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Securities Code: 6333

June 8, 2022

To Shareholders:

Yoshihiro Koroyasu,  
President & CEO,  
**TEIKOKU ELECTRIC MFG. CO., LTD.**  
60 Hirano, Shingu-cho, Tatsuno City, Hyogo Prefecture

## Notice of the 118th Annual General Meeting of Shareholders

You are cordially invited to attend the 118th Annual General Meeting of Shareholders of TEIKOKU ELECTRIC MFG. CO., LTD. (the “Company”). The meeting will be held for the purposes as described below.

**This year, in light of the COVID-19 situation, with the utmost priority on the safety of shareholders, shareholders are requested to refrain from attending this general meeting of shareholders as much as possible and, since it is possible to exercise voting rights in writing or via the Internet, etc., to exercise their voting rights by no later than 5:00 p.m. on Tuesday, June 28, 2022 (JST) following the instruction indicated below upon reviewing the Reference Documents for the General Meeting of Shareholders below.**

- 1. Date and Time:** Wednesday, June 29, 2022 at 10:00 a.m. (JST)
- 2. Venue:** Seiwa Hall on the 3rd floor of the Company’s factory office building  
60 Hirano, Shingu-cho, Tatsuno City, Hyogo Prefecture

### 3. Agenda

#### Items to be reported:

1. The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the Company’s 118th Fiscal Year (April 1, 2021 to March 31, 2022)
2. Results of audits by the Independent Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements for the Company’s 118th Fiscal Year

#### Matters to be resolved:

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus  |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation   |
| <b>Proposal No. 3</b> | Election of Four Directors (Excluding Directors Who Are Members of Audit & Supervisory Committee) |
| <b>Proposal No. 4</b> | Election of Four Directors Who Are Members of Audit & Supervisory Committee                       |

### Notice Concerning the Novel Coronavirus (COVID-19)

**In order to prevent the spread of COVID-19 and ensure the safety of shareholders, shareholders are requested to refrain from coming to the venue of this general meeting of shareholders as much as possible.**

**Even if you come to the venue of the meeting, your cooperation is appreciated in letting us measure your body temperature, using alcohol disinfectant, wearing a face mask, etc. A person who is confirmed to have a body temperature of 37.5℃ or above or the like may not be admitted into the venue of the meeting. Please note in advance that admission may be restricted as there will be less seats available for the purpose of reducing contact risk.**

1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the reception desk.
2. Among documents to be provided with this notice, the “Notes on Consolidated Financial Statements” of the Consolidated Financial Statements and the “Notes on Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.teikokudenki.co.jp/>) in place of this notice in accordance with laws and regulations and the Company’s Articles of Incorporation.

The Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Independent Auditor and the Audit & Supervisory Committee in preparing the audit reports are the accompanying documents of this notice as well as the items to be mentioned as the “Notes on Consolidated Financial Statements” and the “Notes on Non-consolidated Financial Statements”.

3. If it is necessary to modify the contents of the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements, the modified versions will be posted on the Company’s website (<https://www.teikokudenki.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### **Proposal No. 1**      Appropriation of Surplus

The Company considers the return of profits to shareholders to be one of its highest management priorities and decides on the appropriation of surplus after comprehensive consideration of future business development and other factors. The Company has given consideration to the business performance of the fiscal year and proposes to pay year-end dividends for the 118th fiscal year as follows:

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount  
Common stock    ¥32 per share  
Total dividends   ¥608,133,184  
As the Company has already paid an interim dividend of ¥18 per share, the annual dividend will be ¥50 per share.
- (3) Effective date of dividends of surplus  
The effective date of dividends shall be June 30, 2022.

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendment

Since 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) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (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 items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision 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 establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the amendments

Amendments are described as follow.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ordinance of the Ministry of Justice, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>1. 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></p> <p><u>2. 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 rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>(Supplementary Provisions)</u></p> <p><u>Article 1.</u></p> <p><u>1. The amendment to the Articles of Incorporation pertaining to Article 15 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></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, preamendment Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held by the end of February, 2023.</u></p> <p><u>3. 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 date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Proposal No. 3** Election of Four Directors (Excluding Directors Who Are Members of Audit & Supervisory Committee)

The terms of office of all Five Directors (excluding Directors Who Are Members of Audit & Supervisory Committee; the same applies hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Consequently, the Company proposes the election of Four Directors, lowering the number of Directors by one to enhance the efficiency of the management system. The Audit & Supervisory Committee of the Company has no particular opinion on this proposal.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Yoshihiro Koroyasu (February 28, 1963)	<p>April 1987      Joined the Company</p> <p>January 2010    General Manager, Metering Pump Development Project Team of Domestic Sales H.Q.</p> <p>July 2010        General Manager, Engineering Dept. of Technical Development H.Q.</p> <p>June 2011        General Manager, Quality Assurance Dept. of Procurement H.Q.</p> <p>January 2013    General Manager, R&amp;D Dept. of Technical Development H.Q.</p> <p>June 2013        Chief of Technical Development H.Q., General Manager of R&amp;D Dept.</p> <p>March 2014      Chief of Technical Development H.Q., General Manager of R&amp;D Dept., General Manager of Engineering Dept.</p> <p>June 2015        Director, Chief of Technical Development H.Q., General Manager of R&amp;D Dept., General Manager of Engineering Dept.</p> <p>October 2016    Director, Chief of Quality Assurance H.Q., General Manager of Quality Assurance Dept.</p> <p>June 2017        Director, Executive Officer, Chief of Quality Assurance H.Q., General Manager of Quality Assurance Dept.</p> <p>April 2018        Director, Executive Officer, Assistant to the President</p> <p>June 2018        Director [Member of Audit &amp; Supervisory Committee]</p> <p>June 2020        Director, Managing Executive Officer, Chief of Technical Development H.Q., General Manager of R&amp;D Dept.</p> <p>February 2021   President &amp; CEO, Chief of Technical Development H.Q.</p> <p>June 2021        President &amp; CEO (current position)</p>	24,200 shares
<p>Reasons for nomination as candidate for Director</p> <p>Yoshihiro Koroyasu has been in charge of the Technical Development and Quality Assurance Depts. and is well versed in the technology and quality of the Company's products. He also has knowledge of the corporate governance of the Group through his experience as a Member of Audit &amp; Supervisory Committee. Since he assumed the office of President &amp; CEO in February, 2021, he has been endeavoring to develop a corporate atmosphere allowing the free and nonchalant expression of opinions, officers' and employees' attitudes to entertain opinions earnestly, and a corporate culture for broadly sharing information. In addition, he has been vigorously working to reinforce the organizational capacity of the Group as a whole by, for instance, leading the institution of the Management Policy and Action Guidelines to clarify the direction to which the Company should be headed.</p> <p>The Company expects that he can continue to provide appropriate supervision of the management of the Group and contribute to the enhancement of the Company's corporate value, and his reappointment as Director is requested.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Kiyoshi Murata (July 18, 1962)	<p>April 1985      Joined The Taiyo Kobe Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>February 2015      Joined the Company General Manager, General Affairs Dept. of Administration H.Q.</p> <p>September 2015      General Manager, Corporate Planning Dept. of Administration H.Q.</p> <p>April 2018      Chief of Corporate Planning H.Q., General Manager of Corporate Planning Dept.</p> <p>June 2018      Executive Officer, Chief of Corporate Planning H.Q., General Manager of Corporate Planning Dept.</p> <p>June 2019      Director, Executive Officer, Chief of Corporate Planning H.Q., General Manager of Corporate Planning Dept.</p> <p>September 2019      Director, Executive Officer, Chief of Administration H.Q., General Manager of Corporate Planning Dept.</p> <p>June 2021      Director, Managing Executive Officer, Chief of Administration H.Q., General Manager of Corporate Planning Dept. (current position)</p>	8,900 shares
<p>Reasons for nomination as candidate for Director</p> <p>As Director in charge of Administration, Kiyoshi Murata oversees internal units for general affairs, corporate planning, and information systems and is working vigorously to develop a management plan, establish corporate governance, reinforce internal control and promote investor relations. In addition, he has also been strenuously working on the thorough implementation of measures against COVID-19 infection and the revision of human resource management systems and work style. As the Company judged, in light of such a track record, that his wide range of knowledge can continue to contribute to the enhancement of its corporate value, the Company nominated him as a candidate for Director again.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Tetsuzo Sato (February 28, 1964)	<p>April 1986      Joined the Company</p> <p>October 2007    General Manager, East Japan Sales Dept. of Domestic Sales H.Q.</p> <p>April 2009      General Manager, Procurement Dept. of Production H.Q.</p> <p>January 2012    General Manager, West Japan Sales Dept. of Domestic Sales H.Q.</p> <p>October 2013    General Manager, Production Control Dept. of Production H.Q.</p> <p>April 2018      Deputy Chief of Production Control H.Q., General Manager of Procurement Dept.</p> <p>January 2019    Chief of Procurement H.Q., General Manager of Procurement Dept.</p> <p>June 2019      Executive Officer, Chief of Procurement H.Q., General Manager of Procurement Dept.</p> <p>September 2019    Executive Officer, Deputy Chief of Production H.Q., General Manager of R&amp;D Dept.</p> <p>April 2020      Executive Officer, Chief of Technical Development H.Q., General Manager of R&amp;D Dept.</p> <p>June 2020      Director, Executive Officer, Chief of Sales H.Q. and Chairman of DALIAN TEIKOKU CANNED MOTOR PUMP CO., LTD. (current position)</p> <p>Significant concurrent positions outside the Company Chairman of DALIAN TEIKOKU CANNED MOTOR PUMP CO., LTD.</p>	99,700 shares
<p>Reasons for nomination as candidate for Director</p> <p>Beside overseeing sales operations in Japan and other countries as Director in charge of sales, Tetsuzo Sato has held positions of responsibility in internal units in charge of technical development, production management, procurement, etc. and is thus well acquainted with the Company's operations. In addition, he has served as Chairman of a Chinese subsidiary since June, 2020 and worked vigorously to expand the business and reinforce the corporate governance of the Chinese subsidiary.</p> <p>As the Company judged, in light of such a track record and experience, that he is a person capable of contributing to the enhancement of its corporate value, the Company nominated him as a candidate for Director again.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Takashi Kagen (August 7, 1963)	<p>April 1986      Joined the Company</p> <p>October 2007    General Manager, Sales Planning Dept. of Domestic Sales H.Q.</p> <p>April 2009      General Manager, East Japan Sales Dept. of Domestic Sales H.Q.</p> <p>April 2012      General Manager, International Business Dept. of International Sales H.Q.</p> <p>October 2012    General Manager, International Business Dept. of International Sales H.Q. Vice President of TEIKOKU USA INC.</p> <p>January 2014    General Manager, Project Dept. of International Sales H.Q.</p> <p>September 2015    Chief of Project H.Q., General Manager of Project Dept.</p> <p>April 2017      Chief of Procurement H.Q., General Manager of Procurement Dept.</p> <p>June 2017      Executive Officer, Chief of Procurement H.Q., General Manager of Procurement Dept.</p> <p>October 2017    Executive Officer, Chief of Procurement H.Q., General Manager of Procurement Dept., General Manager of Cost Control Dept.</p> <p>April 2018      Executive Officer, Chief of Manufacturing H.Q.</p> <p>January 2019    Executive Officer, Chief of Sales H.Q.</p> <p>September 2019    Office Manager of Internal Audit Office</p> <p>June 2020      Director [Member of Audit &amp; Supervisory Committee]</p> <p>June 2021      Director, Executive Officer, Chief of Technical Development H.Q. (current position)</p>	15,800 shares
<p>Reasons for nomination as candidate for Director</p> <p>Besides overseeing internal units for technology, development and projects as Director in charge of technical development, Takashi Kagen has held positions of responsibility in internal units in charge of domestic and oversea sales, projects, procurement, manufacturing, etc. and is thus well acquainted with the Company's operations. In addition, he has acquired knowledge on the Group's corporate governance through his experience as a Member of Audit &amp; Supervisory Committee. As the Company judged, in light of his adequate track record and experience in a wide range of areas, that he is a person capable of contributing to the enhancement of its corporate value, the Company nominated him as a candidate for Director again.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. The Company has entered into an indemnity agreement as specified in Article 430-2, paragraph (1) of the Companies Act with each candidate. If the reelection of each candidate is approved, the Company plans to renew the aforementioned indemnity agreement with each of them.
  3. The Company has entered into a directors and officers liability insurance contract as specified in Article 430-3, paragraph (1) of the Companies Act with an insurance company. If the reelection of each candidate is approved, each candidate will be insured by the said insurance contract. The said insurance contract is planned to be renewed under equivalent terms and conditions when it is renewed next time.

**Proposal No. 4** Election of Four Directors Who Are Members of Audit & Supervisory Committee

The terms of office of all Four Directors who are Members of Audit & Supervisory Committee will expire at the conclusion of this general meeting of shareholders. Therefore, the Company proposes the election of Four Directors who are Members of Audit & Supervisory Committee. In addition, the consent of the Audit & Supervisory Committee of the Company has been obtained for this proposal.

Candidates for the role of Director who is a Member of Audit & Supervisory Committee are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Takashi Abe (October 18, 1964)	April 1987      Joined The Taiyo Kobe Bank, Limited (currently Sumitomo Mitsui Banking Corporation)	300 shares
		April 2020      Joined the Company General Manager, Assistant to Chief of Administration H.Q.	
		June 2021      Director [Member of Audit & Supervisory Committee] (current position)	
Reasons for nomination as candidate for Director who is a Member of Audit & Supervisory Committee Takashi Abe participates in managerial decision making as a Director who is a Member of Audit & Supervisory Committee and also audits the execution, supervises management, etc. in collaboration with Outside Directors (Members of Audit & Supervisory Committee) and the corporate unit in charge of internal audit. In light also of his abundant experience in overseas operations and his track records in establishing the system of overseas subsidiaries management, revising the audit system and method, etc., the Company judges that he can play a sufficient role in conducting highly effective audit, etc. of the management of the Group as a whole and nominated him again as a candidate for a Director who is a Member of Audit & Supervisory Committee.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Koji Hayashi (September 18, 1959)	<p>April 1990      Joined Kitayama Law Office (currently Kobe Kyobashi LPC); Registered with Kobe Bar Association (currently HYOGO BAR ASSOCIATION)</p> <p>May 2009      Deputy Representative of Kobe Kyobashi LPC</p> <p>April 2012      President of HYOGO BAR ASSOCIATION</p> <p>June 2015      Outside Director of the Company</p> <p>September 2015      Outside Director of F.O. HOLDINGS CO., LTD. (current position)</p> <p>April 2016      Head of HYOGO District Office of JAPAN LEGAL SUPPORT CENTER</p> <p>June 2016      Outside Director of the Company [Member of Audit &amp; Supervisory Committee] (current position)</p> <p>June 2016      Outside Auditor of MIWA CORPORATION (current position)</p> <p>January 2017      Representative of Kobe Kyobashi LPC (current position)</p> <p>April 2022      Vice President of the Japan Federation of Bar Associations (current position)</p> <p>Significant concurrent positions outside the Company  Vice President of the Japan Federation of Bar Associations  Attorney at law (Representative partner and office manager of Kobe Kyobashi LPC)  Outside Director of F.O. HOLDINGS CO., LTD.  Outside Auditor of MIWA CORPORATION</p>	—
<p>Reasons for nomination as candidate for Outside Director who is a Member of Audit &amp; Supervisory Committee</p> <p>Koji Hayashi, who has extensive experience and expertise as an attorney at law, supervises the Company's management and provides advice on its management in general, primarily in areas of legal affairs and compliance, from an independent standpoint. Expecting him to play the role of reinforcing the supervisory function of the Board of Directors of the Company, supervising the execution of business, etc. from the said perspective of his, the Company nominated him again as a candidate for an Outside Director who is a Member of Audit &amp; Supervisory Committee.</p> <p>He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Director who is a Member of Audit &amp; Supervisory Committee based on the above reasons.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
3	Ichiro Kawashima (July 24, 1950)	April 1973 April 2001 October 2004 April 2005 July 2007 June 2011 June 2018	Joined ITOCHU Corporation Deputy General Manager, Textile Material Division of ITOCHU Corporation Assistant President, Finance, Insurance & Logistics Service Company of ITOCHU Corporation General Manager, Orient Corporation Business Dept. of ITOCHU Corporation Executive Officer of Orient Corporation Corporate Auditor of ORIFA Servicer Corporation Outside Director of the Company [Member of Audit & Supervisory Committee] (current position)	—
		Reasons for nomination as candidate for Outside Director who is a Member of Audit & Supervisory Committee Ichiro Kawashima, who has extensive business experience including experience in overseas operations and a wide range of knowledge, supervises the Company's management and provides advice on its management in general primarily in the area of business strategies from an independent standpoint. Expecting him to play the role of reinforcing the supervisory function of the Board of Directors of the Company, supervising the execution of business, etc. from the said perspective of his, the Company nominated him again as a candidate for an Outside Director who is a Member of Audit & Supervisory Committee.		
4	Yoshimasa Oki (February 13, 1967)	July 1989 March 1992 July 1996 July 1998 June 2010 April 2011 June 2011 June 2018	Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC) Registered as certified public accountant Joined Kawakami Certified Public Accountant Office Established Oki Certified Public Accountant Office (current position) Director, the Hyogo Chapter of the Japanese Institute of Certified Public Accountants Comprehensive Outside Auditor of Himeji City Outside Auditor of Okano Food Holdings Co., Ltd. (current position) Outside Director of the Company [Member of Audit & Supervisory Committee] (current position)	15,000 shares
		Significant concurrent positions outside the Company Certified public accountant (Oki Certified Public Accountant Office) Outside Auditor of Okano Food Holdings Co., Ltd.		
Reasons for nomination as candidate for Outside Director who is a Member of Audit & Supervisory Committee Yoshimasa Oki, who has abundant experience as a certified public accountant and a wide range of knowledge, supervises the Company's management and provides advice on its management in general primarily in areas of finance, accounting, etc. from an independent standpoint. Expecting him to play the role of reinforcing the supervisory function of the Board of Directors of the Company, supervising the execution of business, etc. from the said perspective of his, the Company nominated him again as a candidate for an Outside Director who is a Member of Audit & Supervisory Committee. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Director who is a Member of Audit & Supervisory Committee based on the above reasons.				

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Koji Hayashi, Ichiro Kawashima and Yoshimasa Oki are candidates for Outside Director.
  3. At the conclusion of this General Meeting of Shareholders, Koji Hayashi will have served as an Outside Director of the Company for seven years and Ichiro Kawashima and Yoshimasa Oki will have served for four years.
  4. Pursuant to Article 427, paragraph (1) of the Companies Act and the Company's Articles of Incorporation, the Company has entered into agreements with Koji Hayashi, Ichiro Kawashima and Yoshimasa Oki to limit their liability for damages

- as provided for in Article 423, paragraph (1) of the Companies Act to the amount provided for in laws and regulations. If the reelection of them is approved, the Company plans to renew the aforementioned agreements with them.
5. If the reelection of Takashi Abe is approved, pursuant to Article 427, paragraph (1) of the Companies Act and the Company's Articles of Incorporation, the Company plans to enter into an agreement with him to limit his liability for damages as provided for in Article 423, paragraph (1) of the Companies Act to the amount provided for in laws and regulations.
  6. The Company has entered into an indemnity agreement as specified in Article 430-2, paragraph (1) of the Companies Act with each candidate. If the reelection of each candidate is approved, the Company plans to renew the aforementioned indemnity agreement with each of them.
  7. The Company has entered into a directors and officers liability insurance contract as specified in Article 430-3, paragraph (1) of the Companies Act with an insurance company. If the reelection of each candidate is approved, each candidate will be insured by the said insurance contract. The said insurance contract is planned to be renewed under equivalent terms and conditions when it is renewed next time.
  8. The Company has registered Koji Hayashi, Ichiro Kawashima and Yoshimasa Oki with the Tokyo Stock Exchange, Inc. as independent officers pursuant to the regulations of the Tokyo Stock Exchange, Inc.
  9. During the term of office of Koji Hayashi, Ichiro Kawashima and Yoshimasa Oki as Audit & Supervisory Committee Member of the Company, the Company identified that certain models of canned motor pumps sold had been shipped under improper performance tests, and the Company disclosed the said fact in June 2021. Although none of them had been aware of this fact before they received a report from the Company, they had been raising awareness of the importance of compliance at meetings of the Board of Directors and elsewhere. After the fact was revealed, they fulfilled their responsibility by strongly demanding the determination of the factual relationship and the investigation of causes and the reinforcement of quality control and compliance systems and, at the same time, making recommendations for recurrence prevention, etc.

[For your information: skill matrix of Directors]

If Proposals 3 and 4 are approved and adopted as originally proposed, the skill matrix of Directors as of the conclusion of this general meeting will be as given below.

Name	SDGs & corporate management	Finance, accounting & human resources management	Legal affairs & risk management	Global	Sales & marketing	Technical development, manufacturing & IT
Yoshihiro Koroyasu	○	○	○		○	○
Kiyoshi Murata	○	○	○			○
Tetsuzo Sato			○	○	○	○
Takashi Kagen			○	○	○	○
Takashi Abe		○	○	○		
Koji Hayashi			○			
Ichiro Kawashima	○			○		
Yoshimasa Oki		○				

\* The above list does not represent all specialties and experience that each Director candidate has.