division General Manager, Solutions Business Division; Chief General Manager, SCM Solutions Division 1, Solutions Business Division</p> <p>Jun. 2020 Director who is a Standing Audit & Supervisory Committee Member To the present (Currently Director who is a Standing Audit & Supervisory Committee Member of the Company)</p>	9,800 shares
<p>[Reasons for selection as a candidate for Director] Mr. Hirofumi Otsuka is familiar with a wide range of business fields of the Company, and has a wealth of experience regarding management of an overseas subsidiary. The Company believes that this background will be useful for audit and supervision of the Company's management, and thus requests his election.</p>			

- (Notes)
1. There are no special interests between any of the candidates and the Company.
 2. Mr. Ryuji Maruyama and Mr. Naoki Shimizu are candidates for Outside Directors. The Company has submitted both persons to the Tokyo Stock Exchange as Independent Directors under the stipulations of the Exchange, and if they are both elected, they will continue to be Independent Directors.
 3. The terms of office of Mr. Ryuji Maruyama and Mr. Naoki Shimizu as Outside Directors of the Company will be 6 years and 4 years, respectively, at the conclusion of this Annual General Meeting of Shareholders.
 4. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with Mr. Ryuji Maruyama and Mr. Hiroshi Shimizu to limit liabilities for damages in Article 423, Paragraph 1 of the Companies Act. The limit of liability under said agreement is the minimum amount of liability as stipulated by laws and regulations. If they are both elected, the Company plans to renew the agreements.
 5. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The candidates for Directors who are Audit & Supervisory Committee Members are included as the insured under this insurance policy. An overview of the related insurance policy is as stated on page 9 (Note 5.) of this Notice of Convocation of the 43rd Annual General Meeting of Shareholders. Additionally, the Company plans to renew the policy with the same contents at the next agreement renewal.

Proposal 5: Election of One Substitute Director who is an Audit & Supervisory Committee Member

In preparation for the situation in which the number of Directors who are Audit & Supervisory Committee Members falls short of the number stipulated by laws and regulations, the Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member in advance.

Additionally, regarding the effectiveness of this election, election may be nullified by a resolution of the Board of Directors upon gaining approval from the Audit & Supervisory Committee, provided that it is prior to assumption of office. Furthermore, this Proposal has received the approval of the Audit & Supervisory Committee.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
<p style="text-align: center;">Hideo Higuchi (March 5, 1950) Candidate for Outside Director</p>	<p>Apr. 1972 Joined Tateisi Electronics Co. (Currently OMRON Corporation)</p> <p>Jun. 2004 Executive Officer and Senior General Manager, Operational Reform HQ</p> <p>Jun. 2004 Director, OMRON Network Applications Co., Ltd.</p> <p>Mar. 2007 Senior General Manager, Business Process Innovation HQ, OMRON Corporation</p> <p>Jun. 2007 Managing Executive Officer</p> <p>Dec. 2008 Senior General Manager, Corporate Strategic Planning HQ; Senior General Manager, Business Process Innovation HQ</p> <p>Nov. 2011 Outside Director, SOLOEL Co., Ltd.</p> <p>Mar. 2012 Director</p> <p>Jun. 2012 Outside Statutory Auditor, the Company</p> <p>May 2016 External Director, Furuno Electric Co., Ltd.</p> <p>Jun. 2016 Outside Director, the Company To the present (Currently Outside Director of the Company)</p> <p>Significant concurrent positions External Director, Furuno Electric Co., Ltd.</p>	<p style="text-align: center;">2,300 shares</p>
<p>[Reasons for selection as a candidate for Outside Director and overview of expected roles] Mr. Hideo Higuchi has a wealth of experience and advanced insight regarding corporate management and the IT sector within the OMRON Group. The Company expects that this background will enable him to provide advice and appropriate supervision and audit of the Company's management from a broad, medium- to long-term perspective, and thus requests his election. Additionally, if Proposal 3 is approved as originally proposed, he will assume the position of Director (excluding Director who is an Audit & Supervisory Committee Member), but if the number of Directors who are Audit & Supervisory Committee Members falls short of the number stipulated by laws and regulations, he will resign from the position of Director and assume the position of Director who is an Audit & Supervisory Committee Member.</p>		

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Mr. Hideo Higuchi is a candidate for substitute Outside Director who is an Audit & Supervisory Committee Member. The Company has submitted him to the Tokyo Stock Exchange as Independent Director under the stipulations of the Exchange, and if he assumes the position of Director who is an Audit & Supervisory Committee Member, he will be an Independent Director.
 3. The term of office of Mr. Hideo Higuchi as Outside Director of the Company will be six years at the conclusion of this Annual General Meeting of Shareholders.
 4. If Mr. Hideo Higuchi assumes the position of Director who is an Audit & Supervisory Committee Member, the Company plans to conclude a new agreement with him pursuant to Article 427, Paragraph 1 of the Companies Act to limit liabilities for damages in Article 423, Paragraph 1 of the Companies Act. The limit of liability under said agreement is the minimum amount of liability as stipulated by laws and regulations.
 5. If Mr. Hideo Higuchi assumes the position of Director who is an Audit & Supervisory Committee Member, he will be included as the insured under a directors and officers liability insurance agreement provided for in Article 430-3, paragraph 1 of the Companies Act. An overview of the related insurance policy is as stated on page 9 (Note 5.) of this

Notice of the Convocation of the 43rd Annual General Meeting of Shareholders. Additionally, the Company plans to renew the policy with the same contents at the next agreement renewal.

Reference: Policy on selection of candidates for directors and skills matrix

Views on the composition of the board of directors

The Company emphasizes the composition of executive Directors and non-executive Directors (Directors who are Audit & Supervisory Committee Members and Outside Directors, etc. The same shall apply hereinafter) having a good overall balance of knowledge in the Company's business (including knowledge in international aspects related to the Company's business domains), a wealth of knowledge related to management, and qualities such as a high level of expertise to effectively perform their respective role and responsibilities and ensuring both an appropriate size and diverse perspectives and values.

In addition, in order to have a highly effective supervisory function, the Company has a policy of maintaining the percentage of Outside Directors on the Board of Directors at one-third or more.

Policy and procedure of selecting candidates for Directors and Directors who are Audit & Supervisory Committee Members

In order to ensure transparency of processes related to policy and procedure of selecting candidates for Directors and Directors who are Audit & Supervisory Committee Members; nomination process of candidates for Directors (including Directors who are Audit & Supervisory Committee Members); as well as selection and dismissal process of Representative Directors and Directors with executive titles, the Company has established a Nomination Advisory Committee which is chaired by an Independent Outside Director and comprised of a majority of Independent Outside Directors.

When selecting candidates for executive Directors and non-executive Directors, the Board of Directors makes a decision in light of the report of the Nomination Advisory Committee, taking into consideration the balance of the entire Board of Directors based on the Company's business, scale, and structure.

Skills and Expertise of Candidates for Directors and Audit & Supervisory Committee Members

Candidate	Corporate Management	IT and Technology	Global	Finance and Accounting	Risk Management and Legal Affairs
Masakazu Haneda	○	○	○		
Hiroshi Katayama	○			○	○
Shigeaki Betsunou			○	○	○
Atsushi Nakano		○	○		
Yusuke Sato		○	○		
Hiroshi Shimizu	○	○	○		
Hideo Higuchi	○	○	○		
Ryuji Maruyama	○			○	○
Naoki Shimizu	○			○	○
Hirofumi Otsuka	○	○	○		

Note: For each candidate, up to three categories were selected from the fields in which candidates have experience and expertise. They are indicated with circles (○).