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(Securities Code 6814)

May 7, 2025

(Commencement date of measures for electronic provision: April 24, 2025)

**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 74th ANNUAL SHAREHOLDERS' MEETING**

Dear Shareholders:

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

We hereby announce that the 74th Annual Shareholders' Meeting of FURUNO ELECTRIC CO., LTD. (hereinafter the "Company") will be held for the purposes as described below.

In convening this Shareholders' Meeting, the Company has taken measures for providing information in electronic format, and posted items subject to the electronic provision measures on the following website on the Internet.

The Company's website: <https://www.furuno.co.jp/en/ir/stock/meeting.html>

In addition to the above, the items are posted on the following website.

Website of Tokyo Stock Exchange: <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

Please access the above website, enter the name or securities code of the Company for search, and select "Basic information" and then "Documents for public inspection/PR information" to view the items.

If you do not attend the meeting in person, you can exercise your voting rights in writing or via the Internet. 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 21, 2025, Japan time.

- 1. Date and Time:** Thursday, May 22, 2025 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 74th Fiscal Year (March 1, 2024 to February 28, 2025) 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 74th Fiscal Year (March 1, 2024 to February 28, 2025)
- Proposals to be resolved:**
- Proposal 1:** Distribution of Surplus
- Proposal 2:** Election of Seven (7) Directors
- Proposal 3:** Election of One (1) Substitute Audit & Supervisory Board Member
- Proposal 4:** Election of Accounting Auditor

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- ⊙ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk to confirm your identity.
- ⊙ Those shareholders who have not requested for Delivery of Documents will receive a paper copy containing a portion of the Reference Documents for the General Meeting of Shareholders and a Report on the Results of Operations.
- ⊙ Among the items subject to the electronic provision measures, the following items are not included in the hard copy delivered to shareholders who requested the delivery of such document in accordance with the provisions of laws and regulations as well as Article 15 of the Articles of Incorporation of the Company. Accordingly, such document comprises part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
1. "Details of Major Businesses," "Status of Employees," "Matters Concerning the Company's Shares," "Major Sales Offices and Factories," "Major Lenders and Amounts of Borrowings," "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 Statements
- ⊙ Any revisions to the items subject to the electronic provision measures will be posted on each of the websites.
- ⊙ The results of this meeting will be posted on the Company's website (<https://www.furuno.co.jp/ir/stock/meeting.html>), 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 35 yen per share as an interim dividend and the aggregate amount of annual dividends will therefore amount to 110 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

75 yen per common share of the Company, for a total of 2,369,848,725 yen

(3) Date on which the distribution of surplus comes into effect

May 23, 2025

**Proposal 2:** Election of Seven (7) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of seven (7) Directors is proposed.

The candidates for Directors are decided at the Board of Directors based on a recommendation of the Nomination and Compensation Advisory Committee which is an advisory body of the Board of Directors.

The candidates for Director are as follows:

No.	Name	Gender	Position	Attendance at meetings of the Board of Directors	Candidate attributes
1	Yukio Furuno	Male	President and CEO	100% (12 out of 12 meetings)	Reappointment
2	Shinji Ishihara	Male	Director, Managing Executive Officer and CTO	100% (12 out of 12 meetings)	Reappointment
3	Yutaka Wada	Male	Director, Managing Executive Officer and CFO	100% (12 out of 12 meetings)	Reappointment
4	Kazuma Waimatsu	Male	Director	100% (10 out of 10 meetings)	Reappointment
5	Hideo Higuchi	Male	Director	100% (12 out of 12 meetings)	Reappointment External Independent
6	Shingo Kagawa	Male	Director	100% (12 out of 12 meetings)	Reappointment External Independent
7	Masako Kubo	Female	Director	100% (10 out of 10 meetings)	Reappointment External Independent

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

2. As Mr. Kazuma Waimatsu and Ms. Masako Kubo were appointed Director at the 73rd Annual Shareholders' Meeting of the Company held on May 23, 2024, those number of attendance at the meetings of the Board of Directors differs from those of other candidates for Directors.

Reappointment	Candidate for reappointment as Director	External	Candidate for appointment as External Director	Independent	Independent Director pursuant to the rules of the Tokyo Stock Exchange
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No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
1	 <p data-bbox="239 488 438 548">Yukio Furuno (February 2, 1948)</p> <div data-bbox="239 571 438 622" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="510 241 1460 526"> 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) </p> <p data-bbox="510 548 1460 638"> [Responsibilities at the Company]  General Manager, Security Assurance &amp; Export Control Committee and Chief AEO (Authorized Economic Operator) Control Officer </p>
	<p data-bbox="191 694 486 996"> [Number of shares of the Company held]  289,950  [Term of office as Director]  38 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="510 672 1460 828"> [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="239 1294 438 1355">Shinji Ishihara (January 30, 1961)</p> <div data-bbox="239 1377 438 1429" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="510 1019 1460 1355"> February 2006 General Manager, Research &amp; Development Department, Marine Electronic Products Division, the Company  May 2007 Director and General Manager, Research &amp; Development Department, Marine Electronic Products Division  May 2016 Managing Director and General Manager, Research &amp; Development Department, Marine Electronic Products Division  March 2018 Managing Director and Integration Chief Manager, Product Designing, Development &amp; 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="510 1377 1460 1534"> [Responsibilities at the Company]  Head of Research &amp; Development, Production and Quality, Environment, Research and Innovation Center, Commanding &amp; Supervisory Office, Intellectual Property Department, Information Technology Department and Technology Management Department </p>
	<p data-bbox="191 1579 486 1848"> [Number of shares of the Company held]  44,410  [Term of office as Director]  18years (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="510 1556 1460 1736"> [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>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
3	 <p data-bbox="264 667 421 723">Yutaka Wada (May 4, 1959)</p> <div data-bbox="245 752 440 792" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="517 338 1430 719"> 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 &amp; Supervisory Board Member  May 2023 Director, Managing Executive Officer and CFO(present) </p> <p data-bbox="517 757 1479 869"> [Responsibilities at the Company]  Head of Corporate Planning Department, Accounting &amp; Financing Department, Human Resources &amp; General Affairs Department and Legal Office, Procurement &amp; Logistics, Diversity &amp; Inclusion </p>
	<p data-bbox="197 1128 488 1167">[Number of shares of the Company held]</p> <p data-bbox="197 1173 488 1211">31,890</p> <p data-bbox="197 1218 488 1256">[Term of office as Director]</p> <p data-bbox="197 1263 488 1301">2 years(at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="197 1308 488 1346">[Attendance at meetings of the Board of Directors]</p> <p data-bbox="197 1352 488 1391">12out of 12 meetings</p>	<p data-bbox="517 1128 1479 1167">[Reason for nomination as candidate for Director]</p> <p data-bbox="517 1173 1479 1077"> Mr. Yutaka Wada has abundant experience as a manager as well as knowledge of all aspects of operations concerning the marine products business, 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="245 1478 440 1534">Kazuma Waimatsu (January 6, 1960)</p> <div data-bbox="245 1563 440 1603" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="517 1173 1430 1541"> March 2006 General Manager, Products Planning &amp; Marketing Department, Marine Electronic Products Division, the Company  May 2009 Director and General Manager, Products Planning &amp; Marketing Department, Marine Electronic Products Division  January 2021 Director and Divisional Vice General Manager, Marine Electronic Products Division  May 2021 Senior Executive Officer and Divisional General Manager, Marine Electronic Products Division  March 2024 Managing Executive Officer and Divisional General Manager, Marine Electronic Products Division  May 2024 Director, Managing Executive Officer and Divisional General Manager, Marine Electronic Products Division (present) </p> <p data-bbox="517 1576 1479 1659"> [Responsibilities at the Company]  Head of Marine Electronic Products Division, Divisional General Manager, Marine Electronic Products Division </p>
	<p data-bbox="197 1917 488 1955">[Number of shares of the Company held]</p> <p data-bbox="197 1962 488 2000">34,370</p> <p data-bbox="197 2007 488 2045">[Term of office as Director]</p> <p data-bbox="197 2051 488 2089">1 year(at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="197 2096 488 2134">[Attendance at meetings of the Board of Directors]</p> <p data-bbox="197 2141 488 2179">10 out of 10 meetings</p>	<p data-bbox="517 1917 1479 1955">[Reason for nomination as candidate for Director]</p> <p data-bbox="517 1962 1479 1843"> Mr. Kazuma Waimatsu has abundant experience as a manager as well as knowledge mainly in the sales planning and marketing sections, 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 data-bbox="264 551 419 611">Hideo Higuchi (March 5, 1950)</p> <div data-bbox="245 640 440 685" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="284 712 402 757" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="258 786 427 831" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="517 277 1394 333">June 2004 Executive Officer and Senior General Manager, Operational Reform HQ, OMRON Corporation</p> <p data-bbox="517 338 1394 394">June 2007 Managing Executive Officer and Senior General Manager, Business Process Innovation HQ</p> <p data-bbox="517 398 1394 488">December 2008 Managing Executive Officer; Senior General Manager, Business Process Innovation HQ and Senior General Manager, Corporate Strategic Planning HQ</p> <p data-bbox="517 492 1394 548">March 2009 Managing Executive Officer and Senior General Manager, Corporate Strategic Planning HQ</p> <p data-bbox="517 553 1070 586">November 2011 Outside Director, SOLOEL Co., Ltd.</p> <p data-bbox="517 591 778 624">March 2012 Director</p> <p data-bbox="517 629 1422 685">June 2012 Outside Audit &amp; Supervisory Board Member, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p data-bbox="517 689 1118 723">May 2016 External Director, the Company (present)</p> <p data-bbox="517 728 1394 784">June 2016 Outside Director, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p data-bbox="517 788 863 844">[Significant concurrent positions] None</p>
	<p data-bbox="197 869 453 925">[Number of shares of the Company held]</p> <p data-bbox="197 929 213 952">—</p> <p data-bbox="197 956 477 1012">[Term of office as External Director]</p> <p data-bbox="197 1016 488 1072">9 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="197 1077 477 1133">[Attendance at meetings of the Board of Directors]</p> <p data-bbox="197 1137 421 1171">12 out of 12 meetings</p>	<p data-bbox="517 860 1410 893">[Reason for nomination as candidate for External Director and outline of expected role]</p> <p data-bbox="517 898 1434 1144">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="256 551 432 607">Shingo Kagawa (March 8, 1958)</p> <div data-bbox="245 640 440 685" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="284 712 402 757" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="256 786 432 831" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="517 277 1366 360">April 2012 Corporate Executive Officer; Group President, Network Service Business Unit; Head of Image Internet Service Business Division, FUJITSU LIMITED</p> <p data-bbox="517 367 1398 427">June 2012 Corporate Executive Officer; Group President, Outsourcing Business Unit; Head of Image Internet Service Business Division</p> <p data-bbox="517 434 1366 488">April 2015 Corporate Executive Officer; Vice President, Integration Services Business; Group President, Network Service Business Unit</p> <p data-bbox="517 495 1358 548">April 2016 Corporate Executive Officer; Chief Technology Officer; Head of Digital Services Business</p> <p data-bbox="517 555 1334 609">April 2018 President and Representative Director, FUJITSU RESEARCH INSTITUTE</p> <p data-bbox="517 616 1070 647">April 2020 Special Adviser, APAMAN Co., Ltd.</p> <p data-bbox="517 654 1110 685">May 2020 External Director, the Company (present)</p> <p data-bbox="517 692 1398 745">October 2020 President and Representative Director, DigiIT Corporation (currently SS Technologies Corporation)</p> <p data-bbox="517 752 1238 784">October 2021 Chairman of the Board, SS Technologies Corporation</p> <p data-bbox="517 790 1206 822">May 2022 Outside Director of MINISTOP Co., Ltd. (present)</p> <p data-bbox="517 828 1150 860">January 2023 Outside Director of H.I.S. Co., Ltd. (present)</p> <p data-bbox="517 866 935 943">[Significant concurrent positions] Outside Director of MINISTOP Co., Ltd. Outside Director of H.I.S. Co., Ltd.</p>
	<p data-bbox="197 958 456 1012">[Number of shares of the Company held] 100</p> <p data-bbox="197 1048 488 1102">[Term of office as External Director] 5 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="197 1173 488 1263">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="517 958 1453 1240">[Reason for nomination as candidate for External Director and outline of expected role] 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>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
7	 <p data-bbox="244 562 440 618">Masako Kubo (October 12, 1959)</p> <div data-bbox="244 647 440 689" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="256 719 427 761" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="256 792 427 835" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="515 275 1393 607"> June 2011 Director, OMRON PERSONNEL SERVICE Co., Ltd.  April 2015 President and CEO  April 2018 Executive Officer, OMRON Corporation  April 2018 President, OMRON EXPERTLINK Co., Ltd.  April 2022 Program-Specific Professor, The Research Center of Community Partnerships, Kyoto Women's University (present)  June 2022 Outside Director, NITTO KOGYO CORPORATION (present)  June 2023 Senior Director, KYOTO OMRON COMMUNITY FOUNDATION (present)  May 2024 External Director, the Company (present) </p> <p data-bbox="515 618 1477 757"> [Significant concurrent positions]  Program-Specific Professor, The Research Center of Community Partnerships, Kyoto Women's University  Outside Director, NITTO KOGYO CORPORATION  Senior Director, KYOTO OMRON COMMUNITY FOUNDATION </p>
	<p data-bbox="196 907 453 965">[Number of shares of the Company held]</p> <p data-bbox="196 972 213 987">—</p> <p data-bbox="196 994 475 1048">[Term of office as External Director]</p> <p data-bbox="196 1055 480 1108">1 year(at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="196 1115 475 1169">[Attendance at meetings of the Board of Directors]</p> <p data-bbox="196 1176 421 1193">10 out of 10 meetings</p>	<p data-bbox="515 907 1410 934">[Reason for nomination as candidate for External Director and outline of expected role]</p> <p data-bbox="515 940 1449 1193"> Ms. Masako Kubo has provided appropriate advice and views, mainly from a manager's viewpoint based on her abundant experience as a corporate manager in the fields of personnel affairs-related operations and the human resource services business and an external officer as well as her advanced knowledge. We judge that she will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that she 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 her election as External Director. </p>

- (Notes)
1. There are no special conflict of interest between each candidate and the Company.
  2. Mr. Hideo Higuchi, Mr. Shingo Kagawa and Ms. Masako Kubo 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. If Ms. Masako Kubo is elected as Director of the Company, the Company intends for her to act as Independent Director as defined by the Tokyo Stock Exchange.
  3. The Company has entered into a liability limitation agreement with Mr. Hideo Higuchi, Mr. Shingo Kagawa and Ms. Masako Kubo 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.
  5. The Company has entered into an indemnification agreement with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify them for the expenses stipulated in Item 1, Paragraph 1 and losses stipulated in Item 2, Paragraph 1 of the same Act to the extent provided by laws and regulations. If the reelection of each candidate is approved, the agreement with each of them will remain in effect.

**Proposal 3:** 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>Takashi Kono (January 17, 1957)</p> <p>External</p> <p>Independent</p>	<p>July 2009      Head, Audit Department, Sumitomo Rubber Industries, Ltd.            January 2012    Head, Financial Department            March 2014      Executive Officer; Head, Financial Department            March 2019      Full-time Auditor            [Significant concurrent positions]            None</p>
<p>[Number of shares of the Company held] —</p>	<p>[Reason for nomination as candidate for Substitute External Audit &amp; Supervisory Board Member]            Mr. Takashi Kono has abundant experience and advanced knowledge as a person in charge of the financial department and Full-time Auditor at Sumitomo Rubber Industries, Ltd. Therefore, we propose his election as Substitute External Audit &amp; Supervisory Board Member based on the judgment that he will sufficiently fulfill his role as Audit &amp; Supervisory Board Member.</p>

- (Notes)
- There are no special interests between the candidate and the Company.
  - Mr. Takashi Kono is a candidate for Substitute External Audit & Supervisory Board Member. Furthermore, if Mr. Takashi Kono 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. Takashi Kono, 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. Takashi Kono 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.
  - The Company has entered into an indemnification agreement with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify them for the expenses stipulated in Item 1, Paragraph 1 and losses stipulated in Item 2, Paragraph 1 of the same Act to the extent provided by laws and regulations. If Mr. Takashi Kono 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, the same indemnification agreement will be executed with them.

**Proposal 4:** Election of Accounting Auditor

Deloitte Touche Tohmatsu LLC, the Accounting Auditor of the Company, will retire from office due to the expiration of its term of office at the conclusion of this Shareholders' Meeting. Accordingly, based on the decision by the Audit & Supervisory Board, the Company requests the approval of the election of KPMG AZSA LLC as the new Accounting Auditor.

The company selected KPMG AZSA LLC as a candidate for Accounting Auditor because the firm has the expertise, independence, and appropriateness necessary for the Company's Accounting Auditor, as well as a structure to centrally audit the Group's global business activities. In addition, the Company has judged that it can expect audits from different perspectives and in different methods with the change of the Accounting Auditor.

The candidate for Accounting Auditor is as follows:

(As of Jun 30, 2024)

Name	KPMG AZSA LLC		
Main office	1-2 Tsukudo-cho, Shinjuku-ku, Tokyo		
History	<p>July 1969 Asahi &amp; Co. was established.</p> <p>July 1985 Asahi &amp; Co. and Shinwa Audit Corporation (established in December 1974) merged to form Asahi Shinwa &amp; Co.</p> <p>October 1993 Asahi Shinwa &amp; Co. merged with Inoue Saito Eiwa Audit Corporation (established in April 1978) to form Asahi Co.</p> <p>January 2004 Asahi &amp; Co. merged with AZSA &amp; Co. (established in February 2003) to form KPMG AZSA &amp; Co</p> <p>July 2010 KPMG AZSA &amp; Co. became limited liability company and changed its name to KPMG AZSA LLC</p>		
Overview	Capital	3,000 million yen	
	Employees	CPAs	3,012 people
		Passed the CPA exam	1,365 people
		Audit assistants	1,949 people
		Administration staff	782 people
Total	7,108 people		
Clients receiving audit attestation services	3,370 clients		