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(Securities Code: 6986)

June 8, 2023

(Start Date of Electronic Provision Measures: June 7, 2023)

To Our Shareholders

Motoaki Arima
Representative Director and President

Futaba Corporation
629 Oshiba, Mobara, Chiba, Japan

NOTICE OF THE 80th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to notify you that the 80th Ordinary General Meeting of Shareholders of the Company will be held as described below.

The Company has taken measures for electronic provision in convening this General Meeting of Shareholders and has posted the matters to be provided electronically on the website below as “**NOTICE OF THE 80th ORDINARY GENERAL MEETING OF SHAREHOLDERS.**”

The Company’s website: <https://www.futaba.co.jp/ir/library/005657>

They are also posted on the website of the Tokyo Stock Exchange (TSE).

Please access the TSE website (Listed Company Search) shown below, enter “Futaba Corporation” in “Issue name (company name)” or “6986” (half-width characters) in “Code,” and select “Basic information” and then “Documents for public inspection/PR information” to confirm the information listed there.

TSE website (Listed Company Search)

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

If you are unable to attend the meeting, you may exercise your voting rights via the internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders below, and exercise your voting rights by no later than 5:00 p.m. on Wednesday, June 28, 2023 (Japan Time).

1. Date and Time: Thursday, June 29, 2023, at 10:00 a.m. (Reception desk opens at 9:00 a.m.)

2. Place: Hall, 3rd floor, Main Building of the Company
629 Oshiba, Mobara, Chiba Prefecture, Japan

3. Agenda of the Meeting:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the 80th Fiscal Year (from April 1, 2022 to March 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the 80th Fiscal Year (from April 1, 2022 to March 31, 2023)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Five Directors (Excluding Directors who are Audit and Supervisory

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- Committee Members)
- Proposal 3:** Election of Three Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Election of One Substitute Director who is an Audit and Supervisory Committee Member

Matters Decided for the Convocation (Information on the Exercise of Voting Rights)

- (1) If you exercise your voting rights in writing (by mail) and provide no indication, on the Voting Rights Exercise Form, of approval or disapproval with regard to the proposals, you shall be considered to have expressed approval, which shall be handled accordingly.
- (2) If you exercise your voting rights both via the internet and in writing (by mail), the vote cast via the internet shall be treated as the valid vote, regardless of the date and time of arrival.
- (3) If you exercise your voting rights more than once via the internet, the last vote shall be treated as valid.

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Notes:

- 1. If you plan to attend the meeting, please hand in your Voting Rights Exercise Form at the reception desk when you arrive at the venue.**
- 2. For this General Meeting of Shareholders, we have decided to send all shareholders a written document including the matters to be provided electronically, regardless of whether or not they have requested the delivery of such a written document. In accordance with laws and regulations as well as Article 16 of the Company's Articles of Incorporation, the following items are not listed in the matters to be provided electronically. Accordingly, the above document constitutes part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing the audit reports.**
 - Notes to the Consolidated Financial Statements**
 - Notes to the Non-Consolidated Financial Statements**
- 3. Modifications, if any, to the matters to be provided electronically will be posted on the Company's website and the TSE website, both of which are listed above.**
- 4. Other information for shareholders will be posted on the Company's website listed above. Please check our website for the latest information as necessary.**

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REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal 1: Appropriation of Surplus

Matters relating to year-end dividend

In comprehensive consideration of the business environment surrounding the Company, its basic policy of steady dividend payments and others, the Company proposes to pay ¥7 per share as the year-end dividend for the 80th fiscal year.

The annual dividend per share for the fiscal year under review, including the interim dividend of ¥7 per share already paid out, will be ¥14 per share.

- (1) Type of dividend property
Cash
- (2) Appropriation of dividend property to shareholders and total amount
¥7 per common share of the Company ¥296,917,467 (total amount)
- (3) Effective date of dividends from surplus
June 30, 2023

We plan to use capital surplus as the source of dividend.

(Reference)

◆ The Company's basic policy on dividend

The Company recognizes the return of profits as one of its most important managerial priorities and has a basic policy of steady and sustainable distribution of surplus to shareholders.

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Proposal 2: Election of Five Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of all six Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same applies in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

The Company has decided to revise its executive officer system in order to strengthen the supervisory function of Directors and clarify the business execution system by executive officers. Accordingly, the Company proposes to reduce the number of Directors by one and elect five Directors, including two Outside Directors.

The candidates for Directors are as follows:

No.	Name	Current position and assignments	Years in office as Director	Attendance at the meetings of the Board of Directors
1	[Re-elected] Motoaki Arima	Representative Director and President	7	100% (16 out of 16 meetings)
2	[Re-elected] Toshihide Kimizuka	Senior Managing Director responsible for Administration Division	7	100% (16 out of 16 meetings)
3	[Newly elected] Masaharu Tomita	Executive Officer General-Manager, Corporate Planning Division	-	-
4	[Re-elected] [Outside Director] [Independent Officer] Takemitsu Kunio	Outside Director	4	100% (16 out of 16 meetings)
5	[Re-elected] [Outside Director] [Independent Officer] Masako Tanaka	Outside Director	1	100% (12 out of 12 meetings)

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Candidates for Directors

No.	Name (Date of birth)	Career summary, position, assignments and significant concurrent positions	Number of the shares of the Company held
1	Motoaki Arima (December 17, 1960) [Re-elected]	Mar. 1984 Joined the Company Jan. 2007 Temporarily transferred to FUTABA Corporation of America; President Oct. 2009 Group-Manager, Business Strategy Group, Corporate Planning Division Jun. 2011 Executive Officer; General-Manager, Corporate Planning Division Jun. 2013 Senior Executive Officer; Deputy General-Manager, Electronic Components Division Jul. 2014 Senior Executive Officer; General-Manager, Electronic Device Business Center Jan. 2016 Senior Executive Officer; General-Manager, Touch Panel Business Center Jun. 2016 Director; Managing Executive Officer in charge of Electronic Components and Electronic Systems; General-Manager, Touch Panel Business Center Jun. 2017 Director responsible for Business and Development Division Jun. 2019 Representative Director and President (to present)	66,900 shares
<p>Reasons for recommendation of candidate for Director At the Company, Mr. Motoaki Arima has served as the President of a U.S. subsidiary, and has been involved in corporate planning and business divisions. As such, he has extensive experience and a proven track record. He has led the strengthening of competitiveness across business divisions overall as a Director since June 2016 and has been taking leadership as the Representative Director and President since June 2019. The Company recommends him as a candidate for Director because the Company believes that he will continue to make managerial decisions from a company-wide perspective toward its sustainable growth and improvement of medium- to long-term corporate value.</p>			

Note: There are no special interests between Mr. Motoaki Arima and the Company.

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No.	Name (Date of birth)	Career summary, position, assignments and significant concurrent positions	Number of the shares of the Company held
2	Toshihide Kimizuka (May 2, 1962) [Re-elected]	Apr. 1986 Joined the Company Jul. 2007 Group-Manager, Personnel Group, Corporate Finance & Administration Division Aug. 2009 Group-Manager, Finance & Accounting Group, Corporate Finance & Administration Division Jun. 2010 Executive Officer; Group-Manager, Finance & Accounting Group, Corporate Finance & Administration Division Jun. 2014 Senior Executive Officer; Group-Manager, Business Planning Group, Corporate Planning Division Jul. 2014 Senior Executive Officer; General-Manager, Corporate Administration Division Apr. 2015 Senior Executive Officer; General-Manager, Corporate Administration Division *The position name in Japanese has changed (due to promotion). Jun. 2016 Director; Managing Executive Officer; General-Manager, Corporate Administration Division Jul. 2016 Director; Managing Executive Officer in charge of Administration, Personnel and Finance & Accounting Jun. 2017 Director responsible for Administration Division Jun. 2020 Senior Managing Director responsible for Administration Division (to present)	19,400 shares
<p>Reasons for recommendation of candidate for Director At the Company, Mr. Toshihide Kimizuka has been involved mainly in the Personnel and Finance & Accounting Divisions, and has extensive experience and a track record in the Company's administration divisions. He has led the strengthening of corporate governance, etc. as a Director since June 2016. The Company recommends him as a candidate for Director because the Company believes that he will continue to make managerial decisions from a company-wide perspective toward its sustainable growth and improvement of medium- to long-term corporate value.</p>			

Note: There are no special interests between Mr. Toshihide Kimizuka and the Company.

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No.	Name (Date of birth)	Career summary, position, assignments and significant concurrent positions	Number of the shares of the Company held
3	Masaharu Tomita (April 10, 1967) [Newly elected]	Apr. 1990 Joined the Company Oct. 2006 Temporarily transferred to FUTABA (Europe) GmbH; President May 2009 Temporarily transferred to FUTABA Corporation of America; President Jan. 2016 Executive Officer; General-Manager, Electronic Device Business Center Jun. 2017 Executive Officer; General-Manager, System Solution Business Center Oct. 2019 Executive Officer; General-Manager, Corporate Planning Division (to present)	2,400 shares
<p>Reasons for recommendation of candidate for Director At the Company, Mr. Masaharu Tomita has served as the President of a U.S. and a European subsidiary, and has been involved in corporate planning and business divisions. As such, he has extensive experience and a proven track record. The Company recommends him as a candidate for Director because the Company believes that such experience will be necessary for its efforts toward sustainable growth and improvement of medium- to long-term corporate value.</p>			

Note: There are no special interests between Mr. Masaharu Tomita and the Company.

[Translation for Reference and Convenience Purposes Only]

No.	Name (Date of birth)	Career summary, position, assignments and significant concurrent positions	Number of the shares of the Company held	
4	Takemitsu Kunio (January 5, 1955) [Re-elected] [Outside Director] [Independent Officer]	Dec. 1982	Joined NEC Corporation	7,400 shares
		Jul. 1995	General Manager, Ultra Large Scale Integrated Circuits Research Department, Microelectronics Research Laboratories, NEC Corporation	
		Apr. 2001	General Manager, Research Planning Division, Central Research Laboratories, NEC Corporation	
		Jan. 2004	Associate Senior Vice President, Executive General Manager, Central Research Laboratories, NEC Corporation	
		Apr. 2010	Senior Vice President, NEC Corporation	
		Jun. 2010	Senior Vice President and Member of the Board, NEC Corporation	
		Jun. 2011	Senior Vice President, NEC Corporation	
		May 2013	Associate Senior Vice President, NEC Corporation	
		Apr. 2017	Advisor, NEC Corporation	
		Jun. 2019	Retired as Advisor to NEC Corporation	
		Jun. 2019	Outside Director of the Company (to present)	
<p>Reasons for recommendation of candidate for Outside Director and outline of expected roles Mr. Takemitsu Kunio has extensive experience and a broad perspective in technological development and its commercialization, creation and development of new business areas, business management, and other areas at a major electronics manufacturer. Since June 2019, as Outside Director of the Company, he has provided meaningful opinions and advice for the development of business overall. The Company recommends him as a candidate for Outside Director because the Company believes that he will continue to offer precious recommendations for its efforts toward sustainable growth and improvement of medium- to long-term corporate value.</p>				

- Note:
1. There are no special interests between Mr. Takemitsu Kunio and the Company.
 2. Mr. Takemitsu Kunio is currently in office as an Outside Director of the Company and will have served for four years as Outside Director at the end of this General Meeting of Shareholders.
 3. Mr. Takemitsu Kunio served at NEC Corporation. Although the Company has transactions with NEC Corporation such as product sales, the amount of transactions accounts for less than 0.01% of the respective consolidated net sales of the Company and NEC Corporation. The Company therefore judges that such transactional relationship does not have an effect on the independence of Mr. Takemitsu Kunio.
 4. The Company has entered into an agreement with Mr. Takemitsu Kunio pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit his liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations, and plans to continue such agreement if he is re-elected.
 5. The Company has registered Mr. Takemitsu Kunio as an independent officer with the Tokyo Stock Exchange pursuant to the regulations of the Tokyo Stock Exchange. If Mr. Takemitsu Kunio is re-elected, the Company plans to re-nominate him as an independent officer.

[Translation for Reference and Convenience Purposes Only]

No.	Name (Date of birth)	Career summary, position, assignments and significant concurrent positions	Number of the shares of the Company held
5	<p>Masako Tanaka (December 4, 1958)</p> <p>[Re-elected] [Outside Director] [Independent Officer]</p>	<p>Apr. 1981 Joined Furukawa Electric Co., Ltd.</p> <p>Apr. 2015 Corporate Vice President, General Manager, Legal Department, Administration & CSR Division, Furukawa Electric Co., Ltd.</p> <p>May 2015 Corporate Vice President, Deputy General Manager, Strategy Division and Head of Working-style Reform Project Team, Furukawa Electric Co., Ltd.</p> <p>Oct. 2017 Corporate Vice President, Deputy General Manager, Strategy Division and General Manager, Human Resource Department, Furukawa Electric Co., Ltd.</p> <p>Apr. 2021 Corporate Vice President, Deputy General Manager, Business Basic Transformation Division, Furukawa Electric Co., Ltd.</p> <p>Jun. 2021 Outside Director (Audit and Supervisory Committee Member), Howa Machinery, Ltd. (to present)</p> <p>Mar. 2022 Retired from Corporate Vice President, Furukawa Electric Co., Ltd.</p> <p>Jun. 2022 Outside Director of the Company (to present) (Significant concurrent positions) Outside Director (Audit and Supervisory Committee Member), Howa Machinery, Ltd.</p>	<p>0 shares</p>
<p>Reasons for recommendation of candidate for Outside Director and outline of expected roles</p> <p>Ms. Masako Tanaka has extensive experience and a broad perspective in the human resource department, the CSR division, the legal department, etc. of a major non-ferrous metal manufacturer. She has also played a role in supervising the promotion of work-style reform and diversity. Accordingly, the Company recommends her as a candidate for Outside Director because the Company believes that she will offer precious recommendations for its efforts toward sustainable growth and improvement of medium- to long-term corporate value.</p>			

- Note:
1. There are no special interests between Ms. Masako Tanaka and the Company.
 2. Ms. Masako Tanaka is currently in office as an Outside Director of the Company and will have served for one year as Outside Director at the end of this General Meeting of Shareholders.
 3. Ms. Masako Tanaka served at Furukawa Electric Co., Ltd. Although the Company has transactions with Furukawa Electric Co., Ltd. such as product sales, the amount of transactions accounts for less than 0.01% of the respective consolidated net sales of the Company and Furukawa Electric Co., Ltd. The Company therefore judges that such transactional relationship does not have an effect on the independence of Ms. Masako Tanaka.
 4. The Company has entered into an agreement with Ms. Masako Tanaka pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit her liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations, and plans to continue such agreement if she is re-elected.
 5. The Company has registered Ms. Masako Tanaka as an independent officer with the Tokyo Stock Exchange pursuant to the regulations of the Tokyo Stock Exchange. If Ms. Masako Tanaka is re-elected, the Company plans to re-nominate her as an independent officer.

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Proposal 3: Election of Three Directors who are Audit and Supervisory Committee Members

The terms of all four Directors who are Audit and Supervisory Committee Members will expire at the end of this General Meeting of Shareholders.

Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members.

This Proposal was deliberated in advance by the Nomination and Compensation Committee and consent has been obtained from the Audit and Supervisory Committee.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name	Current position and assignments	Years in office as Director	Attendance at the meetings of the Board of Directors	Audit and Supervisory Committee Attendance
1	[Re-elected] [Outside Director] [Independent Officer] Tadashi Ohmura	Outside Director who is an Audit and Supervisory Committee Member	4	100% (16 out of 16 meetings)	100% (16 out of 16 meetings)
2	[Re-elected] Tatsuya Ikeda	Director who is an Audit and Supervisory Committee Member	6	100% (16 out of 16 meetings)	100% (16 out of 16 meetings)
3	[Re-elected] [Outside Director] [Independent Officer] Akihiro Ishihara	Outside Director who is an Audit and Supervisory Committee Member	4	100% (16 out of 16 meetings)	100% (16 out of 16 meetings)

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Candidates for Directors who are Audit and Supervisory Committee Members

No.	Name (Date of birth)	Career summary, position, and assignments (Significant concurrent positions)	Number of the shares of the Company held
1	<p>Tadashi Ohmura (June 8, 1954)</p> <p>[Re-elected] [Outside Director] [Independent Officer]</p>	<p>Apr. 1978 Joined Nippon Oil Corporation Mar. 1998 Group Manager, President's Office 4, Nippon Oil Corporation Apr. 1999 Head, Research Planning Office, The Institute of Energy Economics, Japan Mar. 2005 General Manager, Planning Department, Nippon Oil Exploration Co., Ltd. Jan. 2007 President, Nippon Oil Exploration U.S.A. Ltd. Mar. 2008 Executive Officer, Nippon Oil Exploration Co., Ltd.; President, Nippon Oil Exploration U.S.A. Ltd. Jul. 2010 Executive Officer, JX Nippon Oil & Gas Exploration Corporation; President, Nippon Oil Exploration U.S.A. Ltd. Mar. 2011 Executive Officer, JX Nippon Oil & Gas Exploration Corporation; President, JX Nippon Oil Exploration U.S.A. Ltd. Jun. 2012 Full-Time Corporate Auditor, JX Nippon Oil & Energy Corporation Jun. 2013 Full-Time Corporate Auditor, JX Holdings, Inc. Jun. 2017 Advisor, JXTG Holdings, Inc. Jun. 2018 Retired as Advisor to JXTG Holdings, Inc. Jun. 2019 Outside Director (Full-time Audit and Supervisory Committee Member) of the Company (to present)</p>	<p>0 shares</p>
<p>Reasons for recommendation of candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles</p> <p>Mr. Tadashi Ohmura has a proven track record in administrative and planning divisions in Japan as well as broad insight based on extensive experience as a corporate manager at overseas subsidiaries and as a full-time corporate auditor at holding companies at a major petroleum products manufacturer. He has also contributed to enhancement of monitoring functions of the Company as a Director who is an Audit and Supervisory Committee Member since June 2019. The Company recommends him as a candidate for Outside Director who is an Audit and Supervisory Committee Member because the Company believes that he will continue to contribute to the appropriate supervision of its management and securing of soundness in management toward sustainable growth and improvement of medium- to long-term corporate value.</p>			

- Note:
1. There are no special interests between Mr. Tadashi Ohmura and the Company.
 2. Mr. Tadashi Ohmura is currently in office as an Outside Director (Audit and Supervisory Committee Member) of the Company and will have served as such for four years as of the end of this General Meeting of Shareholders.
 3. Mr. Tadashi Ohmura previously served at JXTG Holdings, Inc., which has no business relationship with the Company.
 4. The Company has entered into an agreement with Mr. Tadashi Ohmura pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit his liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations, and plans to continue such agreement if he is re-elected.
 5. The Company has registered Mr. Tadashi Ohmura as an independent officer with the Tokyo Stock Exchange pursuant to the regulations of the Tokyo Stock Exchange. If Mr. Tadashi Ohmura is re-elected, the Company plans to re-nominate him as an independent officer.

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No.	Name (Date of birth)	Career summary, position, and assignments (Significant concurrent positions)	Number of the shares of the Company held
2	Tatsuya Ikeda (April 27, 1957) [Re-elected]	Apr. 1981 Joined The Chiba Bank, Ltd. Jun. 2011 Audit & Supervisory Board Member (Full-time) of the Company May 2013 Resigned from Audit & Supervisory Board Member (Full-time) Jun. 2013 Director; Senior Executive Officer; General- Manager, Corporate Planning Division Jun. 2014 Director; Managing Executive Officer; General- Manager, Corporate Planning Division Apr. 2015 Director; Managing Executive Officer; General- Manager, Corporate Planning Division *The position name in Japanese has changed (due to promotion). Jan. 2016 Director; Managing Executive Officer in charge of Corporate Planning Division Jul. 2016 Director; Managing Executive Officer in charge of CSR and Information System Jun. 2017 Director (Full-time Audit & Supervisory Committee Member) (to present)	3,700 shares
<p>Reasons for recommendation of candidate for Director who is an Audit and Supervisory Committee Member</p> <p>Mr. Tatsuya Ikeda has extensive experience in and knowledge of banking, and has experience in the corporate planning division at the Company, and has contributed to the appropriate supervision of the Company's management and securing of soundness in management from a position independent from business execution since the Company's shift to a Company with an Audit and Supervisory Committee. The Company recommends him as a candidate for Director who is an Audit and Supervisory Committee Member, because the Company believes that he will continue to contribute to enhancement of supervisory functions toward its sustainable growth and improvement of medium- to long-term corporate value.</p>			

- Note: 1. There are no special interests between Mr. Tatsuya Ikeda and the Company.
 2. The Company has entered into an agreement with Mr. Tatsuya Ikeda pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit his liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations, and plans to continue such agreement if he is re-elected.

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No.	Name (Date of birth)	Career summary, position, and assignments (Significant concurrent positions)	Number of the shares of the Company held
3	Akihiro Ishihara (June 14, 1969) [Re-elected] [Outside Director] [Independent Officer]	Apr. 1992 Joined Mitsubishi Corporation Aug. 2005 Temporarily transferred to Mitsubishi Motors Corporation Mar. 2007 Retired from Mitsubishi Corporation Sep. 2008 Registered as an Attorney-at-law Sep. 2008 Joined Atsumi Partners Apr. 2010 Joined Kidoguchi Law Firm Dec. 2012 Established Ishihara Law Office; President (to present) Nov. 2013 Audit & Supervisory Board Member of Global Engineering Co., Ltd. Jun. 2019 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) Oct. 2022 Audit & Supervisory Board Member, LIMNO Co., Ltd. (to present) (Significant concurrent positions) Attorney-at-law and President, Ishihara Law Office Audit & Supervisory Board Member, LIMNO Co., Ltd.	0 shares
<p>Reasons for recommendation of candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles</p> <p>Mr. Akihiro Ishihara has extensive business experience at a general trading firm and an automobile manufacturer as well as expert knowledge as an attorney-at-law, and has proactively given proposals regarding enhancement of compliance of the Company as a Director who is an Audit and Supervisory Committee Member since June 2019. The Company recommends him as a candidate for Outside Director who is an Audit and Supervisory Committee Member because the Company believes that he will continue to contribute to the appropriate supervision of its management and securing of soundness in management toward sustainable growth and improvement of medium- to long-term corporate value.</p>			

- Note:
1. There are no special interests between Mr. Akihiro Ishihara and the Company.
 2. Mr. Akihiro Ishihara is currently in office as an Outside Director (Audit and Supervisory Committee Member) of the Company and will have served as such for four years as of the end of this General Meeting of Shareholders.
 3. Mr. Akihiro Ishihara serves as an Audit & Supervisory Board Member of LIMNO Co., Ltd., which has no business relationship with the Company.
 4. The Company has entered into an agreement with Mr. Akihiro Ishihara pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit his liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations, and plans to continue such agreement if he is re-elected.
 5. The Company has registered Mr. Akihiro Ishihara as an independent officer with the Tokyo Stock Exchange pursuant to the regulations of the Tokyo Stock Exchange. If Mr. Akihiro Ishihara is re-elected, the Company plans to re-nominate him as an independent officer.

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Proposal 4: Election of One Substitute Director who is an Audit and Supervisory Committee Member

In preparation for a shortage in the number of Directors who are Audit and Supervisory Committee Members as provided for in laws and regulations, the Company proposes the election of one substitute Director who is an Audit and Supervisory Committee Member.

This Proposal was deliberated in advance by the Nomination and Compensation Committee and consent has been obtained from the Audit and Supervisory Committee.

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

Candidate for substitute Director who is an Audit and Supervisory Committee Member

Name (Date of birth)	Career summary, position, and assignments (Significant concurrent positions)	Number of the shares of the Company held
<p>Hiroshi Shomura (September 6, 1971)</p> <p>[Outside Director] [Independent Officer]</p>	<p>Oct. 1997 Joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>Jul. 2000 Registered as a certified public accountant</p> <p>Sep. 2007 Established Shomura Certified Public Accountant Office; President (to present)</p> <p>Sep. 2007 Established Growup LLC; Representative Partner (to present)</p> <p>Jul. 2009 Registered as a certified tax accountant</p> <p>Jun. 2014 Audit & Supervisory Board Member, AUTOWAVE Co., Ltd.</p> <p>Jun. 2016 Director of the Company</p> <p>Oct. 2017 Audit & Supervisory Board Member, Tri-Stage Inc.</p> <p>Jun. 2019 Outside Director (Audit and Supervisory Committee Member) of the Company (to present)</p> <p>(Significant concurrent positions) Certified public accountant, President, Shomura Certified Public Accountant Office Representative Partner, Growup LLC</p>	<p>1,500 shares</p>
<p>Reasons for recommendation of candidate for substitute Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles</p> <p>The Company recommends him as a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member because he has extensive experience and deep insight as a certified public accountant and is expected to further strengthen the supervisory function of the management.</p>		

- Note:
1. There are no special interests between Mr. Hiroshi Shomura and the Company.
 2. The candidates for substitute Director who is an Audit and Supervisory Committee Member is as follows:
 3. Mr. Hiroshi Shomura is currently in office as an Outside Director (Audit and Supervisory Committee Member) of the Company and will have served as such for four years as of the end of this General Meeting of Shareholders.
 4. Although Mr. Hiroshi Shomura served at Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC), which was the Accounting Auditor of the Company during the period from 1997 to 2007, he had not been involved in the accounting audit, etc., of the Company.
 5. Although the Company had business transactions under a consulting agreement from time to time with Growup LLC where Mr. Hiroshi Shomura is the Representative Partner during the period from 2007 to 2012, the amount of compensation paid by the Company accounts for less than 0.01% of consolidated net sales. Therefore, his independence is sufficiently ensured without any conflict with the “Criteria for the Independence of Outside Directors” stated below.
 6. If Mr. Hiroshi Shomura assumes office as Director who is an Audit and Supervisory Committee Member, the Company plans to enter into an agreement with him pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit his liability for damages to the Company as stipulated in Article 423, Paragraph 1 of the said Act to the limit specified by laws and regulations.
 7. If Mr. Hiroshi Shomura assumes office as Director who is an Audit and Supervisory Committee

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Member, the Company plans to nominate him as an independent officer pursuant to the regulations of the Tokyo Stock Exchange.

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Composition and Expertise of the Board of Directors and Executive Officers (after July 1, 2023)

[Directors]

Name	Position and assignments	Expertise, experience, etc.								
		Independence (Outside)	Finance & Accounting	Legal & Risk management	Personnel affairs & Human resource development	Sustainability	Technology & R&D	Production & quality	Sales & Marketing	Global experience
Motoaki Arima	Representative Director and President								•	•
Toshihide Kimizuka	Senior Managing Executive Officer, Assistant to the President		•	•	•	•				•
Masaharu Tomita	Managing Executive Officer General-Manager, Corporate Planning Division						•	•	•	•
Takemitsu Kunio		•				•	•	•	•	
Masako Tanaka		•		•	•	•				
Tadashi Ohmura	Audit and Supervisory Committee Member	•	•			•			•	•
Tatsuya Ikeda	Audit and Supervisory Committee Member		•			•			•	•
Akihiro Ishihara	Audit and Supervisory Committee Member	•		•		•				•

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[Executive Officers]

Name	Position and assignments	Expertise, experience, etc.								
		Corporate planning	Finance & Accounting	Legal & Risk management	Personnel affairs & Human resource development	Sustainability	Technology & R&D	Production & quality	Sales & Marketing	Global experience
Hiroyuki Iwase	Managing Executive Officer General-Manager, Electronic Components Business Center						•	•		•
Toru Kono	Managing Executive Officer General-Manager, Machinery & Tooling Business Center	•							•	
Masayuki Nakamura	Executive Officer General-Manager, Corporate Administration Division	•	•	•	•	•				
Eiji Jinno	Executive Officer General-Manager, Hobby Radio Control Business Center						•	•	•	•
Kazuhito Nakamura	Executive Officer General-Manager, System Solution Business Center						•			
Akihiro Nonaka	Executive Officer General-Manager, Core Technology Development Center						•			

[Translation for Reference and Convenience Purposes Only]

[Reference]

Opinion of the Audit and Supervisory Committee

With respect to the nomination and compensation of Directors (excluding Directors who are Audit and Supervisory Committee Members), three of the four members of the Audit and Supervisory Committee were present as committee members and the remaining one as an observer at the “Nomination and Compensation Committee,” which is an advisory body to the Board of Directors set up voluntarily and constituted by six members (plus two observers). They confirmed policies for nomination of Directors, a method to calculate compensation for Directors, etc., while expressing their opinions on them.

Consequently, the Audit and Supervisory Committee has judged that the procedures for nomination of Directors (excluding Directors who are Audit and Supervisory Committee Members) are appropriate, and that the candidates are suitably qualified as Directors of the Company as a result of considering their expertise and abundant experiences.

For compensation for Directors, the Audit and Supervisory Committee has judged that the procedures for its findings on compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) at the “Nomination and Compensation Committee” reported to the Board of Directors are appropriate, and that the methods to consider and calculate specific amounts of compensation and their contents are also reasonable when checked with the “Policy concerning determination of compensation for Directors” on the condition that objectivity and transparency are guaranteed.

Directors and Officers Liability Insurance Contract

The Company has concluded a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers damages and litigation expenses to be borne by the insured in the event of claims for damages submitted by shareholders, the Company, employees or other third parties arising from acts in the course of their duties as directors and officers of the Company during the term of the policy.

If each of the candidates is elected as Director and assumes office, he/she will be insured under the directors and officers liability insurance contract.

The term of the directors and officers liability insurance contract is one year. The Company plans to renew this insurance policy upon resolution by the Board of Directors before the expiration of the term.

Policies and Procedures for the Nomination of Candidates for Directors

In selecting candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members), the Board of Directors considers the overall balance of insight, knowledge, experience, ability, and so forth of each candidate that are required to execute duties and consults beforehand with the optional Nomination and Compensation Committee, more than half of the members of which are Outside Directors, on qualified individuals.

When the Board of Directors selects candidates for Directors who are Audit and Supervisory Committee Members, it consults with the Nomination and Compensation Committee based on the above, and further, proposes candidates to the Audit and Supervisory Committee and obtains its consent before making decisions.

Criteria for the Independence of Outside Directors

In addition to the independence standards set forth by financial instruments exchanges, the Company elects an Outside Director who meets the following criteria:

1. A person who does not execute material business (any Director, Audit and Supervisory Board Member, executive officer, or important employee) of a major shareholder (any shareholder who holds 10% or more of the voting rights of the total shareholders) of the Company;
2. A person who does not execute material business of a major business partner (any major business partner of the Company where the annual amount of payments or receipts pertaining to transactions between the Company and such business partner in the most recent fiscal year exceeds 2% of the amount of the consolidated net sales of the Company or such business partner);
3. A person who is not an attorney-at-law, certified public accountant, consultant (of any kind), or education specialist who receives a large amount of compensation or donation (for an individual, an amount of ¥10 million or more, and for a corporation/organization, an amount exceeding 1% of its consolidated net sales in the most recent fiscal year) from the Company.