

TRANSLATION

Securities Code: 7739

NOTICE OF CONVOCATION OF
THE ORDINARY GENERAL MEETING OF
SHAREHOLDERS FOR
THE 86TH BUSINESS TERM

Canon Electronics Inc.

March 4, 2025

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Notice of Convocation of the Ordinary General Meeting of Shareholders for the 86th Business Term

March 4, 2025

To our shareholders:

Takeshi Hashimoto
President & COO
CANON ELECTRONICS INC.
1248 Shimokagemori, Chichibu-shi, Saitama

Notice is hereby given that the Ordinary General Meeting of Shareholders for the 86th Business Term of CANON ELECTRONICS INC. (the “Company”) will be held as described below and that you are invited to attend the Meeting.

You may exercise your voting rights in writing or via the Internet, etc. If you do not attend the meeting, please review the Reference Documents for the General Meeting of Shareholders and indicate your approval or disapproval on the Voting Rights Exercise Form sent together with this Notice of Convocation, or take the measures indicated in the Guide Notes on Exercise of Voting Rights via the Internet, etc. The deadline for exercising voting rights is 5:00 PM on Wednesday, March 26, 2025 (in the case of voting by mail, the deadline for voting rights to arrive at the administrator of our company shareholder registry at the same time).

1 Date and Time 9:00 a.m. on March 27, 2025 (Thursday)
(Japan time)

2 Venue Meeting Room at Misato Plant of the Company
1611 Oaza-Amagasu, Misato-machi, Kodama-gun,
Saitama

3 Purpose of the Meeting

Matters to be reported:

1. Reports on the contents of the Business Report and the Consolidated Financial Statements for the 86th Business Term (from January 1, 2024 to December 31, 2024), and reports on the Auditing Results of Accounting Auditor & Audit & Supervisory Board regarding the Consolidated Financial Statements.
2. Reports on the content of the Financial Statements for the 86th Business Term (from January 1, 2024 to December 31, 2024)

4 Matters to be resolved upon:

Propositions:

- Item No.1 - Dividend from Surplus
- Item No.2 - Election of Eleven Directors
- Item No.3 - Election of One Audit & Supervisory Board Member
- Item No.4 - Grant of Bonus to Directors
- Item No.5 - Payment of Special Meritorious Service Remuneration to Retiring Directors

5 Guidance Notes on the Electronic Provision Measures

Please refer to the “Guidance Notes on the Electronic Provision Measures” on the following page.

6 Guidance Notes on the Exercise of Voting Rights

Please refer to the “Guidance Notes on the Exercise of Voting Rights” on page 5.

Notes:

1. Any revisions to the Reference Documents for the General Meeting of Shareholders, will be posted on our company website (<https://www.canon-elec.co.jp//finance/ir/jigyuu/>).
2. In order to prevent the infection of various infectious diseases, we will refrain from serving food and drinks in the venue. Thank you for your understanding in advance.

Guidance Notes on the Measures for Electronic Provision

At the time of convening the General Meeting of Shareholders, in accordance with the provisions of the Companies Act and the Articles of Incorporation of our company, the Company has taken measures to electronically provide information that is the content of reference documents for the General Meeting of Shareholders (electronic provision measures) and posts it on the Company's website on the Internet. Please access the following to find out.:

Our website

<https://www.canon-elec.co.jp/finance/ir/jigyoku/> (written in Japanese)

Please access the above website and confirm the "NOTICE OF CONVOCATION OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE 86th BUSINESS TERM"

In addition to the above website, the matters to be provided electronically will also be posted on the website of the Tokyo Stock Exchange (TSE). Please access the following website for the TSE (Listed Company Search), enter "Canon Electronics" in the "Issue name (company name)" field or "7739" in the "Code" field and run a search. Then, select "Basic information" followed by "Documents for public inspection/PR information" to peruse the information that has been posted.

The Tokyo Stock Exchange's website (Listed Company Search)

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

If you are not attending the Meeting in person, you can exercise your voting rights in writing or via the Internet. After reviewing the following Reference Documents for General Meeting of Shareholders, please exercise your rights by no later than 5:00 p.m. on March 26 (Wednesday), 2025 (Japan time).

Disclosure on the Internet

This document also serves as the paper copy including the matters to be provided electronically according to a document delivery request. The following information is not described in this Convocation Notice for the 86th Business Term, since the information is posted on our website (written in Japanese), based on the provisions of the relevant laws and the Article 14 of the Company Articles of Incorporation.

1. Business Report
2. Consolidated Financial Statements
3. Financial Statements
4. Notes to Consolidated Financial Statements
5. Notes to Non-consolidated Financial Statements
6. Consolidated statement of changes in net assets
7. Statement of changes in net assets
8. Audit Reports

Please note that the consolidated financial statements and financial statements, which are the applicable documents audited by the Accounting Auditor and the Audit & Supervisory Board Members to prepare the audit report, include the information described in 1. to 7. above posted on the internet, in addition to the documents described in the document describing the electronic provision measures.

Guidance Notes on the Exercise of Voting Rights

Your voting rights to be exercised at the General Meetings of Shareholders are important rights. After reviewing the Reference Documents for the General Meeting of Shareholders included in the matters to be provided electronically, please exercise your voting rights.

The Voting rights can be exercised in one of the following three ways.

■ Exercise of Voting Rights by Attending the Meeting

Date Time : March 27 (Thursday), 2025 at 9:00 a.m. (Japan time)
Place : Meeting Room at Misato Plant of the Company
1611 Amagasu, Misato-machi, Kodama-gun, Saitama, Japan

Please bring and submit the Voting Forms for this General meeting that is sent along with the notice of the General Meeting at the reception of the meeting venue.

■ Exercise of Voting Rights in Writing (Via Postal Mail)

Voting Deadline: To arrive no later than 5:00 p.m. on March 26 (Wednesday), 2025 (Japan time)
Voting Form that arrive at our manager of the register of shareholders (Mizuho Trust & Banking Co., Ltd.) no later the aforementioned deadline shall be deemed valid.

Please indicate your for/against for each of the propositions on the enclosed Voting Form and return it by postal mail. If neither for nor against are indicated for each of the propositions on the Voting Form, we will treat this as indicating an intention to vote in favor of the proposal.

■ Exercise of Voting Rights by Electromagnetic Means (Via the Internet, etc.)

Voting Deadline : No later than 5:00 p.m. on March 26 (Wednesday), 2025
(Japan time)

Please follow the " Guidance Notes on the Exercise of Voting Rights via the Internet, etc." on page 7 and enter your approval or disapproval of the proposal.

- * If voting rights are exercised in duplicate via the Internet and via postal mail, votes made via the Internet will be deemed to be valid.
- * If you exercise your voting rights more than once via the Internet, we will treat the last exercise of your voting rights as effective.
- * Please note that you may not be able to access the website for the exercise of voting rights depending on your Internet operating environment, your Internet service or the model of the device you use.
- * Any internet connection charges, communication charges or other fees incurred when you access the website for the exercise of voting rights shall be borne by you.

Guidance Notes how to fill out the Voting form in Writing

Please indicate your for/against for each of the propositions on the Voting Form and send it to us by postal mail.

1. Please indicate your for/against for each of the propositions here.
Mark the “賛” is “for”, Mark the “否” is “against”.

- Item No.2

- If you approve of all of the candidates:
Mark the “賛” (for) box with a “○”
- If you opposed to all of the candidates:
Mark the “否” (against) box with a “×”
- If you opposed to some of the candidates:
Mark the “賛” (for) box with a “○”, and indicate the numbers for the candidates that you are opposed to



- In the event that your for/against of any proposition is not indicated on the Voting Form, the proposition shall be considered as an indication of for.

2. Please cut the form at the dotted line, and send this portion of the form by postal mail.
(Please use the personal information security sticker on the Voting Form before sending it by postal mail.)



Guidance Notes on the Exercise of Voting Rights via the Internet, etc.

How to scan the QR code using your smartphone “Smart voting”

You can log-in to the voting website without having to enter your voting code or password.

1. Scan the QR code* printed on the bottom-right of the voting form.
* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Indicate your approval or disapproval of the resolutions by following the directions on the screen.

You can exercise your voting rights ONLY ONCE by “smart voting.”

If you wish to change your vote after exercising your voting rights by “smart voting,” please access the PC version of website for the exercise of voting rights, login by entering your voting code and password shown on the voting form and vote again.

Scanning the QR code again can take you to the PC version website for the exercise of voting rights.

How to the enter the voting code and password

1. Access the follow website for the exercise of voting rights.
Website : <https://soukai.mizuho-tb.co.jp/> (written in Japanese)
Click on the “Next” button.
2. Enter your voting code shown on your voting form.
Enter voting code.
Click on the “Next” button.
3. Enter your password shown on your voting form.
Enter password.
Click on the “Log-in” button.
4. Indicate your approval or disapproval of the resolutions by following the directions on the screen.

If you have any questions about use of the voting website or “smart voting,” please contact:

Internet Help Dial: Stock Transfer Agency Department Mizuho Trust & Banking Co., Ltd.

Telephone : 0120-768-524 (toll-free)

Operating Hours : 9:00 a.m. to 9:00 p.m. (excluding New Year’s holiday period)

To Institutional Investors

The electronic voting platform for institutional investors operated by Investor Communications Japan Inc. is available for institutional investors that have applied to use such platform in advance.

Reference Documents for the General Meeting of Shareholders

Item No. 1 Dividend from Surplus

The basic policy of the Company is, for the purpose of expanding a shareholders value to the future, to enhance an internal reserve and to maintain a stable return to shareholders, mainly in the form of a dividend, by actively developing business and strengthening corporate constitution.

After comprehensively considering the above policy, and also in order to express gratitude to our shareholders for their continuous support, we propose a term-end dividend of 35 yen per share, as follows.

As we have already paid an interim dividend of 35 yen per share, the full-year dividend will be 70 yen per share.

- i) Kind of dividend property: **Cash**
- ii) Matters regarding allocation of the dividend property and its total amount:
35 yen per one common share of the Company
Total amount of dividend 1,463,402,280 yen

(Reference) The full-year dividend of 86th Business Term:40 yen per share / Dividend Payout Ratio 37.4 %

- iii) Effective date of the distribution of the dividend from surplus:

March 28, 2025

(Reference)

	86th Business Term (From January 1, 2024 to December 31, 2024)		
	the interim	the term-end	the full-year
Dividends Per Share	35 yen	35 yen	70 yen
Dividend Payout Ratio	40.1 %	35.0 %	37.4 %
Total amount of dividend [millions of yen]	1,431	1,431	2,862

Item No.2 Election of Eleven Directors

The terms of office of all of the thirteen Directors will expire at the end of this Meeting. Therefore, we propose the election of eleven Directors.

The candidates for the Directors are as follows:

Candidate No.	Name	Positions and business in charge in the Company	Attendance Status at Board of Directors Meetings
1	Mr. Takeshi Hashimoto	President & COO, Group Executive of LBP Group, Business Machine Components Group, Chichibu Plant, Misato Plant and Akagi Plant	100% 17held, 17 attended
2	Mr. Takeshi Uchiyama	Managing Director, President & CEO of Canon Electronics Technology Inc.	100% 17held, 17 attended
3	Mr. Hiroyuki Okita	Director, General Manager of Finance & Accounting Div.	100% 17held, 17 attended
4	Mr. Akira Katsuyama	Director, Group Executive of Image Management Systems Group	100% 17held, 17 attended
5	Mr. Taku Kamura	Director, Group Executive of Production Engineering Center	100% 17held, 17 attended
6	Mr. Nobutada Sako	Director, Group Executive of Satellite Systems Laboratory	100% 17held, 17 attended
7	Mr. Toshikazu Togari	Director	100% 17held, 17 attended
8	Mr. Atsushi Maekawa	Director	100% 17held, 17 attended
9	Mr. Kazuyuki Sugimoto	Director	100% 17held, 17 attended
10	Mr. Tomohiro Kondo	Director	100% 17held, 17 attended
11	Ms. Keiko Yamagami	Director	92.3% 13 held, 12 attended

As Ms. Keiko Yamagami was newly appointed at the 85th Ordinary General Meeting of Shareholders held on March 27, 2024, the attendance at the Board of Directors meetings held after her appointment is shown below.

<p>Candidate No.1</p> <p style="text-align: center;">Mr. Takeshi Hashimoto</p> <div style="text-align: center;">  <p style="color: red; border: 1px solid red; display: inline-block; padding: 2px;">Re-nominated</p> </div> <p>Date of Birth: Sep. 12, 1962 Number of the Company's shares held: 29,547 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1985 Entered Canon Inc. May 2002 General Manager of LBP Administration Div., LBP Group of Canon Electronics Inc. (the Company) Apr. 2004 Deputy Group Executive of LBP Group and General Manager of LBP Administration Div. of the Company Mar. 2007 Director of the Company Group Executive of LBP Group of the Company (present) Mar. 2009 Managing Director of the Company Jan. 2012 Group Executive of Business Machine Components Group of the Company (present) Mar. 2012 Senior Managing Director Executive Vice President & Director of the Company Mar. 2013 Executive Vice President & Director of the Company of the Company Nov. 2013 Senior General Manager of Functional Components Business Promotion Center of the Company Dec. 2013 Senior General Manager of Production Engineering Center of the Company Jul. 2018 General Manager of Precision Equipment and Tools Group of the Company Jul. 2019 Executive Vice President & COO of the Company Jun. 2020 Group Executive of Chichibu Plant, Misato Plant and Akagi Plant of the Company (present) Mar. 2021 President & COO of the Company (present)</p>
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【Reasons for being selected as a candidate】

Mr. Takeshi Hashimoto has led the laser printer division, the laser scanner unit division for laser printers and multifunction printers for many years, and production site, and has achieved great results. In addition, he has served as President & COO, and the Company has determined that he will be able to continue to play a full role in deciding important matters and supervising the execution of duties at the Board of Directors of the Company, utilizing his extensive experience and insight as a manager. The Company has nominated him as a candidate for Director.

<p>Candidate No.2</p> <p style="text-align: center;">Mr. Takeshi Uchiyama</p> <div style="text-align: center;">  <p style="color: red; border: 1px solid red; display: inline-block; padding: 2px;">Re-nominated</p> </div> <p>Date of Birth: Dec. 22, 1964 Number of the Company's shares held: 19,320 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1987 Entered Asia Computer Inc. (present Canon Electronics Technology Inc. (CET)) Apr. 1998 General Manager of Sales Promotion Div. of CET Jun. 1998 Director, Group Executive of Sales Group of CET Apr. 2006 Managing Director, Executive Officer, Group Executive of SI Group and Deputy Group Executive of Sales Group of CET Dec. 2007 Senior Managing Officer, Group Executive of System Integration Group of CET Mar. 2008 President and Representative Director of CET (present) Mar. 2010 Director of the Company Mar. 2017 Managing Director of the Company (present)</p> <p>Important concurrent posts President & Representative Director of Canon Electronics Technology Inc.</p>
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【Reasons for being selected as a candidate】

Mr. Takeshi Uchiyama has been leading the IT related business over the years and contributed greatly to the Company. He serves a position as a Managing Director of the Company and the president of the subsidiary. The Company has selected him as a candidate for director upon determining that his extensive expertise, wide range of experience in his duty and his good personality and deep insight are vital to further increase the corporate value of the Canon Electronics Group.

<p>Candidate No.3</p> <p style="text-align: center;">Mr. Hiroyuki Okita</p> <div style="text-align: center;">  <p style="color: red; border: 1px solid red; display: inline-block; padding: 2px;">Re-nominated</p> </div> <p>Date of Birth: Dec. 17, 1963 Number of the Company's shares held: 2,679 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1986: Entered the Company Aug. 2017: General Manager of Finance & Accounting Div. of the Company (present) Apr. 2019: Managing Officer of the Company Mar. 2022: Director of the Company (present)</p>
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【Reasons for being selected as a candidate】
Mr. Hiroyuki Okita has been leading the Finance and Accounting Division over the years and contributed greatly to the Company. He serves a position as a Director of the Company. The Company has selected him as a candidate for director upon determining that his extensive expertise, wide range of experience in his duty and his good personality and deep insight are vital to further increase the corporate value of the Canon Electronics Group.

<p>Candidate No.4</p> <p style="text-align: center;">Mr. Akira Katsuyama</p> <div style="text-align: center;">  <p style="color: red; border: 1px solid red; display: inline-block; padding: 2px;">Re-nominated</p> </div> <p>Date of Birth: Apr. 25, 1973 Number of the Company's shares held: 1,483 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1997 Entered Canon Inc. Feb. 2017 General Manager of IMS Marketing & Planning Div., Image Management Systems Group of the Company Jan. 2018 Group Executive of Image Management Systems Group of the Company (Present) Feb. 2019 Managing Officer of the Company Apr. 2020 Senior Managing Officer of the Company Mar. 2023 Director of the Company (present)</p>
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【Reasons for being selected as a candidate】
Mr. Akira Katsuyama has been leading the Image Management Systems Division over the years and contributed greatly to the Company. He serves a position as a Director of the Company. The Company has selected him as a candidate for director upon determining that his extensive expertise, wide range of experience in his duty and his good personality and deep insight are vital to further increase the corporate value of the Canon Electronics Group.

<p>Candidate No.5</p> <p style="text-align: center;">Mr. Taku Kamura</p> <div style="text-align: center;">  <p>Re-nominated</p> </div> <p>Date of Birth: Oct. 11, 1975 Number of the Company's shares held: 1,083 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 2001 Entered the Company</p> <p>Mar. 2015 General Manager of Production Engineering Div.1, Production Engineering Center of the Company</p> <p>Aug. 2017 General Manager of Production Engineering Div., Production Engineering Center of the Company</p> <p>Jul. 2018 Deputy Group Executive of Production Engineering Center of the Company</p> <p>Dec. 2020 Managing Officer of the Company Group Executive of Production Engineering Center of the Company (present)</p> <p>Mar. 2022 Senior Managing Officer of the Company</p> <p>Mar. 2023 Director of the Company (present)</p>
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【Reasons for being selected as a candidate】

Mr. Taku Kamura has been leading the Production Engineering Division over the years and contributed greatly to the Company. He serves a position as a Director of the Company. The Company has selected him as a candidate for director upon determining that his extensive expertise, wide range of experience in his duty and his good personality and deep insight are vital to further increase the corporate value of the Canon Electronics Group.

<p>Candidate No.6</p> <p style="text-align: center;">Mr. Nobutada Sako</p> <div style="text-align: center;">  <p>Re-nominated</p> </div> <p>Date of Birth: Jul. 29, 1975 Number of the Company's shares held: 833 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 2007 Assistant Professor of Graduate School of Engineering, the University of Tokyo</p> <p>Apr. 2010 Associate Professor of Graduate School of Engineering, Shinshu University</p> <p>Sep. 2012 Visiting Associate Professor of Japan Aerospace Exploration Agency (JAXA)</p> <p>Nov. 2012 Entered the Company Deputy Group Executive of Space Technology Laboratory</p> <p>Jun. 2015 Group Executive of Satellite Systems Laboratory of the Company (present)</p> <p>Jun. 2021 Managing Officer of the Company</p> <p>Mar. 2022 Senior Managing Officer of the Company</p> <p>Mar. 2023 Director of the Company (present)</p>
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【Reasons for being selected as a candidate】

Mr. Nobutada Sako has been leading the Space and Satellite Strategy Division over the years and contributed greatly to the Company. He serves a position as a Director of the Company. The Company has selected him as a candidate for director upon determining that his extensive expertise, wide range of experience in his duty and his good personality and deep insight are vital to further increase the corporate value of the Canon Electronics Group.

Candidate No.7

Mr. Toshikazu Togari



Re-nominated

Candidate for Outside Director

Independent Director

Date of Birth: Nov. 28, 1947

Number of the Company's shares held:
0 shares

Brief personal record, position, business in charge and important concurrent posts


As of	
Jul. 1971	Entered Ministry of Labour (present Ministry of Health, Labour and Welfare)
Jul. 1999	Deputy Vice-Minister of Minister's Secretariat, Ministry of Labour
Jan. 2001	Deputy Vice-Minister of Minister's Secretariat, Ministry of Health, Labour and Welfare
Aug. 2002	Director-General of Employment Security Bureau
Aug. 2003	Vice-Minister for policy coordination
Jul. 2004	Vice-Minister
Oct. 2007	President of Japan Organization for Employment of the Elderly and Persons with Disabilities
Apr. 2008	Visiting Professor of Hosei University Graduate School of Regional Policy Design
Jun. 2011	Chairman and Representative Director of Zaikei Jutaku Kinyu Co., Ltd.
May 2014	Chairman of Nihon-Kango-Kasei-Shokai-Jigyō Association (present)
Mar. 2018	Outside Director of the Company (present)
May 2020	Chairman, President and Representative Director of Zaikei Jutaku Kinyu Co., Ltd.
Jun. 2021	Chairman and Representative Director of Zaikei Jutaku Kinyu Co., Ltd. (present)
Mar. 2023	Outside Auditor of LDH JAPAN Inc. (present)

Important concurrent posts

Chairman and Representative Director of Zaikei Jutaku Kinyu Co., Ltd
Chairman of Nihon-Kango-Kasei-Shokai-Jigyō Association

【Reasons for being selected as a candidate】

Mr. Toshikazu Togari has been served, over the years, a key position such as Vice-Minister of Ministry of Health, Labor and Welfare and has a wealth of experience and a sophisticated and wide-range of expertise in the field of employment and labor. He also engages in the management of the company and the university professor etc. The Company has selected him as a candidate for outside director upon determining that the Company's management may utilize his high-level expertise and wealth of experience gained from his career in the company management.

<p>Candidate No.8</p> <p style="text-align: center;">Mr. Atsushi Maekawa</p> <div style="text-align: center;">  <p>Re-nominated</p> <p>Candidate for Outside Director</p> <p>Independent Director</p> </div> <p>Date of Birth: Jan. 14, 1951 Number of the Company's shares held: 7,100 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1976 Entered Mitsubishi Heavy Industries, Ltd. Apr. 2007 Corporate Officer and Group Executive of Takasago Machinery Works Jun. 2011 Representative Director and Managing Executive Officer Group Executive of General Machinery & Special Vehicle Business Headquarters and Group Executive of Sagami-hara Machinery Works Apr. 2013 Representative Director and Vice President, Corporate Officer Group Executive of General Machinery & Special Vehicle Business Headquarters Apr. 2014 Representative Director and Vice President, Corporate Officer, CEO of Energy and Environment Domain, Chairman of Technology Research Association for Future Additive Manufacturing Jun. 2016 President & CEO of Mitsubishi Heavy Industries Forklift, Engine&Turbocharger Holdings, Ltd. Apr. 2020 Guest Professor of Osaka University(present) May 2020 President of MAEK Lab Limited Liability Company(present) Mar. 2021 Outside Director of the Company (present) Apr. 2021 Specially Appointed Professor of Kyoto University (present) Jun. 2024 Visiting Professor of Center of Advanced Technology, Shizuoka Institute of Science and Technology</p> <p>Important concurrent posts President of MAEK Lab Limited Liability Company Guest Professor of Osaka University Specially Appointed Professor of Kyoto University</p>
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【Reasons for being selected as a candidate】

Mr. Atsushi Maekawa has a wealth of experience in company management over many years and a wide range of advanced expertise as a university professor. We have nominated him as an Outside Director candidate in the expectation that he will provide us with valuable opinions and guidance.

<p>Candidate No.9</p> <p style="text-align: center;">Mr. Kazuyuki Sugimoto</p> <div style="text-align: center;">  <p>Re-nominated</p> <p>Candidate for Outside Director</p> <p>Independent Director</p> </div> <p>Date of Birth: Sep. 13, 1950 Number of the Company's shares held: 800 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1974 Entered Ministry of Finance of Japan Apr. 2000 Secretary to the Prime Minister Jul. 2006 Deputy Vice-Minister of Ministry of Finance Jul. 2007 Chief of Accountant bureau of Ministry of Finance Jul. 2008 Administrative Vice-Minister of Ministry of Finance Apr. 2011 Chairman of Mizuho Research Institute Jun. 2011 Outside Director of ITOCHU Corporation Mar. 2013 Chairman of Fair-Trade Commission Sep. 2020 Adviser of Rating and Investment Information Inc.(present) Oct. 2020 Advisers (Attorneys) of TMI Associates Nov. 2020 Adviser of Mitsui Sumitomo Insurance Company, Limited (present) Mar. 2022 Outside Director of the Company (present) Jun. 2022 Director of Kinzai Institute for Financial Affairs,Inc.</p> <p>Important concurrent posts Adviser (Attorney) of TMI Associates Adviser of Rating and Investment Information Inc. Adviser of Mitsui Sumitomo Insurance Company, Limited Director of Kinzai Institute for Financial Affairs,Inc.</p>
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【Reasons for being selected as a candidate】

Mr. Kazuyuki Sugimoto has held important posts such as Director-General of the Budget Bureau and Administrative Vice-Minister of the Ministry of Finance, and has a wealth of experience and a wide range of advanced expertise in the field of finance. And he has previously served as chairman of the Japan Fair Trade Commission and as an outside director of other companies, and is well versed in the realities of corporate management. In addition, he is currently a lawyer. We have nominated him as an outside director candidate because we would like him to make use of his extremely high level of expertise and experience in the management of our company.

<p>Candidate No.10</p> <p>Mr. Tomohiro Kondo</p>  <p>Re-nominated</p> <p>Candidate for Outside Director</p> <p>Independent Director</p> <p>Date of Birth: Jul. 9, 1964</p> <p>Number of the Company's shares held: 0 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1987 Entered Ministry of International Trade and Industry</p> <p>Oct. 2007 Director of Global Environmental Affairs Office, Technology and Environment Policy Bureau, METI Japan</p> <p>Jul. 2010 Director of Aerospace and Defense Industry Division, Manufacturing Industries Bureau, METI Japan</p> <p>Jul. 2012 Director of Europe Division, Trade Policy Bureau, METI Japan</p> <p>Jul. 2013 Director of Environmental Strategy Division, Environmental Policy Bureau, MOE Japan</p> <p>Jan. 2015 Director of Policy Planning Division, Environmental Management Bureau, MOE Japan</p> <p>Aug. 2015 Director of Policy and Coordination Division, Minister's Secretariat, MOE Japan</p> <p>Jul. 2017 Councillor of Minister's Secretariat, MOE Japan</p> <p>Jul. 2019 Director-General of Global Environment Bureau, MOE Japan</p> <p>Jul. 2020 Vice-Minister for Global Environmental Affairs, MOE Japan</p> <p>Jul. 2021 Adviser to MOE Japan</p> <p>Nov. 2021 Adviser of the Dai-ichi Life Research Institute</p> <p>Mar. 2022 Outside Director of the Company (present)</p> <p>Nov. 2023 Chief director and vice director of Japan Aircraft Development Corporation (present)</p> <p>Important concurrent posts</p> <p>Chief director and vice director of Japan Aircraft Development Corporation</p>
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【Reasons for being selected as a candidate】

Mr. Tomohiro Kondo has held important positions at the Ministry of the Environment, including Vice-Minister for Global Environmental Affairs. In addition, at the Ministry of Economy, Trade and Industry, he has extensive experience and advanced and wide-ranging expertise in the fields of the environment, economics, and international trade, responding to the fields of aerospace and global environment. He previously served as an advisor to other company and is currently serving as the chief director and vice director fo a foundation, and we hope that he will utilize his high level of expertise and experience for the management of our company.

<p>Candidate No.11</p> <p>Ms. Keiko Yamagami</p>  <p>Re-nominated</p> <p>Candidate for Outside Director</p> <p>Independent Director</p> <p>Date of Birth: Mar. 22, 1961</p> <p>Number of the Company's shares held: 0 shares</p>	<p>Brief personal record, position, business in charge and important concurrent posts</p> <p>As of</p> <p>Apr. 1987 Appointed as Public Prosecutor</p> <p>Apr. 2002 Coordinator of Legislative Division, Criminal Affairs Bureau, Ministry of Justice</p> <p>Jun. 2005 Counselor of Criminal Affairs Bureau, Ministry of Justice</p> <p>Aug. 2005 Public Prosecutor of Supreme Public Prosecutors Office</p> <p>Aug. 2007 Deputy Director of Public Peace Department, Tokyo District Public Prosecutors Office</p> <p>Jul. 2008 Deputy Director of Trial Department, Tokyo District Public Prosecutors Office</p> <p>Apr. 2009 Trial Director of Yokohama District Public Prosecutors Office</p> <p>Apr. 2010 Registered as attorney-at-law, Member of Tokyo Seiwa Law Office (present)</p> <p>Jun 2017 Outside Director of Astellas Pharma Inc.</p> <p>Jun 2019 Outside auditor of Denyo Co.,Ltd.</p> <p>Jun 2021 Outside Director of GEOLIVE Group Corporation (formerly JUTECH Holdings Corporation) (present)</p> <p>Outside Director, Audit and Supervisory Committee member of Denyo Co.,Ltd. (present)</p> <p>Mar. 2024 Outside Director of the Company (present)</p> <p>Important concurrent posts</p> <p>Registered as attorney-at-law, Member of Tokyo Seiwa Law Office</p> <p>Outside Director, Audit and Supervisory Committee of Denyo Co.,Ltd.</p> <p>Outside Director of GEOLIVE Group Corporation</p>
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【Reasons for being selected as a candidate】

Ms. Keiko Yamagami has held important positions such as Prosecutor of the Supreme Public Prosecutors Office. In addition, she has engaged in corporate legal affairs as a lawyer, and has a wealth of experience and a wide range of advanced expertise. She is well verced in corporate manegemant such as serving as a outside director at another companies. We have nominated her as an Outside Director candidate because we would like her to make use of his extremely high level of expertise and experience in the management of our company.

Special matters concerning candidates for the Directors

1. None of the candidates for the Directors has any special interest in the Company.
2. The Company has entered into a directors and officers liability insurance contract with an insurance company as specified in the provision of Paragraph 1, Article 430-3 of the Corporation Law of Japan, whereby the Company's Directors serve as the insured parties. The insurance covers damages that could arise under situations where an insured party bears liability in regard to performance of his duties or where the insured party becomes subject to a claim seeking to hold him and her liable in that regard. Every Director candidate is to be insured under the directors' and officers' liability insurance contract should they be elected. The contract is to be renewed in September 2025.
3. Mr. Toshikazu Togari, Mr. Atsushi Maekawa, Mr. Kazuyuki Sugimoto Mr. Tomohiro Kondo and Ms. Keiko Yamagami are candidates for Outside Directors defined by item 7 Paragraph 3, Article 2 of the Enforcement Regulations of the Corporation Law of Japan.
4. Although Mr. Kazuyuki Sugimoto, Mr. Tomohiro Kondo and Ms. Keiko Yamagami have no experience of being involved in the management of a company other than by serving as outside directors, etc., Mr. Kazuyuki Sugimoto has extensive experience in the field of finance and public administration, Mr. Tomohiro Kondo has extensive expertise in the fields of global environment, economics and international trade, and Ms. Keiko Yamagami has extensive expertise in the field of law, and we believe that they will be able to perform their duties as outside directors appropriately.
5. Mr. Toshikazu Togari's tenure as Outside Director will be seven years at the conclusion of this General Meeting of Shareholders. Mr. Atsushi Maekawa's tenure as an Outside Director will be four years at the conclusion of this General Meeting of Shareholders. Mr. Kazuyuki Sugimoto and Mr. Tomohiro Kondo's tenure as Outside Director will be three years at the conclusion of this General Meeting of Shareholders. Ms. Keiko Yamagami Maekawa's tenure as an Outside Director will be one years at the conclusion of this General Meeting of Shareholders.
6. The Company has entered into contracts with Mr. Toshikazu Togari, Mr. Atsushi Maekawa, Mr. Kazuyuki Sugimoto, Mr. Tomohiro Kondo and Ms. Keiko Yamagami limiting the amount of their damage compensation liabilities defined in Paragraph 1, Article 423 of the Corporation Law of Japan to the limit prescribed by laws and regulations. Should they be elected to the position of Director, the Company will continue the aforementioned contract with them. In addition, should Ms. Keiko Yamagami be elected to the position of Director, the Company will enter into a contract with her limiting the amount of their damage compensation liabilities defined in Paragraph 1, Article 423 of the Corporation Law of Japan to the limit prescribed by laws and regulations.
7. The Company has notified Mr. Toshikazu Togari, Mr. Atsushi Maekawa, Mr. Kazuyuki Sugimoto and Mr. Tomohiro Kondo as independent directors to the Tokyo Stock Exchange in Japan on which the Company is listed as provided under the regulations of the stock Exchange.
Should they be elected to the position of Directors, the Company will continue to make them independent directors. In addition, should Ms. Keiko Yamagami be elected to the position of Director, the Company will notify her as an independent director to the Tokyo Stock Exchange in Japan. The "Independence Criteria for Independent Outside Officers" stipulated by the Company are on page 18.

Item No.3 Election of One Audit & Supervisory Board Member

The term of offices of Audit & Supervisory Board Members Mr. Mr. Junichi Takahashi will expire at the end of this Meeting. Accordingly, we would like to elect one Audit & Supervisory Board Members.

Further note that prior consent has been obtained from the Audit & Supervisory Board concerning the submission of this item.

The candidates for the position of Audit & Supervisory Board Members are as follows:

Candidate No.1	Brief personal record, position, business in charge and important concurrent posts
<p>Mr. Junichi Takahashi</p>  <p>Re-nominated</p> <p>Date of Birth: Jan. 1, 1960 Number of the Company's shares held: 7,401 shares</p>	<p>As of</p> <p>Apr. 1982: Entered the Company</p> <p>Oct. 2004: Director of Materials Research Department, Materials Research Institute of the Company</p> <p>Feb. 2008 Deputy Director of NA Business Promotion Department of the Company</p> <p>Mar. 2008 Director of NA Business Promotion Department of the Company</p> <p>Apr. 2011 Director of NA Business Division of the Company</p> <p>Mar. 2013 Director of the Company</p> <p>Mar. 2019 Managing Director of the Company</p> <p>Nov. 2020 In charge of Medical Device Manufacturing Division of Precision Equipment Division and Director of NA Business Division of the Company</p> <p>Mar. 2021 Full-time Audit & Supervisory Board Member(present)</p>

【Reasons for being selected as a candidate】

Mr. Junichi Takahashi has led the electroformed parts development division of our company for many years with results, served as Managing Director, and possesses a wealth of operational expertise and experience. After that, he served as Audit & Supervisory Board Member, and he has knowledge and experience in each business of our group. The Company has judged that he is a person who can be utilized in the audit of our group because he has an excellent personality and deep insight, and has nominated him as a candidate for Audit & Supervisory Board Member.

Special matters concerning candidates for the Audit & Supervisory Board Member

1. None of the candidates for the Audit & Supervisory Board Member have any special interest in the Company.
2. The Company has entered into a liability insurance policy for officers under which all the Audit & Supervisory Board Members are insured persons. The policy covers damage or losses that may arise from their assuming liabilities in connection with their execution of duties or claims filed against them for such liabilities. If the candidates assume the office of Audit & Supervisory Board Member, they will become insured persons under the insurance policy, which will be renewed during their term of office. The contract is to be renewed in September 2025.

【Reference】

Enactment of “Independence Standards for Independent Outside Directors/Audit and Supervisory Board Members” of Canon Electronics Inc.”

Canon Electronics Inc. hereby establishes the “Independence Standards for Independent Outside Directors/Audit and Supervisory Board Members” in order to clarify the standards for ensuring independence of Independent Outside Directors/Audit and Supervisory Board Members of Canon Electronics Inc.

Independence Standards for Independent Outside Directors/Audit and Supervisory Board Members

Canon Electronics Inc. deems that a person who satisfies the requirements for Outside Directors/Audit and Supervisory Board Members prescribed by the Companies Act of Japan, and meets the independence criteria set by Securities Exchanges in Japan, and does not fall into any of the items below, is an “Independent Outside Director/Audit and Supervisory Board Member” (a person who is independent from the management of Canon Electronics Inc. and unlikely to have conflicts of interest with general shareholders).

1. A person/organization for which Canon Electronics Group (Canon Electronics Inc. and its subsidiaries; hereinafter the same) is a major client, or a major client of Canon Electronics Group, or an executing person of such organization or client
2. A major lender to Canon Electronics Group, or an executing person of such lender
3. A large shareholder of Canon Electronics Inc., or an executing person of such shareholder
4. A person/organization receiving large amounts of contributions from Canon Electronics Group, or an executing person of such organization
5. A consultant, accounting professional or legal professional who has received a large amount of money or other properties from Canon Electronics Group, other than as compensation for being a director/Audit and Supervisory Board Member (if the recipient is a corporation, partnership or any other organization, this item applies to any person belonging to said organization.)
6. A certified public accountant belonging to the audit firm engaged to conduct the statutory audit of Canon Electronics Group (including any such accountant to whom this item has applied in the last 3 business years)
7. An executing person of another company in cases where an executing person of Canon Electronics Group is an outside director/audit and supervisory board member of such other company
8. An immediate family member (spouse and a relative within the second degree of kinship) of any of the persons listed in each of items 1 to 7; provided, however that the persons to whom this is applicable shall be limited to key executing persons such as directors, executive officers of companies and partners of advisory firms

Notes:

- * In item 1, “major” means in cases where the total amount (for any business year during the last 3 business years) of transactions between Canon Electronics Group and such client exceeds 1% of the consolidated sales of Canon Electronics Group or such client.
- * In item 2, “major” means in cases where the debt outstanding exceeds 1% of the consolidated total assets of Canon Electronics Inc. for any business year during the last 3 business years.
- * In item 3, “a large shareholder” means a shareholder who directly or indirectly holds 5% or more of the total voting rights of Canon Electronics Inc.
- * In item 4, “a large amount” means in cases where the total amount of contributions exceeds JPY 12 million (in cases where the recipient is an individual) or 1% of the annual gross income of such recipient (in cases where the recipient is an organization), for any business year during the last 3 business years of Canon Electronics Inc.
- * In items 1 to 4 and 7, an “executing person” means an executive director, advisory director, executive officer and employee including manager (in items 1 to 4, including a person to whom this item has applied in any business year during the last 3 business years).
- * In item 5, “a large amount” means in cases where the total amount of money or other properties received by said consultant, etc., exceeds JPY 12 million (in cases where the recipient is a person) or 1% of the annual gross sales of such consultant, etc. (in cases where the recipient is an organization).

【Reference】

Major expertise and experience of Directors and Corporate Auditors (expected) following the Convocation of the Ordinary General Meeting of Shareholders

Name	attribute	corporate management	Manufacturing, technology, research and development	Marketing Sales	Finance	IT Digital	Human Resources Labor Human Resource Development	Legal, Risk Management	ESG Sustainability	Global management
Directors										
Mr.Takeshi Hashimoto		●	●	●	●	●	●	●	●	●
Mr.Takeshi Uchiyama		●		●		●	●			
Mr.Hiroyuki Okita					●			●	●	
Mr.Akira Katsuyama				●		●				●
Mr.Taku Kamura			●			●			●	
Mr.Nobutaka Sako			●			●				●
Mr.Toshikazu Togari	Outside Independent	●			●		●		●	
Mr.Atsushi Maekawa	Outside Independent	●	●	●			●		●	●
Mr.Kazuyuki Sugimoto	Outside Independent	●			●		●	●	●	
Mr.Tomohiro Kondo	Outside Independent				●		●	●	●	●
Ms.Keiko Yamagami	Outside Independent						●	●	●	
Corporate Auditors										
Mr.Junichi Takahashi			●					●	●	
Mr.Shuji Iwamura	Outside Independent						●	●	●	
Mr.Seiho Nakata	Outside Independent	●		●	●	●		●	●	

* The above list does not represent all knowledge and experience of each person.

* The above list includes current auditors other than the candidates for auditor.

Item No.4 Grant of Bonus to Directors

It is proposed that bonus be granted to the eight Directors excluding Outside Directors as of the end of this term, in appreciation of their services during this business term, which totals 82,200,000 yen considering the business results for this business term and the members to be granted, etc.. The amount to be paid to each director shall be entrusted to the Board of Directors. This proposal was decided by the Board of Directors after deliberation by the Nomination and Compensation Committee(The majority of the members are independent outside directors), while comprehensively taking into consideration the company's business performance and the business performance of each director's department.

Item No.5 Payment of special merit bonuses to retiring director

Mr. Hisashi Sakamaki, Chairperson and Representative Director, will retire from the position of Director of our company at the conclusion of this General Meeting of Shareholders. For more than 25 years since he assumed the position of Representative Director in March 1999, Mr. Sakamaki has worked to develop our company and achieved dramatic business growth through outstanding management strategies.

He also contributed to the expansion of business and profitability in our company and our group, and made a significant contribution to the remarkable enhancement of corporate value. For fiscal 2024, consolidated net sales amounted to ¥100,656 million (¥75,545 million in 1999), consolidated operating income was ¥10,397 million (¥1,677 million in 1999), and consolidated net assets were ¥121,741 million (¥17,509 million in 1999).

In consideration of the above, the Company proposes to pay Mr. Hisashi Sakamaki 400 million yen as a special reward, in addition to the retirement allowance for directors, for which the termination payment was approved at the 74 th Ordinary General Meeting of Shareholders held on March 27, 2013. The timing and method of payment, etc. are to be left to the discretion of the Board of Directors.

The details of this matter have been deliberated by the Nomination and Compensation Committee, which is a voluntary advisory body to the Board of Directors of our company, and approved by the Board of Directors as it is deemed appropriate for the above reasons. The brief biography of Mr. Hisashi Sakamaki, who is eligible for Special Merit Payment, is as follows.

Name	Brief personal record, position, business in charge and important concurrent posts	
Mr. Hisashi Sakamaki	Jan. 1967	Entered Canon Inc.
	Mar. 1989	Director of Canon Inc.
	Feb. 1991	In charge of Global Corporate Planning of Canon Inc.
	May 1992	Group Executive of Production Headquarters and in charge of Environmental Assurance of Canon Inc.
	Mar. 1996	Managing Director of Canon Inc.
		Audit & Supervisory Board Member of the Company
	Mar. 1999	President & CEO of the Company
	Mar. 2021	Chairman & CEO of the Company (present)