

*\*NOTE: This document has been translated from the Japanese original for reference purposes only. If there is any discrepancy between the Japanese and this translated document, the Japanese original shall prevail.*

## Advantest Corporate Governance Policy

### Chapter I. General Provisions

(Purpose of Policy)

Article 1. This Advantest Corporate Governance Policy (“Policy”) establishes policies and frameworks of corporate governance of Advantest Corporation (“Company”) and guides the directors, the officers and other persons involved in the management of the Company group and aims to achieve a sustainable level of business development and mid-to-long term enhancement of corporate value.

(Corporate Mission)

Article 2. Company’s corporate mission is “Enabling the Leading-Edge Technology”. The Company constantly encourages self-study and carries out cutting-edge technological development to provide technologies, products and services that will satisfy customers around the world. Under the corporate mission, the Company has established “[The ADVANTEST Way & Code of Conduct](#)” and made it known thoroughly as a basis for all directors (“Directors”), executive officers (“Executive Officers”) and employees of the Company group.

(Basic Approach to Corporate Governance)

Article 3. In accordance with the corporate mission of the preceding article, and in response to the mandate from stakeholders, the Company aims to achieve a sustainable level of business development of the Company group and to enhance corporate value over the mid-to-long term. To that end, we will establish a fair, efficient and transparent governance system according to the Policy.

### Chapter II. Stakeholders’ rights and equality

(Stakeholders’ rights and equality)

Article 4. The Company will take appropriate measures to ensure that all shareholders are able to secure their rights equally and effectively and will also create an environment where these rights can be properly exercised.

(Exercise of shareholders’ right at General Shareholder Meeting)

Article 5. The Company recognizes that the General Meeting of Shareholders is the

Company's highest decision-making body and that it is an important place for dialogue with shareholders. In order to enable shareholders to appropriately exercise their voting rights, the Company will do environmental improvement as follows;

- (1) Convocation notice of general meetings of shareholders will be shipped at the earliest time possible so that shareholders can fully consider their contents, and will be electronically announced, such as posting it on our website before shipping the convocation notice.
- (2) In order to secure opportunities for constructive dialogue with shareholders, the date and time of the general meetings of shareholders will be set appropriately.
- (3) The Company explain the information necessary for shareholders to make appropriate decisions at the general meetings of shareholders in a timely, appropriate and easy-to-understand expression.
- (4) To improve the voting environment for not only shareholders attending the general meeting of shareholders, but also non-attending shareholders, English translations of convocation notice, electronic voting platform and the like are prepared so that all shareholders can properly exercise their voting rights.

#### (Capital Policy)

Article 6. Based on the premise that a sustainable level of business development and mid-to-long term enhancement of corporate value is fundamental to the creation of shareholder value, the Company shall implement appropriate capital policy and disclose its "[Basic Policy of Capital Strategy](#)".

2. Regarding capital policy accompanying fluctuation of control and large-scale dilution, the Company carefully considers its necessity and rationality and explains it to shareholders so that it will not unfairly harm existing shareholders.

#### (Strategic Shareholdings)

Article 7. The Company may hold shares of other companies for important strategic purposes of the Company group ("strategic shares"), including sustainable and long term relationships with business partners, business partnership reinforcement, or research and development efficiency.

2. The Company should assess whether the purpose for holding all the listed strategic shares is appropriate. The result of this assessment should be reported to the Board of Directors.
3. Regarding the exercise of voting rights related to strategic shares, the Company respects the judgment of the company's board of directors. However, if the company's relationship with the Company group would be adversely affected, or the common interests of shareholders may be impaired, the Company may vote against the corresponding agenda.

(Anti-Takeover Measures)

Article 8. The Company has not introduced so-called Anti-Takeover Measures at the present moment.

(Conflict of Interest Transactions)

Article 9. When the Company engages in transactions with its directors, officers or major shareholders, the Board of Directors shall discuss and approve such transactions beforehand, so as not to harm the interest of the Company group or the common interest of its shareholders, provided, however, that this shall not apply if the transaction conditions are similar to general transactions.

### Chapter III. Appropriate Cooperation with Stakeholders other than Shareholders

(Sustainability Issues)

Article 10. The Company establishes a trusted relationship with all stakeholders to contribute to the creation of a better society, and addresses social and environmental sustainability issues, positively and proactively.

(Ensuring Diversity)

Article 11. The Company recognizes that the existence of diverse perspectives and values deliver synergy effects on a sustainable level of business development, and ensures diversity by promoting women's success in the Company group, employment of people with disabilities, and employment of foreigners.

(Whistleblowing)

Article 12. The Company establishes a corporate ethics helpline for whistleblowing such that employees can report behaviors that are illegal or inappropriate in light of "[The ADVANTEST Way & The Code of Conduct](#)". Also, the Company shall operate the helpline appropriately and protect whistleblowers from any disadvantageous treatment.

### Chapter IV. Appropriate Information Disclosure and Transparency

(Appropriate Information Disclosure)

Article 13. The Company discloses information in a timely, appropriately, and proactive manner, in compliance with the Companies Act, Financial Instrument and Exchange Act, regulations of security exchange, and other relevant laws and regulations.

2. The Company proactively provides useful information for shareholders in addition to the information required by laws or regulations to ensure management fairness and transparency.
3. The Company tries to provide English language disclosures in as many cases as possible to ensure fair disclosure to foreign shareholders.

## Chapter V. Corporate Governance and Responsibilities of the Board of Directors

### (Management System)

Article 14. The Company adopts the organization of a “company with audit and supervisory committee” which was introduced in accordance with the Companies Act of Japan. The Company also establishes a nomination and compensation committee, which complements the Board of Directors, and adopts a corporate executive officer system for management efficiency and segregation between decision-making and business execution.

### (Responsibilities of the Board of Directors)

- Article 15. The Board of Directors shall achieve a sustainable level of business development, mid-to-long term enhancement of corporate value and improvement of profitability and capital efficiency as a result of the mandate from shareholders.
2. The Board of Directors, to fulfill the responsibilities above, shall fully discuss corporate policies, corporate strategy, and business plans, and shall show the direction of the Company and make decisions regarding important business execution.
  3. In order to fulfill the obligations under paragraph 1, the Board of Directors makes objective and rational decisions while also actively making decisions on business execution in order to promote the mobility and flexibility of business execution with respect to matters to be discussed by the Board of Directors to executive Directors and Executive Officers.
  4. The Board of Directors shall place emphasis on the supervision of business executing agencies, evaluate the performance of the Company, and appropriately reflect its findings in personnel affairs of the Executive Officers. In addition, The Board of Directors will supervise appropriately as to whether systems such as timely disclosure, internal control, risk management, etc. are effectively operated.
  5. The Board of Directors establishes the compensation policy and procedure for Directors and Executive Officers as “[Directors and Executive Officers Compensation Policy and Procedure](#)”. Also, the Board of Directors shall discuss and decide on the compensation of Directors (except directors of the Audit and Supervisory Committee members) and Executive Officers based on proposals by the nomination and compensation committee.
  6. The Board of Directors shall create and supervise succession plans for the CEO

and other top executives to ensure sustainable management organizations based on the proposal of the Nomination and Compensation Committee.

(Roles and Responsibilities of the Audit and Supervisory Committee)

Article 16. The Audit and Supervisory Committee shall audit directors' performance of their duty, the appointment and dismissal of external auditors, the determination of auditor compensation and opinions and decisions regarding (i) the election, dismissal or resignation and (ii) the compensation of directors (excluding directors who are Audit and Supervisory Committee members), from an independent and objective standpoint.

2. The Audit and Supervisory Committee shall communicate with other independent directors and enhance the effectiveness of their roles.
3. The Audit and Supervisory Committee shall discuss and determine the compensation of Audit and Supervisory Committee members.

(Roles and Responsibilities of Independent Directors)

Article 17. Independent Directors shall provide business advice based on their knowledge and experience with the aim of promoting sustainable corporate growth and corporate value enhancement over the mid-to-long term and shall supervise management through decision-making at the Board of Director's meetings, including appointments and dismissals.

(Nomination and Compensation Committee)

Article 18. The Company establishes a Nomination and Compensation Committee, a non-mandatory organization, which complements the Board of Directors, to decide appointment/dismissal of Directors and Executive Officers and their compensation. The Nomination and Compensation Committee shall be responsible for improving the fairness, rationality and transparency of appointment/dismissal of Directors and Executive Officers.

2. The Nomination and Compensation Committee consists of directors selected from among the directors by resolution of the Board of Directors. More than half of its members shall be Independent Directors.
3. The Nomination and Compensation Committee shall, according to "[Directors and Executive Officers Nomination/Dismissal Policy and Procedures](#)" established by the Board of Directors, propose candidates for directors and executive officers who can contribute to the Company's sustainable level of business development and mid-to-long term enhancement of corporate value.
4. The Nomination and Compensation Committee shall, according to not only "[Directors and Executive Officers Nomination/Dismissal Policy and Procedures](#)" in the preceding paragraph but also "[Independence Criteria of Independent Outside Directors](#)" established by the Board of Directors, propose candidates for independent directors who has extensive knowledge and are expected to contribute to active and constructive discussion at Board of Directors meetings.
5. The Nomination and Compensation Committee shall, according to "[Directors](#)

[and Executive Officers Compensation Policy and Procedure](#)”, discuss and propose to the Board of Directors the compensation of Directors (except directors who are Audit and Supervisory Committee members) and Executive Officers.

(Board Effectiveness)

Article 19. The Board of Directors analyzes and evaluates its effectiveness as a whole every year and discloses the outline of the results.

(Director Training)

Article 20. The Company provides and arranges training opportunities suitable for all directors, including directors who are Audit and Supervisory Committee members, to help them understand their roles and responsibilities as directors, and discloses this training policy as “[Director Training Policy](#)”.

2. The Board of Directors shall verify whether such training opportunities are appropriately provided.

#### Chapter VI. Dialogue with Shareholders.

(Policy for Constructive Dialogue with Shareholders)

Article 21. In order to achieve a sustainable level of business development and enhance corporate value over the mid-to-long term, the Company shall endeavor to build a relationship of trust with shareholders, and, establishes a policy for constructive dialogue with shareholders, and discloses this as “[Basic Investor Relations Policy](#)”.

#### Chapter VII. Revision or Abolition

(Revision or Abolition)

Article 22. These policies shall only be revised or abolished by resolution of the Board of Directors.

#### SUPPLEMENTARY PROVISION

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| 1. | Established         | November 25, 2015. |
| 2. | Amended and Enacted | December 21, 2018  |