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(Securities Code 6814)
May 11, 2022

To Shareholders with Voting Rights:

Yukio Furuno
President and CEO
FURUNO ELECTRIC CO., LTD.
9-52 Ashihara-cho, Nishinomiya City,
Hyogo, Japan

**NOTICE OF
THE 71st ANNUAL SHAREHOLDERS' MEETING**

Dear Shareholders:

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

We hereby announce that the 71st Annual Shareholders' Meeting of FURUNO ELECTRIC CO., LTD. (hereinafter the "Company") will be held for the purposes as described below.

To prevent the spread of novel coronavirus infection, you are kindly asked to exercise your voting rights by mail or via the Internet wherever possible. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by no later than 5:20 p.m. on Wednesday, May 25, 2022, Japan time.

1. Date and Time: Thursday, May 26, 2022 at 10:00 a.m. JST (Japan Standard Time)

2. Place: 5F, Plela Nishinomiya (PLELA HALL)
4-8 Takamatsu-cho, Nishinomiya City, Hyogo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 71st Fiscal Year (March 1, 2021 to February 28, 2022) 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 71st Fiscal Year (March 1, 2021 to February 28, 2022)

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Six (6) Directors
Proposal 4: Election of Three (3) Audit & Supervisory Board Members
Proposal 5: Election of One (1) Substitute Audit & Supervisory Board Member

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk to confirm your identity. In addition, we ask that you kindly print out this Notice by yourselves, only when it is considered necessary, to reduce paper consumption.
 - ◎ The following items are posted on the Company's website (<https://www.furuno.co.jp>), in accordance with the provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation, and are therefore not included in the documents accompanying this Notice.
 1. "Status of the Accounting Auditor", "Systems for Ensuring the Appropriateness of Business Activities" and "Operational Status of Systems for Ensuring the Appropriateness of Business Activities" in the Business Report
 2. "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 3. "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial StatementsAccordingly, the documents accompanying this Notice comprise part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
 - ◎ Should the Reference Documents for the Shareholders' Meeting, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.furuno.co.jp>).
 - ◎ The results of this meeting will be posted on the Company's website (<https://www.furuno.co.jp>), in place of sending a Notice of Shareholders' Meeting Resolutions.

Proposals and References

Proposal 1: Distribution of Surplus

The Company considers its dividend policy one of its most important management policies. The Company's basic policy when making decisions about the distribution of profits is to comprehensively take into consideration the Company's financial position, level of profitability, dividend payout ratio, and other factors while keeping in mind continuous and stable dividend. In addition, the Company intends to utilize internal reserves for far-sighted investment and further strengthening of the Company's corporate structure.

The Company proposes a year-end dividend for the fiscal year under review as follows, in order to reward shareholders for their support while taking into consideration the management environment surrounding the Company and business performance in the fiscal year under review.

The Company previously paid out 20 yen per share as an interim dividend and the aggregate amount of annual dividends will therefore amount to 40 yen per share.

Items Related to the Year-end Dividend

- (1) Type of dividend property
Cash
- (2) Items related to the allocation of dividend property to shareholders and its total amount
20 yen per common share of the Company, for a total of 630,832,860 yen
- (3) Date on which the distribution of surplus comes into effect
May 27, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Proposal

Since a system for providing informational materials for the general meeting of shareholders in electronic format will be introduced, in conjunction with the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) that are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation.

- (1) Article 15, paragraph 1 in "Proposed amendments" below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 15, paragraph 2 in "Proposed amendments" below will establish the provision to limit the scope of the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned new establishment and deletion, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the Amendments

The details of the amendments are as follows.

(Underlined parts are to be amended.)

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p><u>Article 15 (Internet Disclosure of Reference Documents for Shareholders' Meeting)</u> <u>Upon convening a Shareholders' Meeting, the Company is entitled to disclose reference documents for the Shareholders' Meeting, business reports, non-consolidated financial statements, and consolidated financial statements through the Internet in accordance with the Ministry of Justice Ordinance.</u></p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p style="text-align: center;">(Deleted)</p> <p><u>Article 15 (Measures for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> 1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> 2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting right</u> <p><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> 1. <u>The deletion of Article 15 (Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the establishment of Article 15 (Measures for Providing Information in Electronic Format) of the amended Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the "Date of Enforcement").</u> 2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the current Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> 3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the general meeting of shareholders in the preceding paragraph, whichever is later.</u>



Proposal 3: Election of Six (6) Directors



The terms of office of all six (6) Directors will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of six (6) Directors is proposed.


The candidates for Director are as follows:

No.	Name	Position	Attendance at meetings of the Board of Directors	Candidate attributes
1	Yukio Furuno	President and CEO	100% (12 out of 12 meetings)	Reappointment
2	Muneyuki Koike	Executive Vice President, Executive Officer and CMO	100% (12 out of 12 meetings)	Reappointment
3	Shinji Ishihara	Director, Managing Executive Officer and CTO	100% (12 out of 12 meetings)	Reappointment
4	Hidenori Yamamiya	Director, Managing Executive Officer and CFO	100% (12 out of 12 meetings)	Reappointment
5	Hideo Higuchi	Director	100% (12 out of 12 meetings)	Reappointment External Independent
6	Shingo Kagawa	Director	100% (12 out of 12 meetings)	Reappointment External Independent

(Notes) 1. CEO, CMO, CTO, and CFO stand for Chief Executive Officer, Chief Marketing Officer, Chief Technology Officer, and Chief Financial Officer, respectively.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
1	 <p data-bbox="242 521 438 577">Yukio Furuno (February 2, 1948)</p> <div data-bbox="242 611 438 651" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div> <p data-bbox="194 658 481 958">[Number of shares of the Company held] 310,880 [Term of office as Director] 35 years (at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="513 241 1460 611">March 1987 Deputy General Manager, Administration Division, the Company May 1987 Director and Deputy General Manager, Administration Division March 1990 Director and General Manager, Administration Division May 1990 Managing Director and General Manager, Administration Division March 1997 Managing Director and Divisional General Manager, SI Division May 1999 Senior Managing Director and General Manager, TOKYO Regional Head Office March 2007 President March 2021 President and CEO (present) [Responsibilities at the Company] General Manager, Security Assurance & Export Control Committee and Chief AEO (Authorized Economic Operator) Control Officer</p> <p data-bbox="513 658 1460 958">[Reason for nomination as candidate for Director] Mr. Yukio Furuno has driven the management of the Group with leadership based on his abundant experience and achievements as a manager, and contributed to the further development of the Group. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>
2	 <p data-bbox="242 1240 438 1296">Muneyuki Koike (March 7, 1957)</p> <div data-bbox="242 1330 438 1370" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div> <p data-bbox="194 1424 481 1724">[Number of shares of the Company held] 53,030 [Term of office as Director] 17 years (at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="513 965 1460 1417">March 2002 General Manager, International Marketing Department, Marine Electronic Products Division, the Company May 2005 Director and General Manager, International Marketing Department, Marine Electronic Products Division March 2009 Director and Divisional Vice General Manager, Marine Electronic Products Division May 2009 Managing Director and Divisional Vice General Manager, Marine Electronic Products Division March 2012 Managing Director and Divisional General Manager, Marine Electronic Products Division May 2016 Senior Managing Director and Divisional General Manager, Marine Electronic Products Division March 2021 Executive Vice President, Executive Officer and CMO (present) [Responsibilities at the Company] Head of Potential Growth Business</p> <p data-bbox="513 1424 1460 1724">[Reason for nomination as candidate for Director] Mr. Muneyuki Koike has abundant experience as a manager as well as knowledge of all aspects of operations concerning sales and marketing, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
3	 <p data-bbox="244 521 438 577">Shinji Ishihara (January 30, 1961)</p> <div data-bbox="244 611 438 656" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="512 248 1460 577"> February 2006 General Manager, Research & Development Department, Marine Electronic Products Division, the Company May 2007 Director and General Manager, Research & Development Department, Marine Electronic Products Division May 2016 Managing Director and General Manager, Research & Development Department, Marine Electronic Products Division March 2018 Managing Director and Integration Chief Manager, Product Designing, Development & Value-engineering Head office, Marine Electronic Products Division March 2021 Director, Managing Executive Officer and CTO; Energy Management Control Officer (present) </p> <p data-bbox="512 584 1460 701"> [Responsibilities at the Company] Head of Research & Development, Production and Quality, Environment, Quality Commanding & Supervisory Office, and R&D Planning & Management Center, Intellectual Property Department </p>
	<p data-bbox="196 707 486 763">[Number of shares of the Company held] 34,600</p> <p data-bbox="196 797 486 913">[Term of office as Director] 15 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="196 925 486 1003">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="512 707 1460 887"> [Reason for nomination as candidate for Director] Mr. Shinji Ishihara has abundant experience as a manager as well as knowledge of all aspects of operations concerning development and technology, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management. </p>
4	 <p data-bbox="237 1261 448 1317">Hidenori Yamamiya (October 29, 1963)</p> <div data-bbox="237 1350 432 1395" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="512 1014 1460 1283"> February 2011 Branch Manager, Dojima Branch, Mizuho Bank, Ltd. September 2015 General Manager, Administration Department, Avionics and Defense Electronics Division, the Company March 2018 General Manager Responsible for Management Planning & Intelligence Department May 2018 Director; General Manager, Management Planning & Intelligence Department and Energy Management Control Officer March 2021 Director, Managing Executive Officer and CFO; General Manager, Management Planning & Intelligence Department (present) </p> <p data-bbox="512 1290 1460 1406"> [Responsibilities at the Company] Head of Management Planning & Intelligence Department, Information Technology Department, Legal Office, Accounting & Financing Department, and Procurement & Logistics </p>
	<p data-bbox="196 1413 486 1469">[Number of shares of the Company held] 10,440</p> <p data-bbox="196 1503 486 1619">[Term of office as Director] 4 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="196 1630 486 1709">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="512 1413 1460 1619"> [Reason for nomination as candidate for Director] Mr. Hidenori Yamamiya has expertise as someone who previously served at a financial institution as well as knowledge of all aspects of operations, mainly in management planning and other administrative departments, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management. </p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
5	 <p>Hideo Higuchi (March 5, 1950)</p> <p>Reappointment</p> <p>External</p> <p>Independent</p>	<p>June 2004 Executive Officer and Senior General Manager, Operational Reform HQ, OMRON Corporation</p> <p>June 2007 Managing Executive Officer and Senior General Manager, Business Process Innovation HQ</p> <p>December 2008 Managing Executive Officer; Senior General Manager, Business Process Innovation HQ and Senior General Manager, Corporate Strategic Planning HQ</p> <p>March 2009 Managing Executive Officer and Senior General Manager, Corporate Strategic Planning HQ</p> <p>November 2011 Outside Director, SOLOEL Co., Ltd.</p> <p>March 2012 Director</p> <p>June 2012 Outside Audit & Supervisory Board Member, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p>May 2016 External Director, the Company (present)</p> <p>June 2016 Outside Director, Toyo Business Engineering Corporation (currently Business Engineering Corporation) (present)</p> <p>[Significant concurrent positions] Outside Director, Business Engineering Corporation</p>
	<p>[Number of shares of the Company held] —</p> <p>[Term of office as External Director] 6 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for External Director and outline of expected role] Mr. Hideo Higuchi has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience as a corporate manager in the manufacturing industry and an external officer as well as his advanced knowledge. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
6	 <p data-bbox="256 495 427 551">Shingo Kagawa (March 8, 1958)</p> <div data-bbox="244 577 438 622" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="280 656 402 701" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="256 730 426 775" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="513 248 1369 331">April 2012 Corporate Executive Officer; Group President, Network Service Business Unit; Head of Image Internet Service Business Division, FUJITSU LIMITED</p> <p data-bbox="513 338 1401 398">June 2012 Corporate Executive Officer; Group President, Outsourcing Business Unit; Head of Image Internet Service Business Division</p> <p data-bbox="513 405 1369 465">April 2015 Corporate Executive Officer; Vice President, Integration Services Business; Group President, Network Service Business Unit</p> <p data-bbox="513 472 1369 533">April 2016 Corporate Executive Officer; Chief Technology Officer; Head of Digital Services Business</p> <p data-bbox="513 539 1337 600">April 2018 President and Representative Director, FUJITSU RESEARCH INSTITUTE</p> <p data-bbox="513 607 1082 636">April 2020 Special Adviser, APAMAN Co., Ltd.</p> <p data-bbox="513 642 1129 672">May 2020 External Director, the Company (present)</p> <p data-bbox="513 678 1401 739">October 2020 President and Representative Director, DigiIT Corporation (currently SS Technologies Corporation)</p> <p data-bbox="513 745 1353 775">October 2021 Chairman of the Board, SS Technologies Corporation (present)</p> <p data-bbox="513 781 1066 810">[Significant concurrent positions] Chairman of the Board, SS Technologies Corporation</p>
	<p data-bbox="194 813 459 873">[Number of shares of the Company held] —</p> <p data-bbox="194 902 483 963">[Term of office as External Director] 2 year (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="194 969 483 1030">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="513 813 1417 842">[Reason for nomination as candidate for External Director and outline of expected role]</p> <p data-bbox="513 848 1449 1115">Mr. Shingo Kagawa has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience and advanced knowledge as a corporate manager of an ICT (information and communication technology) company. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>

- (Notes)
1. There are no special conflict of interest between each candidate and the Company.
 2. Mr. Hideo Higuchi and Mr. Shingo Kagawa are candidates for External Director. Furthermore, the Company has designated Mr. Hideo Higuchi and Mr. Shingo Kagawa as Independent Directors as defined by the Tokyo Stock Exchange, and if the candidates are reelected, the Company intends for them to continue acting as Independent Director.
 3. The Company has entered into a liability limitation agreement with Mr. Hideo Higuchi and Mr. Shingo Kagawa, who are candidates for External Director, respectively, and the maximum amount of liability based on the agreement is the minimum amount of liability provided for in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, the Company intends to continue the agreements.
 4. The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Directors as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. If this proposal is approved as originally proposed and each candidate is appointed Audit & Supervisory Board Member, they will be the insured under the said insurance contract. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability of claims made against them in connection with those responsibilities.
However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations, which are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) The Company plans to renew the insurance policy with the same content at its maturity.


Proposal 4: Election of Three (3) Audit & Supervisory Board Members


The terms of office of three (3) Audit & Supervisory Board Members will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of three (3) Audit & Supervisory Board Members is proposed.


The term of office of Audit & Supervisory Board Members appointed at this Shareholders' Meeting will be up to the conclusion of the Annual Shareholder's Meeting scheduled to be held in May 2026.

The consent of the Audit & Supervisory Board has been obtained in regard to this Proposal.

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

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions
	 <p data-bbox="256 887 403 943">Yutaka Wada (May 4, 1959)</p> <div data-bbox="231 972 430 1014" style="border: 1px solid black; padding: 2px;">Reappointment</div>	<p data-bbox="507 667 1441 1003"> March 2003 General Manager, Merchant Marine Marketing Department, Marine Electronic Products Division, the Company May 2007 Director and General Manager, Merchant Marine Marketing Department, Marine Electronic Products Division March 2015 Director and Divisional Vice General Manager, Marine Electronic Products Division September 2015 Director, Divisional Vice General Manager, Marine Electronic Products Division; General Manager, TOKYO Regional Head Office May 2016 Managing Director, General Manager, TOKYO Regional Head Office; Secretary to General Manager, Marine Electronic Products Division May 2018 Audit & Supervisory Board Member (present) </p>
1	<p data-bbox="183 1021 475 1413"> [Number of shares of the Company held] 26,800 [Term of office as Audit & Supervisory Board Member] 4 years (at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12 out of 12 meetings [Attendance at meetings of the Audit & Supervisory Board] 14 out of 14 meetings </p>	<p data-bbox="507 1021 1453 1218"> [Reason for nomination as candidate for Audit & Supervisory Board Member] Mr. Yutaka Wada has abundant experience as a manager as well as knowledge of all aspects of operations concerning the marine products business. We propose his election as Audit & Supervisory Board Member of the Company in the hope that his recommendations and opinions expressed as Audit Supervisory Board Member based on his knowledge will continue to contribute to the strengthening of the audit system of the Company and he will continue to fulfill his duties as such. </p>

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions
2	 <p data-bbox="252 506 408 562">Toru Muranaka (June 3, 1965)</p> <div data-bbox="233 591 432 629" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Reappointment</div> <div data-bbox="272 663 392 707" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">External</div> <div data-bbox="248 741 416 779" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Independent</div>	<p data-bbox="507 282 1246 311">April 1995 Admitted to the bar (Osaka Bar Association) (present)</p> <p data-bbox="507 318 1015 347">April 2007 Lecturer, Doshisha Law School</p> <p data-bbox="507 353 1406 383">May 2014 External Audit & Supervisory Board Member, the Company (present)</p> <p data-bbox="507 389 1398 418">June 2015 Outside Audit & Supervisory Board Member, SUZUKEN CO., LTD.</p> <p data-bbox="507 425 1203 454">June 2016 External Director, CAPCOM CO., LTD. (present)</p> <p data-bbox="507 461 852 490">[Significant concurrent positions]</p> <p data-bbox="507 497 1461 562">Partner Attorney, Daiichi Legal Professional Corporation; External Director, CAPCOM CO., LTD.</p>
	<p data-bbox="183 786 443 842">[Number of shares of the Company held]</p> <p data-bbox="183 848 204 878">—</p> <p data-bbox="183 884 480 987">[Term of office as Audit & Supervisory Board Member] 8 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="183 994 464 1072">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p> <p data-bbox="183 1079 464 1158">[Attendance at meetings of the Audit & Supervisory Board] 14 out of 14 meetings</p>	<p data-bbox="507 786 1401 815">[Reason for nomination as candidate for External Audit & Supervisory Board Member]</p> <p data-bbox="507 822 1474 1016">Mr. Toru Muranaka will have served as External Audit & Supervisory Board Member of the Company for eight (8) years at the conclusion of this Shareholder's Meeting. While he has not been involved in corporate management other than through serving as an external director and an external audit & supervisory board member, he has provided appropriate opinions and suggestions based on advanced insight as an attorney-at-law and legal expert. Therefore, we propose his election as External Audit & Supervisory Board Member of the Company in the hope that he will continue to fulfill his duties as such.</p>

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions
3	 <p>Shogo Yamada (January 25, 1966)</p> <div data-bbox="231 589 432 660" style="border: 1px solid black; padding: 2px; text-align: center;">New appointment</div> <div data-bbox="272 689 391 734" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="247 763 416 808" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p>April 1996 Registered as a certified public accountant (present)</p> <p>July 2013 President, Shogo Yamada Certified Public Accountant Office (present)</p> <p>March 2014 Outside Audit & Supervisory Board Member, TOYO TANSO CO., LTD.</p> <p>March 2015 Outside Director</p> <p>June 2015 External Director, Contec Co., Ltd.</p> <p>January 2020 Director and COO, TOMOE VALVE INDUSTRY PTE LTD</p> <p>January 2022 Director (present)</p> <p>[Significant concurrent positions]</p> <p>President, Shogo Yamada Certified Public Accountant Office; Director, TOMOE VALVE INDUSTRY PTE LTD</p>
	<p>[Number of shares of the Company held] —</p> <p>[Term of office as Audit & Supervisory Board Member] —</p> <p>[Attendance at meetings of the Board of Directors] —</p> <p>[Attendance at meetings of the Audit & Supervisory Board] —</p>	<p>[Reason for nomination as candidate for External Audit & Supervisory Board Member]</p> <p>Mr. Shogo Yamada has abundant experience as a manager in addition to expertise as a certified public accountant, and is deemed to be capable of fully performing his role as Audit & Supervisory Board Member. Therefore, we propose his election as External Audit & Supervisory Board Member.</p>

- (Notes)
- There are no special interests between any of the candidates and the Company.
 - Mr. Toru Muranaka and Mr. Shogo Yamada are candidates for External Audit & Supervisory Board Member. Furthermore, the Company has designated Mr. Toru Muranaka as an Independent Auditor as defined by the Tokyo Stock Exchange, and if he is reelected, the Company intends for him to continue acting as Independent Auditor. Furthermore, if Mr. Shogo Yamada is elected External Audit & Supervisory Board Member, the Company also intends to designate him as an Independent Auditor as defined by the Tokyo Stock Exchange.
 - SUZUKEN CO., LTD. (“SUZUKEN”) in which Mr. Toru Muranaka concurrently served as an Outside Audit & Supervisory Board Member until June 25, 2021, was prosecuted for violations of the Antimonopoly Act in December 2020 regarding a bid for the Japan Community Health care Organization (JCHO). SUZUKEN was found guilty and ordered to pay a fine of 250 million yen in June 2021. In addition, SUZUKEN received a 86.34 million yen surcharge payment order and a cease and desist order from the Japan Fair Trade Commission on March 30, 2022. Mr. Toru Muranaka had been serving at SUZUKEN as an Outside Audit & Supervisory Board Member since before the incident, but was unaware of the facts related to the incident prior to its occurrence. He had regularly made suggestions from the perspective of legal compliance, and after the facts of the incident came to light, he cooperated with the investigation, monitored the initiatives of the executive department including investigating the cause and formulating recurrence prevention measures, and expressed his opinions as appropriate at meetings of the Board of Directors and the Audit & Supervisory Board, thereby fulfilling his responsibilities through SUZUKEN's Board of Directors until his retirement on June 25, 2021.
 - The Company has entered into a liability limitation agreement with Mr. Yutaka Wada who is a candidate for Audit & Supervisory Board Member and Mr. Toru Muranaka who is a candidate for External Audit & Supervisory Board Member, respectively, and the maximum amount of liability based on the agreement is the minimum amount of liability provided for in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, the Company intends to continue the agreements. If Mr. Shogo Yamada, a candidate for External Audit & Supervisory Board Member, is elected as an External Audit & Supervisory Board Member, the Company intends to enter into a new agreement with him with the same content.
 - The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Audit & Supervisory Board Members as the insured to enable them to fully demonstrate their expected roles in the

execution of their duties, as well as to attract competent personnel. If this proposal is approved as originally proposed and each candidate is appointed Audit & Supervisory Board Member, they will be the insured under the said insurance contract. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability of claims made against them in connection with those responsibilities.

However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations, which are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) The Company plans to renew the insurance policy with the same content at its maturity.

(Reference) Skill Matrix of Directors, Audit & Supervisory Board Members and Senior Executive Officers

(Note) ◎...Primary skills/Experience, ○ Supplementary skills/Experience (Up to three in total overall)

Position	Name	Corporate management	Sales / Marketing	R & D / Production technology	Finance / Accounting	Legal / Risk management	HR / Human rights	IT / Digital transformation (DX)	Global experience
President and CEO	Yukio Furuno	◎				○	○		
Executive Vice President, Executive Officer and CMO	Muneyuki Koike	○	◎						○
Director, Managing Executive Officer and CTO	Shinji Ishihara			◎				○	○
Director, Managing Executive Officer and CFO	Hidenori Yamamiya	○			◎	○			
External Director	Hideo Higuchi	◎		○				○	
External Director	Shingo Kagawa	◎		○				○	
Senior Executive Officer	Kazuma Waimatsu		○					◎	○
Senior Executive Officer	Satoshi Ohya					○	◎		

Position	Name	Corporate management	Sales / Marketing	Finance / Accounting	Legal / Risk management	Global experience
Audit & Supervisory Board Member	Yutaka Wada	○	◎			○
External Audit & Supervisory Board Member	Toru Muranaka				◎	
External Audit & Supervisory Board Member	Shogo Yamada	○		◎		○


Proposal 5: Election of One (1) Substitute Audit & Supervisory Board Member

In order to prepare for cases where there is a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, the election of one (1) Substitute Audit & Supervisory Board Member is proposed.

Furthermore, the effectiveness of the election of this candidate may be canceled by a resolution of the Board of Directors, with the consent of the Audit & Supervisory Board, provided it is before his appointment.

The consent of the Audit & Supervisory Board has been obtained in regard to this Proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions
 <p>Toshifumi Kurahashi (February 18, 1954)</p> <p style="text-align: center;">External</p> <p style="text-align: center;">Independent</p>	<p>September 1980 Registered as certified public accountant September 1996 Employee, Asahi Audit Corp. (currently KPMG AZSA LLC) August 2008 Representative Partner, Ernst & Young Shinnihon Tax July 2010 Representative, Kurahashi General Accounting Office (present) September 2010 Representative Director, The Strategic M&A Institute Co., Ltd. (present) February 2013 Audit & Supervisory Board Member, Hayashi Pure Chemical Ind., Ltd. February 2022 Audit & Supervisory Board Member, Waqoo Project Co., Ltd. (present)</p> <p>[Significant concurrent positions] Representative, Kurahashi General Accounting Office; Representative Director, The Strategic M&A Institute Co., Ltd.; Audit & Supervisory Board Member, Waqoo Project Co., Ltd.</p>
<p>[Number of shares of the Company held] —</p>	<p>[Reason for nomination as candidate for Substitute External Audit & Supervisory Board Member] Mr. Toshifumi Kurahashi has advanced knowledge as a certified public accountant. Therefore, we propose his election as Substitute External Audit & Supervisory Board Member based on the judgment that he will sufficiently fulfill his role as Audit & Supervisory Board Member.</p>

- (Notes)
- There are no special conflict of interest between the candidate and the Company.
 - Mr. Toshifumi Kurahashi is a candidate for Substitute External Audit & Supervisory Board Member. Furthermore, if Mr. Toshifumi Kurahashi is appointed External Audit & Supervisory Board Member, the Company intends to designate him as an Independent Auditor as defined by the Tokyo Stock Exchange.
 - If Mr. Toshifumi Kurahashi, who is a candidate for Substitute External Audit & Supervisory Board Member, is appointed External Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with him to limit his liability to the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act.
 - The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Audit & Supervisory Board Members as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability claims made against them in connection with those responsibilities. However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations and are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) If Mr. Toshifumi Kurahashi is elected and he assumes the office of External Audit & Supervisory Board Member during his term of office due to a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, he will be included in the insured under the said insurance contract.