

Please note that the following is an unofficial English translation of the Japanese original text of the 76th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. This translation is provided for reference and convenience purposes only and without any assurance as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Securities Code: 6965)

November 29, 2023



To Our Shareholders

Tadashi Maruno, President and CEO  
Hamamatsu Photonics K.K.  
1126-1, Ichino-cho, Higashi-ku  
Hamamatsu City, Shizuoka Prefecture

## NOTICE OF CONVOCATION OF THE 76th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 76th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. (the “Company”), to be held as follows.

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 for which measures for providing information in electronic format are to be taken) in electronic format and posts this information on each of the following websites. Please access either of the websites by using the internet addresses shown below to review the information.

<b>The Company’s website</b>	<a href="https://www.hamamatsu.com/jp/en/investor-relations/shareholder-information.html">https://www.hamamatsu.com/jp/en/investor-relations/shareholder-information.html</a>	
<b>Tokyo Stock Exchange website (Listed Company Search)</b>	<a href="https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show">https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show</a>	

Access the Tokyo Stock Exchange website, search “Hamamatsu Photonics” or our securities code “6965,” select “Basic information” and go to “Documents for public inspection/PR information.”

If you are unable to attend the meeting in person, you may exercise your voting rights by Electronic Means (via the Internet, etc.) or in Writing. Please read the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, and exercise your voting rights by 5:00 p.m., Thursday, December 21, 2023, Japan Time.

1. **Time and Date:** 10:00 a.m., Friday, December 22, 2023
2. **Place:** ACT CITY HAMAMATSU Concert Hall  
111-1, Itaya-machi, Naka-ku, Hamamatsu City,  
Shizuoka Prefecture

3. **Agenda of the Meeting:**

- Matters to be reported:**
1. Reports on the Business Report and the Consolidated Financial Statements for the 76th Fiscal Year (From October 1, 2022 through September 30, 2023), as well as Results of the Audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
  2. Report on the Non-consolidated Financial Statements for the 76th Fiscal Year (From October 1, 2022 through September 30, 2023)

**Matters to be resolved:**

- Proposal No. 1: Appropriation of Surplus
- Proposal No. 2: Election of Ten (10) Directors
- Proposal No. 3: Revision to Remuneration for Directors

■ Other matters concerning this Notice of Convocation

1. Please note that of matters for which measures for providing information in electronic format are to be taken, “Consolidated Statements of Changes in Net Assets and Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and “Non-consolidated Statements of Changes in Net Assets and Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are not provided in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents. Instead, these are published on the respective websites listed on the previous page in accordance with the applicable laws and regulations and Article 15 of the Articles of Incorporation. These documents are part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparation for the Audit Reports.
2. If any amendment is made to the matters for which measures for providing information in electronic format are to be taken, the amended information will be posted on the respective websites listed on the previous page.

■ Video distribution after the meeting

A video of part of this General Meeting of Shareholders will be made available at a later date. The video will be posted on the Company’s website as soon as it is ready for distribution after this General Meeting of Shareholders. Please note that depending on your device or network environment, you may not be able to view the video.

The Company’s website

<https://www.hamamatsu.com/jp/en/investor-relations/shareholder-information.html>



**Note:**The provision of gifts, serving of beverages and exhibits of the Company’s products have been canceled.

## ■ Guide to the Exercise of Voting Rights



**For those exercising voting rights via the Internet, etc.**  
Please access the Website for the Exercise of Voting Rights (“<https://www.soukai-portal.net>” or “<https://www.web54.net>”) and exercise voting rights.

You will need the Voting Rights Exercise Code and Password, both of which are indicated on the Voting Rights Exercise Form, to indicate your approval or disapproval by following the instructions displayed on the screen.  
[Exercise your voting rights by 5:00 p.m., Thursday, December 21, 2023, Japan Time]



**For those exercising voting rights in writing**  
Please indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and return it.

If there is no indication of approval or disapproval of the proposal, the Company shall deem that you have indicated your approval of the proposal.  
[Voting Rights Exercise Form must reach us by 5:00 p.m., Thursday, December 21, 2023, Japan Time]



**For those attending the meeting in person**  
Please present the enclosed Voting Rights Exercise Form at the reception desk upon arrival at the meeting. (Reception starts at 9:00 a.m.)

For the purpose of resource-saving, please bring this notice with you.

1. If you wish to exercise your voting rights by proxy on the day of the general meeting of shareholders, you may entrust its exercise to a single shareholder other than you who is also a shareholder of the Company with voting rights. In this case, a document certifying the relevant power of representation shall be presented together with your Voting Rights Exercise Form.
2. If you have exercised your voting rights more than once via the Internet, etc., only the final exercise of the voting rights shall be deemed effective.
3. If you have exercised your voting rights both in writing and via the Internet, etc., only the exercise of the voting rights via the Internet, etc. shall be deemed effective.

- You may use a personal computer or smartphone.  
Please be aware that, depending on your Internet connection environment, you may not be able to use the voting website (e.g. if you connect to the Internet via a firewall, etc., have anti-virus software installed or use a proxy server, etc.).
- The website is inaccessible from mobile phones.
- You will need the Voting Rights Exercise Code and Password, both of which are indicated on the right-hand side of the enclosed Voting Rights Exercise Form, to exercise your voting rights via the Internet, etc. The code and password are applicable only for this General Meeting of Shareholders. Your password will be locked and rendered invalid after certain incorrect password attempts. If you wish to create a new one, please follow the guidance on the screen appearing on the Website for the Exercise of Voting Rights.
- Please be noted that any fees incurred by Internet access (access fees to Internet service providers, telecommunications fees, etc.) are the responsibility of shareholders.

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**If you have any questions, please feel free to contact the Stock Transfer Agency Web Support.  
Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support  
Telephone: 0120-652-031 Business hours: 9:00 – 21:00 (toll free within Japan)**

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### ■ To Institutional Investors:

You can use the platform for electronic exercise of voting rights for institutional investors managed by Investor Communications Japan, Inc.

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and References

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

The Company hereby proposes to appropriate the surplus as described below.

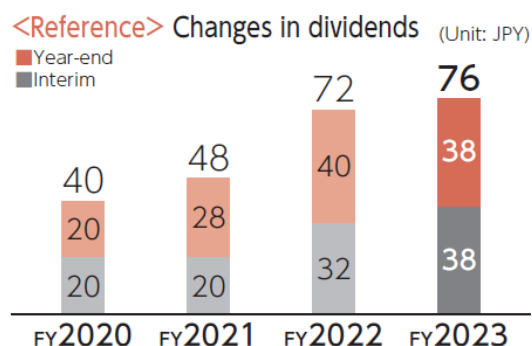
##### 1. Matters Regarding Fiscal Year-end Dividend

The Company places the highest priority on distribution of results through dividends as a measure of returning profits to shareholders. Our basic dividend strategy outlines steadily increasing dividends through continuous growth in earnings per share by enhancing and strengthening its corporate earning capacity based on a long-term perspective. Furthermore, its policy is to achieve the stable increase of dividends, with dividend payout ratio of around 30% of profit attributable to owners of parent.

On the other hand, to maintain its competitiveness based on advanced technical capabilities as the leading company in photonics, the Company believes long-term investment will be essential for the research and development necessary to achieve long-term growth of our corporate value and creation of the photon-based industries. To accomplish this, the Company also recognizes the importance of ensuring a certain level of funds on hand to provide for research and development investment and for capital investment. In addition, while the Company also regards funds on hand as a bulwark against earthquakes and other natural disasters and strives to maintain a high level of retained earnings, it recognizes such funds contribute to the further enhancement of corporate value through business investment for the development of highly competitive future products.

Based on the above policy and a comprehensive review of various factors including its financial results, the Company proposes a year-end dividend of 38 yen per share. The amount of annual dividend will be 76 yen per share including an interim dividend of 38 yen we have already paid, which is 4 yen more than that for the previous fiscal year.

- (1) Type of property for dividends :  
Cash
- (2) Allotment of property for dividends and total amount thereof :  
38 yen per share of common stock of the Company for a total of 5,894,564,370 yen
- (3) Effective date for distribution of dividends from surplus :  
December 25, 2023



##### 2. Other Matters Regarding Appropriation of Surplus

To reinforce its management base to prepare for business developments in the future, the Company proposes to make an account transfer as follows.

- (1) Item of surplus to be increased and amount thereof:  
General reserve: 27,000,000,000 yen
- (2) Item of surplus to be decreased and amount thereof:  
Retained earnings brought forward: 27,000,000,000 yen

## Proposal No. 2: Election of Ten (10) Directors

The terms of office of all 10 current Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed that ten (10) Directors be elected.

The nominations of the candidates for Director have passed through the deliberation process of the Nomination and Compensation Committee, a majority of whose members are Outside Directors.

The candidates for Director are as follows.

No.		Name	Positions and Responsibilities in the Company	Attendance at Board of Directors meetings
1	Reelection	Akira Hiruma	Representative Director and Chairman	16 /16 (100%)
2	Reelection	Kenji Suzuki	Director and Vice Chairman	16 /16 (100%)
3	Reelection	Tadashi Maruno	Representative Director and President Chief Executive Officer	16 /16 (100%)
4	Reelection	Hisaki Kato	Representative Director and Vice President Chief Operating Officer In charge of Corporate Strategy Division Director, Electron Tube Division	16 /16 (100%)
5	Reelection	Takayuki Suzuki	Director Senior Managing Executive Officer In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	16 /16 (100%)
6	Reelection	Kazuhiko Mori	Director Senior Executive Officer Chief of Finance and Accounting General Headquarters	13 /13 (100%)
7	Reelection	Ken Koibuchi	[Outside] [Independent] Director	15 /16 (94%)
8	Reelection	Kazue Kurihara	[Outside] [Independent] Director	16 /16 (100%)
9	Reelection	Takuo Hirose	[Outside] [Independent] Director	16 /16 (100%)
10	New election	Kaoru Minoshima	[Outside] [Independent] —	—

Note: The attendance record for Kazuhiko Mori is his attendance after he assumed office as Director on December 16, 2022.



No. 1

Akira Hiruma (November 10, 1956)  
[Reelection]

**Brief History, and Positions and Responsibilities in the Company**

Oct. 1984	Joined the Company
Oct. 2005	President, Hamamatsu Corporation
Dec. 2009	Representative Director and President
Dec. 2020	Chief Executive Officer
Dec. 2022	Representative Director and Chairman (present)

Member of the Nomination and Compensation Committee

Number of shares of the Company held  
161,411

Attendance at Board of Directors meetings

16/16  
(100%)

Attendance at the Nomination and Compensation Committee

3/3  
(100%)

**Significant Positions Concurrently Held**

Director and President, Photonics Management Corp.  
 Director, Photonics Management Europe S.R.L.  
 Director and President, Research Foundation for Opto-Science and Technology  
 President, Hamamatsu Medical Photonics Foundation  
 President, The Graduate School for the Creation of New Photonics Industries

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Akira Hiruma as a Director. He has accumulated extensive business experience cultivated through operations in overseas subsidiaries over many years. In addition, he has appropriately made decisions on important matters in management, supervised business execution and performed other roles as Representative Director and President since December 2009 and Representative Director and Chairman since December 2022, and he has been contributing to the stable and sustainable development of the Group.

The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.

**Special interest relationship between the Company and the candidate for Director**

Akira Hiruma concurrently serves as

- 1) Director and President, Research Foundation for Opto-Science and Technology, which has transactional relationships with the Company such as monetary contributions.
- 2) President, Hamamatsu Medical Photonics Foundation, which has transactional relationships with the Company such as monetary contributions and building rental.
- 3) President, The Graduate School for the Creation of New Photonics Industries, which has transactional relationships with the Company such as monetary contributions and sales of electronic components.



No. 2

Kenji Suzuki (March 22, 1948)  
[Reelection]

**Brief History, and Positions and Responsibilities in the Company**

Mar. 1966	Joined the Company
Dec. 2009	Director
Dec. 2012	Managing Director
Dec. 2017	Division Director, Electron Tube Division
Jun. 2019	Representative Director and Vice President
Dec. 2020	Chief Operating Officer
Dec. 2022	Director and Vice Chairman (present)
	Member of the Nomination and Compensation Committee

Number of shares of the  
Company held  
87,006

Attendance at Board of  
Directors meetings  
16/16  
(100%)

Attendance at the  
Nomination and  
Compensation  
Committee  
3/3  
(100%)

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Kenji Suzuki as a Director. He has accumulated a wealth of business experience and expertise mainly in the Electron Tube business. Currently, he is responsible for management of the Group as Director and Vice Chairman.

The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



No. 3

Tadashi Maruno (October 6, 1960)  
[Reelection]

**Brief History, and Positions and Responsibilities in the Company**

Apr. 1983	Joined the Company
Dec. 2017	Director Division Director, Systems Division
Dec. 2019	Managing Director
Dec. 2020	Director Managing Executive Officer
Dec. 2021	Representative Director Senior Managing Executive Officer
Dec. 2022	Representative Director and President (present) Chief Executive Officer (present)
	Chairman of the Nomination and Compensation Committee

Number of shares of the  
Company held  
11,924

Attendance at Board of  
Directors meetings  
16/16  
(100%)

Attendance at the  
Nomination and  
Compensation  
Committee  
2/2  
(100%)

**Significant Positions Concurrently Held**

Director, Hamamatsu Corporation  
Chairman, Hamamatsu Photonics (China) Co., Ltd.

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Tadashi Maruno as a Director. He has accumulated a wealth of business experience and expertise mainly in the Imaging and Measurement Instruments business. Currently, he is responsible for making decisions on important matters in management, supervising business execution and management of the Group as Representative Director and President, and Chief Executive Officer. In particular, he promotes expansion of corporate business from a global perspective in striving to enhance company-wide functions, from both financial and non-financial perspectives, and coordination across the Group.

Note: The attendance record is for his attendance at the Nomination and Compensation Committee meetings after he assumed office as Chairman on December 16, 2022.

The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.





No. 4

Hisaki Kato (May 7, 1957)  
[Reelection]

**Brief History, and Positions and Responsibilities in the Company**

Mar. 1981	Joined the Company
Jan. 2018	Deputy Division Director, Electron Tube Division
Dec. 2018	Director
Dec. 2020	Managing Executive Officer Division Director, Electron Tube Division (present)
Dec. 2022	Representative Director and Vice President (present) Chief Operating Officer (present) In charge of Corporate Strategy (present)

Number of shares of the Company held  
10,328

Attendance at Board of Directors meetings  
16/16  
(100%)

**Significant Positions Concurrently Held**

Chairman, Beijing Hamamatsu Photon Techniques, Inc.

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Hisaki Kato as a Director. He has accumulated a wealth of business experience and expertise mainly in the Electron Tube business. Currently, he is responsible for management of the Group as Representative Director and Vice President, and Chief Operating Officer, and oversees the Electron Tube business as Division Director, Electron Tube Division. He has also fulfilled his responsibilities such as leading management reforms as the person in charge of Corporate Strategy. The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.

**Special interest relationship between the Company and the candidate for Director**

Hisaki Kato concurrently serves as Chairman, Beijing Hamamatsu Photon Techniques, Inc., which has transactional relationships with the Company such as sales and purchase of electronic components.



No. 5

Takayuki Suzuki (October 8, 1961)  
[Reelection]

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**Brief History, and Positions and Responsibilities in the Company**

Jul. 1989	Joined the Company
Oct. 2017	Deputy Division Director, Solid State Division
Dec. 2017	Director
Dec. 2019	Managing Director
Dec. 2020	Director (present)
	Managing Executive Officer
	Division Director, Solid State Division (present)
Dec. 2022	Senior Managing Executive Officer (present)
	In charge of Social and Environmental Value Creation / DX (present)

Number of shares of the  
Company held  
6,916

Attendance at Board of  
Directors meetings  
16/16  
(100%)

**Significant Positions Concurrently Held**

Director, Hamamatsu Corporation

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Takayuki Suzuki as a Director. He has accumulated a wealth of business experience and expertise mainly in the Opto-semiconductor business. Currently, he is responsible for management of the Group as Director and Senior Managing Executive Officer, and oversees the Opto-semiconductor business as Division Director, Solid State Division. He has also fulfilled his responsibilities such as promoting the creation of an environment that contributes to the enhancement of corporate value in non-financial aspects as the person in charge of Social and Environmental Value Creation / DX.

The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



No. 6

Kazuhiko Mori (December 11, 1956)  
[Reelection]

**Brief History, and Positions and Responsibilities in the Company**

	Apr. 1979	Joined The Kyowa Bank, Ltd.(currently Resona Bank, Limited)
	Jul. 2009	General Manager, Shibuya Branch, Resona Bank, Limited
	Jul. 2011	Transferred to the Company General Manager, Finance Division
Number of shares of the Company held 5,913	Dec. 2012	Audit & Supervisory Board Member (Standing)
	Dec. 2017	Director General Manager, Accounting Division
Attendance at Board of Directors meetings 13/13 (100%)	Dec. 2020	Senior Executive Officer (present)
	Dec. 2022	Director (present) In charge of Finance and Accounting
	Apr. 2023	Chief of Finance and Accounting General Headquarters (present)

Note: The attendance record is for his attendance at the Board of Directors meetings after he assumed office as Director on December 16, 2022.

**Significant Positions Concurrently Held**

Outside Director (Audit & Supervisory Committee Member), ENSHU Limited

**Reason for nomination as a candidate for Director**

The Company proposes the reelection of Kazuhiko Mori as a Director. He has accumulated a wealth of business experience mainly in financial institutions and expertise in finance and accounting. Currently, he is responsible for management of the Group and oversees finance and accounting divisions as Director, Senior Executive Officer and Chief of Finance and Accounting General Headquarters.

The Company is convinced he is a suitable candidate to carry out management trusted by stakeholders that will contribute to improving our corporate value based on his experience and knowledge.



No. 7	Ken Koibuchi (November 26, 1966)
	[Reelection]      [Outside]      [Independent]

**Brief History, and Positions and Responsibilities in the Company**

	Apr. 1993	Joined Toyota Motor Corporation
	Jan. 2016	General Manager/Advanced Safety System Research and Development Div, Toyota Motor Corporation
	Apr. 2017	Executive General Manager/Advanced R&D and Engineering Company, Toyota Motor Corporation
Number of shares of the Company held 400	Dec. 2017	Outside Director of the Company (present)
	Jan. 2019	Field General Manager, Advanced Safety System Field, Advanced R&D and Engineering Company, Toyota Motor Corporation
Attendance at Board of Directors meetings 15/16 (94%)	Jan. 2020	Senior General Manager, Advanced Safety System Field, Advanced R&D and Engineering Company, Toyota Motor Corporation
	Jun. 2021	Fellow, Advanced R&D and Engineering Company, Toyota Motor Corporation Fellow, Vehicle Development Center, Toyota Motor Corporation Fellow, Mid-size Vehicle Company, Toyota Motor Corporation
Attendance at the Nomination and Compensation Committee 2/3 (67%)	Feb.2022	Chief Project Leader (Autono-MaaS, Automated Driving) Connected Company,Toyota Motor Corporation
	Apr.2023	Senior General Manager, Connected Business Field, Connected Company, Toyota Motor Corporation
	Oct.2023	Chief Project Leader, Application Development, Software Development Center, Toyota Motor Corporation (present)
		Member of the Nomination and Compensation Committee

**Significant Positions Concurrently Held**

Chief Project Leader, Application Development, Software Development Center, Toyota Motor Corporation

**Reason for nomination as a candidate for Outside Director and overview of expected roles**

Ken Koibuchi currently serves as a Chief Project Leader, Application Development, Software Development Center, Toyota Motor Corporation, and he has extensive expertise and experience in the fields of advanced technology and corporate management. In light of the above, the Company expects that he will utilize his wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes his reelection as an Outside Director.

**Service period as an Outside Director of the Company**

Ken Koibuchi's service period as an Outside Director will be six (6) years at the conclusion of this General Meeting of Shareholders.

**Matters concerning independence**

The Company had filed Ken Koibuchi as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If he is reappointed as proposed, the Company intends to continuously appoint him as an independent officer. The Company has transactional relationships with Toyota Motor Corporation including sales of electronic devices. The scale of such transactions with Toyota Motor Corporation is no more than 0.1% of the Company's consolidated net sales. Therefore, the Company is sufficiently convinced of his independent status.

**Summary of contents of agreements to limit liability**

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Ken Koibuchi regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit his obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Ken Koibuchi if the reappointment of Ken Koibuchi is approved.



No. 8	Kazue Kurihara (January 24, 1951)		
	[Reelection]	[Outside]	[Independent]

**Brief History, and Positions and Responsibilities in the Company**

	Apr. 1997	Professor, Institute for Chemical Reaction Science, Tohoku University (currently Institute of Multidisciplinary Research for Advanced Materials, Tohoku University)
	Apr. 2010	Professor, Advanced Institute for Materials Research, Tohoku University
Number of shares of the Company held 400	Apr. 2016	Professor Emeritus, Tohoku University (present)
	Apr. 2017	Professor, New Industry Creation Hatchery Center, Tohoku University (present)
Attendance at Board of Directors meetings 16/16 (100%)	Dec. 2020	Outside Director of the Company (present)
	Jan.2022	Director, SMILEco Instruments Corporation (present)
	Jun.2023	Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC. (present)
		Member of the Nomination and Compensation Committee

Attendance at the Nomination and Compensation Committee  
3/3  
(100%)

**Significant Positions Concurrently Held**

Professor Emeritus, Tohoku University  
 Professor, New Industry Creation Hatchery Center, Tohoku University  
 Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC.

**Reason for nomination as a candidate for Outside Director and overview of expected roles**

In addition to her experience over many years as a university professor and extensive expertise in the science and technology field, Kazue Kurihara has many achievements in collaboration with private companies through industry-academia partnerships and also possesses experience as a business manager. In light of the above, the Company expects that she will utilize her wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes her reelection as an Outside Director.

**Service period as an Outside Director of the Company**

Kazue Kurihara's service period as an Outside Director will be three (3) years at the conclusion of this General Meeting of Shareholders.

**Matters concerning independence**

The Company had filed Kazue Kurihara as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If she is reappointed as proposed, the Company intends to continuously appoint her as an independent officer. The Company has transactional relationships with Tohoku University including sales of electronic devices. The scale of such

transactions with Tohoku University is no more than 0.1% of the Company's consolidated net sales. Therefore, the Company is sufficiently convinced of her independent status.

**Summary of contents of agreements to limit liability**

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Kazue Kurihara regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit her obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Kazue Kurihara if the reappointment of Kazue Kurihara is approved.



No. 9	Takuo Hirose (June 28, 1971)
	[Reelection]      [Outside]      [Independent]

**Brief History, and Positions and Responsibilities in the Company**

Number of shares of the Company held 0	Apr. 1997	Registered as an attorney at law Joined Tomotsune, Kimura & Mitomi Law Firm (currently Anderson Mori & Tomotsune LPC)
Attendance at Board of Directors meetings 16/16 (100%)	May 2004	Registered as an attorney at law in the state of New York
	Jan. 2005	Partner, Anderson Mori & Tomotsune LPC (present)
	Jun. 2018	Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K. (present)
	Mar. 2021	Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc. (present)
	Dec. 2021	Outside Director of the Company (present)
		Member of the Nomination and Compensation Committee

Attendance at the Nomination and Compensation Committee  
3/3  
(100%)

**Significant Positions Concurrently Held**

Partner, Anderson Mori & Tomotsune LPC  
Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K.  
Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc.

**Reason for nomination as a candidate for Outside Director and overview of expected roles**

Takuo Hirose has experience over many years as an international attorney, and has a wealth of experience and outstanding insight in the field of corporate legal affairs.

In light of the above, the Company expects that he will utilize his wealth of experience and outstanding insight for the Company's management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes his reelection as an Outside Director. Although he has not been involved in the management of a company in the past except as an Outside Director or other officer, the Company judges that he will appropriately fulfill his duties as an Outside Director based on the above reasons.

**Service period as an Outside Director of the Company**

Takuo Hirose's service period as an Outside Director will be two (2) years at the conclusion of this General Meeting of Shareholders.

**Matters concerning independence**

The Company had filed Takuo Hirose as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. If he is reappointed as proposed, the Company intends to continuously appoint him as an independent officer. The Company has transactional relationships with



Anderson Mori & Tomotsune LPC including the provision of legal advisory services. The scale of such transactions with Anderson Mori & Tomotsune LPC is no more than 0.1% of the Company's consolidated net sales and the Company enlists such services from attorneys of Anderson Mori & Tomotsune LPC other than Hirose. Therefore, the Company is sufficiently convinced of his independent status.

**Summary of contents of agreements to limit liability**

Based on the Articles of Incorporation, the Company has entered into Agreement Limiting Liability with Takuo Hirose regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit his obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act. The Company plans to continue this agreement with Takuo Hirose if the reappointment of Takuo Hirose is approved.



No. 10	Kaoru Minoshima (November 25, 1964)		
	[New election]	[Outside]	[Independent]

**Brief History and Positions**

Apr. 2013	Professor, the University of Electro-Communications (present)
Apr. 2021	Director, Institute for Advanced Science, the University of Electro-Communications
Apr. 2022	Vice-President (Academic Research Data Utilization), the University of Electro-Communications (present)

Number of shares of the Company held  
0

**Significant Positions Concurrently Held**

Professor, the University of Electro-Communications  
 Director, Institute for Advanced Science, the University of Electro-Communications  
 Vice-President (Academic Research Data Utilization), the University of Electro-Communications

**Reason for nomination as a candidate for Outside Director and overview of expected roles**

In addition to her experience over many years as a university professor and extensive expertise in the optical science and quantum fields, Kaoru Minoshima has many achievements in collaboration with private companies through industry-academia partnerships.

In light of the above, the Company expects that she will utilize her wealth of experience and outstanding insight for the Company’s management to provide well-informed advice from an independent standpoint and supervise business execution. Therefore, the Company proposes her election as an Outside Director. Although she has not been involved in the management of a company in the past except as an Outside Director or other officer, the Company judges that she will appropriately fulfill her duties as an Outside Director based on the above reasons.

**Matters concerning independence**

The Company is scheduled to file Kaoru Minoshima as an independent officer with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. The Company has transactional relationships with University of Electro-Communications including sales of electronic devices. The scale of such transactions with University of Electro-Communications is no more than 0.1% of the Company’s consolidated net sales. Therefore, the Company is sufficiently convinced of her independent status.

**Summary of contents of agreements to limit liability**

Based on the Articles of Incorporation, if the appointment of Kaoru Minoshima is approved, the Company plans to enter into Agreement Limiting Liability with her regarding the obligations set in Article 423 paragraph (1) of the Companies

Act, to limit her obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act.

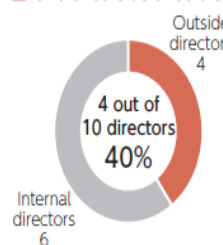
- Notes:
1. There are no special interest relationships between the Company and the candidates for Directors other than Akira Hiruma and Hisaki Kato.
  2. Ken Koibuchi, Kazue Kurihara Takuo Hirose and Kaoru Minoshima, candidates for Director, are the candidates for Outside Director.
  3. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company that includes all Directors as insureds. The insurance policy covers any losses that may arise from an insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. For an overview of the insurance policy, please refer to "(2) Overview of Directors and Officers Liability Insurance Policy" in "4. Matters Concerning Company Directors" in the Business Report. If each candidate assumes office as a Director, they will be included as an insured in this policy. In addition, the Company plans to renew the insurance policy with the same terms at the next renewal.

**(Reference) Management structure when Proposal No. 2 is approved and adopted**

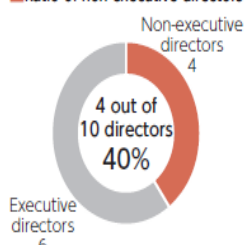
If Proposal No. 2 is approved and adopted as originally proposed, the management structure of the Company will consist of the following members. Note that the table below does not necessarily show all of the expertise and experience of each officer.

Name	Positions after the Ordinary General Meeting of Shareholders (planned)	Expertise & Experience						Gender
		Corporate Management Management Strategy	Technology Research & Development	Finance & Accounting	Legal Compliance	Global	Sales & Marketing	
Akira Hiruma	Director and Chairman	●	●			●	●	Male
Kenji Suzuki	Director and Vice Chairman	●	●			●	●	Male
Tadashi Maruno	Representative Director and President	●	●			●	●	Male
Hisaki Kato	Representative Director and Vice President	●	●			●	●	Male
Takayuki Suzuki	Representative Director	●	●			●	●	Male
Kazuhiko Mori	Director	●		●		●		Male
Ken Koibuchi	Outside Director	●	●			●	●	Male
Kazue Kurihara	Outside Director	●	●			●		Female
Takuo Hirose	Outside Director	●			●	●		Male
Kaoru Minoshima	Outside Director		●			●		Female
Akira Utsuyama	Audit & Supervisory Board Member (Standing)		●		●			Male
Michihito Suzuki	Audit & Supervisory Board Member (Standing)						●	Male
Yuji Maki	Outside Audit & Supervisory Board Member	●		●	●	●		Male
Muneo Kurauchi	Outside Audit & Supervisory Board Member	●		●	●	●		Male

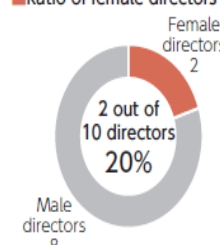
Ratio of outside directors



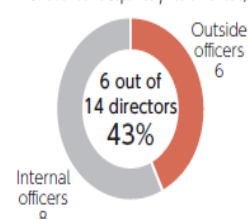
Ratio of non-executive directors



Ratio of female directors



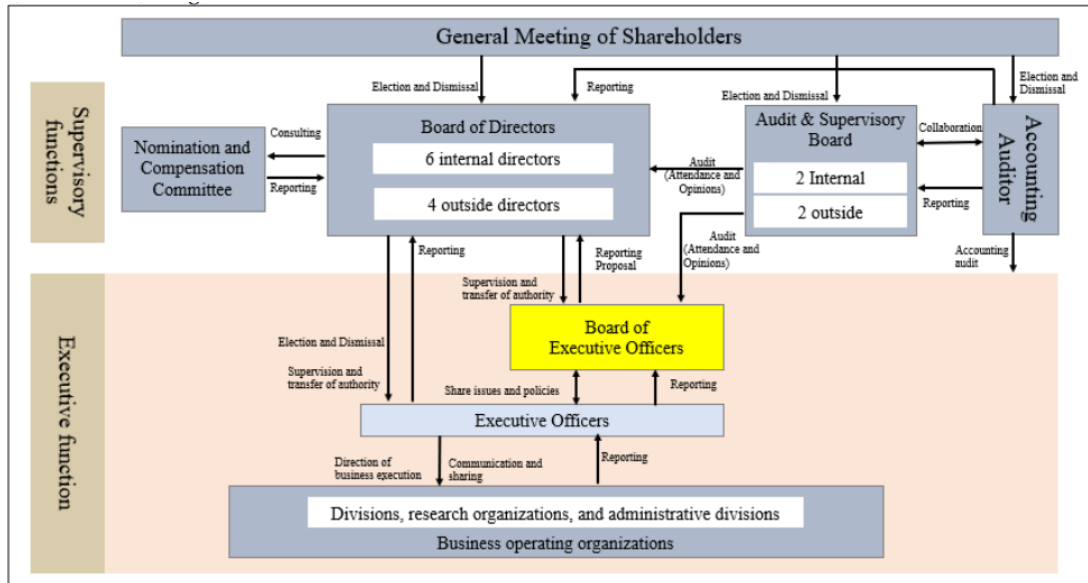
Ratio of outside officers (Outside Directors, Outside Audit & Supervisory Board Members)



## Structure of corporate governance

The Company has adopted a company structure with an Audit & Supervisory Board, and has 10 Directors (of which, 4 are Outside Directors) and 4 Audit & Supervisory Board Members (of which, 2 are Outside Audit & Supervisory Board Members) as of September 30, 2023.

Additionally, the Company is continuously working to enhance corporate governance, such as by introducing an Executive Officer system aiming to revitalize the Board of Directors, strengthen the supervisory function, speed up management decision-making, etc., as well as by establishing a Nomination and Compensation Committee in order to ensure the fairness, transparency and objectivity with regard to decisions on candidates for Director and compensation of Directors.



### Proposal No.3: Revision to Remuneration for Directors

The amount of remuneration for Directors of the Company was approved at a monthly amount of up to JPY 60 million (including an amount of up to JPY 10 million for Outside Directors) by a resolution of the 74th Ordinary General Meeting of Shareholders convened on December 17, 2021, which has remained in effect to date. The Company requires Directors to pursue outcomes from a medium to long-term perspective. While the Company positions fixed remuneration as the base remuneration for Directors, it has introduced stock-based remuneration (restricted stock-based remuneration ) for Directors (excluding Outside Directors).

While maintaining this policy in principle, the Company is considering the introduction of short-term performance-linked remuneration for Directors (excluding Outside Directors) to link remuneration with the Company's performance. This is intended to further clarify the shared recognition with shareholders that the Company aims to achieve stable performance each fiscal year.

Accordingly, the Company proposes to revise the amount of remuneration for Directors from a monthly amount to an annual amount of up to JPY 720 million (including an amount of up to JPY 120 million for Outside Directors) so that the amount of remuneration will not exceed the maximum monthly amount in the timing for payment of the short-term performance-linked remuneration. This maximum amount is equal to the amount obtained by converting the current monthly amount into an annual amount. The Company also proposes that such amount of remuneration continues to exclude, as is conventionally done, the salary payable for the service rendered in the capacity of employees by Directors serving concurrently as employees.

This proposal was reported to the Nomination and Compensation Committee and decided by the Board of Directors after comprehensively considering the remuneration system for officers and its payment level, the current number of officers, etc. Accordingly, it is deemed to be appropriate. If this proposal is approved and adopted, the Company plans to revise the policy for determining the content of individual remuneration, etc. for Directors and other matters stated in “(3) Remuneration and Other Amounts Paid to Directors and Audit & Supervisory Board Members” in “4. Matters Concerning Company Directors” in the Business Report.

The number of Directors is currently ten (10) (including four (4) Outside Directors). Even if Proposal No. 2 is approved and adopted as originally proposed, there will be no change in the number of Directors.

(Reference) The remuneration amounts for Directors before and after the revision are as follows.

Before revision		After revision
Monthly amount of up to JPY 60 million (including an amount of up to JPY 10 million for Outside Directors)	=	Annual amount of up to JPY 720 million (including an amount of up to JPY 120 million for Outside Directors)
Annualized amount of up to JPY 720 million		

## Business Report

(From October 1, 2022 through September 30, 2023)

### 1. Matters Concerning the Corporate Group

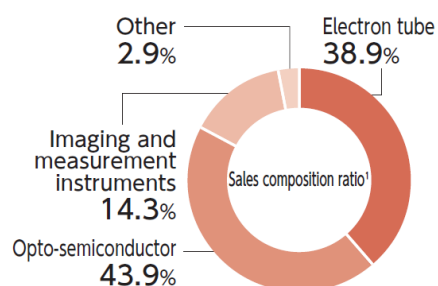
#### (1) Business Operations and Results

During the fiscal year ended September 30, 2023 (from October 1, 2022 through September 30, 2023), Japan's economy was on a recovery trend due to the downgrading of the COVID-19 category to Class 5. However, it remained severe and subject to uncertainties ahead, given prolonged difficulties in procuring parts and materials, the impact of tightening of monetary policy worldwide, and concerns about an overseas economic downturn such as in China.

Given these circumstances, the Group, under a new management structure, worked on reforms to increase corporate value from both financial and non-financial perspectives, while continuing capital investment for future market expansion, and promoting research and product development utilizing the Company's proprietary photonics technologies. In this way, the Group strived to secure net sales and earnings.

As a result, we closed the fiscal year 2023 with net sales of JPY 221,445 million, up by JPY 12,642 million (6.1%) from the previous fiscal year. From an earnings perspective as well, ordinary profit was JPY 59,415 million, up by JPY 536 million (0.9%) from the previous fiscal year and profit attributable to owners of parent was JPY 42,825 million, up by JPY 1,529 million (3.7%) from the previous fiscal year.

	FY2023	Year-on-year changes
Net sales	JPY 221,445 million	Up 6.1%
Operating profit	JPY 56,676 million	Down 0.5%
Ordinary profit	JPY 59,415 million	Up 0.9%
Profit attributable to owners of parent	JPY 42,825 million	Up 3.7%

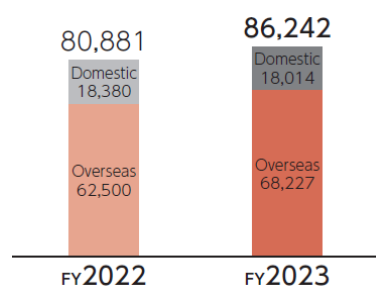


<sup>1</sup> The figure for the Other segment in the sales composition ratio encompasses operations that include the semiconductor laser business and hotel operations.

A summary of business performance by business segment is reported below.

<b>Electron tube</b>	Development, manufacture and sale of photomultiplier tubes and other vacuum-tube optical sensors, light sources, radiation sources, imaging devices, applied products, etc.
----------------------	---

Net sales: JPY 86,242 million (Up 6.6% YoY)



- In the industrial field, sales of microfocus X-ray sources for non-destructive testing increased mainly in Asia due to rising demand for inspecting electronic circuit boards used in lithium-ion batteries for automobiles, EVs, data centers, etc.
- In the medical field, sales of photomultiplier tubes (PMT) for medical inspection and monitoring systems that analyze blood and living cells increased due to rising demand in Japan and overseas.
- Sales of Stealth Dicing Engine for high-speed, high-quality silicon wafer dicing as well as sales of PMT and light sources for semiconductor inspection equipment decreased due to the sluggish semiconductor market.



▲ Microfocus X-ray sources



▲ PMTs for medical inspection and monitoring systems

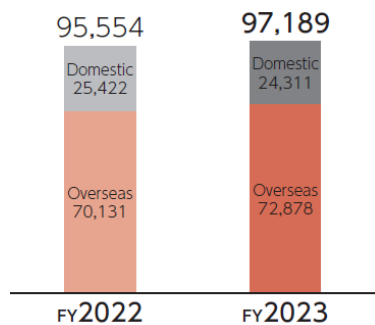


## Opto-semiconductor

### <Main businesses>

Development, manufacture and sale of opto-semiconductor devices including photodiodes, photo ICs and image sensors, and applied products, etc.

Net sales: JPY 97,189 million (Up 1.7% YoY)



- In the academic field, sales of opto-semiconductor sensors such as photodiode arrays for high-energy physics experiments increased due to the launch of a new project in Europe.
- In the medical field, sales of silicon photodiodes for X-ray CT increased mainly in the first half of the fiscal year as demand shifted from low-end models, for which demand grew due to COVID-19, to high end models.
- In the medical field, sales of flat panel sensors for dental diagnostic equipment decreased due to the impact of parts procurement difficulties and price competition caused by the emergence of competing manufacturers overseas.



▲ Photodiode array for high-energy physics experiments



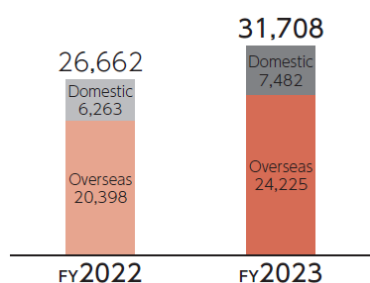
▲ Silicon photodiodes for X-ray CT

## Imaging and measurement instruments

<Main businesses>

Development, manufacture and sale of systems enhanced for industrial and research applications such as life sciences, semiconductors and medicine

Net sales: JPY 31,708 million (Up 18.9% YoY)



- Sales of failure analysis systems for semiconductor devices were strong, especially overseas, as they were praised for their ease of operation and high performance in line with market requirements.

- Sales of digital cameras increased not only in the life sciences and biotechnology sectors, but also in the physics sector for applications that include quantum technology and astronomy, due to their ability to capture low-light images with a wide field of view and high sensitivity.

- Sales of X-ray cameras for non-destructive testing increased primarily in Asia for electronic circuit board inspection.



▲ Failure analysis system for semiconductor devices



▲ X-ray camera for non-destructive testing

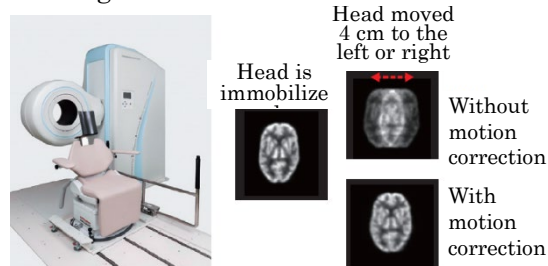
The status of our research and development is reported below.

### <Basic Research Sector>

#### Development of brain PET scanner with motion correction and realization of PET image reconstruction using AI

We have been actively promoting research on PET, and have now developed a new device and established a method for direct PET image reconstruction.

The Company and Hamamatsu Medical Photonics Foundation have developed a brain PET scanner that corrects the blurring in PET images caused by body motion of the examined subject. This device allows high-precision measurement of the brain state of subjects with dementia or hyperactive psychiatric disorders who have difficulty keeping still during examination. The use of this device in clinical practice is expected to boost the diagnostic accuracy of



▲Brain PET scanner HIAS-29000 (left) and images with and without motion correction captured by using a brain phantom (right)

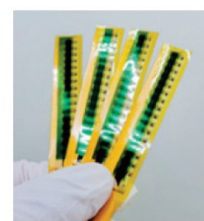
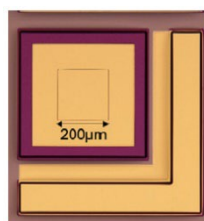
physicians and promote therapeutic drug development. Together with Hamamatsu Medical Photonics Foundation, the Company will continue to accelerate research on achieving early detection and pathological elucidation of dementia and other psychiatric disorders.

The Company was also the first in the world to develop a method for acquiring high-quality PET images using AI<sup>1</sup>. Diagnostic PET images are generally obtained by performing an operation called image reconstruction from the collected observation data, but the problem is that the diagnostic images are degraded during the process. Under these circumstances, the Company has successfully developed a new method for image reconstruction using AI, which eliminates the processing required for conventional image reconstruction. This method makes it possible to obtain high-quality diagnostic images from observation data while minimizing image degradation. This is expected to shorten the measurement time and reduce the radiation exposure dose to the examined subject with the reduced amount of radioactive agents used. The Company will continue to promote research and development on PET to contribute to the realization of a healthy and long-lived society.

#### Development of laser and sensor in the infrared region expected for new applications

Infrared radiation, which is widely used in sectors ranging from medicine to industry to space, is expected to continue to expand in application. The Company is also engaged in research and development of infrared light sources and sensors.

As for light sources, light with a wavelength of 1.4 to 2.6  $\mu\text{m}$  is expected to be used for long-range sensing, which is essential for advanced automated driving in automobiles, and other applications, but maintaining a high output power has been a challenge. The Company has developed a 1.5 $\mu\text{m}$  wavelength photonic



▲Newly developed photonic crystal surface emitting laser (left) and flexible organic optical sensor (right)

1 This research was the recipient of Grants-in-Aid for Scientific Research - KAKENHI from the Japan Society for the Promotion of Science (grant no. JP22K07762).

crystal surface emitting laser with an output power of over 100 mW, more than 10 times that of conventional lasers. This was achieved by adopting a new structure based on the previous research results, which eliminates obstacles to laser output in the device fabrication process and reduces the ratio of laser absorbed in the device.

In terms of sensors, light with a wavelength of 1.1  $\mu\text{m}$  or more is difficult to detect with silicon photodiodes, which are commonly used. Therefore, the Company has been conducting research using organic materials. This time, the Company has succeeded in developing an organic optical sensor with a sensitivity of up to 1.5  $\mu\text{m}$  wavelength by utilizing its proprietary technologies for organic semiconductor thin film formation and electrode formation, as well as by using new materials. This sensor is expected to be used in a variety of ways because its features such as flexibility, large area, and low cost allow a high degree of freedom in the design of the devices in which it is incorporated.

The Company will continue to work on further increasing the output power of the laser in the infrared region, expanding the sensitivity range of the sensor, and speeding up the response, with the goal of early commercialization.

### <Development Sector>

#### **Development of sensor for gas analysis that achieves ultra-miniaturization, lower cost, and faster response**

In the analysis of exhaust gases in factories, etc., the general method for measuring the components and their amounts contained in the gas is to irradiate the gas with infrared light to detect the amount absorbed. The Company has been selling detector modules that integrate a detector and electronic circuits as sensors for gas analysis, but there has been a demand for compact sensors that allow on-site analysis without having to bring samples to the measurement room.

In this situation, the Company adopted the latest  $\text{InAsSb}^2$  detector and encapsulated the detector, electronic circuits, and other components into a package with a diameter of approximately 9 mm using its proprietary circuit design technology to successfully develop a sensor. The device was drastically downsized to about 1/200th of the volume of the module products, yet it still offers the same level of sensitivity as before. What's more, the wiring and other structures are optimized to increase the response to about twice that of the conventional module products, while achieving a lower cost. Until now, most sensors for gas analysis have used mercury-cadmium-telluride (MCT) detectors, but now that this substance has been designated as a restricted substance under the RoHS Directive<sup>3</sup>, such sensors are expected to be replaced by this product, which does not contain MCT.



▲ This product (left) and illustration of its application to a portable gas analyzer (right)

This product is expected to be applied to portable analyzers for real-time analysis of exhaust gases, etc. The Company will contribute to solving environmental problems such as air pollution by supplying high-precision environmental analysis devices.

<sup>2</sup> InAsSb is an abbreviation for indium (In), arsenic (As), and antimony (Sb).

<sup>3</sup> The RoHS Directive is an EU directive that prohibits the sale of electrical and electronic equipment containing specified hazardous substances in concentrations above a certain level on the European market.

## ORCA®-Fire digital camera for large field of view and high resolution imaging

In research in sectors such as life sciences and biotechnology, imaging techniques combining microscopes and digital cameras are widely used to observe the structures of cells and other objects and their instantaneous vital activities. Especially in recent years, there has been a growing need to observe many cells and other objects simultaneously with a large field of view using a low-magnification lens. For imaging at such low magnification, a camera with a small pixel size is suitable for acquiring high-resolution images down to the details of the observed object, but no camera with such performance has ever existed.

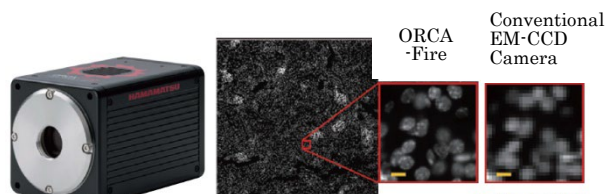
Against this backdrop, the Company has developed the ORCA-Fire digital camera equipped with the latest back-thinned image sensor. This product uses proprietary design and

manufacturing technologies to increase the overall area of the sensor and reduce the size of each pixel that makes up the sensor to an extremely small 4.6  $\mu\text{m}$ , enabling large-area, high-resolution image capture at a low magnification.

The Company will continue to contribute to the development of cutting-edge research in life sciences and biotechnology sectors, such as regenerative medicine and drug discovery, through the development and supply of high-performance cameras.

As reported above, we are using the proprietary photonics technologies our Group has cultivated over many years to pursue basic research aimed at the creation of new knowledge and new industries and undertake development that seeks to create new products and further enhance the high performance and added value of existing products in sectors such as biotechnology, medical care, information, telecommunications, energy, materials, space and astronomy and agriculture.

For the fiscal year ended September 30, 2023, research and development expenses decreased to JPY 12,304 million (up 9.2%) compared with the previous fiscal year.



▲The newly developed ORCA-Fire (left) and the difference in image quality due to the difference in pixel size (right). The cell structure can be clearly observed even when the image is magnified, compared to conventional cameras.

## (2) Capital Investment

For the fiscal year ended September 30, 2023, we made total capital investments of JPY 31,170 million for purposes such as expanding production capacity. The amounts of capital investment by business segment are as follows:

(Millions of Japanese Yen)

Segment	The amounts of capital investment
Electron tube	9,518
Opto-semiconductor	14,554
Imaging and measurement instruments	734
Other	6,363
Total	31,170



▲ Artist's rendering of new Main Factory building (Opto-semiconductor Segment)



▲ Exterior view of new Toyooka Factory building (Electron Tube Segment)

## (3) Fund Procurement

There was no fund procurement during the fiscal year ended September 30, 2023.

## (4) Change in Business Results and Financial Position for the Three Most Recent Fiscal Years

(Millions of Japanese Yen, except for earnings per share and net assets per share, which are in Japanese Yen)

Classification	Year			
	FY2020	FY2021	FY2022	FY2023
Net sales	140,251	169,026	208,803	221,445
Ordinary profit	22,692	34,648	58,879	59,415
Profit attributable to owners of parent	16,523	25,053	41,295	42,825
Earnings per share	106.73	161.82	266.70	276.56
Total assets	271,615	301,676	366,177	402,921
Net assets	213,515	237,570	281,904	320,059
Net assets per share	1,373.79	1,527.65	1,811.98	2,057.75

- Notes:
- Earnings per share is calculated using the number of shares after deducting treasury shares from the average total shares issued during the period. Net assets per share are calculated using the number of shares after deducting treasury shares from the total shares issued at the end of the period.
  - The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year 2022, and each figure for the fiscal year 2022 and thereafter is the figure after applying the accounting standard and relevant ASBJ regulations.
  - Amounts less than 0.01 yen are rounded.

**(5) Issues to be Addressed**

With regard to the business environment surrounding the Group, although the social environment is returning to the pre-COVID-19 state following the downgrading of the COVID-19 category to Class 5, the Group recognizes that the economy is in a severe and uncertain state due to factors including concerns about an overseas economic downturn such as in China and rising prices.

As for the current conditions of the Group, competition in the market has been intensifying due to supply chain effects such as difficulties in procuring parts and materials and rising prices, as in the previous fiscal year, and price competition caused in part by the emergence of competing manufacturers, mainly from overseas.

In this business environment, the Group has revamped its management structure and revised its management philosophy to clarify its more proactive stance to addressing social and environmental issues that are becoming increasingly serious on a global scale. The new management philosophy, while maintaining the comprehensive value of “We will pursue the unknown and unexplored realms of light” that lies at the core of the Group, aims to further enhance corporate value, specifically by creating new value based on this core value and by fulfilling the Group’s mission to dedicate its efforts for a better society and ultimately a healthier planet.

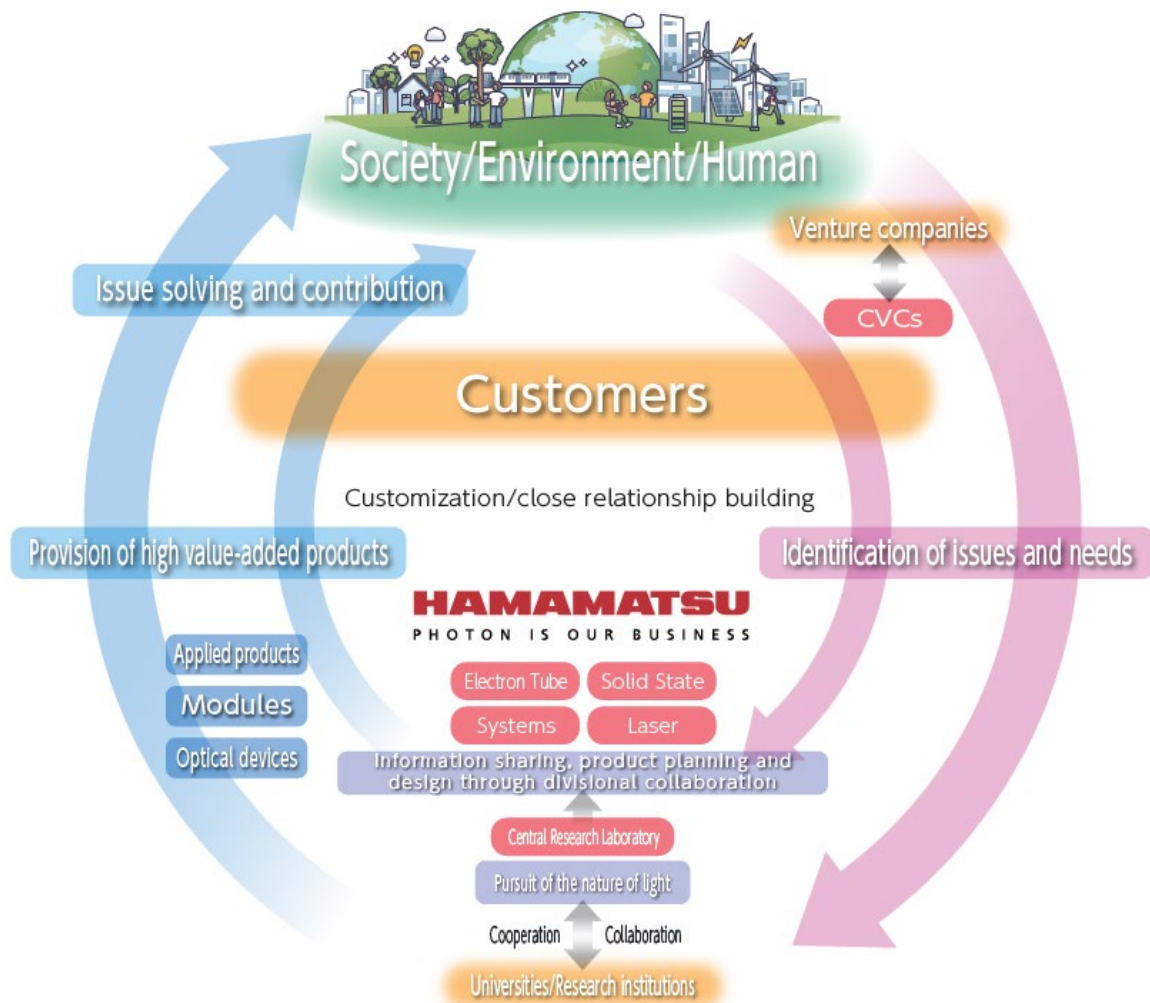
In order to fulfill this mission, the Group has formulated eight materialities as important matters and goals to be addressed by the entire Group. The entire Group will continue to address each materiality from the two perspectives of (1) Creating social and environmental values through our business and (2) Strengthening business base/CSR.

Creating social and environmental values through our business	<p>Contributing to;</p> <ol style="list-style-type: none"> <li>1. The enhancement of social and environmental values with light-powered innovation</li> <li>2. The realization of a stable and prosperous economy and society through sustainable, highly profitable management</li> <li>3. Customers’ value by providing superior safety, quality, and service</li> </ol>
Strengthening business base/CSR	<ol style="list-style-type: none"> <li>4. Promotion of business activities that can coexist with the Earth</li> <li>5. Creating a happier employment system and workplace</li> <li>6. Developing human resources to support the group's growth and contribution to society</li> <li>7. Promote governance and management that ensures stability and growth in value creation</li> <li>8. Establish a stable supply system and responsible supply chain for products</li> </ol>

**▲Materialities formulated**

In addition, toward the sustainable development of the Group as a whole, the Company has established the respective General Headquarters to organize the financial, non-financial, and indirect divisions, effective April 1, 2023, with the aim of planning and managing corporate strategies, and activating the exchange of personnel and information. Aiming to contribute to society and the environment through the business, the Group will properly grasp the needs of society and industry required to solve issues and strengthen cooperation among business divisions and with external organizations.

This will lead to a faster, thicker, and stronger rotation of the “added value creation cycle” to supply high value-added products. In this way, the Group will strive for sustainable growth.



▲ Added Value Creation Cycle

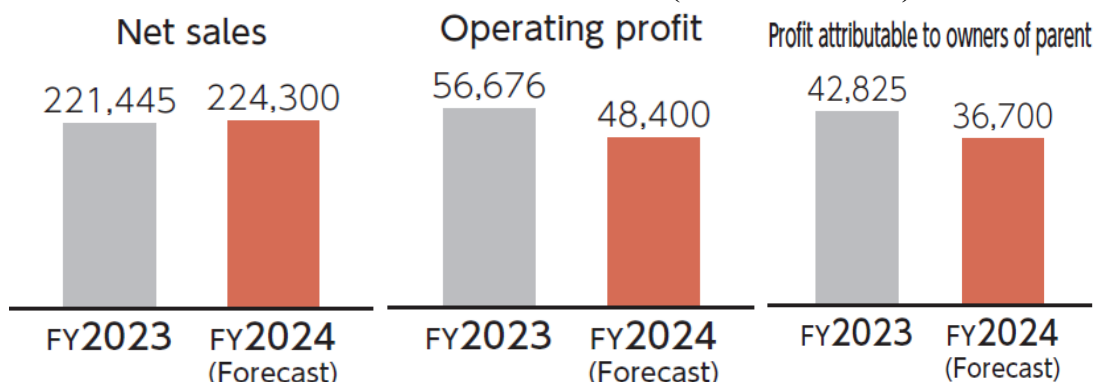
The Group will respond to these changes in the business environment, and aggressively invest in people, products, and things that will serve as the foundation of its management to enhance future corporate value.

We look forward to continuing to receive your unwavering support and encouragement in the future.



(Reference)

**Forecast of consolidated financial results for FY2024(Unit: JPY million)**



**Commitment to Sustainability**

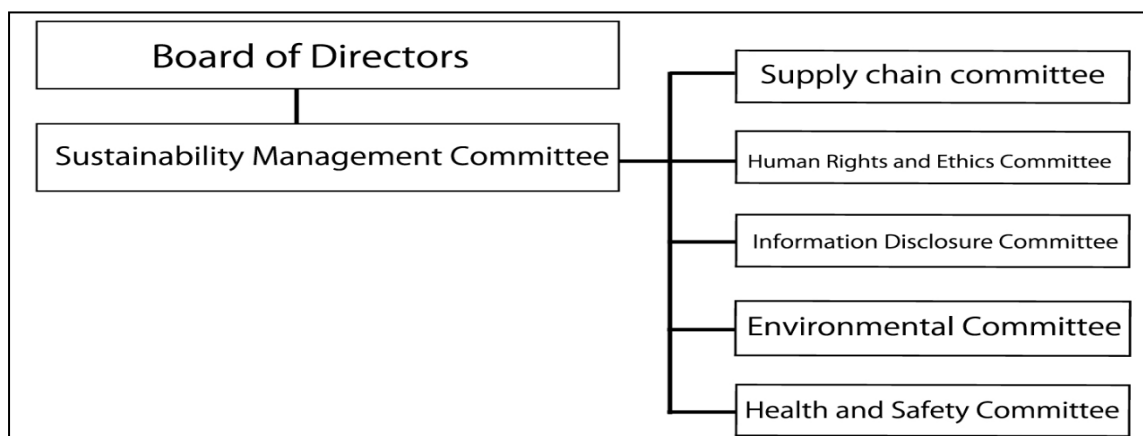
① Basic Policy of Sustainability

Since our founding in 1953, The Company has consistently pursued "light" and have made it our basic philosophy to contribute to society and the development of science and technology through world-class manufacturing using optical technology. Aiming to grow as a company that is sound and trusted, The Company will maintain a high awareness of sustainability and promote business together with all stakeholders.

1. The Company will strictly adhere to corporate ethics, comply with relevant laws and regulations, international rules, and the spirit thereof, and respect human rights.
2. The Company will conduct ecologically-sound and sustainable business activities, considering and contributing to the environment.
3. The Company will respect our employees, support their development, and provide a pleasant and safe work environment.
4. The Company will provide safe and high-quality products and services.
5. The Company will conduct fair transactions, appropriately manage information, and prevent unauthorized access, information leakage, and unauthorized use.

② Promotion system

The Company has established the Sustainability Management Committee, which promotes a company-wide response under the leadership of the officer in charge as the chairperson. The status of the activities of each committee under the Sustainability Management Committee is reported to the Board of Directors, and the intentions of the Board of Directors are reflected in the activities of each committee.



**(6) Key Subsidiaries**

Company name		Capital stock	Percent owned	Main businesses	Location
Japan	Koso Corporation	85,000,000 yen	100.0	Manufacture of light sources	Iwata City, Shizuoka Pref.
	Takaoka Electronics Co., Ltd.	98,000,000 yen	88.6	Manufacture of photomultiplier tubes (PMT) and related products	Naka-ku, Hamamatsu City
	Hamamatsu Electronic Press Co., Ltd.	95,000,000 yen	72.1	Manufacture of electronic components and molds	Iwata City, Shizuoka Pref.
	Iwata Grand Hotel Inc.	100,000,000 yen	57.1	Hotel operations	Iwata City, Shizuoka Pref.
North America	Photonics Management Corp.	33,521,000 US dollars	100.0	Holding company	USA
	Hamamatsu Corporation	426,000 US dollars	(100.0)	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	USA
	Energetiq Technology, Inc.	1 US dollar	(100.0)	Manufacture and sale of light sources and related products	USA
Europe	Photonics Management Europe S.R.L.	272,696,000 euros	100.0	Holding company	Belgium
	Hamamatsu Photonics Europe GmbH	400,000 euros	(100.0)	Regional sales headquarters in Europe	Germany
	Hamamatsu Photonics Deutschland GmbH	2,000,000 euros	(100.0)	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	Germany
Asia	Hamamatsu Photonics (China) Co., Ltd.	50,000,000 Chinese yuan	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems	China
	Beijing Hamamatsu Photon Techniques, Inc.	200,000,000 Chinese yuan	94.0	Manufacture and sale of photomultiplier tubes (PMT) and related products	China

- Notes: 1. The figures in ( ) for percent owned are the indirect ownership percentage.  
2. As of September 30, 2023, there are 22 subsidiaries subject to consolidation, including the 12 key subsidiaries listed above.

## (7) Main Office Locations & Factories (As of September 30, 2023)

### a. Hamamatsu Photonics K.K.

Classification	Office name and Location
Office	Headquarters(Naka-ku, Hamamatsu City)
Factory	Main Factory(Higashi-ku, Hamamatsu City), Mitsue Factory(Iwata City, Shizuoka Pref.), Shingai Factory(Minami-ku, Hamamatsu City), Toyooka Factory(Iwata City, Shizuoka Pref.), Tenno Glass Works(Higashi-ku, Hamamatsu City), Joko Factory(Higashi-ku, Hamamatsu City), Miyakoda Factory(Kita-ku, Hamamatsu City)
Sales Office	Sendai Sales Office(Aoba-ku, Sendai City), <del>Tsukuba Sales Office(Tsukuba City, Ibaraki Pref.)</del> , Tokyo Sales Office(Chiyoda-ku, Tokyo), Chubu Sales Office(Naka-ku, Hamamatsu City), Osaka Sales Office(Chuo-ku, Osaka City), Nishinohon Sales Office(Hakata-ku, Fukuoka City)
Research Laboratory	Central Research Laboratory(Hamakita-ku, Hamamatsu City), Tsukuba Research Laboratory(Tsukuba City, Ibaraki Pref.), Industries Development Laboratory(Nishi-ku, Hamamatsu City)

### b. Subsidiaries

As described in the above (6) Key Subsidiaries

## (8) Employees (As of September 30, 2023)

Business segment	No. of employees
Electron tube	2,218 (+78)
Opto-semiconductor	1,762 (+98)
Imaging and measurement instruments	644 (+34)
Other	386 (+14)
Corporate (shared)	785 (+80)
Total	5,795 (+304)

- Notes: 1. The number of employees is the numbers of full-time employees.  
2. Employees designated as “Corporate (shared)” are individuals affiliated with management departments who cannot be classified in a specific business segment.

**(9) Main Banks and Amount of Borrowing (As of September 30, 2023)**

(Millions of Japanese Yen)

Bank	Amount
MUFG Bank, Ltd.	6,700
Resona Bank, Limited	2,849
Shizuoka Bank, Ltd.	2,006

Note: The Company has concluded commitment line contracts with the five banks with which it does business, for the purpose of flexible and efficient financing. The balance of unrealized borrowings based on the commitment line contracts is as follows.

Total amount of commitment line contracts	JPY 20,000 million
Balance of borrowings	JPY – million
Balance of unrealized borrowings	JPY 20,000 million

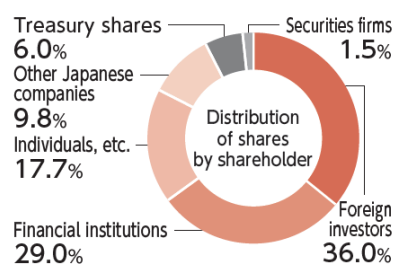
**(10) Summary of Other Important Matters Concerning the Corporate Group**

Not applicable

## 2. Matters Concerning the Company's Stock (As of September 30, 2023)

### Common stock

- a. Authorized: 500,000,000 shares  
 b. Issued: 165,065,948 shares  
 (including 9,945,833 shares of treasury shares)  
 c. Number of shareholders: 26,204  
 d. Major shareholders:



Name of shareholder	No. of shares	Percentage of shareholding
The Master Trust Bank of Japan, Ltd. (Trust Account)	27,241,000	17.6
Toyota Motor Corporation	8,400,000	5.4
Custody Bank of Japan, Ltd. (Trust Account)	8,225,700	5.3
SSBTC Client Omnibus Account	4,281,988	2.8
Hamamatsu Photonics K.K. employees	4,116,492	2.7
JP Morgan Chase Bank 385632	3,384,958	2.2
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	3,099,800	2.0
State Street Bank West Client - Treaty 505234	2,641,787	1.7
JP Morgan Chase Bank 380072	2,438,100	1.6
GOVERNMENT OF NORWAY	1,871,498	1.2

- Notes: 1. The Company holds 9,945,833 shares of treasury shares that is not included in the shares of the major shareholders shown above.  
 2. The percentage of shareholding is calculated after excluding treasury shares. Fractional amounts of less than a single unit have been rounded.  
 3. On January 13, 2023, the Company issued shares of common stock as restricted stock remuneration, which increased the number of issued shares by 13,219.

### e. Shares Delivered During the Fiscal Year to Company's Officers as Remuneration for Their Execution of Duties

During the fiscal year ended September 30, 2023, the following shares were delivered in accordance with the restricted stock remuneration plan.

Classification	No. of shares	No. of eligible Directors for issuance
Directors (excluding Outside Directors)	7,398	6

- Notes: 1. Stocks are not delivered to Outside Directors and Audit & Supervisory Board Members.  
 2. In addition to the aforementioned, 5,821 restricted stocks were granted to eleven (11) Executive Officers.

## 3. Matters Concerning Company Stock Acquisition Rights

Not applicable

#### 4. Matters Concerning Company Directors

##### (1) Directors and Audit & Supervisory Board Members (As of September 30, 2023)

Company Position	Name	Responsibilities	Significant Position Concurrently Held
Representative Director and Chairman	Akira Hiruma	—	Director and President, Photonics Management Corp. Director, Photonics Management Europe S.R.L. Director and President, Research Foundation for Opto-Science and Technology President, Hamamatsu Medical Photonics Foundation President, The Graduate School for the Creation of New Photonics Industries
Representative Director and Vice Chairman	Kenji Suzuki	—	—
Representative Director and President Chief Executive Officer	Tadashi Maruno		Director, Hamamatsu Corporation Chairman, Hamamatsu Photonics (China) Co., Ltd.
Representative Director and Vice President Chief Operating Officer	Hisaki Kato	In charge of Corporate Strategy Division Director, Electron Tube Division	Chairman, Beijing Hamamatsu Photon Techniques, Inc.
Director Senior Managing Executive Officer	Takayuki Suzuki	In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	Director, Hamamatsu Corporation
Director Senior Executive Officer	Kazuhiko Mori	Chief of Finance and Accounting General Headquarters	Outside Director (Audit & Supervisory Committee Member), ENSHU Limited
Outside Director	Kashiko Kodate	—	Professor Emeritus, Japan Women's University
	Ken Koibuchi	—	Fellow, Vehicle Development Center, Toyota Motor Corporation Senior General Manager, Connected Business Field, Connected Company, Toyota Motor Corporation
	Kazue Kurihara	—	Professor Emeritus, Tohoku University Professor, New Industry Creation Hatchery Center, Tohoku University Outside Director, MITSUBISHI GAS CHEMICAL COMPANY, INC.
	Takuo Hirose	—	Partner, Anderson Mori & Tomotsune LPC Audit & Supervisory Board Member (Outside), Cyfuse Biomedical K.K. Outside Director (Audit & Supervisory Committee Member), Core Concept Technologies Inc.
Audit & Supervisory Board Member (Standing)	Akira Utsuyama	—	—
	Michihito Suzuki	—	—
Outside Audit & Supervisory Board Member	Yuji Maki	—	Consultant, Toyota Motor Corporation
	Muneo Kurauchi	—	—

- Notes: 1. The Company has notified the Tokyo Stock Exchange of Outside Director Kashiko Kodate, Outside Director Ken Koibuchi, Outside Director Kazue Kurihara, Outside Director Takuo Hirose, Outside Audit & Supervisory Board Member Yuji Maki and Outside Audit & Supervisory Board Member Muneo Kurauchi as independent officers, as provided by the securities listing regulations of the Tokyo Stock Exchange.
2. At the 75th Ordinary General Meeting of Shareholders held on December 16, 2022, all of Directors were reelected and assumed their respective positions. Changes to Directors, other than reappointments, were as follows.
- Appointed Director      Kazuhiko Mori  
Resigned Director      Kenji Yoshida
3. Changes to the positions and responsibilities of Directors during the fiscal year ended September 30, 2023 were as follows. Please note that the positions and responsibilities of Director Kazuhiko Mori took effect from his appointment to office on December 16, 2022.

Name	Before revision		After revision		The date of change
	Company Position	Responsibilities	Company Position	Responsibilities	
Akira Hiruma	Representative Director and President Chief Executive Officer	—	Representative Director and Chairman	—	December 16, 2022
Kenji Suzuki	Representative Director and Vice President Chief Operating Officer	—	Director and Vice Chairman	—	December 16, 2022
Tadashi Maruno	Representative Director Senior Managing Executive Officer	Division Director, Systems Division	Representative Director and President Chief Executive Officer	—	December 16, 2022
Hisaki Kato	Director Managing Executive Officer	Division Director, Electron Tube Division	Representative Director and Vice President Chief Operating Officer	In charge of Corporate Strategy Division Director, Electron Tube Division	December 16, 2022
Takayuki Suzuki	Director Managing Executive Officer	Division Director, Solid State Division	Director Senior Managing Executive Officer	In charge of Social and Environmental Value Creation / DX Division Director, Solid State Division	December 16, 2022
Kazuhiko Mori	Director Senior Executive Officer	General Manager, Accounting Division	Director Senior Executive Officer	In charge of Finance and Accounting General Manager, Accounting Division	December 16, 2022
	Director Senior Executive Officer	In charge of Finance and Accounting General Manager, Accounting Division	Director Senior Executive Officer	Chief of Finance and Accounting General Headquarters	April 1, 2023

4. Outside Director Kazue Kurihara was appointed as Outside Director of MITSUBISHI GAS CHEMICAL COMPANY, INC. on June 27, 2023.
5. Outside Audit & Supervisory Board Member Yuji Maki is well-versed in corporate management and has the appropriate degree of knowledge concerning financial affairs and accounting.
6. Outside Audit & Supervisory Board Member Muneo Kurauchi has many years of experience in financial services in Japan and overseas at The Bank of Tokyo, Ltd. (now MUFG Bank, Ltd.), and has the appropriate degree of knowledge concerning financial affairs and accounting.
7. Toyota Motor Corporation is a major shareholder and owns 5.4% of the Company's total shares issued (excluding treasury shares). The Company has business transactions, including the sale and purchase of products, with Toyota Motor Corporation.
8. The Company has business transactions, including the sale and purchase of products, with Tohoku University.
9. The Company has transactional relationships with Anderson Mori & Tomotsune LPC including the provision of legal advisory services.

(Reference) The Company has introduced an Executive Officer System. The statuses Executive Officers (excluding those concurrently serving as Directors) as of September 30, 2023, are as follows.

Company Position	Name	Responsibilities
Managing Executive Officer	Naofumi Toriyama	Division Director, Business Headquarters
Managing Executive Officer	Ken Nozaki	Chief of Global Management and Planning General Headquarters
Senior Executive Officer	Minoru Saito	Division Director, Laser Promotion Division General Manager, Compound semiconductor Fabrication Center
Senior Executive Officer	Kazuya Suzuki	Chief of Administration General Headquarters
Executive Officer	Hiroyuki Okada	Division Director (Chief), Global Strategic Challenge Center
Executive Officer	Koichi Nagumo	Deputy Chief of Global Management and Planning General Headquarters
Executive Officer	Shuichi Osada	Deputy Chief of Administration General Headquarters
Executive Officer	Haruyoshi Toyoda	Director, Central Research Laboratory
Executive Officer	Tomio Iwase	Division Director, Systems Division
Executive Officer	Shinji Ito	Deputy Division Director, Solid State Division
Executive Officer	Masato Tsutsumisaki	Deputy Division Director, Electron Tube Division

## (2) Overview of Directors and Officers Liability Insurance Policy

The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act. The scope of insureds of the policy covers officers (including Directors, Audit & Supervisory Board Members, and Executive Officers) of the Company and some subsidiaries inside and outside Japan, and the Company bears the full cost of insurance premiums for all the insureds.

The policy covers the insured's legally mandated amount of indemnification and related litigation expenses incurred from claims for damages arising from the insureds performance of their duties. However, by excluding from the scope of coverage, losses, etc. incurred due to illegal acts for personal gain or granting of benefits, or criminal conduct, the policy has built in measures to ensure that the adequacy of the execution of duties by the insured shall not be compromised.



### (3) Remuneration and Other Amounts Paid to Directors and Audit & Supervisory Board Members

#### a. Total remuneration and other benefits pertaining to the fiscal year ended September 30, 2023

Classification	Number of compensated individuals	Basic Remuneration	Remuneration for Granting Restricted Stock to Directors	Total amount of Remuneration
Directors(Outside Directors only)	11(4)	JPY 323(33) million	52(-) million	375(33) million
Audit & Supervisory Board Members(Outside Audit & Supervisory Board Members only)	4(2)	JPY 55(14) million	-(-) million	55(14) million
Total(Outside Officers only)	15(6)	JPY 378(48) million	52(-) million	431(48) million

- Notes:
1. The amount of remuneration for Directors was established at a monthly amount of up to JPY 60 million (up to JPY 10 million for Outside Directors), excluding the salary payable in the capacity of employees, by a resolution of the 74th Ordinary General Meeting of Shareholders held on December 17, 2021. The number of Directors at the conclusion of the said Ordinary General Meeting of Shareholders was 10 (including four (4) Outside Directors).
  2. At the 72nd Ordinary General Meeting of Shareholders held on December 20, 2019, aiming to contribute to continuous improvement in corporate value from the same position as our shareholders by promoting the long-term, stable holding of the Company's stock by Directors, it was resolved that the remuneration for granting restricted stock to Directors (excluding Outside Directors) shall be up to 200 million yen per year (however, not more than 200,000 shares per year) excluding the salary payable in the capacity of employees, separately from the remuneration described in 1. above. The number of Directors at the conclusion of the said Ordinary General Meeting of Shareholders was 13 (including two (2) Outside Directors).
  3. The amount of remuneration for Audit & Supervisory Board members was established at a monthly amount up to JPY 10 million by a resolution of the 74th Ordinary General Meeting of Shareholders held on December 17, 2021. The number of Audit & Supervisory Board Members at the conclusion of the said Ordinary General Meeting of Shareholders was four (4).
  4. Among the number of Directors who received payment in the table above, there includes one (1) Directors who resigned on December 16, 2022.

#### b. Retirement benefits paid in the fiscal year ended September 30, 2023

Retirement benefits paid during the fiscal year ended September 30, 2023 based on a resolution of the 65th Ordinary General Meeting of Shareholders held on December 20, 2012 to pay final benefits following abolition of the retirement benefit plan were as follows.  
 Director: 1, JPY 1 million  
 (The amount shown above includes a transfer of the provision for officers' retirement benefits included in the total amount of officers' remuneration and other benefits disclosed in the Business Report for the prior fiscal year.)

c. Matters including policy for determining the content of Directors' remuneration and others

The Company has adopted a resolution on the policy for determining the content of individual remuneration, etc. for Directors and other matters at a Board of Directors meeting. Furthermore, the Board of Directors meeting has judged that the method of determining the details of remuneration, etc. and the content of determined remuneration. are consistent with the determination policy resolved by the Board of Directors meeting, and accordingly, that the remuneration, etc. for each individual Director in the fiscal year ended September 30, 2021, is in line with said determination policy. The policy for determining the content of remuneration, etc. for individual Directors is as follows.

The Company pursues the unknown where no one has yet explored. By leveraging photonics technology to establish new industries and reach for the world's highest levels of manufacturing excellence, we build enterprise value and contribute to the development of science and technology. However, only a small fraction of the nature of light has been elucidated. We explore fields not yet explained. Based on the knowledge generated by that inquiry, we require our Directors and employees to seek potential applications. Based on this idea, the Company requires Directors to pursue outcomes from a medium to long-term rather than a short-term perspective. Therefore, the Company considers that fixed remuneration is most suitable as the base remuneration for Directors.

On the other hand, as Directors are obligated to fulfill their commitments to our shareholders, aiming to contribute to continuous improvement in corporate value from the same position as our shareholders by promoting the long-term, stable holding of the Company's stock by Directors, in January 2020 we introduced stock-based remuneration (restricted stock-based remuneration).

As a result, remuneration for Directors of the Company (excluding Outside Directors) is composed of fixed remuneration and stock-based remuneration. Regarding the amount of Director remuneration, fixed monthly remuneration established based on position is decided at the Board of Directors meetings and paid monthly. Furthermore, stock-based remuneration set at around 15% of total Director remuneration is decided for each Director at the Board of Directors meetings and paid prior with a 30-year transfer restriction period from the record date. Additionally, only fixed remuneration is paid as remuneration for Outside Directors.

### (3) Outside Officers

#### a. Main activities

Company Position	Name	Main activities	Attendance
Outside Director	Kashiko Kodate	Based on her extensive expertise as a university professor and experience in corporate management, Kashiko Kodate has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling her expected role as Outside Director. Furthermore, she also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 16/16 (100%)  the Nomination and Compensation Committee 3/3(100%)
	Ken Koibuchi	Based mainly on his wealth of experience and keen insight in fields including corporate management, Ken Koibuchi has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling his expected role as Outside Director. Furthermore, he also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 15/16 (94%)  the Nomination and Compensation Committee 2/3(67%)
	Kazue Kurihara	Based on her extensive expertise as a university professor and experience through industry-academia partnerships, Kazue Kurihara has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling her expected role as Outside Director. Furthermore, she also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 16/16 (100%)  the Nomination and Compensation Committee 3/3(100%)
	Takuo Hirose	Based on his extensive experience as a attorney and outstanding insight in the field of corporate legal affairs, Takuo Hirose has contributed remarks and advice and provided monitoring of operational execution, appropriately fulfilling his expected role as Outside Director. Furthermore, he also serves as a member of the Nomination and Compensation Committee.	Board of Directors meetings 16/16 (100%)  the Nomination and Compensation Committee 3/3 (100%)
Outside Audit & Supervisory Board Member	Yuji Maki	Contributes remarks and advice based on his practical experience and perspective in the accounting division of a listed company.	Board of Directors meetings 16/16 (100%)  Audit & Supervisory Board 7/7 (100%)
	Muneo Kurauchi	Takes advantage of his experience in the banking industry to contribute remarks and advice on all aspects of corporate management, including financial accounting.	Board of Directors meetings 16/16 (100%)  Audit & Supervisory Board 7/7 (100%)

#### b. Summary of contents of agreements to limit liability

Based on the Articles of Incorporation, the Company has entered Agreement Limiting Liability between the Company and each Outside Director and Outside Audit & Supervisory Board Member regarding the obligations set in Article 423 paragraph (1) of the Companies Act, to limit their obligation to the minimum allowance set by Article 425 paragraph (1) of the Companies Act.

## 5. Independent Auditor

### (1) Name of Independent Auditor

Ernst & Young ShinNihon LLC

### (2) Amount of Compensation and Other Benefits Paid to the Independent Auditor Pertaining to the Fiscal Year Ended September 30, 2023

Classification	Amount
Amount of compensation and other fees related to activities prescribed in Article 2 paragraph (1) of the Certified Public Accountants Act (Law No. 103 of 1948)	JPY 70 million
Total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor	JPY 101 million

- Notes:
1. The amount of compensation and other benefits pertaining to the fiscal year ended September 30, 2023 is reported in these total amounts because the amounts of the audit fees etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not classified separately and cannot be substantively classified in the audit agreement between the Company and its independent auditor.
  2. The total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor includes compensation and other fees for advice and guidance on the establishment of the Group compliance framework, which constitute services other than the services specified under Article 2, paragraph (1) of the Certified Public Accountants Act (non-auditing services).
  3. After performing the verification necessary to determine whether the details of the audit plan, status of performance of audit duties, grounds for calculation of estimated compensation and other matters pertaining to the independent auditor are appropriate, the Company's Audit & Supervisory Board has given its consent for the amount of compensation and other benefits paid to the independent auditor.

### (3) Consolidated Subsidiary Audits

The following important consolidated subsidiaries of the Company are subject to audits by certified public accountants or audit entities other than the Company's independent auditor (including individuals in other countries holding qualifications that correspond to these qualifications).

Corporation Name
Hamamatsu Corporation
Hamamatsu Photonics Deutschland GmbH
Hamamatsu Photonics (China) Co., Ltd.

### (4) Company Policy Concerning Decisions to Dismiss or Not Reappoint the Independent Auditor

The Company's Audit & Supervisory Board will dismiss the independent auditor by a resolution of the Audit & Supervisory Board based on the consensus of all Audit & Supervisory Board members if the independent auditor corresponds to any of the reasons provided in the sub-paragraphs of Article 340 paragraph (1) of the Companies Act. In this case, an Audit & Supervisory Board member selected by the Audit & Supervisory Board will report on the dismissal and the reason at the first Ordinary General Meeting of Shareholders convened after such dismissal.

In addition the situation described above, if it recognizes the independent auditor will have difficulty in appropriately accomplishing their duties, the Company's Audit & Supervisory Board will conduct a study based on the facts, and if it is judged dismissal or non-reappointment is reasonable the Audit and Supervisory Board will decide to make that intent a purpose of the Ordinary General Meeting of Shareholders.

## **6. Systems for ensuring proper business activities and operating status of said systems**

### **Systems for ensuring proper business activities**

**A summary of matters resolved by the Board of Directors meeting is provided below.**

#### **[Basic Policy on Company-wide Efforts for Corporate Management]**

- The Company's business is carried out based on the conduct of its employees. Therefore we will strive to foster each individual and create an organization that will grow and develop as a sound, trusted company.
- Each individual must study through their daily work, and foster a corporate culture to engage in absorption of new knowledge, correct communication of information and correct conduct, with a sense of responsibility, duty, and awareness.

#### **(1) System to ensure the execution of Directors' duties complies with laws and regulations and the Articles of Incorporation**

The Company strives to clarify its basic approach concerning corporate ethics and compliance, and ensure all employees are well-acquainted with the Company's thinking.

Apart from the Board of Directors, the Company has established the Board of Executive Officers to speed up management decision-making and separate executive and supervisory functions. The Company strengthens the supervisory function of the Board of Directors by reporting the resolutions of the Board of Executive Officers to the Board of Directors.

#### **(2) System for retaining and managing information concerning the execution of Directors' duties**

1. The Company prepares and retains minutes of the Board of Directors meetings, the Executive Officers meeting, and other important meetings.
2. Information will be computerized and retained in an easy to inspect format.

#### **(3) Rules and other systems related to management of loss risks**

The Company will establish respective divisions responsible for risks related to information security, quality, environment, disasters, export control, etc., and these divisions prepare rules and guidelines concerning such risks, and conduct training and education.

#### **(4) Systems to ensure the execution of Directors' duties is performed efficiently, and systems to ensure the execution of employees' duties complies with laws and regulations and the Articles of Incorporation**

1. Under the rules of the Board of Directors, the Company holds regular meetings of the Board of Directors once a month to make decisions on important matters and receive reports from the Executive Officers to supervise the status of business execution. In addition, the Executive Officer system separates management decision-making from business execution, enabling swift and flexible decision-making, while revitalizing the Board of Directors and strengthening management oversight functions.
2. Under the rules of the Board of Executive Officers, the Company holds regular meetings of the Board of Executive Officers attended by the Directors, the Executive Officers and Audit & Supervisory Board Members to review and resolve matters delegated by the Board of Directors. In addition, the Board of Executive Officers, which is attended by General Managers and above depending on the content of discussion, examines basic and important matters related to business execution from a variety of perspectives, and directly explains and directs them to the relevant parties. In this way, the Company aims to expedite and improve the efficiency of business execution and to share information among officers and executive employees. Furthermore, information is also communicated to other employees through other meetings.
3. The Company will prepare the organization regulations, division of duties provisions, and administrative authority provisions, and clarify responsibilities and authorities.
4. To understand budget execution status and operating results trends, the Board of Executive

Officers studies progress reports and actions to be taken.

5. The Company will conduct training to improve areas such as the safety and health of employees and compliance awareness at the time when individuals join the Company and when individuals are appointed to management positions, and continually after that.
6. The Company will prepare a system for disclosing inside information accurately and on a timely basis.
7. The Company will prepare various guidelines based on the Personal Information Management Guidelines to address the management of personal information.
8. The Company will clarify the basic policy for eliminating anti-social forces, and thoroughly acquaint all employees with it.
9. Based on the Internal Controls and Audit Provisions, the Company will prepare the internal control systems necessary to ensure the appropriateness of financial reporting.

**(5) Systems to ensure appropriate business operations in our Group (meaning the Company and its consolidated subsidiaries)**

1. For domestic and foreign consolidated subsidiaries, the Company will establish a management division responsible for ensuring appropriate operations while respecting, as a rule, each subsidiary's autonomy. The Company will respond as follows based on the size and business of consolidated subsidiaries.
  - a) For domestic consolidated subsidiaries, the Company executes operations in accordance with the Company's policy and monitors the execution of operations by dispatching Directors, Executive Officers or executive employees of the Company to serve as Directors of these subsidiaries. In addition, the Company strives to avoid risks by dispatching Directors or executive employees of the Company to serve as Audit & Supervisory Board Members.
  - b) For overseas consolidated subsidiaries, in addition to the actions described in a), the Company periodically brings together responsible individuals of the overseas consolidated subsidiaries for reporting and conferring, to build a consensus about the management. In addition, the Company dispatches or seconds responsible individuals to the subsidiaries in order to collect information as necessary.
2. Domestic and foreign consolidated subsidiaries of the Company shall regularly report on their operating results etc. to the Company, and if necessary the Company shall convene a liaison meeting to encourage communication, in order to promote cooperation within our Group.
3. The Company will address the risks at domestic and foreign consolidated subsidiaries by sharing risk information corresponding to size and business category, preparing and disseminating various provisions, and implementing training and education, with using the responsible division of the Company as a contact.
4. The Company will formulate a consolidated earnings plan while sharing information between the Company and its consolidated subsidiaries.
5. The Company will make the Fundamental CSR Policy and the Corporate Code of Conduct known to its consolidated subsidiaries, with the goal of improving compliance within our Group.

**(6) Matters concerning employees to be appointed when the Audit & Supervisory Board Members have requested that employees be assigned to assist their duties**

If the Audit & Supervisory Board Members have requested staff to assist an audit, the Company will appoint individuals from among its employees based on the Audit & Supervisory Board request about the number and the abilities of staff.

**(7) Matters concerning ensuring the independence of the employees in the preceding paragraph from the Directors and ensuring the effectiveness of instructions to said employees**

As dedicated staff to assist the Audit & Supervisory Board, the relevant employees must act solely in accordance with the standards set by the Audit & Supervisory Board, and must follow the Audit & Supervisory Board Members' instructions and orders. Furthermore, they are not to serve

concurrently in an office related to the execution of operations or as employees in other divisions.

**(8) System for Directors and employees of our Group to report to Audit & Supervisory Board Members, and system concerning other reports to Audit & Supervisory Board Members**

When Directors, Executive Officers and employees (including Directors, Audit & Supervisory Board Members, and employees of consolidated subsidiaries) are requested to report on matters concerning the execution of operations by Audit & Supervisory Board Members of the Company, they will make an appropriate report promptly.

Furthermore, as soon as they have discovered any facts that might cause a significant loss to our Group, including acts that will violate laws and regulations or the Company's Articles of Incorporation, they shall make a report immediately to an Audit & Supervisory Board Member, or to the Audit & Supervisory Board.

**(9) System to ensure individuals who have made a report under the preceding paragraph are not subjected to disadvantageous treatment because they made said report**

The Company will not subject a Director, Executive Officer or employee of our Group who made a report to an Audit & Supervisory Board Member to disadvantageous treatment because they made said report.

**(10) Matters concerning the policy with respect to the procedure for advances or reimbursements of expenses incurred with respect to the execution of an Audit & Supervisory Board Member's duties or other processing of expenses or debts incurred with respect to the execution of said duties**

When an Audit & Supervisory Board Member has submitted a request for advance payment of expenses with respect to the execution of duties based on Article 388 of the Companies Act, the Company will process said expenses or debts promptly except when it has determined, based on discussions with the responsible division, that the expenses or debts with respect to the relevant payment request were not necessary for execution of said Audit & Supervisory Board Member's duties.

**(11) Other systems to ensure that audits by Audit & Supervisory Board Member are conducted effectively**

The Company will ensure that the Audit & Supervisory Board Members will conduct effective audit activities for operating audits and accounting audits, based on a system of appropriate reports from parties such as the Independent Auditor, the Internal Audit Division, subsidiaries' Directors and Audit & Supervisory Board Members and the audit assistance staff, as well as coordination and information sharing with them.

**A summary of the operation status of the systems for ensuring appropriate business operations is provided below.**

**Execution of Directors' duties**

- By separating the operational execution function from the Board of Directors, delegating authority for operational execution to Executive Officers, and reporting matters resolved at the Executive Officers meetings to the Board of Directors, the Company is working to strengthen the monitoring function of the Board of Directors and to promote flexible decision-making. In addition, in order to ensure the fairness, etc. of nominations for candidates for Director and remuneration procedures, and to strengthen the monitoring function of the Board of Directors, the Company has established a voluntary Nomination and Compensation Committee.

- For the purpose of maintaining and improving the effectiveness of the Board of Directors, the Company has continually conducted evaluations of the Board of

Directors by consigning to a third party administration of questionnaires based on self-assessment by the Directors and Audit & Supervisory Board Members. Based on the results of these evaluations, the Company changes the method of operating the Board of Directors meetings and other matters as necessary. In addition, as part of our corporate governance activities, Directors, Audit & Supervisory Board Members and Executive Officers are provided with training programs as appropriate.

- The Company holds the Board of Executive Officers approximately once a week attended by the Directors, Executive Officers and Audit & Supervisory Board Members to review, discuss and resolve important matters other than those to be resolved by the Board of Directors, thereby promoting flexible decision-making. General Managers and above also attend the meetings as appropriate, and review and discuss important matters and issues related to business execution from a variety of perspectives. Minutes of all meetings are prepared and retained.

- In the fiscal year under review, the Company strengthened its management structure and revised its management philosophy to further enhance corporate value. The new management philosophy clearly states that we will pursue unknown and unexplored realms of light and dedicate our efforts to the advancements of science and technology for a better society and a healthier planet, while clearly defining mission (our mission and promise), vision (our aspirations), and values (our values). In addition, in order to further promote the establishment of the compliance framework throughout the Group, the Company has revised its basic approach concerning corporate ethics and compliance.

- In order to realize the philosophy and policies, the Company has newly formulated eight materialities, focusing on “contribution to society and the environment through the business” and “strengthening the business foundation and corporate social responsibility” as the priority matters. The Company aims to promote management from both financial and non-financial perspectives, and has introduced a general headquarters system to formulate company-wide strategies related to business, ESG, and other matters, and to ensure that each organization functions efficiently and cross-functionally.

- The above philosophy, etc. and ESG initiatives are posted on the internal and external websites, along with its Fundamental CSR Policy and Corporate Code of Conduct. The President’s message on the Group’s vision based on the above is shared with the Group’s employees.

### **Initiatives to enhance non-financial value, including ESG**

- The Company has been recognized under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category) “White 500,” renewing the previous certificate. Furthermore, in the fiscal year under review, the Company was selected as the Health & Productivity Stock Selection as a company that practices excellent health and productivity management. The Company will continue to implement policies to enable all employees to balance work and private life and to continue working actively on a long-term basis.

- In October 2022, the Company joined RE100, an international initiative that aims to adopt 100% renewable electricity for business operations, and have initiated the necessary measures to ensure that all electricity used in the Group will come from renewable sources by 2040.





- In August 2017, the Company became a signatory to the UN Global Compact and declared its support for the UN's 10 principles.
- In addition to the above, each General Headquarters promotes initiatives to improve the non-financial value of the Group as a whole.

### **Management of loss risk**

• The Company has formulated a business continuity plan, which it continuously revises through means such as training, to prepare for disasters such as earthquakes. It also has strengthened its risk management system for overseas business travel. Training with regard to other risks related to health and safety, information security, quality, environment, disasters and export control, etc., is implemented by each responsible division.

### **Execution of employees' duties**

- The Board of Executive Officers communicates information to General Managers and above through various discussions, including our Group's management policies and conformity with our corporate culture. In addition, the Company holds a meeting of its employees holding the managerial position regularly, where the management side gives reports and seeks to deliver and share information in their own words.
- The Company has also prepared rules and provided education to prevent research activity misconduct and the improper use of public research funds.

### **Ensuring proper operations in our Group**

- With the aims of creating risk management systems for the entire Group and achieving thorough compliance with laws and regulations, the Company promotes projects for improving the Group compliance framework geared toward its domestic and overseas consolidated subsidiaries.
- To ensure propriety of operations, including those of consolidated subsidiaries, the Company clarifies administrative authority including that of consolidated subsidiaries and shares such information within the Group. With the aims of creating risk management systems for the entire Group and achieving thorough compliance with laws and regulations, the Company promotes projects for improving the Group compliance framework geared toward its overseas consolidated subsidiaries. Furthermore, in addition to dispatching or seconding executives to consolidated subsidiaries, for its domestic consolidated subsidiaries the Company exchanges information monthly if necessary, and for its overseas consolidated subsidiaries implements meetings where all managers attend. In addition, the Company clarifies administrative authority including that of consolidated subsidiaries and shares such information within the Group.

### **Systems to ensure audits and supervision are conducted effectively**

- To improve the effectiveness of audits by the Audit & Supervisory Board Members, if necessary the Company confers beforehand with the Audit & Supervisory Board Members concerning the contents of materials to be submitted to the Board of Directors meeting. Furthermore, to improve the effectiveness of audits and supervision by the Outside Directors and Outside Audit & Supervisory Board Members, the Company provides them with the necessary information by sending beforehand the materials related to matters to be resolved at the regular Board of Directors meeting and creates an opportunity to explain to them the matters as needed.
- The Company has increased the headcount in its Internal Audit Division, which is directly controlled by the Representative Director and President, and further

strengthened a system for integrated performance of operational audits and financial report audits. The results of internal audits are reported to the Representative Director and President and the Audit & Supervisory Board in a timely manner, and also reports them to the Board of Executive Officers.

Note: The figures presented in this Business Report are rounded down to the nearest whole unit of presentation.

## Consolidated Balance Sheets

(As of September 30, 2023)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>260,850</b>	<b>Current liabilities</b>	<b>68,500</b>
Cash and deposits	119,128	Notes and accounts payable-trade	7,931
Notes and accounts receivable-trade	50,471	Electronically recorded obligations-operating	9,238
Securities	2,393	Short-term borrowings	5,854
Merchandise and finished goods	18,146	Current portion of long-term borrowings	1,094
Work in process	36,014	Income taxes payable	6,631
Raw materials and supplies	21,394	Provision for bonuses	7,265
Other	13,546	Other	30,484
Allowance for doubtful accounts	(245)	<b>Non-current liabilities</b>	<b>14,362</b>
<b>Non-current assets</b>	<b>142,071</b>	Long-term borrowings	5,535
<b>Property, plant and equipment</b>	<b>113,648</b>	Retirement benefit liability	6,383
Buildings and structures, net	55,861	Deferred tax liabilities	336
Machinery, equipment and vehicles, net	15,197	Other	2,107
Tools, furniture and fixtures, net	6,429	<b>Total liabilities</b>	<b>82,862</b>
Land	17,798	<b>Net assets</b>	
Leased assets, net	183	<b>Shareholders' equity</b>	<b>296,594</b>
Right-of-use assets, net	1,877	Share capital	35,095
Construction in progress	16,299	Capital surplus	34,374
<b>Intangible assets</b>	<b>5,136</b>	Retained earnings	247,922
Customer-related intangible assets	1,550	Treasury shares	(20,798)
Other	3,585	<b>Accumulated other comprehensive income</b>	<b>22,051</b>
<b>Investments and other assets</b>	<b>23,286</b>	Valuation difference on available-for-sale securities	1,109
Investment securities	4,233	Foreign currency translation adjustment	19,173
Retirement benefit assets	2,831	Remeasurements of defined benefit plans	1,768
Deferred tax assets	12,631	<b>Non-controlling interests</b>	<b>1,413</b>
Investment property, net	13	<b>Total net assets</b>	<b>320,059</b>
Other	3,595	<b>Total liabilities and net assets</b>	<b>402,921</b>
Allowance for doubtful accounts	(19)		
<b>Total assets</b>	<b>402,921</b>		

## Consolidated Statements of Income

(From October 1, 2022 through September 30, 2023)

(Millions of Japanese Yen)

Item	Amount	
Net sales		221,445
Cost of sales		101,439
<b>Gross profit</b>		<b>120,006</b>
<b>Selling, general and administrative expenses</b>		<b>63,330</b>
<b>Operating profit</b>		<b>56,676</b>
<b>Non-operating income</b>		
Interest income	683	
Dividend income	58	
Rental income from non-current assets	60	
Rental income from investment property	42	
Foreign exchange gains	774	
Share of profit of entities accounted for using equity method	401	
Income from sale of work scraps	314	
Other	646	2,981
<b>Non-operating expenses</b>		
Interest expenses	120	
Rent expenses on real estate	63	
Other	58	242
<b>Ordinary profit</b>		<b>59,415</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	70	
Subsidy income	463	534
<b>Extraordinary losses</b>		
Loss on sales of non-current assets	0	
Loss on retirement of non-current assets	1,117	
Loss on tax purpose reduction entry of non-current assets	276	
Loss on valuation of investment securities	34	1,429
<b>Profit before income taxes</b>		<b>58,520</b>
Income taxes-current	17,144	
Income taxes-deferred	(1,663)	15,480
<b>Profit</b>		<b>43,039</b>
Profit attributable to non-controlling interests		214
<b>Profit attributable to owners of parent</b>		<b>42,825</b>

## Non-consolidated Balance Sheets

(As of September 30, 2023)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>180,959</b>	<b>Current liabilities</b>	<b>48,155</b>
Cash and deposits	56,139	Electronically recorded obligations - operating	9,238
Notes receivable - trade	6,264	Accounts payable - trade	7,691
Accounts receivable - trade	51,189	Current portion of long-term borrowings	1,000
Merchandise and finished goods	5,364	Lease obligations	60
Work in process	34,414	Accounts payable - other	3,634
Raw materials and supplies	19,163	Accrued expenses	1,655
Accounts receivable - other	7,269	Income taxes payable	4,901
Other	1,219	Advances received	71
Allowance for doubtful accounts	(64)	Deposits received	551
		Provision for bonuses	5,981
		Electronically recorded obligations - facilities	8,114
		Deposits received from employees	3,339
		Other	1,914
<b>Non-current assets</b>	<b>125,601</b>	<b>Non-current liabilities</b>	<b>20,356</b>
<b>Property, plant and equipment</b>	<b>95,133</b>	Long-term borrowings	10,983
Buildings	44,171	Lease obligations	78
Structures	2,260	Provision for retirement benefits	8,280
Machinery and equipment	13,552	Provision for loss on business of subsidiaries and associates	788
Vehicles	12	Asset retirement obligations	179
Tools, furniture and fixtures	4,147	Other	47
Land	16,278		
Leased assets	120		
Construction in progress	14,590	<b>Total liabilities</b>	<b>68,512</b>
<b>Intangible assets</b>	<b>1,201</b>	<b>Net assets</b>	
Patent right	52	<b>Shareholders' equity</b>	<b>236,939</b>
Software	1,090	<b>Share Capital</b>	<b>35,095</b>
Other	57	<b>Capital surplus</b>	<b>34,803</b>
<b>Investments and other assets</b>	<b>29,266</b>	Legal capital surplus	34,803
Investment securities	2,489	<b>Retained earnings</b>	<b>187,834</b>
Shares of subsidiaries and associates	10,031	Legal retained earnings	695
Investments in capital	0	Other retained earnings	187,139
Investments in capital of subsidiaries and associates	1,657	Reserve for dividends	13,000
Prepaid pension costs	2,831	General reserve	128,600
Deferred tax assets	11,090	Retained earnings brought forward	45,539
Other	1,185	<b>Treasury shares</b>	<b>(20,794)</b>
Allowance for doubtful accounts	△19	<b>Valuation and translation adjustments</b>	<b>1,109</b>
		<b>Valuation difference on available-for-sale securities</b>	<b>1,109</b>
		<b>Total net assets</b>	<b>238,049</b>
<b>Total assets</b>	<b>306,561</b>	<b>Total liabilities and net assets</b>	<b>306,561</b>

## Non-consolidated Statements of Income

(From October 1, 2022 through September 30, 2023)

(Millions of Japanese Yen)

Item	Amount	
<b>Net sales</b>		<b>171,397</b>
<b>Cost of sales</b>		<b>96,206</b>
<b>Gross profit</b>		<b>75,190</b>
<b>Selling, general and administrative expenses</b>		<b>37,381</b>
<b>Operating profit</b>		<b>37,809</b>
<b>Non-operating income</b>		
Interest income	107	
Dividend income	11,084	
Rental income from investment property	29	
Foreign exchange gains	645	
Miscellaneous income	718	<b>12,585</b>
<b>Non-operating expenses</b>		
Interest expenses	243	
Rent expenses on real estate	53	
Miscellaneous loss	3	<b>300</b>
<b>Ordinary profit</b>		<b>50,093</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	5	
Subsidy income	363	<b>368</b>
<b>Extraordinary losses</b>		
Loss on sales of non-current assets	0	
Loss on retirement of non-current assets	1,120	
Loss on tax purpose reduction entry of non-current assets	231	
Provision for loss on business of subsidiaries and associates	126	<b>1,477</b>
<b>Profit before income taxes</b>		<b>48,984</b>
Income taxes - current	11,098	
Income taxes - deferred	(335)	<b>10,762</b>
<b>Profit</b>		<b>38,221</b>

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