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(Stock Exchange Code 2760)

May 30, 2023

(Date of commencement of measures for electronic provision: May 24, 2023)

To Shareholders with Voting Rights:

Atsushi Tokushige
President & Representative Director
TOKYO ELECTRON DEVICE LIMITED
1-4, Kinko-cho, Kanagawa-ku, Yokohama City,
Kanagawa

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

Dear Shareholders:

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

We are pleased to announce that we will hold the 38th Annual General Meeting of Shareholders of TOKYO ELECTRON DEVICE LIMITED (the “Company”). The meeting will be held as described below.

In convening this General Meeting of Shareholders, measures for electronic provision have been taken and matters to be provided electronically are posted as “Notice of the 38th Annual General Meeting of Shareholders” on the websites indicated below.

The Company’s website <https://www.teldevice.co.jp/eng/ir/meeting.html>

In addition to the above, the information is also posted on the Tokyo Stock Exchange (TSE) website.

Please access the TSE website (Listed Company Search), enter the Company’s securities code “2760” in the “Code” field and click “Search,” select “Basic information,” then “Documents for public inspection/PR information,” and read the Notice.

TSE website (Listed Company Search)

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

If you are unable to attend the meeting, you can exercise your voting rights in writing or through the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your rights no later than 5:30 p.m., Tuesday, June 20, 2023, Japan time.

- 1. Date and Time:** Wednesday, June 21, 2023 at 10:00 a.m. Japan time
(Reception desk will open at 9:00 a.m.)
- 2. Place:** Nichirin banquet room at 5th Floor, Yokohama Bay Sheraton Hotel & Towers located at 1-3-23, Kitasaiwai, Nishi-ku, Yokohama City, Kanagawa, Japan
- 3. Meeting Agenda:**
Matters to be reported:
 1. The Business Report, the Consolidated Financial Statements and Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the Company’s 38th Fiscal Year (April 1, 2022 - March 31, 2023)
 2. Non-consolidated Financial Statements for the Company’s 38th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Election of Eight Corporate Directors
- Proposal 2:** Election of Two Audit & Supervisory Board Members
- Proposal 3:** Payment of Bonuses to Corporate Directors

- 1. We may take precautionary measures to prevent diseases spreading at the General Meeting of Shareholders. We sincerely appreciate your understanding and co-operation.**

2. When you attend the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
3. Should the matters provided electronically require any revisions, the revised versions will be posted on the Company's website and the TSE website.
4. Please note that the results of resolutions at this General Meeting of Shareholders will be posted on the Company's website indicated above and no paper copy of the notice of resolutions will be sent to shareholders.
5. If there is no indication of approval or disapproval for the proposals in the Voting Rights Exercise Form, this will be treated as an indication of approval.

Reference Documents for the General Meeting of Shareholders

Proposals and References



Proposal 1: Election of Eight Corporate Directors


The terms of office of all nine Corporate Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of eight Corporate Directors is proposed. The candidates are as follows:



Candidate No.	Name	Gender	Position	Years in office	Attendance at Board of Directors' meetings
1	Atsushi Tokushige	Male	President & Representative Director	16	100% (Eleven out of eleven meetings)
2	Masami Hasegawa	Male	Representative Director	8	100% (Eleven out of eleven meetings)
3	Yukio Saeki	Male	Corporate Director	8	100% (Eleven out of eleven meetings)
4	Kazuki Shinoda	Male	Corporate Director	6	100% (Eleven out of eleven meetings)
5	Tetsuo Tsuneishi	Male	Corporate Director	10	100% (Eleven out of eleven meetings)
6	Koichi Kawana (Outside Director) (Independent Director)	Male	Corporate Director	4	100% (Eleven out of eleven meetings)
7	Hiromi Onitsuka-Baur (Outside Director) (Independent Director)	Female	Corporate Director	3	100% (Eleven out of eleven meetings)
8	Kei Nishida (Outside Director) (Independent Director)	Male	Corporate Director	2	100% (Eleven out of eleven meetings)


(Notes)


- There are no special interests between each candidate for Corporate Director and the Company.
- Mr. Koichi Kawana, Ms. Hiromi Onitsuka-Baur, and Mr. Kei Nishida are candidates for Outside Directors. All three Outside Directors are also Independent Directors required by the Tokyo Stock Exchange and will continue to be the Independent Directors if reelected.
- The current Articles of Incorporation of the Company provides that the Company can enter into an agreement with Corporate Directors (excluding Executive Directors) to limit liability for damages to the Company. The Company entered into liability limitation agreements with Mr. Tetsuo Tsuneishi, Mr. Koichi Kawana, Ms. Hiromi Onitsuka-Baur, and Mr. Kei Nishida, and will renew the respective agreements if their reelection is approved. The outline of the liability limitation agreement of the Company is as follows:
 - Corporate Directors (excluding Executive Directors) who have neglected their duties shall be liable to the Company for any damage to the extent of the minimum liability amount as set forth in Article 425, (1) of the Companies Act.
 - The above liability limitation shall be limited to cases where the relevant Corporate Director is without knowledge and is not grossly negligent in performing his/her duties that caused the liability.
- The Company entered into a Directors and Officers liability insurance contract with an insurance company as stipulated in Article 430-3 (1) of the Companies Act. The contract covers damage payments to be borne by insured persons arising from litigations. Each candidate will be included as an insured person in this insurance contract. The Company plans to renew the contract with the same contents at the next renewal.


No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
1	 Atsushi Tokushige (November 7, 1963) [59 years old]	<p>April 1986 Joined Tokyo Electron Limited</p> <p>April 2005 Vice President of the Company</p> <p>June 2007 Corporate Director of the Company</p> <p>June 2011 Managing Director, TOKYO ELECTRON DEVICE HONG KONG LTD. (currently TOKYO ELECTRON DEVICE ASIA PACIFIC LTD.)</p> <p>September 2013 CEO, inrevium AMERICA, INC. (currently TOKYO ELECTRON DEVICE AMERICA, INC.)</p> <p>January 2015 President & Representative Director of the Company (to present)</p> <p>[Position and responsibility at the Company] President & Representative Director</p> <p>[Reason for nomination as a candidate for Corporate Director] Since he assumed his position as the President & Representative Director of the Company in January 2015, he has made use of his experience accumulated up to that point, and demonstrated strong leadership skills to lead the management of the Group. We continue to expect him to strengthen the decision-making function of the Board of Directors and to play a central role in overall management to contribute to improving corporate value of the Group, and thus nominate him for Corporate Director.</p>	11,000
2	 Masami Hasegawa (September 30, 1965) [57 years old]	<p>April 1986 Joined Tokyo Electron Limited</p> <p>June 2013 President & Representative Director, PAN ELECTRON LIMITED</p> <p>June 2014 Vice President of the Company</p> <p>April 2015 General Manager, Global Sales Business Department of the Company</p> <p>June 2015 Corporate Director of the Company</p> <p>June 2016 Representative Director of the Company (to present)</p> <p>June 2016 Senior Vice President of the Company</p> <p>June 2018 Executive Vice President of the Company</p> <p>July 2018 General Manager, Global Sales & Operations of the Company (to present)</p> <p>July 2018 General Manager, EC BU of the Company (to present)</p> <p>June 2021 Senior Executive Vice President of the Company (to present)</p> <p>[Position and responsibility at the Company] Representative Director, Senior Executive Vice President Corporate Sales General Manager, Global Sales & Operations, EC BU</p> <p>[Reason for nomination as a candidate for Corporate Director] He serves in an important position in charge of the Electronic Components Business. In addition, since June 2016 he has been leading the management of the Group as Representative Director of the Company and making efforts to promote cross-sectional sales activities toward increasing revenues as a supervisor of sales division. We expect him to make use of the knowledge that he has accumulated thus far to contribute to improving the corporate value of the Group and strengthen the supervisory function of the Board of Directors, and thus nominate him for Corporate Director.</p>	9,000

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
3	 <p data-bbox="201 645 400 734">Yukio Saeki (October 25, 1958) [64 years old]</p>	<p data-bbox="432 241 1278 640"> April 1981 Joined Tokyo Electron Limited February 2012 President & Representative Director, Tokyo Electron BP Limited February 2012 President & Representative Director, Tokyo Electron Agency Limited (currently Tokyo Electron BP Limited.) June 2015 Corporate Director of the Company (to present) June 2015 Vice President of the Company September 2015 Chairman of the Compliance Committee (to present) June 2016 Senior Vice President of the Company June 2016 Senior Director, Administration Department of the Company June 2018 Executive Vice President of the Company July 2018 General Manager, Corporate Administration Division of the Company (to present) June 2021 Senior Executive Vice President of the Company (to present) </p> <p data-bbox="432 674 1278 1088"> [Position and responsibility at the Company] Corporate Director, Senior Executive Vice President General Manager, Corporate Administration Division In Charge of Internal Control Chairman of the Compliance Committee [Reason for nomination as a candidate for Corporate Director] He serves in an important position in charge of the Administration Department, etc. In addition, he serves as a committee member of the Nominating Committee. As Chairman of the Compliance Committee since September 2015, he also has been playing a leading role in various types of monitoring, development of in-house rules, and training. We expect him to make use of the knowledge that he has accumulated thus far to contribute to improving the corporate value of the Group and strengthen the supervisory function of the Board of Directors, and thus nominate him for Corporate Director. </p>	3,000

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
4	 <p>Kazuki Shinoda (October 17, 1965) [57 years old]</p>	<p>April 1988 Joined Tokyo Electron Limited June 2015 Vice President of the Company June 2017 CEO, inrevium AMERICA, INC. (currently TOKYO ELECTRON DEVICE AMERICA, INC.) June 2017 Corporate Director of the Company (to present) June 2017 Chairman of the Risk Management Committee (to present) June 2017 President of inrevium Company June 2018 Senior Vice President of the Company (to present) July 2018 General Manager, PB BU of the Company (to present) June 2022 Chairman of the Sustainability Committee (to present)</p> <p>[Position and responsibility at the Company] Corporate Director, Senior Vice President Corporate Engineering General Manager, PB BU Chairman of the Risk Management Committee Chairman of the Sustainability Committee</p> <p>[Reason for nomination as a candidate for Corporate Director] He serves in an important position in charge of the private brand business. In addition, he has been playing an active role as a committee member of the Remuneration Committee in examining the appropriateness of the annual performance-linked remuneration system, the next incentive plan, and the contents of the remuneration of the President & Representative Director, and also in developing our risk management system as Chairman of the Risk Management Committee since June 2017. As Chairman of the Sustainability Committee since June 2022, he has also been playing a leading role in initiatives for the Sustainable Development Goals (SDGs). We expect him to make use of the knowledge that he has accumulated thus far to contribute to improving the corporate value of the Group and strengthen the supervisory function of the Board of Directors, and thus nominate him for Corporate Director.</p>	5,000
5	 <p>Tetsuo Tsuneishi (November 24, 1952) [70 years old]</p>	<p>April 1976 Joined Tokyo Electron Limited June 1992 Corporate Director, Tokyo Electron Limited June 1996 Senior Managing Director, Tokyo Electron Limited June 2003 Deputy Chairman of the Board, Tokyo Electron Limited June 2013 Corporate Director of the Company (to present) June 2015 Chairman of the Board, Tokyo Electron Limited June 2017 Representative Director & Chairman of the Board, Tokyo Electron Limited June 2020 Chairman of the Board, Tokyo Electron Limited March 2023 Outside Director, Resonac Holdings Corporation (to present)</p> <p>[Significant concurrent position] Outside Director, Resonac Holdings Corporation</p> <p>[Position and responsibility at the Company] Corporate Director</p> <p>[Reason for nomination as a candidate for Corporate Director] He attended all Board of Directors' meetings (11 times) held in the fiscal year ended March 31, 2023. In addition, he has also been playing an active role as a committee member of the Nominating Committee in examining candidates for Corporate Director, candidates for Representative Director, etc. and in discussion on the development of succession planning. We expect him to make use of his experience as an executive manager in stock market listed companies to perform oversight duties from an objective viewpoint by sharing his opinions and advice from the perspective of shareholders, and thus nominate him for Corporate Director.</p>	-

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
6	 <p data-bbox="213 1059 384 1149">Koichi Kawana (April 23, 1958) [65 years old]</p> <p data-bbox="213 1178 384 1267">(Outside Director) (Independent Director)</p>	<p data-bbox="432 241 544 264">April 1982</p> <p data-bbox="432 304 528 327">July 1997</p> <p data-bbox="432 398 528 421">July 2001</p> <p data-bbox="432 488 560 510">August 2007</p> <p data-bbox="432 611 528 633">July 2009</p> <p data-bbox="432 701 528 723">July 2010</p> <p data-bbox="432 790 528 813">July 2011</p> <p data-bbox="432 880 528 902">June 2017</p> <p data-bbox="432 947 528 969">June 2018</p> <p data-bbox="432 1014 528 1037">June 2019</p> <p data-bbox="432 1048 528 1070">June 2019</p> <p data-bbox="432 1104 528 1126">June 2019</p> <p data-bbox="432 1193 528 1216">June 2020</p> <p data-bbox="432 1227 592 1249">December 2020</p> <p data-bbox="432 1261 528 1283">April 2021</p> <p data-bbox="432 1317 544 1339">March 2023</p> <p data-bbox="432 1350 767 1373">[Significant concurrent position]</p> <p data-bbox="432 1384 959 1406">Outside Director, BANDAI NAMCO Holdings Inc.</p> <p data-bbox="432 1417 767 1440">External Director, RENOVA, Inc.</p> <p data-bbox="432 1451 735 1473">External Director, ispace, inc.</p> <p data-bbox="432 1485 943 1507">President and Representative Director, Lublyst Inc.</p> <p data-bbox="432 1518 815 1541">Outside Director, Kubota Corporation</p> <p data-bbox="432 1552 1278 1597">[Reason for nomination as a candidate for Outside Director and outline of expected roles]</p> <p data-bbox="432 1608 1278 2047">He attended all Board of Directors' meetings (11 times) held in the fiscal year ended March 31, 2023 as Independent Director (Outside Director). In addition, he has also been steering the Nominating Committee in his position as chair since June 2021 and has been playing a leading role in examining candidates for Corporate Director, candidates for Representative Director, etc. and in discussion on the development of succession planning. He has also been playing an active role as a committee member of the Remuneration Committee in examining the appropriateness of the annual performance-linked remuneration system, the next incentive plan, and the contents of the remuneration of the President & Representative Director. We expect him to make use of his experience as a corporate manager of a listed company, as well as broad knowledge from global perspective, to perform oversight duties from an objective viewpoint by sharing his opinions and advice from the perspective of shareholders, and thus nominate him for Corporate Director. Mr. Koichi Kawana will have been in office for a total of four years at the conclusion of this General Meeting of Shareholders.</p>	-

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
7	 <p data-bbox="204 891 400 1133">Hiromi Onitsuka-Baur (April 19, 1952) [71 years old] (Outside Director) (Independent Director)</p>	<p data-bbox="432 241 1289 300">April 1976 Joined Tokyo Shibaura Electric Co., Ltd. (currently TOSHIBA CORPORATION)</p> <p data-bbox="432 309 1289 394">April 2005 General Manager, Clinical Laboratory Systems Division, Toshiba Medical Systems Corporation (currently CANON MEDICAL SYSTEMS CORPORATION)</p> <p data-bbox="432 403 1289 515">June 2009 Vice President, Chief Marketing Executive and General Manager, Clinical Laboratory Systems Division, Toshiba Medical Systems Corporation (currently CANON MEDICAL SYSTEMS CORPORATION)</p> <p data-bbox="432 524 1289 636">April 2010 Vice President, Chief Marketing Executive and General Manager, Corporate Audit Department, Toshiba Medical Systems Corporation (currently CANON MEDICAL SYSTEMS CORPORATION)</p> <p data-bbox="432 645 1289 703">June 2011 Temporary Advisor, Toshiba Medical Systems Corporation (currently CANON MEDICAL SYSTEMS CORPORATION)</p> <p data-bbox="432 712 1289 770">June 2012 Full-time Audit and Supervisory Board Member, Yahoo Japan Corporation (currently Z Holdings Corporation)</p> <p data-bbox="432 779 1289 864">June 2015 Outside Director (Full-time Audit and Supervisory Committee Member), Yahoo Japan Corporation (currently Z Holdings Corporation)</p> <p data-bbox="432 873 1289 931">June 2018 Audit & Supervisory Board Member, eBook Initiative Japan Co., Ltd.</p> <p data-bbox="432 940 1289 999">October 2019 Outside Director (Full-time Audit and Supervisory Committee Member), Z Holdings Corporation</p> <p data-bbox="432 1008 1289 1034">October 2019 Auditor, Yahoo Japan Corporation (to present)</p> <p data-bbox="432 1043 1289 1070">June 2020 Corporate Director of the Company (to present)</p> <p data-bbox="432 1079 1289 1106">June 2021 External Director, JVCKENWOOD Corporation (to present)</p> <p data-bbox="432 1115 1289 1173">[Significant concurrent position] Auditor, Yahoo Japan Corporation External Director, JVCKENWOOD Corporation</p> <p data-bbox="432 1182 1289 1240">[Reason for nomination as a candidate for Outside Director and outline of expected roles]</p> <p data-bbox="432 1249 1289 1749">She attended all Board of Directors' meetings (11 times) held in the fiscal year ended March 31, 2023 as Independent Director (Outside Director). In addition, she has also been steering the Remuneration Committee in her position as chair since June 2022 and has been playing a leading role in examining the appropriateness of the annual performance-linked remuneration system, the next incentive plan, and the contents of the remuneration of the President & Representative Director. She has also been playing an active role as a committee member of the Nominating Committee in examining candidates for Corporate Director, candidates for Representative Director, etc. and in discussion on the development of succession planning. We expect her to make use of her knowledge in the electronics and IT industries, as well as her experience as an Audit and Supervisory Board Member, and Outside Director (Audit and Supervisory Committee Member) in a stock market listed company to continue to objectively supervise management by offering opinions and advice that incorporate shareholders' standpoint, and thus nominate her as a candidate for Outside Director. Ms. Hiromi Onitsuka-Baur will have been in office for a total of three years at the conclusion of this General Meeting of Shareholders.</p>	-



No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
8	 <p data-bbox="225 629 373 719">Kei Nishida (July 8, 1954) [68 years old]</p> <p data-bbox="204 752 394 842">(Outside Director) (Independent Director)</p>	<p data-bbox="432 244 544 271">April 1977</p> <p data-bbox="432 304 533 331">July 2007</p> <p data-bbox="432 365 539 392">June 2008</p> <p data-bbox="432 398 539 425">June 2009</p> <p data-bbox="432 432 544 459">April 2010</p> <p data-bbox="432 465 539 492">June 2012</p> <p data-bbox="432 499 539 526">June 2015</p> <p data-bbox="432 555 539 582">June 2018</p> <p data-bbox="432 616 539 642">June 2020</p> <p data-bbox="432 649 539 676">June 2021</p> <p data-bbox="432 683 1283 741">[Reason for nomination as a candidate for Outside Director and outline of expected roles]</p> <p data-bbox="432 748 1283 1189">He attended all Board of Directors' meetings (11 times) held in the fiscal year ended March 31, 2023 as Independent Director (Outside Director). In addition, he has been playing an active role as a committee member of the Nominating Committee in examining candidates for Corporate Director, candidates for Representative Director, etc. and in discussion on the development of succession planning. He has also been playing an active role as a member of the Remuneration Committee in examining the appropriateness of the annual performance-linked remuneration system, the next incentive plan, and the contents of the remuneration of the President & Representative Director. We expect him to make use of his management experience at a stock market listed company and knowledge in the electronics industry to continue to objectively supervise management by offering advice and opinions that incorporate shareholders' standpoint going forward, and thus nominate him as a candidate for Outside Director. Mr. Kei Nishida will have been in office for a total of two years at the conclusion of this General Meeting of Shareholders.</p>	-

Proposal 2: Election of Two Audit & Supervisory Board Members

Of incumbent Audit & Supervisory Board Members, the terms of office of Mr. Nobuo Kawai and Mr. Katsuyuki Matsui will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of two Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of the Company shares held
1	 Nobuo Kawai (March 22, 1963) [60 years old]	April 1985 Joined Tokyo Electron Limited July 2003 Director, General Affairs Department of the Company July 2007 Director, Financial Department of the Company January 2012 Director, Internal Audit Department of the Company June 2016 Audit & Supervisory Board Member (full-time) of the Company (to present) [Position at the Company] Audit & Supervisory Board Member (full-time) [Reason for nomination as a candidate for Audit & Supervisory Board Member] Since June 2016, as Audit & Supervisory Board Member (full-time), he has been properly fulfilling his duties including audits of execution of duties by Corporate Directors, leveraging his wealth of experience and knowledge in corporate accounting and internal controls acquired over the years. We continue to expect him to enhance and strengthen the Company's audit functions, and thus nominate him for Audit & Supervisory Board Member.	8,500
2	 Katsuyuki Matsui (June 22, 1955) [67 years old] (Outside Audit & Supervisory Board Member) (Independent Audit & Supervisory Board Member)	April 1980 Joined Honda Motor Co., Ltd. June 2002 Tax Block Leader, Business Management Operations, Honda Motor Co., Ltd. July 2005 Vice President, Honda Canada Inc. June 2010 Audit & Supervisory Board Member (full-time), Keihin Corporation (currently Hitachi Astemo, Ltd.) November 2017 Audit & Supervisory Board Member, SHIFT Inc. June 2019 Audit & Supervisory Board Member (full-time) of the Company (to present) [Position at the Company] Audit & Supervisory Board Member (full-time) [Reason for nomination as a candidate for Outside Audit & Supervisory Board Member] Since June 2019, as Audit & Supervisory Board Member (full-time), he has been properly fulfilling his duties, including in audits of execution of duties by Corporate Directors, leveraging his knowledge of finance of listed companies and experience serving overseas. We continue to expect him to enhance and strengthen the Company's audit functions, keeping in mind the future reinforcement of the Company's manufacturing functions, and thus nominate him for Outside Audit & Supervisory Board Member. Mr. Katsuyuki Matsui will have been in office for a total of four years at the conclusion of this General Meeting of Shareholders.	-

(Notes)

1. There are no special interests between each candidate for Audit & Supervisory Board Members and the Company.
2. Mr. Katsuyuki Matsui is a candidate for Outside Audit & Supervisory Board Member. Additionally, Mr. Katsuyuki Matsui is an Independent Audit & Supervisory Board Member required by the Tokyo Stock Exchange and will continue to be an Independent Audit & Supervisory Board Member, if reelected.
3. The current Articles of Incorporation of the Company provides that the Company may enter into an agreement with Audit & Supervisory Board Members to limit liability for damages to the Company.
The Company entered into liability limitation agreements with Mr. Nobuo Kawai and Mr. Katsuyuki Matsui, and will renew the respective agreements if their reelection is approved. The outline of the liability limitation agreement of the Company is as follows:
 - Audit & Supervisory Board Members who have neglected their duties shall be liable to the Company for any damage to the extent of the minimum liability amount as set forth in Article 425, (1) of the Companies Act.
 - The above liability limitation shall be limited to the case where the relevant Audit & Supervisory Board Member is without knowledge and is not grossly negligent in performing his/her duties that caused the liability.
4. The Company entered into a Directors and Officers liability insurance contract with an insurance company as stipulated in Article 430-3 (1) of the Companies Act. The contract covers damage payments to be borne by insured persons arising from litigations.
Each candidate will be included as an insured person in this insurance contract. The Company plans to renew the contract with the same contents at the next renewal.

(Reference) If Mr. Nobuo Kawai and Mr. Katsuyuki Matsui are reelected as proposed, the constituent members of the Audit & Supervisory Board of the Company will be as follows:

Name	Gender	Position	Years in office	Attendance at Board of Directors' meetings	Attendance at Audit & Supervisory Board meetings
Nobuo Kawai	Male	Audit & Supervisory Board Member (full-time)	7	100% (11/11)	100% (7/7)
Katsuyuki Matsui	Male	Audit & Supervisory Board Member (full-time)	4	100% (11/11)	100% (7/7)
Norika Yuasa	Female	Audit & Supervisory Board Member	2	100% (11/11)	100% (7/7)
Kiyoyuki Kuwabara	Male	Audit & Supervisory Board Member	1	100% (9/9)	100% (5/5)

(Note) Mr. Kiyoyuki Kuwabara was appointed as an Audit & Supervisory Board Member at the 37th Annual General Meeting of Shareholders held on June 22, 2022, and the attendance at Board of Directors' meetings and Audit & Supervisory Board meetings represents the number of the Board of Directors' meetings and Audit & Supervisory Board meetings held after he assumed office.

(Reference: Proposals 1 and 2)

[Policy and procedure for nominating candidates for Corporate Directors]

To nominate candidates for Corporate Directors, the Nominating Committee reviews and proposes the candidates to the Board of Directors based on their qualities such as from their knowledge and experience to qualifications as Corporate Director as well as the balance and diversity of knowledge, experience, and capabilities of the Board of Directors as a whole. Upon approval of the Board of Directors, the approved candidates are presented to the General Meeting of Shareholders for approval.

In addition to the requirements under the Companies Act, the Company has the following policies for electing Outside Directors: The Company, in principle, recruits candidates whose corporation, etc. as well as candidates themselves have no special interests with the Company; and who are independent and free from any conflict of interest with general shareholders of the Company.

[Policy and procedure for nominating candidates for Audit & Supervisory Board Members]

To nominate candidates for Audit & Supervisory Board Members, President & Representative Director proposes the candidates to the Audit & Supervisory Board based on their knowledge, experience, qualifications, diversity, etc. Upon review based on the check points for selection of candidates, the Audit & Supervisory Board presents the approved candidates to the Board of Directors, which will propose them to the General Meeting of Shareholders upon its approval.

In addition to the requirements under the Companies Act, the Company has the following policies for electing Outside Audit & Supervisory Board Members: The Company, in principle, recruits candidates whose corporation, etc. as well as candidates themselves have no special interests with the Company; and who are independent and free from any conflict of interest with general shareholders of the Company.

[Outline of criteria for electing Independent Directors/Auditors]

The Company elects Independent Directors/Audit & Supervisory Board Members from among Outside Directors or Outside Audit & Supervisory Board Members ("Outside Officers") who do not fall under any of the following:

1. Related party of the Company Group; 2. Major shareholder; 3. Related party of major business partner/customer; and 4. Other

Outside Officers of the Company may be reelected up to a total of eight years of office.

[Numeric criteria]

(1) "Major shareholder" refers to a shareholder who holds more than 10% of total voting rights through direct and/or indirect ownership.

(2) "Related party of major business partner/customer" refers to a party with a history of transactions worth 2% or more of consolidated net sales of the Company during the relevant fiscal year or a financial institution providing loans worth 5% or more of consolidated total assets of the Company.

(Reference) Skills Matrix of Corporate Directors and Audit & Supervisory Board Members if Proposal 1 and Proposal 2 are approved as originally proposed

In the year ended March 31, 2022, the Company launched its VISION 2025 medium-term management plan, which will extend until the fiscal year ending March 31, 2025. In the final year of VISION 2025, we expect the business environment to have progressed from Society 4.0, which facilitates the sharing of information, to Society 5.0, a highly efficient smart society that optimizes operations through systems. Based on this kind of business environment, the Company will establish a management policy that focuses on “contributing to the sustainable development of a highly efficient smart society by providing products and services that facilitate digital transformation (DX).” To this aim, we intend to shift the axis of our business to become “a manufacturer with technology trading company functions.”

Based on this vision, we will seek to achieve sustainable growth and enhance our medium- to long-term corporate value. We will also pursue a management style that focuses on developing a more thorough governance system. In light of the situation the Company will be placed in and the issues we will have to solve as we implement our VISION 2025 medium-term management plan, the Board of Director has amassed the following range of experience and specialist expertise that it considers to be important at this point in time, and has sought to ensure a balanced overall composition of Corporate Directors and Audit & Supervisory Board Members.

Details of item		Experience and expertise in:						
		Corporate management	Production / development	IT / DX	Global experience	Sales / marketing	Finance / accounting	Legal affairs / risk management
Corporate Directors	Atsushi Tokushige	•	•	•	•	•		
	Masami Hasegawa	•		•	•	•		
	Yukio Saeki	•			•		•	•
	Kazuki Shinoda	•	•	•	•	•		•
	Tetsuo Tsuneishi	•		•	•	•	•	
	Koichi Kawana <small>Outside Independent</small>	•			•	•		•
	Hiromi Onitsuka-Baur <small>Outside Independent</small>		•	•	•	•		
	Kei Nishida <small>Outside Independent</small>	•	•			•		
Audit & Supervisory Board Members	Nobuo Kawai						•	•
	Katsuyuki Matsui <small>Outside Independent</small>		•		•		•	•
	Norika Yuasa <small>Outside Independent</small>				•			•
	Kiyoyuki Kuwabara <small>Outside Independent</small>			•			•	

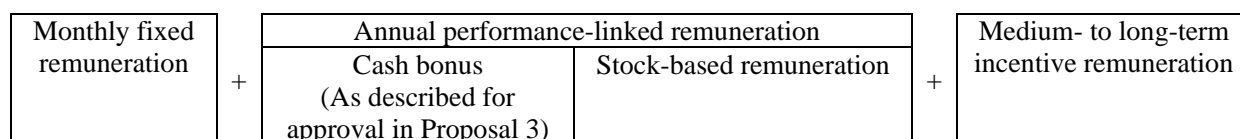
Proposal 3: Payment of Bonuses to Corporate Directors

Of the amount of performance-linked remuneration, which was calculated based on an annual performance-linked remuneration table using the amount of “net income attributable to owners of parent” of the current fiscal year (hereinafter, “net income”) and ratio of net income to net sales as indicators, a 68% portion is proposed to be paid to five full-time Corporate Directors as of the end of the current fiscal year in a form of cash bonus for a total of ¥148,845 thousand. No bonuses will be paid to part-time Corporate Directors including Outside Directors.

Payment of bonuses to full-time Corporate Directors has been deemed to be appropriate due to its conformity to “Policy for the Determination of Contents of Remuneration, etc. for Individual Corporate Directors.”

(Reference: Proposal 3)

[Remuneration system for Corporate Directors]



*1 A 65% portion of annual performance-linked remuneration is paid in the form of a cash bonus after obtaining approval at the Annual General Meeting of Shareholders every fiscal year. If performance exceeds the certain level of performance specified in the annual performance-linked remuneration table, the excess performance-linked remuneration is paid in the form of a cash bonus. As a result, the cash bonus accounts for 68% of annual performance-linked remuneration for the 38th fiscal year.

*2 A 35% portion of annual performance-linked remuneration is paid in the form of stock-based remuneration upon retirement of each Corporate Director. If performance exceeds the certain level of performance specified in the annual performance-linked remuneration table, the excess performance-linked remuneration is paid in the form of a cash bonus. As a result, stock-based remuneration accounts for 32% of annual performance-linked remuneration for the 38th fiscal year.

*3 Outside Directors and part-time Corporate Directors are not eligible.

*4 Annual performance-linked remuneration is set within 5% of “net income attributable to owners of parent.”

* Outside Directors and part-time Corporate Directors are not eligible.