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(Securities Code: 6807)

May 31, 2024

To our shareholders:

Tsutomu Onohara
Representative Director, Chairman
Japan Aviation Electronics Industry, Limited
21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo

Notice of the 94th Annual General Meeting of Shareholders

We are pleased to announce the 94th Annual General Meeting of Shareholders of Japan Aviation Electronics Industry, Limited (the “Company”), which will be held as indicated below.

If you do not attend the meeting in person, you may exercise your voting rights via the Internet, etc. or in writing (by postal mail). Please exercise your voting rights after examining the attached Reference Documents for the General Meeting of Shareholders, no later than 5:30 p.m. (JST) on Tuesday, June 18, 2024.

- 1. Date and time:** Wednesday, June 19, 2024, at 10:00 a.m. (JST)
- 2. Venue:** 4F, SHIBUYA SOLASTA (SHIBUYA SOLASTA CONFERENCE 4D)
21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo

3. Purpose of the meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 94th fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors
2. The Non-consolidated Financial Statements for the 94th fiscal year

Matters to be resolved

- Proposal No. 1:** Election of Ten (10) Directors
Proposal No. 2: Determination of Remuneration for Directors to Grant Restricted Shares Thereto
Proposal No. 3: Payment of Director Bonuses

4. Matters subject to electronic provision measures

- (1) When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters subject to electronic provision measures) in electronic format, and posts this information as “Notice of the 94th Annual General Meeting of Shareholders and the Business Report for the 94th fiscal year (including Notes)” on the Company’s website. Please access the Company’s website by using the internet address shown below, select “Investors” and then “General Meeting of Shareholders” to review the information.

The Company’s website: <https://www.jae.com> (in Japanese)

In addition to posting matters subject to electronic provision measures on the website above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, please access the TSE website (Listed Company Search) by using the internet address shown below, enter the issue name (Japan Aviation Electronics Industry) or securities code (6807), and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

- (2) For this general meeting of shareholders, we have delivered paper-based documents (in Japanese only) stating the matters subject to electronic provision measures to shareholders, regardless of whether or not they have requested them. However, of the matters subject to electronic provision measures, “Matters Relating to Share Acquisition Rights, etc. of Business Report” “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” (in Japanese only) are not included in this document pursuant to laws and regulations and the Article 15 of the Company’s Articles of Incorporation.
- (3) If revisions to the matters subject to electronic provision measures arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company’s aforementioned website and the TSE website (in Japanese only).

5. Matters relating to exercise of voting rights

- (1) If you exercise your voting right multiple times via the Internet, etc., the Company will only deem your final exercise to be valid.
 - (2) If you exercise your voting rights in duplicate both via the Internet, etc. and in writing (by postal mail), the vote exercised via the Internet, etc. shall prevail.
 - (3) If neither approval nor disapproval of each proposal is indicated on the returned voting form, the Company will deem that you have indicated your approval of the proposal.
- Shareholders attending this meeting in person are kindly requested to submit the voting form to the reception desk at this meeting.
 - Please understand in advance that souvenirs will not be provided to the attendees at this meeting.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Ten (10) Directors

At the conclusion of this meeting, the terms of office of all eight (8) Directors will expire. Prior to this meeting, Mr. Noritaka Taguma has resigned as Director on March 22, 2024.

The Company will increase the number of outside Directors by two to strengthen its corporate governance, and therefore, proposes the election of ten (10) Directors (including five (5) Outside Directors).

The candidates for Director are as follows:

Candidate No.	Name	Position in the Company		
1	Tsutomu Onohara (Male)	Chairman (Representative Director)	Reelection	
2	Masayuki Muraki (Male)	President (Representative Director)	Reelection	
3	Minoru Urano (Male)	Director and Executive Vice President	Reelection	
4	Tetsuya Nakamura (Male)	Director and Senior Vice President	Reelection	
5	Masahiro Matsuo (Male)	Director and Associate Senior Vice President	Reelection	
6	Reiichiro Takahashi (Male)	Outside Director	Reelection	Candidate for Outside Director Candidate for independent officer
7	Kazuhiro Goto (Male)	Outside Director	Reelection	Candidate for Outside Director Candidate for independent officer
8	Hiroshi Kawaguchi (Male)		New election	Candidate for Outside Director Candidate for independent officer
9	Yuko Numata (Female)		New election	Candidate for Outside Director Candidate for independent officer
10	Mami Nagasaki (Female)		New election	Candidate for Outside Director Candidate for independent officer

Candidate No. 1

Reelection

<p>Tsutomu Onohara (Date of birth: September 4, 1958) (Male) Position and responsibility in the Company Chairman (Representative Director)</p> <p>Overall management of basic important matters concerning company business operations Leadership of important meetings of the Management Committee, etc. (Leadership of General Meeting of Shareholders and the Board of Directors as Representative Director)</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1981 Joined the Company May 2003 Deputy General Manager of Connector Division Feb. 2007 President and Director of JAE Wuxi Co., Ltd. Apr. 2010 Executive Expert, Assistant to General Manager of Connector Division Jun. 2010 Director Jun. 2010 General Manager of Connector Division Jun. 2012 Director, Senior Vice President Jun. 2013 Director and Executive Vice President Jun. 2014 President (Representative Director) Apr. 2023 Chairman (Representative Director) (current position)</p>	<p>Number of the Company's shares owned 78,530 shares</p>
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Reasons for nomination as candidate for Director

As Chairman (Representative Director), Mr. Tsutomu Onohara is responsible for the overall management of basic important matters concerning the Group's business operations. He strove to make appropriate decisions for the Company's Board of Directors based on his abundant experience and knowledge concerning every aspect of the Company's business and corporate management. Based on this, the Company judges that he is an appropriate person to realize sustainable growth and enhance corporate value, and therefore continues to nominate him as a candidate for Director.

Candidate No. 2

Reelection

<p>Masayuki Muraki (Date of birth: July 13, 1961) (Male) Position and responsibility in the Company President (Representative Director)</p> <p>Overall management of business execution of entire company businesses Leadership of important meetings of the Business Execution Committee, Executive Committee, etc. In charge of the Internal Audit Office</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1984 Joined the Company May 2003 Manager of 1st Administration Department, Connector Division Apr. 2010 President and Director of JAE Wuxi Co., Ltd. Jul. 2014 Deputy General Manager of Connector Division, and Manager of Global Techno-Center of the Company Apr. 2016 Associate Senior Vice President, Deputy General Manager of Connector Division, Manager of Business Planning Department, and Manager of Global Techno-Center Apr. 2020 Associate Senior Vice President and General Manager of Connector Division Jun. 2021 Director and Associate Senior Vice President, and General Manager of Connector Division Apr. 2022 Director and Senior Vice President, and General Manager of Connector Division Apr. 2023 President (Representative Director) (current position)</p>	<p>Number of the Company's shares owned 12,480 shares</p>
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Reasons for nomination as candidate for Director

As President (Representative Director), Mr. Masayuki Muraki is responsible for the overall management of business execution of the entire Group's businesses and he possesses abundant experience and knowledge concerning every aspect of the Company's business and management. Based on this, the Company judges that he is an appropriate person to lead the Group's management, as well as to realize sustainable growth and enhance corporate value, and therefore continues to nominate him as a candidate for Director.

Candidate No. 3

Reelection

<p>Minoru Urano (Date of birth: October 7, 1959) (Male)</p> <p>Position and responsibility in the Company Director and Executive Vice President Assisting the Chairman and President with company business operations</p> <p>In charge of the Aerospace Business In charge of the Product Development Center In charge of important matters concerning Production Support and Environmental Planning</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1982 Joined the Company Jul. 2007 Deputy General Manager of Connector Division Jun. 2012 Director Jun. 2013 Associate Senior Vice President Jun. 2014 General Manager of Connector Division Jun. 2016 Director and Associate Senior Vice President Apr. 2019 Director and Senior Vice President Apr. 2021 Director and Executive Vice President (current position)</p>	<p>Number of the Company's shares owned 25,817 shares</p>
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Reasons for nomination as candidate for Director

As Director and Executive Vice President, Mr. Minoru Urano assists the Chairman and President with the management of the Group's business operations, oversees the Aerospace Business and Product Development Center, and is in charge of important matters concerning Production Support and Environmental Planning. He possesses abundant experience and knowledge of the Company's business and corporate management. Based on this, the Company judges that he is an appropriate person to realize the sustainable growth of the Group and enhance corporate value, and therefore continues to nominate him as a candidate for Director.

Candidate No. 4

Reelection

<p>Tetsuya Nakamura (Date of birth: December 25, 1958) (Male)</p> <p>Position and responsibility in the Company Director and Senior Vice President</p> <p>In charge of the Information Security Management Office In charge of important matters concerning Corporate Planning, General Affairs and Human Resources, Legal, Accounting and Finance, and Information Systems In charge of important matters concerning the Wireless Business Development</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1983 Joined NEC Corporation Apr. 2004 General Manager of Corporate Planning Division Jun. 2005 Assumed office of Outside Statutory Auditor of the Company Jun. 2008 Retired from the office of Outside Statutory Auditor Jul. 2008 Chief Business Executive of NEC Electronics Corporation (currently Renesas Electronics Corporation) Jun. 2010 Representative Director, Senior Executive Officer of NEC Capital Solutions Limited Jul. 2012 Executive Expert of Corporate Planning and Investor Relations, Assistant to Director, Senior Vice President of the Company Jun. 2013 Associate Senior Vice President Jun. 2013 General Manager of Corporate Planning and Investor Relations Division Jun. 2019 Director and Associate Senior Vice President Aug. 2019 Deputy General Manager (related to new business project) of Connector Division Apr. 2021 Director and Senior Vice President (current position)</p>	<p>Number of the Company's shares owned 24,406 shares</p>
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Reasons for nomination as candidate for Director

As Director and Senior Vice President, Mr. Tetsuya Nakamura oversees the Information Security Management Office, and is in charge of important matters concerning Corporate Planning, General Affairs and Human Resources, Legal, Accounting and Finance, Information Systems and the Wireless Business Development. He possesses abundant experience and knowledge of corporate management and in a wide range of fields. Based on this, the Company judges that he is an appropriate person to realize the sustainable growth of the Group and enhance corporate value, and therefore continues to nominate him as a candidate for Director.

Candidate No. 5

Reelection

<p>Masahiro Matsuo (Date of birth: July 20, 1962) (Male)</p> <p>Position and responsibility in the Company Director and Associate Senior Vice President In charge of the Sales Planning Division, Connector 2nd Sales Division, Connector 4th Sales Division, and Connector 5th Sales Division</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1985 Joined the Company</p> <p>Jul. 2004 Manager of North America Sales Department, 2nd International Operations Division</p> <p>Jul. 2010 Sales Executive Manager in charge of North America, 3rd International Operations Division</p> <p>Jul. 2011 General Manager of 3rd International Operations Division</p> <p>Apr. 2012 General Manager of 2nd International Operations Division</p> <p>Apr. 2016 Associate Senior Vice President</p> <p>Jun. 2022 Director and Associate Senior Vice President (current position)</p>	<p>Number of the Company's shares owned 11,361 shares</p>
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Reasons for nomination as candidate for Director

Mr. Masahiro Matsuo oversees the Sales Planning Division, Connector 2nd Sales Division, Connector 4th Sales Division, and Connector 5th Sales Division of the Company as Director and Associate Senior Vice President, and possesses abundant experience and knowledge of sales and marketing in addition to the global business of the Company. Based on this, the Company judges that he is an appropriate person to realize sustainable growth and enhance corporate value for the Group, and therefore continues to nominate him as a candidate for Director.

Candidate No. 6

Reelection Candidate for Outside Director Candidate for independent officer

<p>Reiichiro Takahashi (Date of birth: April 21, 1956) (Male)</p> <p>Position and responsibility in the Company Outside Director</p> <p>Number of years in office as an Outside Director (at the conclusion of this meeting) 3 years</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1980 Joined Ministry of Foreign Affairs</p> <p>Nov. 2007 Minister, Deputy Chief of Mission, Embassy of Japan in Korea</p> <p>Jan. 2011 Ambassador Extraordinary and Plenipotentiary to Afghanistan</p> <p>Sep. 2012 Director-General of the International Peace Cooperation Headquarters of Cabinet Office</p> <p>Jan. 2015 Consul-General of Japan in New York (Ambassador)</p> <p>Dec. 2018 Ambassador Extraordinary and Plenipotentiary to Australia</p> <p>Jan. 2021 Retired from Ministry of Foreign Affairs</p> <p>Mar. 2021 Advisor of HAZAMA ANDO CORPORATION (current position)</p> <p>Jun. 2021 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Advisor of HAZAMA ANDO CORPORATION</p>	<p>Number of the Company's shares owned 0 shares</p>
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Reasons for nomination as candidate for Outside Director and overview of expected roles

Mr. Reiichiro Takahashi possesses a high level of insight in areas such as international affairs and economics based on many years of experience working overseas. The Company expects that his advice and opinions, which are based on this abundant experience and knowledge, will be reflected in global management, which will be essential to the future growth of the Company, and that he will provide oversight and advice regarding the execution of duties by Directors from an objective and neutral standpoint that also incorporates the perspective of minority shareholders, and therefore continues to nominate him as a candidate for Outside Director. After his election, the Company expects he will continue to fulfill the aforementioned roles, and also participate, as a member of the Nomination and Compensation Committee scheduled to be established in June this year, in deliberations concerning the selection of Director candidates and matters relating to remuneration for Directors. The Company also expects he will participate, as a member of an ad hoc special committee, in the preliminary discussions in the event that significant transactions or dealings (involving a conflict of interest between the Company's major and minority shareholders) arise.

Mr. Takahashi has never in the past been directly involved in the corporate management. However, the Company judges he will appropriately fulfill his duties as an Outside Director based on the above reasons.

Conclusion of a limited liability agreement

Pursuant to Article 427, paragraph (1) of the Companies Act and Article 27, paragraph 2 of the Company's Articles of Incorporation, the Company has entered into an agreement with Mr. Reiichiro Takahashi to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under laws and regulations. If the reelection of Mr. Takahashi is approved, the Company intends to continue the said agreement with him.

Independent officer

Mr. Reiichiro Takahashi is a candidate for independent officer as defined by Tokyo Stock Exchange.

Candidate No. 7

Reelection	Candidate for Outside Director	Candidate for independent officer
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<p>Kazuhiro Goto (Date of birth: February 25, 1966) (Male)</p> <p>Position and responsibility in the Company Outside Director</p> <p>Number of years in office as an Outside Director (at the conclusion of this meeting) 1 year</p>	<p>Career summary and significant concurrent positions outside the Company</p> <p>Apr. 1988 Joined National Police Agency</p> <p>Feb. 2010 Chief of Police Administration Department, Saitama Prefectural Police Headquarters</p> <p>Jul. 2011 Counsellor of National Information Security Center and Counsellor of Cabinet Intelligence and Research Office</p> <p>Feb. 2014 Director of Cybercrime Division, National Police Agency</p> <p>Aug. 2015 Chief of Kumamoto Prefectural Police Headquarters</p> <p>Mar. 2017 Director of Community Safety Planning Division, National Police Agency</p> <p>Nov. 2018 Chief Inspection Officer of Commissioner-General's Secretariat, National Police Agency</p> <p>Aug. 2019 Chief of Aichi Prefectural Police Headquarters</p> <p>Oct. 2021 Director-General of Chubu Regional Police Bureau</p> <p>Jun. 2022 Retired from National Police Agency</p> <p>Oct. 2022 Advisor of Nisshin Fire & Marine Insurance Co., Ltd. (current position)</p> <p>Jun. 2023 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Advisor of Nisshin Fire & Marine Insurance Co., Ltd.</p>	<p>Number of the Company's shares owned 0 shares</p>
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Reasons for nomination as candidate for Outside Director and overview of expected roles

Mr. Kazuhiro Goto possesses many years of experience and wide-ranging insight, particularly in regard to risk management, information security and compliance. The Company expects that he will reflect this abundant experience and knowledge in the management of the Company and provide oversight and advice regarding the execution of duties by Directors from an objective and neutral standpoint that also incorporates the perspective of minority shareholders, and therefore continues to nominate him as a candidate for Outside Director.

After his election, the Company expects he will continue to fulfill the aforementioned roles, and also participate, as a member of the Nomination and Compensation Committee scheduled to be established in June this year, in deliberations concerning the selection of Director candidates and matters relating to remuneration for Directors. The Company also expects he will participate, as a member of an ad hoc special committee, in the preliminary discussions in the event that significant transactions or dealings (involving a conflict of interest between the Company's major and minority shareholders) arise.

Mr. Goto has never in the past been directly involved in the corporate management. However, the Company judges he will appropriately fulfill his duties as an Outside Director based on the above reasons.

Conclusion of a limited liability agreement

Pursuant to Article 427, paragraph (1) of the Companies Act and Article 27, paragraph 2 of the Company's Articles of Incorporation, the Company has entered into an agreement with Mr. Kazuhiro Goto to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under laws and regulations. If the reelection of Mr. Goto is approved, the Company intends to continue the said agreement with him.

Independent officer

Mr. Kazuhiro Goto is a candidate for independent officer as defined by Tokyo Stock Exchange.

Candidate No. 8

New election Candidate for Outside Director Candidate for independent officer

Hiroshi Kawaguchi (Date of birth: September 14, 1957) (Male)	Career summary and significant concurrent positions outside the Company Apr. 1982 Joined Furukawa Electric Co., Ltd. Apr. 2016 Corporate Senior Vice President, General Manager, Electronics Component Material Division Apr. 2018 Corporate Executive Vice President, General Manager, Electronics Component Division Apr. 2020 Special Advisor of TOTOKU ELECTRIC Co., Ltd. Jun. 2020 Chief Executive Officer Apr. 2023 Advisor of TOTOKU INC. Jun. 2023 Resigned from TOTOKU INC.	Number of the Company's shares owned 0 shares
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Reasons for nomination as candidate for Outside Director and overview of expected roles

Mr. Hiroshi Kawaguchi possesses a wealth of experience and a broad range of insight as a corporate executive. The Company expects that he will reflect this abundant experience and knowledge in the management of the Company and provide oversight and advice regarding the execution of duties by Directors from an objective and neutral standpoint that also incorporates the perspective of minority shareholders, and therefore nominates him as a new candidate for Outside Director.

After his election, the Company expects he will fulfill the aforementioned roles, and also participate, as a member of the Nomination and Compensation Committee scheduled to be established in June this year, in deliberations concerning the selection of Director candidates and matters relating to remuneration for Directors. The Company also expects he will participate, as a member of an ad hoc special committee, in the preliminary discussions in the event that significant transactions or dealings (involving a conflict of interest between the Company's major and minority shareholders) arise.

Conclusion of a limited liability agreement

If the election of Mr. Hiroshi Kawaguchi is approved, pursuant to Article 427, paragraph (1) of the Companies Act and Article 27, paragraph 2 of the Company's Articles of Incorporation, the Company intends to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under laws and regulations.

Independent officer

Mr. Hiroshi Kawaguchi is a candidate for independent officer as defined by Tokyo Stock Exchange.

Yuko Numata (Date of birth: April 10, 1968) (Female)	Career summary and significant concurrent positions outside the Company Apr. 1992 Joined Nomura Research Institute, Ltd. Jan. 1997 Nomura Research Institute America, Inc. Oct. 2001 Nomura Research Institute, Ltd. Apr. 2004 Nomura Institute of Capital Markets Research Jun. 2010 Nomura Securities Co., Ltd. Apr. 2012 Associate Professor at School of Global Japanese Studies, Meiji University Apr. 2018 Professor at School of Global Japanese Studies, Meiji University Apr. 2022 Professor at Faculty of Humanities and Social Sciences, Teikyo Heisei University Jun. 2022 Outside Director, Ichiyoshi Securities Co., Ltd. (current position) Apr. 2023 Professor at Graduate School of Global Business, Professional Graduate School, Meiji University (current position) [Significant concurrent positions outside the Company] Outside Director, Ichiyoshi Securities Co., Ltd. Professor at Graduate School of Global Business, Professional Graduate School, Meiji University	Number of the Company's shares owned 0 shares
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Reasons for nomination as candidate for Outside Director and overview of expected roles

Ms. Yuko Numata possesses abundant expert knowledge and experience as a researcher of management strategies in companies in Japan and the U.S. The Company expects that she will reflect this abundant experience and knowledge in the management of the Company and provide oversight and advice regarding the execution of duties by Directors from an objective and neutral standpoint that also incorporates the perspective of minority shareholders, and therefore nominates her as a new candidate for Outside Director.

After her election, the Company expects she will fulfill the aforementioned roles, and also participate, as a member of the Nomination and Compensation Committee scheduled to be established in June this year, in deliberations concerning the selection of Director candidates and matters relating to remuneration for Directors. The Company also expects she will participate, as a member of an ad hoc special committee, in the preliminary discussions in the event that significant transactions or dealings (involving a conflict of interest between the Company's major and minority shareholders) arise.

Ms. Numata has never in the past been directly involved in the corporate management. However, the Company judges she will appropriately fulfill her duties as an Outside Director based on the above reasons.

Conclusion of a limited liability agreement

If the election of Ms. Yuko Numata is approved, pursuant to Article 427, paragraph (1) of the Companies Act and Article 27, paragraph 2 of the Company's Articles of Incorporation, the Company intends to enter into an agreement with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under laws and regulations.

Independent officer

Ms. Yuko Numata is a candidate for independent officer as defined by Tokyo Stock Exchange.

Mami Nagasaki (Date of birth: December 13, 1973) (Female)	Career summary and significant concurrent positions outside the Company Apr. 1998 Qualified & Registered as Attorney-at-Law in Japan (Daini Tokyo Bar Association) Joined Ishii Law Office Sep. 2004 Marshall Suzuki Law Group, LLP Jan. 2005 International Office, General Coordination Division, Planning and Coordination Bureau, Financial Services Agency Apr. 2009 Partner, Ishii Law Office (current position) Dec. 2014 Special Member, Tokyo Metropolitan Examination Committee for Disputes over Construction Works Apr. 2015 Civil Mediation Commissioner, Tokyo District Court Jun. 2016 Executive Director, Ichigo Green Infrastructure Investment Corporation Jun. 2018 Outside Director, HASEKO Corporation (current position) Jun. 2021 Outside Auditor, HONDA TSUSHIN KOGYO CO., LTD. Dec. 2022 Member, Tokyo Metropolitan Examination Committee for Disputes over Construction Works (current position) [Significant concurrent positions outside the Company] Partner, Ishii Law Office Outside Director, HASEKO Corporation Member, Tokyo Metropolitan Examination Committee for Disputes over Construction Works	Number of the Company's shares owned 0 shares
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Reasons for nomination as candidate for Outside Director and overview of expected roles

Ms. Mami Nagasaki has extensive experience as an attorney-at-law and general legal knowledge, as well as experience as an executive director of an investment corporation. The Company expects that she will reflect this abundant experience and knowledge in the management of the Company and provide oversight and advice regarding the execution of duties by Directors from an objective and neutral standpoint that also incorporates the perspective of minority shareholders, and therefore nominates her as a new candidate for Outside Director.

After her election, the Company expects she will fulfill the aforementioned roles, and also participate, as a member of the Nomination and Compensation Committee scheduled to be established in June this year, in deliberations concerning the selection of Director candidates and matters relating to remuneration for Directors. The Company also expects she will participate, as a member of an ad hoc special committee, in the preliminary discussions in the event that significant transactions or dealings (involving a conflict of interest between the Company's major and minority shareholders) arise.

Ms. Nagasaki has never in the past been directly involved in the corporate management. However, the Company judges she will appropriately fulfill her duties as an Outside Director based on the above reasons.

Conclusion of a limited liability agreement

If the election of Ms. Mami Nagasaki is approved, pursuant to Article 427, paragraph (1) of the Companies Act and Article 27, paragraph 2 of the Company's Articles of Incorporation, the Company intends to enter into an agreement with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under laws and regulations.

Independent officer

Ms. Mami Nagasaki is a candidate for independent officer as defined by Tokyo Stock Exchange.

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. The number of the Company's shares owned by each candidate includes the number of shares held through the JAE Officers Shareholding Association (fractions of less than one (1) share have been rounded down).
 3. The Company has entered into a liability insurance agreement with an insurance company for the Company's officers pursuant to Article 430-3, paragraph 1 of the Companies Act, which is intended to provide coverage for damages resulting from claims against the insured officers for liabilities arising from the execution of their duties or from the pursuit of such liabilities. The Company bears the full cost of the insurance premiums, including riders. In the event the election of each candidate is approved, they will be insured under this insurance policy, which the Company will renew with the same terms during their terms of office.

(Reference) Skill Matrix of Directors and Statutory Auditors After Conclusion of This Meeting
 If Proposal No. 1 is approved and adopted as proposed, the skill matrix of Directors and Statutory Auditors will be as follows.

Title	Name	Corporate management	Global	Accounting and finance	Legal and compliance	Technology and manufacturing	Sales and marketing	Human resources development and personnel affairs
Chairman (Representative Director)	Tsutomu Onohara	●	●			●		
President (Representative Director)	Masayuki Muraki	●	●			●		
Director	Minoru Urano	●	●			●		
Director	Tetsuya Nakamura	●		●	●			●
Director	Masahiro Matsuo		●		●		●	
Director (Outside Director)	Reiichiro Takahashi		●					
Director (Outside Director)	Kazuhiro Goto				●			
Director (Outside Director)	Hiroshi Kawaguchi	●				●		
Director (Outside Director)	Yuko Numata		●	●				
Director (Outside Director)	Mami Nagasaki			●	●			
Statutory Auditor (Full-time Statutory Auditor)	Yasutoshi Ogino	●	●	●				
Statutory Auditor (Full-time Statutory Auditor)	Naoaki Azuma				●		●	
Statutory Auditor (Outside Statutory Auditor)	Jin Takeda				●			
Statutory Auditor (Outside Statutory Auditor)	Keiji Kabeya			●				

Definitions of Each Skill

Skill	Skill definitions
Corporate management	Knowledge and experience as a member of the top management (representative director or equivalent role) of a company
Global	Knowledge and experience concerning international affairs, overseas business and international transactions
Accounting and finance	Knowledge and experience concerning accounting and finance
Legal and compliance	Knowledge and experience concerning legal and compliance
Technology and manufacturing	Knowledge and experience concerning technology and manufacturing that will expand and develop the Company's business
Sales and marketing	Knowledge and experience concerning sales and marketing that will expand and develop the Company's business
Human resources development and personnel affairs	Knowledge and experience concerning human resource strategy, such as human resource development, which includes diversity, as well as personnel affairs and labor

Proposal No. 2: Determination of Remuneration for Directors to Grant Restricted Shares Thereto

With regard to the amount of remuneration for Directors of the Company, approval was obtained at the 83rd Annual General Meeting of Shareholders held on June 25, 2013, to limit the amount of remuneration to no more than ¥27 million per month as monetary remuneration. (no more than annualized amount of ¥324 million.)

The Company had previously put in place remuneration allocated for the acquisition of the Company's shares, as part of the breakdown of monetary remuneration, for the purpose of providing the Company's Executive Directors ("Eligible Directors") incentives to increase the medium- to long-term corporate value. However, the Company now seeks shareholders' approval to revise the aforementioned remuneration to further promote value sharing with shareholders, and to pay remuneration for the grant of shares with transfer restrictions (hereinafter "restricted shares") as share-based remuneration for Eligible Directors.

The granting restricted shares under this proposal is to be conducted with either of the following methods pursuant to a resolution of the Board of Directors.

- (i) Issuance or disposal of the Company's common shares as remuneration for the Eligible Directors without the need for the payment of money or the provision of in-kind contribution assets
- (ii) Monetary remuneration claims are paid to the Eligible Directors as remuneration and the Eligible Directors then make an in-kind contribution of all said monetary remuneration claims, and in return, receive the issued or disposed Company's common shares (hereinafter "in-kind contribution method")

The total number of the Company's common shares to be issued or disposed of for the purpose of remuneration for the Eligible Directors pursuant to this proposal shall be no more than 28,000 shares annually, and the total amount of such remuneration shall not exceed ¥70 million annually as an amount, within the annualized amount of monetary remuneration mentioned above, considered reasonable in light of the aforementioned objectives. However, if the Company's total number of issued shares increase or decrease as a result of a split or consolidation of shares (including allotment of shares without contribution), the aforementioned limit on the number of shares shall be adjusted in accordance with the ratio.

The amount to be paid per share in the case of the in-kind contribution method shall be determined by the Board of Directors within a range that does not particularly favor the Eligible Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day before the day of the resolution of the Board of Directors (or if no transactions were made on that day, the closing price on the most recent trading day before then).

In addition, the specific allocation to each Eligible Director shall be determined by a Representative Director delegated by the Board of Directors.

At present, 5 Directors are eligible. If proposal 1 is approved in its original form, 5 Directors will continue to remain eligible.

For the granting of restricted shares under this proposal, an agreement on the allotment of restricted shares (hereinafter "Allotment Agreement") that includes the provisions summarized below shall be entered into by and between the Company and each Eligible Director.

- (1) An Eligible Director shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company received under the Allotment Agreement (hereinafter "Allotted Shares") for a period from the grant date of the Allotted Shares to the date of their resignation or retirement as a Director of the Company or from a position designated by the Company's Board of Directors (hereinafter "Restriction Period"). The restrictions described in the preceding sentence shall hereinafter be referred to as the "transfer restrictions".
- (2) If an Eligible Director resigns or retires from the position described in (1) above before the period determined by the Board of Directors of the Company (hereinafter "Service Period") expires, the Company shall automatically acquire the Allotted Shares without contribution, unless there is a reason deemed justifiable by the Board of Directors.
- (3) The Company shall lift the transfer restrictions on all of the Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has remained in the position described in (1) above throughout the Service Period. However, if an Eligible Director resigns or retires from the position described in (1) above before the expiration of the Service Period due to a reason deemed justifiable by the Board of

Directors of the Company, as set forth in (2) above, the Company shall rationally adjust, as needed, the number of the Allotted Shares on which the transfer restrictions are to be lifted.

- (4) The Company shall automatically acquire without contribution the Allotted Shares on which the transfer restrictions have not been lifted at the expiration of the Restriction Period in accordance with the provisions of (3) above.
- (5) The Company shall automatically acquire without contribution the Allotted Shares if the actions of an Eligible Director correspond to the reasons such as a violation of the law, regulations, internal rules, the Allotment Agreement, or other reasons judged by the Company's Board of Directors as sufficient cause to acquire the Allotted Shares without contribution.
- (6) Notwithstanding the provisions of (1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company becomes the non-surviving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other form of reorganization, are approved at the Company's General Meeting of Shareholders (or at a meeting of the Board of Directors in cases where approval at the General Meeting of Shareholders is not required for such reorganization and the like), before the day on which the reorganization is scheduled to take effect, the Company shall, pursuant to a resolution of the Board of Directors, lift the transfer restrictions on the Allotted Shares with respect to the number of shares rationally determined based on the period from the start date of the Service Period to the date of approval of the reorganization.
- (7) In cases specified in (6) above, the Company shall automatically acquire without contribution the Allotted Shares on which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted in accordance with the provisions of (6) above.

[Sufficient reasons for granting restricted shares]

With the aim of providing an incentive for Eligible Directors to sustainably increase the Company's corporate value and further promote shared value with shareholders, under this proposal, remuneration for the purpose of granting restricted shares to Eligible Directors will be paid.

The outline of the content of the Company's Policy for Determining the Content of Remuneration, etc. for Individual Directors is as described on page 17 of the Business Report (in Japanese only), however, subject to approval of this proposal, the content of the policy will be changed to the content described in the [Reference] column below. The grant of restricted shares under this proposal has been judged to be necessary and reasonable in line with the revised policy. Also, based on this proposal, the maximum number of shares to be issued or disposed of within one year accounts for 0.04% of 70,302,608 shares outstanding (as of May 20, 2024), and as such, the rate of dilution is considered negligible.

Therefore, the Company deems this Proposal to be appropriate.

[Reference] Policy for Determining the Content of Remuneration, etc. for Individual Directors

If Proposal 2 is approved as proposed, the "Policy for Determining the Content of Remuneration, etc. for Individual Directors" shall be as follows:

1) Basic policy

The Company's basic policy for determining the remuneration of individual directors is that it be set at an appropriate level based on their position and performance. Specifically, remuneration for Directors consists of basic remuneration in the form of monthly remuneration, performance-linked remuneration, etc., in the form of Director bonuses and, non-monetary remuneration, etc. such as, share acquisition rights (hereinafter referred to as "share options") and remuneration for the grant of restricted share (hereinafter referred to as "restricted share

remuneration”). However, non-executive Directors (Part-time Directors), including outside Directors, shall receive only monthly remuneration.

- 2) Policy regarding the setting of amounts of basic remuneration etc., for individual Directors
(Includes policy for timing and conditions for paying remuneration, etc.)
Monthly remuneration for Directors is paid as a fixed amount set in consideration of appropriate levels and based on standards including whether said Director has representation rights, their position, and other factors, within the scope of a total monthly remuneration amount that has been approved at the General Meeting of Shareholders.
- 3) Policy regarding the determination of the content of and methods for calculating amount of performance-linked remuneration, etc.
(Includes policy for timing and conditions for paying remuneration, etc.)
 - Director bonuses (performance-linked remuneration, etc.)From the viewpoint of reflecting the business results of a single fiscal year, the total amount of the bonus is calculated based on the consolidated ordinary income, consolidated net profit, and other business results for the relevant fiscal year, with reference to the number of Directors and their positions, etc. The amount allocated to individual Directors is decided based on each Director’s position and performance in their area of responsibility. It is paid at a set time each year.
- 4) Policy regarding the determination of the content of and methods for calculating amount of non-monetary remuneration, etc.
(Including the policy regarding determination of timing or conditions for granting remuneration, etc.)
 - Share optionsWithin the scope of the total annual remuneration approved at the General Meeting of Shareholders, the number of share options to be granted shall be determined in accordance with the position of the recipient and granted at a set time each year for the purpose of providing motivation to improve performance.
 - Restricted share remunerationRestricted share remuneration shall be paid within the range previously resolved at the General Meeting of Shareholders at a set time each year for the purpose of providing incentives to continuously improve corporate value and to further promote the sharing of value with shareholders. The transfer restrictions shall be lifted immediately after the retirement or resignation as a Company Director or other position determined by the Company’s Board of Directors.
- 5) Policy regarding the determination of the ratios of the amount of monetary remuneration, amount of performance-linked remuneration, etc. and amount of non-monetary remuneration, etc. for each individual Director’s remuneration
Monthly remuneration, Director bonuses, share options and restricted share remuneration are calculated based on the policies outlined above within the scope that has been approved at the General Meeting of Shareholders.
- 6) Matters regarding the determination of the content of remuneration, etc., for individual Directors
The determination of the allocation of monthly remuneration, Director bonuses and restricted share remuneration within the amount of remuneration for each Director has been entrusted to the Representative Director at a meeting of the Board of Directors on the precondition that it will be determined based on the policies outlined above. For share options, the number to be awarded is determined by the Board of Directors based on the policies outlined above.

Proposal No. 3: Payment of Director Bonuses

Taking into account business results for the 94th fiscal year and other factors, the Company proposes that a total of ¥106 million in Director bonuses be paid to the five (5) Executive Directors in office as of the end of the 94th fiscal year.

The total amount of these Director bonuses was calculated based on consolidated ordinary profit, consolidated net profit, and other business results for the 94th fiscal year by referring to the number and positions of Directors, etc. As such calculation of the total amount is in line with the Company's "Policy for Determining the Content of Remuneration, etc. for Individual Directors," which was determined by a resolution of the Board of Directors, the Company deems the total amount to be appropriate.

The details of the aforementioned determination policy are as described on page 17 of the Business Report for the 94th fiscal year (in Japanese only).