Governance

Chairperson's Message

Reflections Since Assuming my New Role as Chairperson

In April 2024, I stepped down from my position as Representative Director, President, Group CEO and assumed the role of Chairperson of the Board of Directors in a non-executive position. Prior to this, I had served as both the head of the executive side and the chairperson of the Board of Directors. However, from a corporate governance perspective, we believed it was best to more clearly separate the executive and supervisory functions. Thus, I handed over the position of Group CEO to Douglas Lefever and the role of President to Group COO Koichi Tsukui. At the same time, I assumed the role of Chairperson of the Board of Directors, responsible for monitoring the executive side. This change enables me, together with the outside directors, to monitor and the appropriateness of executive decision-making and its execution more objectively. I believe the transition Advantest enacted in 2015 to an Audit and Supervisory Committee structure marked a pivotal shift toward a board of directors that is focused on stronger monitoring and governance. Additionally, by making the Chairperson a non-executive position, and dividing the executive responsibilities previously handled by one individual among two persons, we have observed further improvements in the speed of executive decision-making.

Starting the first year of our third mid-term management plan with the highest-ever sales and profits is a testament to the new management team's capability to demonstrate its full potential under the newly established governance structure.

Operation of the Board of Directors in FY2024

The Board of Directors meets once a month for several hours to report on monthly financial results and important topics. In addition to M&A and strategic investments, we also report on matters such as the annual budget and executive compensation to the Board at an early stage, rather than presenting them to the Board at the final resolution stage. This approach enabled the Board to make informed decisions based on thorough consideration.

The executive team takes matters raised at the Board of Directors meetings seriously. It holds separate meetings after each Board meeting to identify issues, discuss, and decide on measures to address them. The results are documented and reported at the next Board meeting, where outside director can raise additional issues or suggest other agenda items.

Through these ongoing efforts, we strive to improve the effectiveness of the Board.

The Board of Directors must be fully functional without becoming a mere formality. To this end, we conduct an annual survey of all directors to gather their candid opinions and evaluate the effectiveness of the Board. The survey results are distributed to all directors and are also discussed at the Board meeting.

The effectiveness evaluation for FY2024 revealed that, in addition to the increased neutrality of the Chairperson of the Board of Directors, more constructive discussions that contribute to mid- to long-term corporate value enhancement are taking place. We believe that this evaluation was driven by the fact that reports on the formulation and progress of the Third Mid-term Management Plan (MTP3) and explanations of investments aligned with the MTP3 strategy were presented at the Board of Directors meetings.

How Would You Like to Manage the Board of Directors in the Future (Your Intention as Chairperson)?

We believe that it is an important duty of the Chairperson of the Board of Directors to enhance the effectiveness of the Board and contribute to the enhancement of corporate value. Since the majority of our Board of Directors consists of outside directors, we believe that it is not necessary for discussions to delve into the details of business execution.

On the other hand, we are grateful for the advice provided by our outside directors, who draw on their wealth of experience to offer a broad perspective on management policies and issues from a shareholder's perspective. It is one of my key roles as Chairperson of the Board of Directors to elicit such advice and perspectives as much as possible. It is important to ensure transparency in basic governance matters such as management succession and the executive compensation system.

To that end, it is also imperative to build good relationships with outside directors so that they can obtain necessary information from management in an appropriate manner. From my part, I intend to play this role as a bridge between outside directors and the management.

At the same time, we believe that maintaining an arm's length relationship between outside directors and the management team is also necessary. This is why we solicit ideas for the agenda, or for internal analysis, from the outside directors, and include in the board agenda a range of items that allow them to appropriately monitor management. In addition to important management policies, we will continue to work to ensure that audit reports, compliance reports, and sustainability-related issues are regularly discussed at Board of Directors meetings.

There are various stakeholders in a company, and MTP3 is committed to providing value to all of them in a balanced manner. We will operate the Board of Directors to support and encourage the management's bold and disciplined decision-making and execution, while ensuring that the company continues to earn the trust of its diverse range of stakeholders.

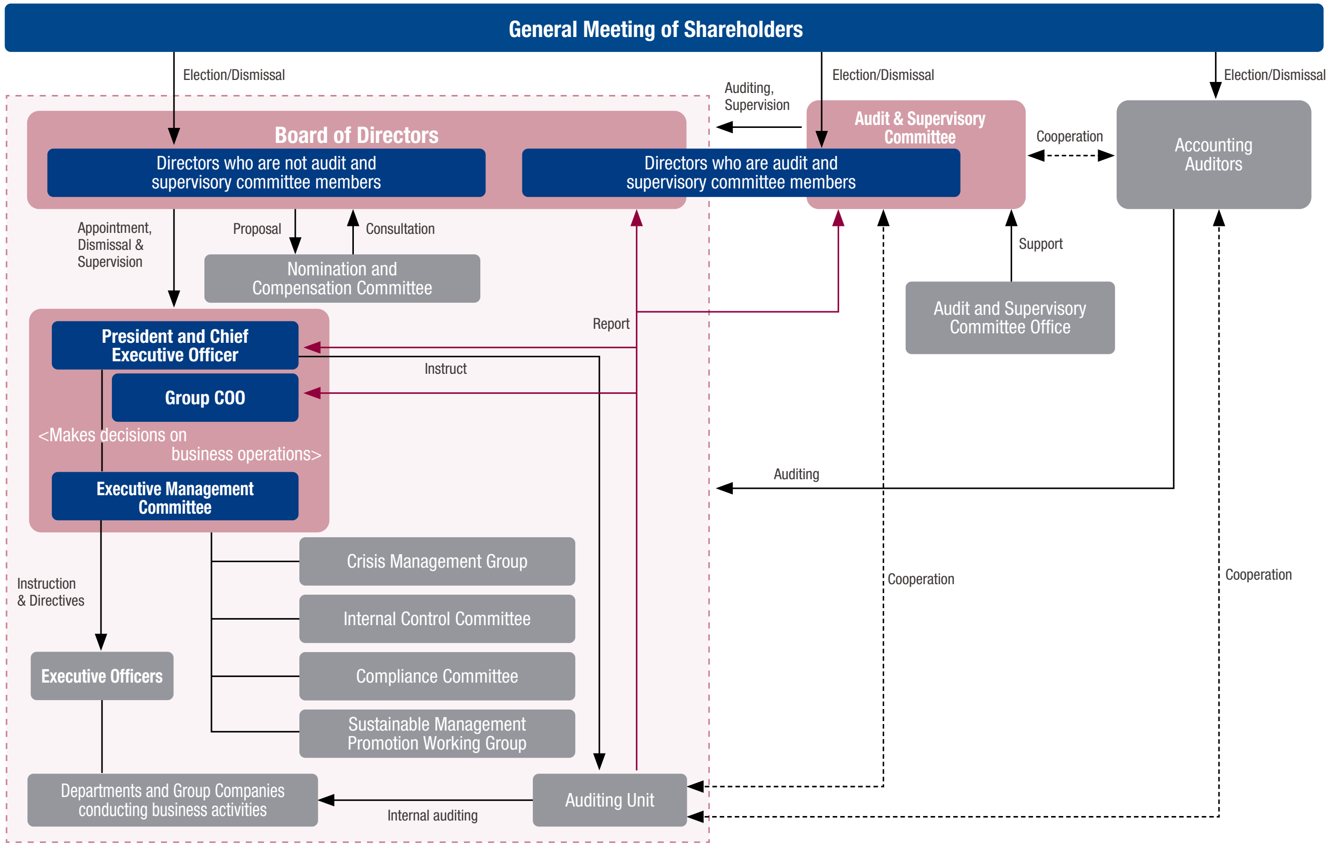
Corporate Governance

Corporate Governance Basic Policy

Advantest's corporate mission is "Enabling Leading-Edge Technologies." Advantest constantly strives to improve so that we can offer products and services that will satisfy customers around the world and contribute to the future of society through the development of the most advanced technologies. In accordance with this corporate mission and in response to our mandate from stakeholders, Advantest emphasizes open, honest, and respectful dialogue with all stakeholders at all times, aiming to achieve a sustainable level of business development for the Advantest Group and to enhance corporate value over the mid/long-term. We consistently seek the sources of issues to identify their essence and find optimal solutions. To that end, the Advantest Group strives to operate a fair, effective, transparent governance system as our basic approach to corporate governance.
Our Corporate Governance Basic Policy is published on our website.

Advantest Corporate Governance Policy

Corporate Governance Structure



Initiatives to Strengthen the Corporate Governance Structure

2003
- Introduction of executive officer system

2006
- 1st meeting of the Nomination and Compensation Committee
- Abolition of retirement allowance system
- Appointment of first outside directors

2011
- Appointment of first foreign directors

2015
- Transitioned to the "company with audit and supervisory committee" format

2017
- A majority of the members of the Nomination and Compensation Committee became outside directors
- First appointment of an outside director as the chair of the Nomination and Compensation Committee

2018
- First appointment of a female director
- Established stock compensation system and reviewed stock option compensation system

2020
- Abolition of advisor system

2021
- General Review of Executive Compensation System, CxO System

2023
- Multiple female directors appointed
- Outside directors reach majority of board members

2024
- Introduction of a stock compensation plan for outside directors and directors who are members of the Audit and Supervisory Committee.
- Separation of roles of the Group CEO and the Chairperson of the Board

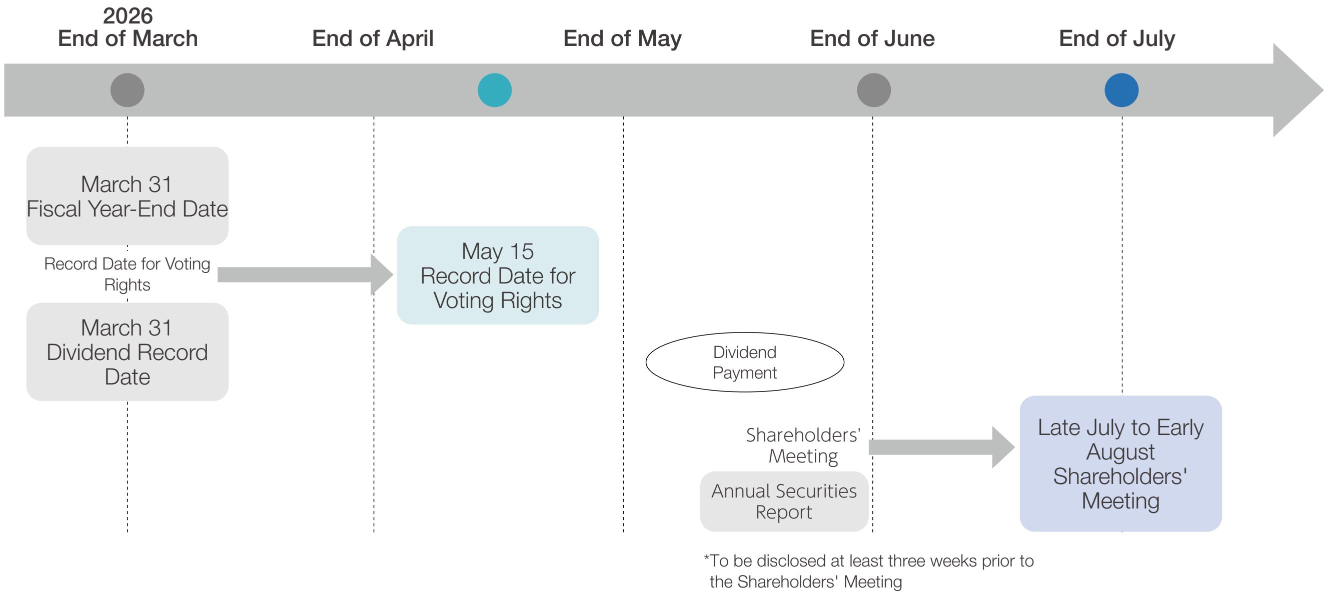
Shareholders’ Meeting

Advantest regards the annual General Meeting of Shareholders as an important opportunity for dialogue with shareholders.
The 2025 General Meeting of Shareholders was held in Chiyoda-ku, Tokyo, where our head office is located, for the convenience of our shareholders. Furthermore, this year's meeting was also livestreamed, enabling shareholders to watch the meeting in real time wherever they were and message us online during the livestream.
To enhance dialogue with shareholders, we accepted questions online in advance of the meeting. At this shareholders' meeting, we received four questions in advance, seventeen questions on the floor, and one comment from the livestreaming audience, and answered all of them.
The Group CEO gave a presentation on the progress of the Third Mid-term Management Plan, and there was a question-and-answer session with shareholders regarding the Company's strategies, providing a good opportunity for shareholders to deepen their understanding of the Company's mid-to long-term management direction. After the shareholders' meeting, we held a roundtable discussion with shareholders on the floor, allowing us to engage in interactive communication.

Efforts to Change the Schedule of the General Meeting of Shareholders by Amending the Articles of Incorporation

Advantest believes that in order to foster construction and effective engagement with our shareholders, it is important to provide sufficient information in an appropriate period of time prior to the General Meeting of Shareholders. Based on this idea, in addition to considering the integrated disclosure of the Annual Securities Report and the Business Report, a proposal to partially amend the Articles of Incorporation to change the record date for exercising voting rights from the current March 31 to May 15 was proposed at the Ordinary General Meeting of Shareholders held on June 27, 2025, in order to enable the Company to convene the Ordinary General Meeting of Shareholders in late July or early August. The proposal was approved and passed.
Please note that there will be no change in the record date for dividend payment, and dividends will continue to be paid to shareholders at the end of March and September.
As a result of this amendment to the Articles of Incorporation, the date of the General Meeting of Shareholders will be postponed by approximately one month. Meanwhile, the Annual Securities Report will be disclosed by the end of June, enabling shareholders to exercise their voting rights after reviewing the Report.

●Schedule for the 2026 Shareholders’ Meeting



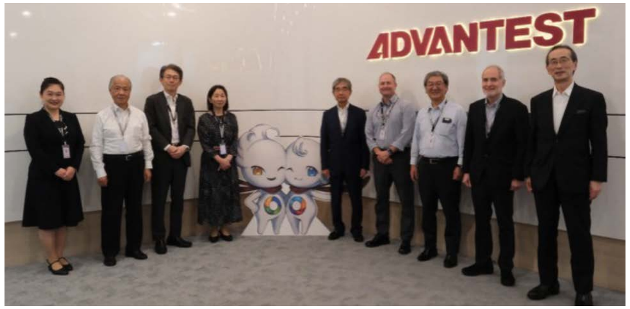
Corporate Governance

Board of Directors

The Board of Directors of Advantest, as our management decision-making body, makes decisions on significant matters with respect to the management policies and management strategies for the whole Advantest group, and in its capacity to supervise management, it also monitors and supervises Executive Officers in the exercise of their duties. Advantest has strengthened the oversight and supervision functions of the Board of Directors by appointing a majority of outside directors on the Board. Furthermore, effective April 2024, the Group CEO and the Chairman of the Board of Directors have been separated, with Mr. Yoshida, a non-executive director, serving as Chairman of the Board of Directors. In addition, our Board of Directors maintains a certain degree of diversity, with two non-Japanese (U.S. nationals) directors and two female directors. In order to maintain seamless communication, Advantest has arranged for simultaneous interpretation at the Board of Directors meetings so that Board members can speak freely in both Japanese and English. Materials and minutes are also prepared in both English and Japanese.

In FY2024, the Board of Directors held 13 regular Board of Directors meetings, spending three to five hours at a time to discuss important matters. Off-site meetings were also held in Singapore to discuss mid/long-term issues that cannot be adequately addressed within the time limits of the Board of Directors meetings. In addition, we visited our affiliated company in Malaysia as well as our manufacturing contractor for key products.

We also held online briefings on individual businesses and business strategies as an opportunity to provide more detailed business explanations to Outside Directors.

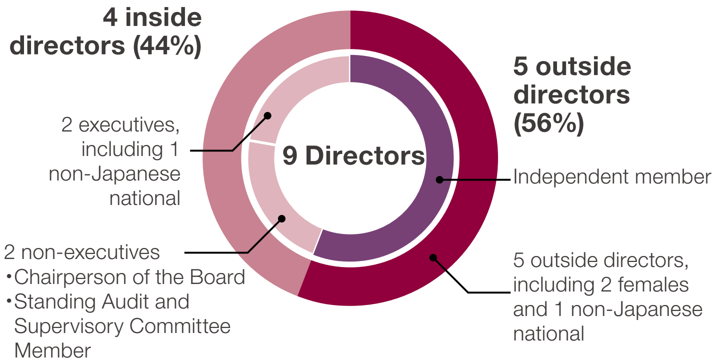


Off-site meeting held in Singapore

Major Items Discussed and Reported at Board of Directors Meetings and Off-Site Meeting in FY2024

- To further develop the Advantest group, the mid- to long-term management policy, “Grand Design,” was revised to a management policy based on a longer-term perspective, and the Third Mid-term Management Plan (FY2024-FY2026) formulated in accordance with the revised Grand Design was resolved.
- Based on the Third Mid-term Management Plan, the Nomination and Compensation Committee proposed revisions to the executive compensation system to provide sound incentives that contribute to enhancing the corporate value of the Group and to enhancing global competitiveness. These revisions were resolved at a meeting of the Board of Directors.
- Recognizing that building partnerships with key companies in the semiconductor supply chain is essential to delivering high-performance and comprehensive test solutions that meet future customer needs, the executive side proposed several strategic partnerships, which were discussed by the Board of Directors.
- Due to the expected increase in cash flow resulting from strong business performance, Advantest has resolved to implement a share repurchase program for the purpose of improving shareholder returns and capital efficiency.
- Monthly reports were presented to the Board of Directors on the status of sales, profits, cash flow, inventory balances, and other matters.
- The status of communication with investors and the shareholding status of shareholders were reported to the Board of Directors as part of IR reporting.
- In addition to review results of the ESG Action Plan 2021-2023, reports were made on the Sustainability Action Plan 2024-2026 linked to the Third Mid-term Management Plan.
- Reports were made on the results of the company-wide employee engagement survey conducted in FY 2024 and future initiatives to improve engagement.
- Compliance reports were made four times a year, and internal audit reports were made twice a year, informing the Board of Directors about compliance incidents including reports made through a helpline, and about the internal audit system and items pointed out by internal audits.

Composition of the Board (As of July 1, 2025)



Initiatives to Enhance Effectiveness of the Board of Directors

Documentation of Items Raised at Board Meetings

We believe that in order to enhance the effectiveness of the Board of Directors, it is important to ensure that the content discussed at Board meetings is accurately reflected in the operations of the executive management. Based on this belief, we document the issues raised during Board discussions on a monthly basis and share them with the executive management. The executive directors then report on the measures taken or the status of such measures at the following month's Board meeting.

Effectiveness Assessment of the Board of Directors

Once a year, a questionnaire-based evaluation is conducted to assess the effectiveness of the Board of Directors. The questionnaire covers four items: composition of the Board of Directors, deliberation and operation, response of the executive team, and the support system for the Board of Directors. We collect and analyze opinions on the operation of the Board of Directors and the states of discussion.

The effectiveness evaluation for FY2024 showed that the transition to a new management structure was facilitated by the separation of the roles of Group CEO and Chairperson of the Board of Directors, resulting in greater neutrality for the Chairperson and more appropriate operation of the Board of Directors. It was also confirmed that the Board of Directors will hold discussions that will contribute to the enhancement of the Group's corporate value over the mid- to long-term.

On the other hand, as improvements to enhance the effectiveness of the Board of Directors, it was suggested that it would be desirable to quickly grasp changes in the external environment and consider analyses and countermeasures, including potential downside scenarios.

The results of the effectiveness assessment and areas for improvement were reported to the Board of Directors, and opinions were exchanged on how to improve the effectiveness of the system. Going forward, we will continue to make improvements to ensure higher effectiveness in the future.

Audit and Supervisory Committee

The Audit and Supervisory Committee consists of one internal and two outside Audit and Supervisory Committee members and is chaired by Sayaka Sumida, an external Audit Committee member. In order to enhance the effectiveness of auditing and supervisory functions, an internal Audit and Supervisory Committee member is appointed as a full-time member.

Pursuant to our audit policies, audit plans, priority audit items, allocation of duties, etc., and in coordination with the Auditing Group and other relevant departments with jurisdiction over internal control, each Audit and Supervisory Committee member, led by the full-time member, attends important meetings such as Executive Management Committee, Business Plan Meeting (Budget Meeting), and Internal Control Committee. Additionally, members receive reports from Directors, Executive Officers and business execution divisions, including units and affiliated companies. Members also review important approval-granting documents and inspect the state of business operations and assets. Outside Audit and Supervisory Committee members attend as necessary, in on-site inspections conducted by the full-time Audit and Supervisory Committee members, actively auditing and monitoring the status of business execution at the Company.

Following these investigations and audit activities, the Audit and Supervisory Committee members and the Committee itself shared their views with the Board of Directors and department heads regarding issues that required feedback.

In FY2024, the Audit and Supervisory Committee met 14 times. All meetings were attended by all Audit and Supervisory Committee members.

Nomination and Compensation Committee

Advantest has established our Nomination and Compensation Committee as a non-mandatory organization complementary to the Board of Directors, which decides on the appointment/dismissal of Directors and Executive Officers and their compensation. The Nomination and Compensation Committee is responsible for improving the fairness, rationality, and transparency of the appointment/dismissal of Directors and Executive Officers and their compensation. The Nomination and Compensation Committee is composed of members selected from among the company's directors by a resolution of the Board of Directors, and the majority of the committee members are outside directors. The committee is chaired by Mr. Toshimitsu Urabe, an outside director. In FY2024, the Nomination and Compensation Committee met 14 times with all members attending all meetings. The main activities of the Nomination and Compensation Committee in FY2024 were as follows:

- Candidates for Directors and Executive Officers and the management structure
- Knowledge and skills required for Directors and Senior Executive Officers (skill matrix)
- Review and Operation of Executive compensation

Regarding the selection of directors and executive officers, the Nomination and Compensation Committee submits reports to the Board of Directors on candidates who, in their view, will contribute to a sustainable level of business development and enhancement of corporate value over the mid/long-term in accordance with the "Directors and Executive Officers Nomination/Dismissal Policy and Procedures" prescribed by the Board of Directors as regards Directors and Executive Officers. The Nomination and Compensation Committee also considers the most appropriate composition for our Board of Directors and executive team, including gender and national diversity, as well as the size of the respective organizations. In addition, regarding independent outside directors, the "Independence Criteria of Independent Outside Directors" prescribed by the Board of Directors applies alongside the "Directors and Executive Officers Nomination/Dismissal Policy and Procedures" mentioned previously. Candidates recommended to the Board of Directors should possess a wealth of knowledge that enables them to contribute actively to the Board.

Directors and Executive Officers Nomination/ Dismissal Policy and Procedures

Independence Criteria of Independent Outside Directors

Executive Compensation

Based on our Purpose & Mission and vision, our executive compensation system aims to be a system that contributes to the enhancement of corporate value, and is based on the following three concepts:
(1) a compensation mix and level that attracts international human resources who can support our global business development,
(2) well-balanced bonuses linked to performance, and
(3) compensation that encourages executives to share the shareholder perspective and promotes a medium- to long-term perspective on management.
Based on this concept, we made some changes to our executive compensation system in June 2025.

- Executive officers: Based on changes to benchmark partners and compensation comparisons with peer groups, we have revised the standard model and reviewed the compensation structure to enhance incentives, increasing the ratio of stock compensation (restricted stock compensation and performance-linked stock compensation).
- Outside directors and Audit and Supervisory Committee members: To further advance value alignment with shareholders and address the increase in compensation levels for outside directors and Audit and Supervisory Committee members, we have revised the compensation structure and increased the amount and ratio of restricted stock compensation.

Compensation Composition

		Monetary compensation		Stock compensation	
		Fixed compensation	Performance-linked bonuses	Restricted stock compensation	Performance Share Unit compensation
Business Executives	Group CEO	1	1	1	3
	Group COO	1	1	1	1
	Senior Executive Officer	1	1	0.5 to 0.75	0.5 to 0.75
	Executive Officer	1	1	0.5	0.5
Non-business Executives	Chairperson of the Board	1	–	1	–
	Audit & Supervisory Committee Member	1	–	Up to one-third of total compensation	–
	Outside Directors (excluding Audit & Supervisory Committee Members)	1	–	Up to one-third of total compensation	–

* Guideline for the standard amount
* Executive officers who are also directors will be compensated separately as directors.

Stock Ownership Guideline

The Company recommends that Executive Officers hold the Company's shares (including RS/RSUs) as follows. The Company will set the criteria for the amount and the number of shares based on the amount of base compensation and the stock price at the start of the Mid-term Management Plan, and one of them shall be satisfied with a grace period of five years until the achievement of the criteria.

Group CEO	4 years of base compensation
Executive officers other than Group CEO	2 years of base compensation

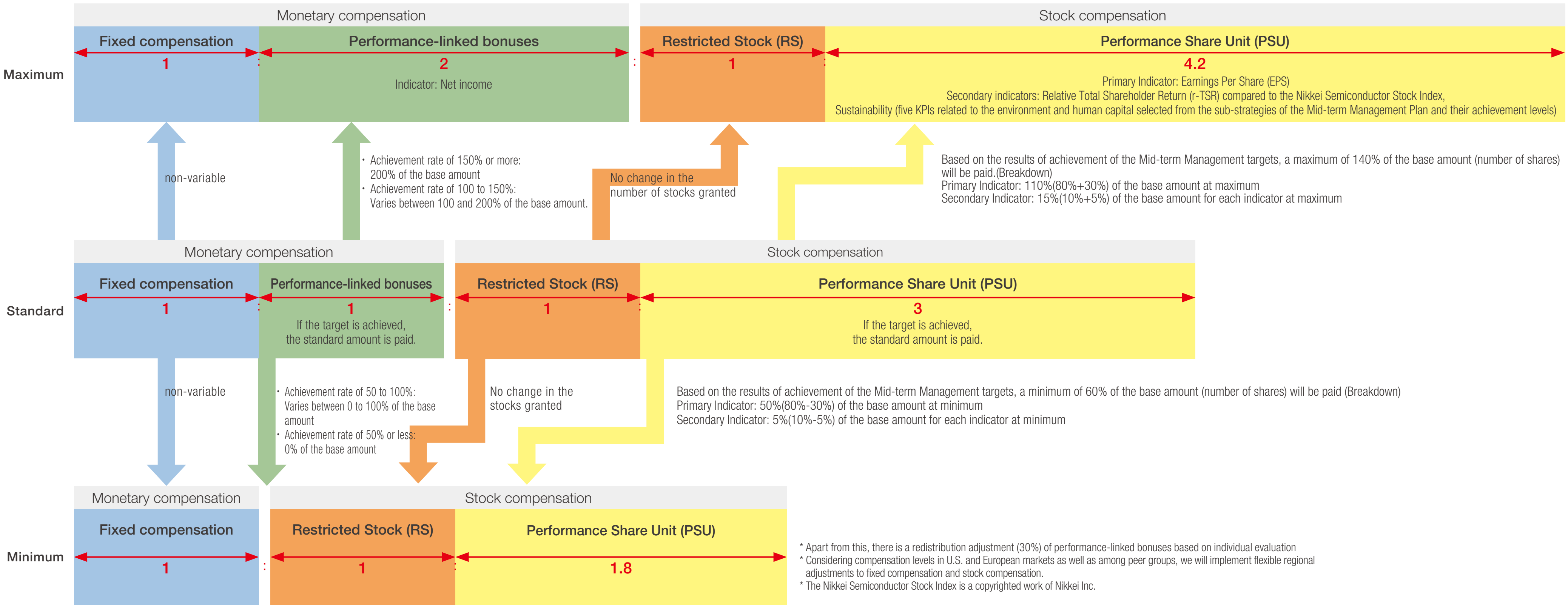
Reduction of Compensation (Clawbacks)

The Company may reduce future compensation or claw back past compensation by resolution of the Board of Directors in the event of certain circumstances, such as violation of relevant laws and regulations or internal rules, or material restatement due to errors discovered in the consolidated financial statements.

Policies and Procedures for Determining Compensation for Directors and Executive Officers

Corporate Governance

●Visualization of compensation for the Group CEO



* Apart from this, there is a redistribution adjustment (30%) of performance-linked bonuses based on individual evaluation
* Considering compensation levels in U.S. and European markets as well as among peer groups, we will implement flexible regional adjustments to fixed compensation and stock compensation.
* The Nikkei Semiconductor Stock Index is a copyrighted work of Nikkei Inc.

Board of Directors, Skill Matrix

Representative Director, Senior Executive Officer, Group CEO

Douglas Lefever

Representative Director, Senior Executive Officer and President, Group COO

Koichi Tsukui

Director, Chairperson of the Board

Yoshiaki Yoshida

Director, Audit and Supervisory Committee Member

Yuichi Kurita

Outside Director

Toshimitsu Urabe

Outside Director

Nicholas Benes

Outside Director

Naoto Nishida

Outside Director, Audit and Supervisory Committee Member

Sayaka Sumida

Outside Director, Audit and Supervisory Committee Member

Tomoko Nakada

Skill Matrix for the Board of Directors following the General Meeting of Shareholders

In nomination and selection of Directors and Senior Executive Officers, the Company recognizes that noteworthy issues around the corporate management and communication with stakeholders have to be taken into consideration, in addition to our Purpose & Mission, management strategies, and business strategies. Our business is indispensable for the manufacturing of semiconductors, which support the development of our society, and also assumes the important function of supporting the stable operation of the facilities and systems in our society and industries, creating great opportunities for growth even in the surrounding areas. The Company has selected the following nine areas of management activities which are considered important for the Company to grow the business in the medium to long term and realize the improvement of our corporate value: "Management & Corporate Strategy," "Semiconductor," "Technology," "Sales & Marketing," "Finance & Accounting," "Legal & Compliance," "Human Capital Management," "Global Business," and "Digital Transformation". The Board of Directors and the Nomination and Compensation Committee have discussed the essential "insight and experiences" required for the execution of duties and the fulfilment of the responsibly of supervision in the nine areas, and established the required skill sets for Senior Executive Officers and Directors. If the election of all of the candidates presented in this convocation notice of is approved as originally proposed, the skills of the Directors will be as shown in the table on the next page.

Details of Skill

Areas for management activities	Items	Experience, knowledge, and abilities expected
❶ Management & Corporate Strategy	Top management	Management experience at a company or legal entity (as a chairperson, president, representative director or equivalents)
	Management strategy	Experience and knowledge as a head of a management strategies department *1,2
	Business investment and M&A	Experience and knowledge of business investment and M&A
❷ Semiconductor	Semiconductor related industries	Experience in semiconductor-related industries and knowledge of the semiconductor industry
❸ Technology	Industries & technologies (incl. Environment and Energy)	Knowledge of the electrical/electronics related industry and ICT technologies
	Research & development	Experience and knowledge as a head of an R&D department *1,2
	SCM*3, production, and quality assurance	Experience and knowledge as a head of SCM *3, production, production engineering, and quality assurance departments*1,2
❹ Sales & Marketing	Sales and marketing	Experience and knowledge as a head of a sales and marketing department*1,2
❺ Finance & Accounting	Finance, accounting and audit	Experience and knowledge as a head of a finance, accounting and audit department *1,2 or as a certified public accountant and auditor
	Communication with the capital market	Experience and knowledge as a head of the department responsible for communicating with investors and shareholders *1,2, such as a head of IR (Investor Relations) or SR (Shareholder Relations) department
❻ Legal & Compliance	Legal affairs, risk management, and compliance	Experience and knowledge as a head of a legal affairs, risk management, or compliance department *1,2 or as an attorney at law
❼ Human Capital Management	Human capital management	Experience and knowledge as a head of an HR department *1,2 or in recruiting & developing human capital, and talent management
❽ Global Business	Global business	Experience at a global organization or experience working in a foreign country
❾ Digital Transformation	IT & DX	Experience and knowledge as a head of an IT department1 ., and as a head of a DX promotion department *1,2

*1 : The head of a large company or a company with complicated businesses or operations
*2 : The executive of a specialized service company in the relevant field
*3 : Supply Chain Management

Board of Directors, Skill Matrix

Skill Matrix

							Fundamental managerial activities deemed essential for carrying out management duties and guiding/supervising our management team												Key areas of our immediate management issues	
							❶ Management & Corporate Strategy			❷ Semiconductor	❸ Technology			❹ Sales & Marketing	❺ Finance & Accounting		❻ Legal & Compliance	❼ Human Capital Management	❽ Global Business	❾ Digital Transformation
			Attribute				Management		Business investment and M&A	R&D, Semiconductor, Industries & Technologies			SCM, production, and quality assurance	Sales and marketing	Finance & Accounting, Communication with Capital Market		Legal affairs, risk management, and compliance	Human capital management	Global business	IT & DX
			Nationality	Member of the Audit and Supervisory Committee	Member of Nomination and Compensation Committee	Independent member	Top management	Management strategy		Semiconductor-related industries	Industries & technologies (incl. Environment and Energy)	Research & development			Finance, accounting and audit	Communication with the capital market				
Inside Directors	Douglas Lefever	Male	American				○	○	○	○	○	○		○		○			○	
Inside Directors	Koichi Tsukui	Male	Japanese				○	○		○		○	○	○		○			○	
Inside Directors	Yoshiaki Yoshida	Male	Japanese		■		○	○	○	○				○		○			○	
Inside Directors	Yuichi Kurita	Male	Japanese	■				○	○	○					○	○			○	
Outside Directors	Toshimitsu Urabe	Male	Japanese		Chairperson	■	○	○	○									○	○	○
Outside Directors	Nicolas Benes	Male	American			■		○	○							○	○		○	
Outside Directors	Naoto Nishida	Male	Japanese			■				○	○	○	○						○	
Outside Directors	Sayaka Sumida	Female	Japanese	Chairperson	■	■									○		○		○	
Outside Directors	Tomoko Nakada	Female	Japanese	■		■											○		○	

*Skills of the Senior Executive Officers (excluding those concurrently serving as directors) are as follows.

Senior Executive Officers	Keith Hardwick	Male	American						○	○					○		○	○	○	
Senior Executive Officers	Yasuo Mihashi	Male	Japanese					○	○	○				○		○			○	
Senior Executive Officers	Juergen Serrer	Male	German					○		○	○	○							○	
Senior Executive Officers	Makoto Nakahara	Male	Japanese							○			○	○					○	
Senior Executive Officers	Sanjeev Mohan	Male	American					○		○	○			○					○	
Senior Executive Officers	Richard Junger	Male	German							○			○						○	○
Senior Executive Officers	Yong Xu	Male	Chinese							○				○					○	
Senior Executive Officers	Toshiaki Adachi	Male	Japanese							○		○							○	○
Senior Executive Officers	Hisako Takada	Female	Japanese					○	○		○				○	○			○	

Interview with Outside Directors

Effective Board of Directors Through Diversity and Dialogue

In order to achieve effective governance, it is important not only to establish institutional frameworks but also to foster a lens through which to understand our corporate culture and the workplace. With this in mind, we asked Mr. Nishida and Ms. Nakada, who joined the Board of Directors as outside directors in 2023, to share their insights into the role of the Board of Directors, their interactions with the workplace, and their expectations for enhancing corporate value.

(Interviewer: Toshiyuki Ishii, Department Manager, BoD Administrative Office, CEO Office)

Q How do you assess the effectiveness of your Board of Directors ?

Nishida I feel that the Board of Directors, the Audit and Supervisory Committee, and the Nomination and Compensation Committee each fulfill their respective roles while working together to closely monitor the decision-making of the executive team. The Board of Directors consists of nine members, which is the ideal size for discussions, and there is an atmosphere where each director can freely express their opinions. The board members come from diverse backgrounds in terms of gender, nationality, and expertise, enabling constructive discussions from a wide range of perspectives. Recently, two new female executive officers have joined the management team, and I feel that efforts to incorporate diverse perspectives into organizational operations are steadily progressing.

I also believe that the separation of the roles of Group CEO and Chairperson of the Board of Directors since last year has clarified the relationship between management and supervision, thereby enhancing the effectiveness of the Board of Directors. On the other hand, I recognize areas for improvement, such as insufficient response to issues that were pointed out, parts of reports that appear to be merely formalities, and a somewhat weak response to areas where downside risks have emerged despite overall business performance being strong.

Nakada I feel that the Board of Directors is functioning appropriately, as the suggestions and proposals made by outside directors are taken seriously and reflected in actual measures. For example, at this year's General Meeting of Shareholders, a proposal was approved to allow the General Meeting of Shareholders to be held in July or later, enabling shareholders to exercise their voting rights at the meeting after fully understanding the contents of the Annual Securities Report. This initiative was implemented following advice from our outside director, Mr. Benes, and other directors, followed by various discussions within the management team. I believe this is a pioneering and highly significant step forward within Japan.

Q How would you describe your relationship with the Group CEO ?

Nakada I believe that Doug-san is a leader who takes the initiative in promoting business, and I feel that he has extraordinary leadership skills. At the same time, as an outside director, I recognize that we must provide opinions from a different perspective than the management team and encourage careful consideration when necessary. In fact, there have been cases where outside directors have offered a variety of opinions on proposals made by the management team, leading to better decisions in the end. Looking at these processes, I feel that the Board of Directors is functioning soundly.

Nishida I highly value Doug-san's wealth of experience, knowledge, and network cultivated at Advantest, which he is leveraging to make significant contributions to the company's performance. In particular, he has built strong, trusting relationships with key customers' management teams and is driving the business forward through close communication, which I believe is an irreplaceable strength. At the same time, I believe it is critically important for the Board of Directors to maintain an appropriate level of "constructive tension" with the Group CEO. Whenever there is a sense of misalignment regarding proposals presented by the CEO to the Board, I make it a point to clearly express such concerns and engage in deeper discussions to ensure robust deliberation.

Q How do you feel about our corporate culture and atmosphere ?

Nakada Advantest is a global company with more than 60% of its employees from countries outside of Japan. The company has a warm, welcoming atmosphere that makes you feel at home. The first time I realized this was at a reception I attended shortly after being appointed as an outside director in 2023. Everyone except Doug-san was Japanese, but as soon as he entered the room, everyone started speaking English. The moderator's remarks and all the speeches were in English, and Doug-san said that he felt this company was more like a "family" than a "company." These get-togethers are held several times a year and are attended not only by board members but also by executive officers and senior employees. I feel that these opportunities for communication that go beyond organizational boundaries are extremely meaningful and contribute to building trust in our daily work. Last year, I also participated in the "Employee Appreciation Day" held to commemorate the company's 70th anniversary. It was a family-oriented event where everyone felt like part of a large family. This warm, family-like atmosphere also serves as a foundation for open and positive discussions at board meetings.

Nishida What impresses me most about Advantest's corporate culture is its diversity and integrity, which is truly authentic. Even in terms of language, English has become the common language used at board meetings, and even among Japanese speakers, there is the flexibility to naturally switch to English when an English speaker joins the group. This is

unique in that it is not forced but rather is a natural result of working in a global company.

In addition, the fusion of technical cultures between Verigy and Advantest, and the mutual respect for each other's strengths, are also signs of the company's maturity. Furthermore, during off-site meetings in Korea and Singapore, I felt that the corporate philosophy of "INTEGRITY" had permeated down to the workplace level. This cultural unity is a major advantage for a global company like Advantest.

Q What are some of the most memorable discussions/events you have had ?

Nakada Some of the most memorable experiences for me are the annual off-site meetings. During the meeting held at our Korean headquarters in the fall of 2023, I had the opportunity to speak with senior executives on an individual level. My time there was very meaningful; I could directly experience the atmosphere and perspectives of the onsite employees, something that documents alone could not convey. Upon returning to Japan, I made a suggestion for improvements to Mr. Yoshida, the then-CEO, with Ms. Sumida, who was also an outside director and member of the Audit and Supervisory Committee. When this suggestion was implemented, I felt that I had made a small contribution to governance in my role. In the fall of 2024, I visited our offices in Singapore and Malaysia and participated in the employee all-hands meeting. The management team's sincere and thoughtful responses to various questions about the future left a strong impression on me. Visiting our business partners and confirming the strong trust we have built with them was also very beneficial. Through these on-site experiences, I am now better equipped to fulfill my supervisory role as a board member in a more effective manner.

Nishida There are two things that left a strong impression on me. The first is the decision to postpone the shareholders' meeting until after the disclosure of the Annual Securities Report, as Ms. Nakada mentioned earlier. This shift, which is ahead of other competitors, is still rare in Japan, and I feel like the fact that this decision was made by the Board of Directors is commendable from the standpoint of governance.
Another thing that may come as a surprise is that Advantest participated in the "Corporate Song Contest" hosted by the Nikkei Shimbun in February 2025. Although this was not discussed at the Board of Directors meeting, we eventually made it to the finals and received a special award from singer/songwriter Ai Kawashima, who was the chair of the judging committee. There is actually a video of employees from various countries singing together, conveying a sense of warmth and unity that symbolizes the character of Advantest.

Q What are your particular focuses and expectations for increasing corporate value ?

Nakada I am particularly mindful of the shareholders' perspective. For example, when I received direct feedback from individual investors at gathering with shareholders following the General Meeting of Shareholders, I was reminded of my mission and responsibilities as a director. The information we gain from dialogue with shareholders is invaluable. There are also cases where we have incorporated feedback from shareholders into internal response measures. In this way, I aim to contribute to enhancing corporate value by faithfully fulfilling my role as an outside director.

Nishida The semiconductor market is undergoing rapid changes, requiring both short-term responsiveness and long-term vision. In this regard, I strongly identify with the direction of evolving into a "Test Solution Company" set forth in the new vision statement of the Grand Design. I believe that Advantest's approach to strategically expanding its business domain through in-house development, M&A, and partnerships with other companies, with the aim of contributing to the entire value chain, will also differentiate it from its competitors.
From a sustainability perspective, I am impressed by the steady progress being made towards achieving the clearly defined KPIs in the Sustainability Action Plan, and I am looking forward to seeing further initiatives in this area. I also hope to see the development of mechanisms for personnel exchanges between locations and cross-border career development in the future. As it is becoming increasingly difficult to recruit talent in Japan, this will pave the way for young employees to grow in a global environment and will also enable the company to broaden the perspective of the entire organization.