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(Stock Exchange Code 3132)

June 9, 2023

(Date of commencement of electronic provision measures: June 2, 2023)

To Shareholders with Voting Rights:

Kazumasa Hara
Representative Director and
President
MACNICA HOLDINGS, INC.
1-6-3 Shin-Yokohama, Kohoku-ku,
Yokohama, 222-8561 Japan

**NOTICE OF
THE 8TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to notify you that the 8th Annual General Meeting of Shareholders of MACNICA HOLDINGS, INC. (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”). Matters subject to the electronic provision measures have been posted on the following website:

The Company’s website (<https://holdings.macnica.co.jp/ir/ja/event/meeting.html>) (in Japanese only)

In addition to the above website, those matters have also been posted on the following website:

The Tokyo Stock Exchange’s website:

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

On the above website, please enter and search for the Company’s name or stock exchange code, and select “Basic information” and then “Documents for public inspection/PR information” to view the information.

If you are unable to attend the meeting, you can exercise your voting rights either in writing or via the Internet. Please review the “Reference Documents for the General Meeting of Shareholders” posted on the above websites, and exercise your voting rights no later than 5:00 p.m. on Tuesday, June 27, 2023, Japan time.

1. Date and Time: Wednesday, June 28, 2023 at 10:00 a.m. Japan time

2. Place: Sinfonia, 5th floor, Shin Yokohama Prince Hotel
3-4, Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa, Japan
(Please note that the place of the meeting is changed from the 3rd floor of the above hotel for the previous year to the 5th floor for this year.)

3. Meeting Agenda:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the Company’s 8th Fiscal Year (April 1, 2022–March 31, 2023), and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 8th Fiscal Year (April 1, 2022–March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Eleven (11) Directors
Proposal 3: Election of Three (3) Audit & Supervisory Board Members
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- Ⓒ The reception will open at 9:00 a.m. Please note that we will have no waiting room.
- Ⓒ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the meeting venue.
- Ⓒ On the day of the meeting, staff will be wearing light attire (“Cool Biz”). We appreciate your understanding, and also encourage shareholders to attend in light attire.
- Ⓒ Subsequent amendments to the matters subject to the electronic provision measures will be posted on the above-listed websites.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy for dividends is to secure the required internal reserves to further enrich and strengthen future business expansion and the management structure while returning profits as much as possible to shareholders, with the focus of continuing stable dividends in consideration of all factors concerned.

Based on the above basic policy, in view of trends in business results for the fiscal year under review and the future business environment, the Company proposes year-end dividends as shown below.

- (1) Type of dividend property
Cash

- (2) Matters concerning the allotment of dividend property to shareholders and the total amount
75 yen per share of common stock
Total dividends of 4,541,776,275 yen
Furthermore, as 65 yen per share has been paid as interim dividends in December 2022, annual dividends will be 140 yen per share for the fiscal year under review.

- (3) Effective date of distribution of surplus
June 29, 2023

Proposal 2: Election of Eleven (11) Directors

The terms of office of all the twelve (12) Directors will expire at the conclusion of the Annual General Meeting of Shareholders. Accordingly, election of eleven (11) Directors, including four (4) Outside Directors is proposed.

The candidates for Directors are as follows:

No.	Name		Current positions at the Company
1	Kiyoshi Nakashima	[Reappointment]	Chairman of the Board
2	Kazumasa Hara	[Reappointment]	Representative Director and President
3	Akinobu Miyoshi	[Reappointment]	Representative Director and Vice President
4	Fumihiko Arai	[Reappointment]	Director
5	Takemasa Sato	[Reappointment]	Director
6	SEU, DAVID DAEKYUNG	[Reappointment]	Director
7	Eiichi Nishizawa	[Reappointment]	Director
8	Hitoshi Kinoshita	[Reappointment] [Outside Director] [Independent Director]	Outside Director
9	Tsunesaburo Sugaya	[Reappointment] [Outside Director] [Independent Director]	Outside Director
10	Makiko Noda	[Reappointment] [Outside Director] [Independent Director]	Outside Director
11	Shinichiro Omori	[Reappointment] [Outside Director] [Independent Director]	Outside Director

(Reference) Policy and process to elect candidates for Directors

When deciding on candidates for inside Directors, the Company has a system where Directors with different expertise and experience make up the Board of Directors so that it can exercise comprehensive supervision over management as a whole. We also select candidates for Outside Directors whose backgrounds are different from those at the Company and whose experience and insight contribute to management supervision.

In addition, President and Representative Director is selected following the deliberation of the Nomination and Remuneration Advisory Committee with a majority of Outside Officers, whose establishment was decided at the Board of Directors meeting held on September 25, 2018 with the objective of improving transparency, objectivity, and fairness in the election, dismissal, and remuneration of President and Representative Director.

Moreover, the regulations for the Nomination and Remuneration Advisory Committee were revised in January 2022, whereby the selection of candidates for Directors and Audit & Supervisory Board Members is added to the matters to be deliberated and reported, and determined following the deliberation of the Committee.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Kiyoshi Nakashima (March 13, 1955) [Reappointment]	<p>April 1981 Joined Macnica, Inc. May 1991 Director and Component First Business Department General Manager, Macnica, Inc. April 1999 Director and Network Business General Manager, Macnica, Inc. June 2003 Managing Director, Macnica, Inc. March 2004 Representative Director, Macnica Networks Corp. April 2005 Executive Vice President, Macnica, Inc. Representative Director, ALTIMA Corp. (currently Altima Company, Macnica, Inc.) June 2008 President and CEO, Macnica, Inc. April 2015 Representative Director and President, the Company June 2019 Representative Director and Chairman, Macnica, Inc. Representative Director and Chairman, the Company June 2021 Chairman of the Board, Macnica, Inc. (to present) Chairman of the Board, the Company (to present)</p> <p>[Significant concurrent positions] Chairman of the Board, Macnica, Inc.</p>	114,258
<p>[Reason for nomination as candidate for Director] Mr. Kiyoshi Nakashima has served as President and CEO of Macnica, Inc., a subsidiary of the Company, since 2008 and concurrently serves as Representative Director and President of the Company since 2015 in accordance with its establishment, Representative Director and Chairman of the Company since June 2019, and Chairman of the Board of the Company since June 2021. He possesses extensive experience and achievements and broad knowledge as top management. For these reasons, the Company has judged that he is qualified for supervising and promoting the Group's management, and has therefore renominated him as a candidate for Director.</p>			
2	Kazumasa Hara (October 18, 1971) [Reappointment]	<p>September 1995 Joined Macnica, Inc. April 2007 General Manager of First Sales, TecStar Company, Macnica, Inc. April 2011 President, TecStar Company, Macnica, Inc. April 2018 General Manager of Strategic Innovation Business Group June 2018 Director, Macnica, Inc. June 2019 President and CEO, Macnica, Inc. (to present) Representative Director and President, the Company (to present)</p> <p>[Significant concurrent positions] President and CEO, Macnica, Inc.</p>	61,174
<p>[Reason for nomination as candidate for Director] Mr. Kazumasa Hara has engaged in marketing and sales of the semiconductor business at Macnica, Inc., a subsidiary of the Company. He has also promoted new businesses as the person in charge and he has been serving as Director of Macnica, Inc. since 2018, and Representative Director and President of the Company and President and CEO of Macnica, Inc. since 2019. He possesses extensive knowledge about the industry to which the Company belongs, as well as experience and achievements in management. He has also been promoting the Group's long-term strategies and reform topics as a person in charge of new businesses. The Company has judged that he is qualified for promoting the Group's management and leading efforts to achieve the Group's long-term vision, and has therefore renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Akinobu Miyoshi (July 13, 1971) [Reappointment]	<p>July 1995 Joined Macnica, Inc. April 2007 General Manager of Product Sales, ALTIMA Corp. (currently Altima Company, Macnica, Inc.) June 2009 Director, ALTIMA Corp. June 2010 Executive Vice President, ALTIMA Corp. June 2011 President and CEO, ALTIMA Corp. October 2011 General Manager of Asia Pacific Business Group, Macnica, Inc. President, MACNICA ASIA PACIFIC PTE LTD President, MACNICA HONG KONG, LIMITED April 2015 General Manager of Global Business Development Office, Macnica, Inc. CEO, MACNICA AMERICAS, INC. June 2018 Director, Macnica, Inc. June 2019 Co-CEO, Macnica, Inc. (to present) Representative Director and Vice President, the Company (to present) [Significant concurrent positions] Co-CEO, Macnica, Inc.</p>	38,964
<p>[Reason for nomination as candidate for Director] Mr. Akinobu Miyoshi has engaged in marketing and sales of the semiconductor business at Macnica, Inc., a subsidiary of the Company. He has also been promoting the formulation and implementation of the Group's global strategy as a person in charge of overseas business since 2011. He has also served as Representative Director and Vice President of the Company and Co-CEO of Macnica, Inc. since 2019. He possesses extensive experience and knowledge including management, and the Company has judged that he is qualified for promoting the Group's management, and has therefore renominated him as a candidate for Director.</p>			
4	Fumihiko Arai (January 4, 1965) [Reappointment]	<p>March 1990 Joined Macnica, Inc. June 2003 Director and General Manager of Strategic Business, ALTIMA Corp. (currently Altima Company, Macnica, Inc.) April 2006 Director and Vice President, ALTIMA Corp. June 2007 President and CEO, ALTIMA Corp. June 2011 Director, Macnica, Inc. April 2015 Director, the Company (to present) June 2018 Managing Director, Macnica, Inc. (to present) [Significant concurrent positions] Managing Director, Macnica, Inc.</p>	22,505
<p>[Reason for nomination as candidate for Director] Mr. Fumihiko Arai has engaged in marketing and sales of the semiconductor business at Macnica, Inc., a subsidiary of the Company. He served as Director of Macnica, Inc. and has extensive experience and knowledge in management in general. In addition, he has served as Director of the Company since 2015 in accordance with its establishment. For these reasons, the Company has judged that he is qualified for promoting the Group's management into the future, and has therefore renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Takemasa Sato (August 26, 1963) [Reappointment]	<p>April 1989 Joined Macnica, Inc.</p> <p>April 2004 Vice President, Clavis Company, Macnica, Inc.</p> <p>April 2007 President, Clavis Company, Macnica, Inc.</p> <p>April 2011 Vice President of Worldwide Sales, Japanese Accounts, Macnica, Inc.</p> <p>April 2018 Executive Vice President, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>June 2018 Director, Macnica, Inc.</p> <p>June 2019 Managing Director, Macnica, Inc. (to present)</p> <p>June 2020 Director, the Company (to present)</p> <p>June 2020 Representative Director, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>[Significant concurrent positions] Managing Director, Macnica, Inc.</p>	44,351
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takemasa Sato has engaged in marketing and sales of the semiconductor business and since 2018, he has served as Director of Macnica, Inc., a subsidiary of the Company and has served Executive Vice President of Fuji Electronics Co., Ltd. until September 2020. He has also been promoting the formulation and implementation of the Group's customer strategies and leading efforts to strengthen its customer relationships as a person in charge of domestic sales. He possesses extensive experience and knowledge including management and, the Company has judged that he is qualified for promoting the Group's management, and has therefore renominated him as a candidate for Director.</p>			
6	SEU, DAVID DAEKYUNG (November 23, 1959) [Reappointment]	<p>September 1986 Joined Merrill Lynch & Co., Inc. (Investment Banking Division, New York, USA)</p> <p>October 1990 Joined The Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited)</p> <p>February 2000 Director, Sumishin Investment Co., Ltd. (currently Sumitomo Mitsui Trust Investment Co., Ltd.) (to present)</p> <p>June 2007 Director, Macnica, Inc.</p> <p>April 2015 Director, the Company (to present)</p> <p>June 2019 Managing Director, Macnica, Inc. (to present)</p> <p>[Significant concurrent positions] Managing Director, Macnica, Inc. Director, Sumitomo Mitsui Trust Investment Co., Ltd.</p>	30,505
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. SEU, DAVID DAEKYUNG has abundant overseas experience and additionally possesses extensive knowledge and expertise in global business from his experience in engaging in investment banking business, etc. In addition to serving as Director of Macnica, Inc., he has served as Director of the Company since 2015 in accordance with its establishment. For these reasons, the Company has judged that he is qualified for promoting the Group's management, and has therefore renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Eiichi Nishizawa (March 26, 1957) [Reappointment]	<p>April 1982 Joined Toho Mutual Life Insurance Company (currently The Gibraltar Life Insurance Co., Ltd.)</p> <p>December 1999 Joined Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>May 2001 Head of Strategic Planning Office, Fuji Electronics Co., Ltd.</p> <p>May 2006 Executive Officer, Head of Strategic Planning Office and General Manager of General Affairs Div., Fuji Electronics Co., Ltd.</p> <p>May 2010 Senior Executive Officer and General Manager of Strategic Planning Div., Fuji Electronics Co., Ltd.</p> <p>May 2011 Director and General Manager of Financial & Accounting Div., Fuji Electronics Co., Ltd.</p> <p>May 2014 Managing Director, Fuji Electronics Co., Ltd.</p> <p>April 2015 Director, the Company (to present)</p> <p>June 2017 Representative Director Vice President, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>June 2019 Executive Vice President, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>[Significant concurrent positions] None</p>	20,335
<p>[Reason for nomination as candidate for Director] Mr. Eiichi Nishizawa has engaged in strategic planning, personnel, and accounting operations at Fuji Electronics Co., Ltd., a subsidiary of the Company. He also possesses extensive experience and knowledge in management in general as Representative Director Vice President in charge of administration divisions. In addition, he has served as Director of the Company since 2015 in accordance with its establishment. Additionally, as he possesses extensive knowledge and experience in overall management, for these reasons, the Company has judged that he is qualified for promoting the Group's management, and has therefore renominated him as a candidate for Director.</p>			
8	Hitoshi Kinoshita (February 19, 1955) [Reappointment] [Outside] [Independent]	<p>April 1978 Joined Mitsubishi Research Institute, Inc.</p> <p>March 1985 Established ASTEC, Inc. (currently Rworks, Inc.), President and Representative Director</p> <p>October 2011 President and Representative Director, TS Service Co., Ltd. (to present)</p> <p>October 2015 Advisor and Director, Rworks, Inc. (to present)</p> <p>September 2016 President and Representative Director, System Consultant Co., Ltd. (to present)</p> <p>May 2017 Representative Director, Japan Digital Notarization Authority Co.,Ltd. (to present)</p> <p>July 2017 Chairman and Representative Director, Data Design Co., Ltd. (to present)</p> <p>June 2018 Director, the Company (to present).</p> <p>[Significant concurrent positions] Advisor and Director, Rworks, Inc. President and Representative Director, System Consultant Co., Ltd. Representative Director, Japan Digital Notarization Authority Co.,Ltd. Chairman and Representative Director, Data Design Co., Ltd. President and Representative Director, TS Service Co., Ltd.</p>	10,000
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Hitoshi Kinoshita is currently an Outside Director of the Company and has been providing advises and opinions at the Board of Directors based on knowledge and experience in the IT industry or corporate management. He also stands as a member of the Nominating and Compensation Advisory Committee from a standpoint of objectivity and independence. The Company expects that he will provide appropriate advice on sustainable improvement of the Group's corporate value, and fill the role of member of the Nominating and Compensation Advisory Committee. Therefore, the Company renominated him as a candidate for Outside Director. Mr. Hitoshi Kinoshita's term of office as an Outside Director of the Company will be five years at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Tsunesaburo Sugaya (November 24, 1963) [Reappointment] [Outside] [Independent]	<p>April 1988 Joined Motorola, Co., Ltd.</p> <p>June 1999 Joined JAFCO Co., Ltd. (currently JAFCO Group Co., Ltd.)</p> <p>January 2003 President & CEO, JAFCO America Ventures Inc. (currently Icon Ventures), JAFCO Co., Ltd.</p> <p>March 2008 Executive Officer responsible for United States, JAFCO Co., Ltd.</p> <p>June 2015 Outside Director, Plat'Home Co., Ltd. (to present)</p> <p>July 2015 Outside Director, I Peace, Inc. (to present)</p> <p>December 2015 Representative Director, MIYAKO CAPITAL (to present)</p> <p>August 2017 Outside Director, AerNos, Inc. (to present)</p> <p>June 2019 Director, the Company (to present)</p> <p>October 2022 Outside Audit & Supervisory Board Member, Artiza Networks, Inc. (to present)</p> <p>[Significant concurrent positions]</p> <p>Outside Director, Plat'Home Co., Ltd.</p> <p>Representative Director, MIYAKO CAPITAL</p> <p>Outside Audit & Supervisory Board Member, Artiza Networks, Inc.</p> <p>Outside Director, I Peace, Inc.</p> <p>Outside Director, AerNos, Inc.</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Tsunesaburo Sugaya is currently Outside Director of the Company and has been providing advises and opinions at the Board of Directors based on the experience and expertise cultivated in the management of foreign investment businesses. He also stands as a member of the Nominating and Compensation Advisory Committee from a standpoint of objectivity and independence. The Company expects that he will provide appropriate advice on sustainable improvement of the Group's corporate value, and fill the role of member of the Nominating and Compensation Advisory Committee. Therefore, the Company has renominated him as a candidate for Outside Director. Mr. Tsunesaburo Sugaya's term of office as an Outside Director of the Company will be four years at the conclusion of this General Meeting of Shareholders.</p>			
10	Makiko Noda (August 25, 1970) [Reappointment] [Outside] [Independent]	<p>April 1993 Joined Venture Link Co., Ltd.</p> <p>April 2010 Director, Venture Link Co., Ltd.</p> <p>December 2010 President and Representative Director, Human Delight Inc. (to present)</p> <p>March 2011 President and Representative Director, INCGROW Co., Ltd.</p> <p>February 2015 Chairman and Director, INCGROW Co., Ltd.</p> <p>June 2017 Outside Director, The Bank of Toyama (to present)</p> <p>June 2019 Director, the Company (to present)</p> <p>Outside Director, Keyware Solutions Inc. (to present)</p> <p>March 2020 Outside Director, Arte Salon Holdings, Inc. (to present)</p> <p>[Significant concurrent positions]</p> <p>President and Representative Director, Human Delight Inc.</p> <p>Outside Director, The Bank of Toyama</p> <p>Outside Director, Keyware Solutions Inc.</p> <p>Outside Director, Arte Salon Holdings, Inc.</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Ms. Makiko Noda is currently an Outside Director of the Company, and has been providing advises and opinions at the Board of Directors based on experience and knowledge in support operations for local financial institute and expanding opportunities for women. She also stands as a member of the Nominating and Compensation Advisory Committee from a standpoint of objectivity and independence. The Company expects that she will provide appropriate advice on sustainable improvement of the Group's corporate value, and fill the role of member of the Nominating and Compensation Advisory Committee. Therefore, the Company has renominated her as a candidate for Outside Director. Ms. Makiko Noda's term of office as an Outside Director of the Company will be four years at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Shinichiro Omori (February 6, 1956) [Reappointment] [Outside] [Independent]	<p>April 1978 Joined Hitachi, Ltd.</p> <p>April 2016 Senior Vice President and Executive Officer (retired in March 2019)</p> <p>June 2017 Outside Director, Hitachi Capital Corporation (currently Mitsubishi HC Capital Inc.) Director, Hitachi Chemical Co., Ltd. (currently Showa Denko Materials Co., Ltd.)</p> <p>June 2019 Chairperson of the Board, Hitachi Metals, Ltd.</p> <p>April 2020 Board Director, Chairperson, Hitachi Metals, Ltd. (retired in June 2020)</p> <p>July 2020 Chairman of the Board, Hitachi High-Tech Corporation (retired in March 2021)</p> <p>March 2022 Outside Director of the Board, KOKUYO Co., Ltd. (to present)</p> <p>June 2022 Director, the Company (to present)</p> <p>[Significant concurrent positions] Outside Director of the Board, KOKUYO Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Shinichiro Omori has a wealth of knowledge and extensive experience in management, having served as executive officer and chairperson of the board at global business corporations. The Company has renominated him as a candidate for Outside Director, expecting that he will contribute to the Group mainly by supervising and providing advice, from independent and objective standpoint, on initiatives to reinforce global management, IT strategy, digital transformation management and governance structures. Mr. Shinichiro Omori's term of office as an Outside Director of the Company will be one year at the conclusion of this General Meeting of Shareholders.</p>			

(Notes)

- Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, and Mr. Shinichiro Omori are candidates for Outside Directors. The Company has designated Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, and Mr. Shinichiro Omori as Independent Directors as prescribed by the Tokyo Stock Exchange and submitted a notification of the designation to the same Exchange. If their reelection is approved as proposed, the Company intends to continue their designation as Independent Directors.
- Independence of Outside Directors
In accordance with the independence standards of the Tokyo Stock Exchange, Inc., the Company excludes parties that hold the Company and its group operating companies as major transaction partners and business executives thereof, consultants, etc., that receive a significant amount of remuneration from the Company and parties affiliated with said organizations, and parties that are relatives, etc., of parties to which the above items apply.
There are no special conflicts of interest between the Company and each of Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, and Mr. Shinichiro Omori.
- The Company has entered into liability limitation agreements with Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, and Mr. Shinichiro Omori pursuant to Article 28 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum amount of liability as prescribed by laws and regulations. If their reelection is approved as proposed, the Company intends to continue the above agreement with them.
- The Company has concluded indemnification agreements to the effect that the Company will compensate Mr. Kiyoshi Nakashima, Mr. Kazumasa Hara, Mr. Akinobu Miyoshi, Mr. Fumihiko Arai, Mr. Takemasa Sato, Mr. SEU, DAVID DAEKYUNG, Mr. Eiichi Nishizawa, Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, and Mr. Shinichiro Omori for the expenses stipulated in Item 1 of Article 430-2, Paragraph 1 of the Companies Act and the losses stipulated in Item 2 of the same Paragraph to the extent provided for by relevant laws and regulations. If their reelection is approved as proposed, the Company intends to continue the above agreements with them.
- The Company shall conclude a directors and officers liability insurance agreement with an insurance company. The insurance covers economic damages to be incurred by the insureds due to claims for damages in pursuit of their liability resulting from the performance of their duties as Director. However, measures are in place to ensure the proper execution of duties by the Directors, by excluding coverage for damage caused by criminal acts such as bribery or by the insureds themselves who intentionally committed an illegal act. Each candidate will be included as the insured under this insurance agreement. The said insurance agreement is renewed on April 1 every year, and the Company plans to renew the insurance with the above details at the next time of renewal.
- At Hitachi Chemical Co., Ltd. (currently Showa Denko Materials Co., Ltd.) in which Mr. Shinichiro Omori served as Director until June 2018, inappropriate testing, etc. of some products was revealed in June 2018. The company established a special investigative committee comprised of external experts and other relevant parties, and conducted

investigations to determine the root causes and recurrence prevention measures, etc. While Mr. Omori was not aware of the fact until it was revealed, he had regularly made recommendations, as appropriate, on the importance of legal compliance and strict adherence to laws and regulations. Hitachi Metals, Ltd., in which Mr. Omori served as Board Director, Chairperson until June 2020, announced in April 2020, that it discovered conduct including inappropriate descriptions of numerical values of test results in the inspection reports submitted to customers of some products manufactured by the company and its subsidiaries. While Mr. Omori was not aware of the fact until the discovery of the said fact, he had regularly made recommendations, as appropriate, on the importance of legal compliance and strict adherence to laws and regulations. After the discovery of the said fact, Mr. Omori made recommendations on investigation into the facts, identification of root cause, and prevention of recurrence.

Proposal 3: Election of Three (3) Audit & Supervisory Board Members

The terms of office of all the three (3) Audit & Supervisory Board Members will expire at the conclusion of the Annual General Meeting of Shareholders. Accordingly, election of three (3) Audit & Supervisory Board Members, including two (2) Outside Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has already approved this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name		Current positions at the Company
1	Shinichi Onodera	[Reappointment]	Standing Audit & Supervisory Board Member
2	Kay Miwa	[New appointment] [Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member]	
3	Yukie Sugita	[New appointment] [Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member]	

No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
1	Shinichi Onodera (January 8, 1956) [Reappointment]	<p>April 1978 Joined Wacoal Corp.</p> <p>December 1983 Joined Crown Leasing corporation</p> <p>December 1987 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2010 Joined Fuji Electronics Co., Ltd. (currently Macnica, Inc.) as General Manager of General Affairs Div.</p> <p>May 2010 Executive Officer and General Manager of General Affairs Div., Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>May 2011 Executive Officer and Deputy General Manager of Marketing Sector, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>May 2012 Director and Deputy General Manager of Sales Management Sector, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>May 2014 Managing Director, Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>April 2015 Director, the Company</p> <p>June 2017 Representative Director and President (CEO), Fuji Electronics Co., Ltd. (currently Macnica, Inc.)</p> <p>June 2020 Audit & Supervisory Board Member, Macnica, Inc. (to present) Corporate Auditor, Macnica Solutions Corp. (to present) Standing Audit & Supervisory Board Member, the Company (to present)</p> <p>[Significant concurrent positions] Audit & Supervisory Board Member, Macnica, Inc. Audit & Supervisory Board Member, Macnica Solutions Corp.</p>	10,214
<p>[Reason for nomination as candidate for Audit & Supervisory Board Member] After engaging in international finance business at financial institutions, Mr. Shinichi Onodera served as Representative Director and President (CEO), Fuji Electronics Co., Ltd. He has also concurrently served as Director of the Company since the establishment of the Company. He has extensive experience and knowledge of the Company and overall management. For these reasons, the Company has renominated him as a candidate for Audit & Supervisory Board Member.</p>			

No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
2	Kay Miwa (February 22, 1969) [New appointment] [Outside] [Independent]	February 1992 Lawyer, Haidian Lawyer Office, China April 1998 Legal Division, NEC Corporation April 2004 Assistant General Counsel of Legal Department, Nissan Motor Co., Ltd. December 2011 Deputy General Manager, Legal Department, Nissan Motor Co., Ltd. April 2014 General Manager of Strategic Partnerships and Projects, Corporate Strategy Division, Nissan Motor Co., Ltd. April 2019 General Manager of Corporate Management Office, Nissan Motor Co., Ltd. October 2020 General Manager of Corporate Planning Office, Corporate Strategy Group, Hitachi Construction Machinery Co., Ltd. June 2022 Outside Director, MEIWA CORPORATION (to present) [Significant concurrent positions] Outside Director, MEIWA CORPORATION	0
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] After practicing as a lawyer in China, Ms. Kay Miwa gained extensive knowledge and experience in the fields of legal affairs, cross-border M&A, and corporate governance as an in-house lawyer at multiple companies. She also has valuable knowledge about matters related to China, which is one of the major countries for the Company's business. For these reasons, the Company has nominated her as a candidate for Audit & Supervisory Board Member, judging that she will conduct appropriate audit of the Company.			
3	Yukie Sugita (May 19, 1965) [New appointment] [Outside] [Independent]	October 2001 Joined ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC) April 2005 Registered as a certified public accountant October 2018 Established Sugita Certified Public Accountant Firm, Representative Partner (to present) November 2019 Representative Director, Miogi Advisory Co., Ltd. (to present) March 2020 Outside Corporate Auditor, NAKANO REFRIGERATORS CO., LTD (to present) August 2021 Outside Director, NEXT EDUCATION inc. (Audit and Supervisory Committee Member) June 2022 Auditor, Saitama housing inspection center (to present) [Significant concurrent positions] Representative Partner, Sugita Certified Public Accountant Firm Representative Director, Miogi Advisory Co., Ltd. Outside Corporate Auditor, NAKANO REFRIGERATORS CO., LTD Auditor, Saitama housing inspection center	0
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Ms. Yukie Sugita has professional knowledge and extensive experience gained as a certified public accountant. She also has experience of supporting listing of companies and serving as outside officer. For these reasons, the Company has nominated her as a candidate for Audit & Supervisory Board Member, judging that she will conduct appropriate audit of the Company.			

(Notes)

1. There are no special interests between the candidates and the Company.
2. Mses. Kay Miwa and Yukie Sugita are candidates for Outside Audit & Supervisory Board Members. The Company intends to designate Mses. Kay Miwa and Yukie Sugita as Independent Audit & Supervisory Board Members as prescribed by the Tokyo Stock Exchange and submit a notification of the designation to the same Exchange.
3. The Company has concluded a liability limitation agreement with Mr. Shinichi Onodera pursuant to Article 36 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum amount of liability as prescribed by laws and regulations. If his reelection is approved as proposed, the Company intends to continue the above agreement with him. In addition, if Mses. Kay Miwa and Yukie Sugita are elected, the Company intends to conclude the above agreement with them.
4. The Company has concluded an indemnification agreement to the effect that the Company will compensate Mr. Onodera for the expenses stipulated in Item 1 of Article 430 2, Paragraph 1 of the Companies Act and the losses stipulated in Item 2 of the same Paragraph to the extent provided for by relevant laws and regulations. If his reelection is approved as proposed, the Company intends to continue the above agreement with him. In addition, if Mses. Kay Miwa and Yukie Sugita are elected, the Company intends to conclude the above agreement with them.

5. The Company shall conclude a directors and officers liability insurance agreement with an insurance company. The insurance covers economic damages to be incurred by the insureds due to claims for damages in pursuit of their liability resulting from the performance of their duties as Audit & Supervisory Board Members. However, measures are in place to ensure the proper execution of duties by the Audit & Supervisory Board Members, by excluding coverage for damage caused by criminal acts such as bribery or by the insureds themselves who intentionally committed an illegal act. Each candidate will be included as the insured under this insurance agreement. The said insurance agreement is renewed on April 1 every year, and the Company plans to renew the insurance with the above details at the next time of renewal.

(Reference)

■Criteria for ensuring independence of Outside Directors of the Company

The Company has established its own criteria, as described in the following page, to determine the independence of Outside Directors in order to ensure transparency and objectivity in its corporate governance when appointing Outside Directors, in reference to the criteria for independence of officers as prescribed in the regulations of the Tokyo Stock Exchange.

The Company believes that Mr. Hitoshi Kinoshita, Mr. Tsunesaburo Sugaya, Ms. Makiko Noda, Mr. Shinichiro Omori, Ms. Kay Miwa, and Ms. Yukie Sugita, who are candidates as proposed in Proposals 2 and 3, meet the independence criteria of the Company.

<p>The Board of Directors of the Company judges an Outsider Director or Outside Audit & Supervisory Board Member to be adequately independent of the Company when the individual is considered to meet the criteria set forth below, in addition to the criteria for independence of officers as prescribed in the regulations of the Tokyo Stock Exchange (the Company herein includes its Group companies).</p> <ol style="list-style-type: none"> 1. The person does not fall under any of the following at present or in the past one year: <ol style="list-style-type: none"> (1) an executive (Note 2) of a major shareholder (Note 1) of the Company (2) an executive of a major business partner (Note 3) of the Company or an executive of a firm for whom the Company is a major business partner (3) an executive of a supplier (including those headquartered overseas and overseas subsidiaries) of the Company with whom the Company has an agency agreement, etc. (4) an executive of a major lender (Note 4) of the Company (5) an executive of an accounting firm who performs statutory audits of the Company, or a person who is in charge of audit of the Company (6) a consultant, accounting professional, or legal professional (an executive of such corporation or an organization if applicable) who receives a large amount (Note 5) of money or other benefit from the Company aside from the officer's remuneration (7) a director (limited to a person who executes business) or an executive of an organization (e.g. public interest incorporated foundation, public interest incorporated association, non-profit corporation) that receives donations or subsidies in excess of 10 million yen from the Company or its subsidiaries 2. The person's close relative (Note 6) falls under none of 1 (1) to (7) at present or in the past one year 3. The person must not be an executive, auditor or accounting advisor of a company, or parent company or subsidiary of such company that accepts a director (either full-time or part-time) from the Company or its subsidiaries 4. The Company may, even if a person to whom any of 1 (1) to (7) above applies, appoint the person as its Outside Director or Outside Audit & Supervisory Board Member, on condition that the Company externally explains the reason it believes the person to be appropriate as Outside Director or Outside Audit & Supervisory Board Member of the Company 5. The person has no risk of having constant, substantial conflict of interests with general shareholders of the Company due to circumstances other than the reasons considered in 1 (1) to (7) above.

(Notes)

1. A major shareholder refers to a shareholder directly or indirectly holding 10% or more of total voting rights at the end of a fiscal year.
2. An executive refers to an important employee including executive director, executive officer and operating officer. (An auditor or accounting advisor does not fall under the criteria.)
3. A major business partner refers to a business partner whose annual transactions with the Company exceed 2% of respective consolidated net sales of the Company or the business partner.
4. A major lender refers to a company ranked in top three, in terms of the outstanding borrowings, among the lenders of the Company at the end of the most recent fiscal year.
5. A large amount means an amount of considerations received from the Company exceeding 10 million yen a year.
6. A close relative refers to the spouse or a relative within the second degree of kinship, or a relative living together with the person

■ Skills matrix of Directors and Audit & Supervisory Board Members to be elected

The matrix below maps the skills of Directors and Audit & Supervisory Board Members, provided that Proposals 2 and 3 are approved as proposed. The skills are identified in light of consistency with functions required for the Board of Directors and Audit & Supervisory Board as well as management strategy of the Company. Please note that the skills matrix does not fully encompass the knowledge possessed by the Directors and Audit & Supervisory Board Members.

Name	Position (Outside)	Since	Skills required to fulfill the functions of the board (including expertise, experience, competencies)									
			Corporate Management	Global	Sales & Marketing	Business Investment & M&A	DX, Solution Development	Industry Knowledge & Expertise	Finance & Investment	Risk & Legal & Compliance	ESG	HR & Organization/ HR Development & Labor
Kiyoshi Nakashima	Director (Non-executive)	2015	●	●	●	●	—	●	●	—	—	●
Kazumasa Hara	Representative Director	2019	●	—	●	●	●	●	—	—	●	—
Akinobu Miyoshi	Representative Director	2019	●	●	●	—	●	●	—	—	—	—
Fumihiko Arai	Director	2015	●	—	●	—	—	●	—	—	—	—
Takemasa Sato	Director	2019	●	—	●	—	—	●	—	—	—	—
Seu, David Daekyung	Director	2015	—	●	—	●	—	●	●	—	—	—
Eiichi Nishizawa	Director (Non-executive)	2015	—	—	—	●	—	●	●	●	●	●
Hitoshi Kinoshita	Outside Director	2018	●	—	●	—	●	●	—	—	●	—
Tsunesaburo Sugaya	Outside Director	2019	●	●	—	●	—	●	●	—	●	—
Makiko Noda	Outside Director	2019	●	—	●	—	—	—	—	—	●	—
Shinichiro Omori	Outside Director	2022	●	●	—	●	●	●	—	●	●	—
Shinichi Onodera	Standing Audit & Supervisory Board Member	2020	●	●	●	●	—	●	●	—	—	—
Kay Miwa	Outside Audit & Supervisory Board Member	2023	—	—	—	●	—	—	—	●	●	—
Yukie Sugita	Outside Audit & Supervisory Board Member	2023	—	—	—	—	—	—	●	●	●	—

End