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(Translation)

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To shareholders

Ryohei Furusato

President and Representative Director

**MARUKA FURUSATO Corporation**

1-2-10, Minamishinmachi, Chuo-ku, Osaka City, Japan

## **CONVOCAION NOTICE OF THE 4th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholder:

Notice is hereby given that the 4th Ordinary General Meeting of Shareholders will be held as described below.

**If you are unable to attend the meeting in person, you can exercise your voting rights via the Internet or by mail. It would be appreciated if you would review the Reference Documents for the General Meeting of Shareholders, follow the after-mentioned Guidance on Exercise of Your Voting Rights, and exercise your voting rights by 5:40 p.m., Thursday, March 27, 2025 (JST).**

Particulars

**1. Date and Time**    **Friday, March 28, 2025, at 10:00 a.m. (JST)**

**2. Venue**            **Room “SYUN”**  
                          **2nd Floor, CITYPLAZA OSAKA**  
                          2-31, Honmachibashi, Chuo-ku, Osaka City

**3. Agenda for the meeting**

**Matters to be reported**

1. Report on the business report, the consolidated financial statements, and the results of the audit of the consolidated financial statements by the Accounting Auditors and the Audit & Supervisory Board for the 4th business term (from January 1, 2024 to December 31, 2024)
2. Report on the non-consolidated financial statements for the 4th business term (from January 1, 2024 to December 31, 2024)

**Proposals to be resolved**

- Proposal No. 1:**    Appropriation of Retained Earnings
- Proposal No. 2:**    Amendment to the Articles of Incorporation
- Proposal No. 3:**    Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 4:**    Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 5:**    Election of Two (2) Substitute Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 6:**    Setting of Amount of Remuneration for Directors (Excluding Directors

- Proposal No. 7:** Who Are Audit and Supervisory Committee Members)  
Setting of Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 8:** Deciding the Amounts and Contents of Performance-linked and Share-based Remuneration Plan for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

#### 4. Matters related to the Measures for Provision in Electronic Format

In connection with the convocation of this General Meeting of Shareholders, the Company has taken measures for the provision in electronic format of the information contained in the reference documents, etc., for the General Meeting of Shareholders, and has posted the “Convocation Notice of the 4th Ordinary General Meeting of Shareholders” on the Internet. Therefore, you are asked to access either of the following websites and confirm the notice.

<https://www.unisol-gr.com/ir/meeting> (in Japanese only)

<https://d.sokai.jp/7128/teiji/> (in Japanese only)

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- If you attend the meeting, please submit the enclosed voting rights exercise form at the reception.
- In the event there are amendments made to the matters for which measures for provision in electronic format were taken, the Company shall make notification of the amendment on the above websites containing the matters for which measures for provision in electronic format were taken, and post the matters prior to and after the amendments.
- Among the matters for which measures for provision in electronic format were taken, in accordance with laws and regulations and Article 16, paragraph 2 of the Articles of Incorporation of the Company, the following matters will be omitted from the document that will be delivered to shareholders who have requested the delivery of documents in paper form.

For this General Meeting of Shareholders, such documents will also be sent to shareholders who have not requested the delivery of documents in paper form.

(i) Notes for consolidated financial statements

(ii) Notes for non-consolidated financial statements

Therefore, the consolidated financial statements and non-consolidated financial statements in the document to be delivered to shareholders who have requested the delivery of documents in paper form are parts of consolidated financial statements and non-consolidated financial statements audited by Accounting Auditors and the Audit & Supervisory Board Members to compile the audit report.

◎ In the event of any significant changes in the operation of the General Meeting of Shareholders due to future circumstances, the Company will post a notice at the Company’s website (<https://www.unisol-gr.com/ir/meeting> (in Japanese only)).

◎ **On the website of the Company, we will accept questions in advance and distribute a video after the General Meeting of Shareholders.**  
**Please access the Company’s website (<https://www.unisol-gr.com/ir/meeting> (in Japanese only)) to send questions and watch the video.**

**Period for access for questions: 6:00 p.m., Thursday, March 6, 2025 (JST) to 5:40 p.m., Friday, March 21, 2025 (JST)**

## Guidance on Exercise of Your Voting Rights

The right to vote at the General Meeting of Shareholders is an important right for all shareholders. Please review the Reference Documents for the General Meeting of Shareholders before exercising your voting rights.

There are three methods to exercise your voting rights as indicated below:

**1. Exercising your voting rights by attending the Meeting in person**

Please submit the enclosed voting right exercise form at the reception.

**Date and time of the Meeting: Friday, March 28, 2025, at 10:00 a.m. (JST)**

\* For those attending in person, procedures for exercising your voting rights via the Internet or by mailing the voting rights exercise form are not necessary.

**2. Exercising your voting rights via the Internet**

<https://evote.tr.mufg.jp/>

Please access the voting right exercise website (<https://evote.tr.mufg.jp/>) (Japanese only) via the Internet and exercise your voting rights.

**Deadline: Thursday, March 27, 2025, at 5:40 p.m. (JST)**

\* Please be advised that if you exercise the voting rights multiple times via the Internet, the last exercise of the voting rights shall be deemed valid.

**3. Exercising your voting rights by mailing the voting rights exercise form**

Please indicate your votes for or against the proposals on the enclosed voting right exercise form and send the completed form to the Company by return mail.

**Deadline: Thursday, March 27, 2025 by reaching the Company no later than 5:40 p.m. (JST)**

\* If you do not indicate for or against the proposals on the voting right exercise form, we will deem that you have indicated for the proposals.

## <Procedures for exercising your voting rights via the Internet>

For the exercise of the voting rights via the Internet, please exercise your voting rights after confirming the items below.

For those attending in person, procedures for exercising your voting rights via the Internet or by mailing the voting rights exercise form are unnecessary.

### 1. Voting Rights Exercise Website

- (1) You can exercise your voting rights only by accessing the voting right exercise website (<https://evote.tr.mufg.jp/>) via the Internet from PCs or smartphones. (You are unable to access the website from 2:30 a.m. to 4:30 a.m. (JST) each day during the exercise period.)
- (2) You may not be able to use the website in such Internet environments as those using firewalls, etc. for the Internet connection, those using antivirus programs, those where TLS-encrypted communications are not specified, those with a proxy server, etc.
- (3) Although we will accept the exercise of the voting rights via the Internet until Thursday, March 27, 2025, at 5:40 p.m. (JST), we recommend that you should vote as early as possible. If you have any inquiries, please contact “Help Desk.”

### 2. Exercising Your Voting Rights via the Internet

#### (1) By PCs

- You can access the voting right exercise website, by using login ID and temporary password on the voting rights exercise form. Please indicate your votes for or against the proposals by following the instructions on the screen.
- In order to prevent unauthorized access (“spoofing”) by third parties other than shareholders and to prevent tampering with the contents of the voting, the “temporary password” can be changed to any password on the voting right exercise website.
- A new “login ID” and “temporary password” will be provided each time when a General Meeting of Shareholders is convened.

#### (2) By smartphones

- By scanning the “QR code for log-in” given on the voting rights exercise form with a smartphone, you can automatically access the voting right exercise website and exercise your voting right.  
(There is no need to enter the “login ID” and “temporary password.”)
- You may not be able to log in through QR code depending on a model of smartphone. When you cannot log in through QR code, please exercise your voting rights by PCs as indicated in 2. (1) above.

\* QR Code is a registered trademark of DENSO WAVE CORPORATION.

### 3. Handling of Voting Rights Exercised Multiple Times

- (1) Please be advised that if you exercise the voting rights both via the Internet and by mailing, the contents of the voting rights exercised via the Internet shall be deemed valid.
- (2) Please be advised that if you exercise the voting rights multiple times via the Internet, the last exercise of the voting rights shall be deemed valid.

### 4. Costs Incurred in Accessing the Voting Right Exercise Website

The costs incurred when accessing the voting rights exercise website such as Internet access fees will be borne by the shareholders.

For inquiries about the system or other related matters (Help desk)  
Securities Transfer Agency Division,  
Mitsubishi UFJ Trust and Banking Corporation  
0120-173-027 (toll-free within Japan)  
Business hours: From 9:00 a.m. to 9:00 p.m. (JST)

**Information for Institutional Investors**

Institutional investors may use an “electronic voting rights exercise platform” operated by ICJ Inc. as a method of exercising the voting rights.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### **Proposal No. 1: Appropriation of Retained Earnings**

The Company regards its dividend policy as one of the critical management issues. The basic policy of the Company is to determine dividends by considering trends in business results, financial conditions, and internal capital resources for future investments.

In view of business results for the 4th business term under review and future business development based on the above policy, the year-end dividend is proposed to be as described below.

#### **Year-end dividend**

1. Type of dividend assets  
Cash
2. Item concerning the allotment of dividend assets and the total amount thereof  
¥77 per share of common stock of the Company, which includes the ordinary dividend of ¥45 and the added special dividend of ¥32  
Total payment amount: ¥1,871,259,775
3. Date when the dividend of retained earnings takes effect  
March 31, 2025

## Proposal No. 2: Amendment to the Articles of Incorporation

### 1. Reason for amendment

#### (1) Change of the corporate name

As part of measures to strengthen the brand power, Article 1 Corporate Name of the existing Articles of Incorporation shall be amended in order to change the corporate name from MARUKA FURUSATO Corporation to the new corporate name UNISOL Holdings Corporation.

The effective date of this amendment to the Articles of Incorporation shall be January 1, 2026, with a supplementary provision, which shall be deleted after the effective date.

#### (2) Change of the form of organs

In order to further increase corporate value by strengthening the supervisory function of the Board of Directors, further enhancing the corporate governance system, and carrying out faster decision-making and execution of business, we intend to change from being a company with an audit & supervisory board to a company with an audit and supervisory committee. As a result, we will establish new provisions related to Audit and Supervisory Committee Members and the Audit and Supervisory Committee, remove provisions related to the Audit & Supervisory Board and Audit & Supervisory Board Members, change the provisions related to the number of directors, and establish new provisions related to delegation of important decisions for execution of business, all of which are necessary for the change to a company with an audit and supervisory committee.

#### (3) Other additions, removals, and corrections of articles, changes to the number of articles, and other necessary changes will be carried out.

### 2. Details of the amendment

Details of the amendment are as follows:

The amendment to the Articles of Incorporation in this Proposal shall take effect at the time of the conclusion of this General Meeting of Shareholders.

(Underlined parts indicate the locations of changes.)

Existing Articles of Incorporation	Proposed Amendment
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 Corporate Name The name of the Company shall be “ <u>MARUKA FURUSATO Kabushiki Kaisha</u> ” and in English it shall be “ <u>MARUKA FURUSATO Corporation.</u> ”	Article 1 Corporate Name The name of the Company shall be “ <u>UNISOL Holdings Kabushiki Kaisha</u> ” and in English it shall be “ <u>UNISOL Holdings Corporation.</u> ”
Articles 2 to 3 (Articles Omitted)	Articles 2 to 3 (Not Amended)
Article 4 Organs The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs: (1) Board of Directors (2) <u>Audit &amp; Supervisory Board Members</u> (3) <u>Audit &amp; Supervisory Board</u> (4) Accounting Auditor	Article 4 Organs The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs: (1) Board of Directors (2) <u>Audit and Supervisory Committee</u> (Deleted) (3) Accounting Auditor
Article 5 (Article Omitted)	Article 5 (Not Amended)
Chapter 2 Shares	Chapter 2 Shares
Articles 6 to 12 (Articles Omitted)	Articles 6 to 12 (Not Amended)

Existing Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">Chapter 3 General Meetings of Shareholders Articles 13 to 18 (Articles Omitted)</p> <p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 19 Number of Directors The Company shall not have more than <u>ten (10)</u> Directors.  (Newly established)</p> <p>Article 20 Method of Election 1. Directors shall be elected at a General Meeting of Shareholders.  2. (Paragraph Omitted) 3. (Paragraph Omitted)</p> <p>Article 21 Term of Office 1. The term of office of a Director shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year out of the fiscal years terminating within <u>two (2)</u> years after the election of the Director.  (Newly established)</p> <p>2. The term of office of a Director who is elected to <u>increase the number of Directors or to fill a vacancy shall expire when the terms of office of the incumbent Directors expire.</u></p>	<p style="text-align: center;">Chapter 3 General Meetings of Shareholders Articles 13 to 18 (Not Amended)</p> <p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 19 Number of Directors 1. <u>The Company shall not have more than eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members).</u> 2. <u>The Company shall not have more than three (3) Directors who are Audit and Supervisory Committee Members.</u></p> <p>Article 20 Method of Election 1. Directors shall be elected at a General Meeting of Shareholders <u>with a distinction made between Directors who are Audit and Supervisory Committee Members and other Directors.</u> 2. (Not Amended) 3. (Not Amended)</p> <p>Article 21 Term of Office 1. The term of office of a Director <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year out of the fiscal years terminating within <u>one (1) year</u> after the election of the Director. 2. <u>The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year out of the fiscal years terminating within two (2) years after the election of the Director.</u> 3. <u>The term of office of a Director who is an Audit and Supervisory Committee Member, elected to fill a vacancy created by the resignation of a Director who is an Audit and Supervisory Committee Member before the end of his or her term of office, shall expire when the term of office of the resigned Director who is an Audit and Supervisory Committee Member would have expired.</u></p>



Existing Articles of Incorporation	Proposed Amendment
<p data-bbox="411 304 612 331">(Newly established)</p> <p data-bbox="236 593 336 618">Article 22</p> <p data-bbox="236 622 743 680">Representative Directors and Directors With Special Titles</p> <ol data-bbox="252 685 788 1003" style="list-style-type: none"> <li data-bbox="252 685 788 779">1. The Board of Directors shall, by its resolution, appoint Representative Director(s) from among the Directors.</li> <li data-bbox="252 815 788 1003">2. The Board of Directors may appoint, by its resolution, one Director and Chairperson, one Director and President, one Director and Executive Vice President, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors from among the Directors.</li> </ol> <p data-bbox="236 1070 336 1095">Article 23</p> <p data-bbox="236 1099 708 1158">Convener and Chairperson of Board of Directors Meetings</p> <ol data-bbox="252 1162 788 1668" style="list-style-type: none"> <li data-bbox="252 1162 788 1288">1. Unless otherwise provided for by laws and regulations, <u>a Representative Director</u> shall convene Board of Directors meetings and preside at the meetings.</li> <li data-bbox="252 1292 788 1668">2. <u>When there are multiple Representative Directors, the highest priority Representative Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene Board of Directors meetings and preside at the meetings.</u> In cases where the <u>Representative Director</u> is absent or prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene Board of Directors meetings and preside at the meetings.</li> </ol> <p data-bbox="236 1673 336 1697">Article 24</p> <p data-bbox="236 1702 740 1731">Convocation Notice of Board of Directors Meetings</p> <ol data-bbox="252 1736 788 1883" style="list-style-type: none"> <li data-bbox="252 1736 788 1765">1. (Paragraph Omitted)</li> <li data-bbox="252 1769 788 1883">2. With the consent of all Directors <u>and Audit &amp; Supervisory Board Members</u>, a Board of Directors meeting may be held without following the convening procedures.</li> </ol>	<p data-bbox="820 304 1353 586">4. <u>The period when the resolution electing substitute Directors who are Audit and Supervisory Committee Members elected based on Article 329, paragraph (3) of the Companies Act shall expire at the start of the Ordinary General Meeting of Shareholders for the last fiscal year out of the fiscal years terminating within two (2) years after their election to the office, unless the period was shortened by the resolution.</u></p> <p data-bbox="804 591 904 616">Article 22</p> <p data-bbox="804 620 1311 678">Representative Directors and Directors With Special Titles</p> <ol data-bbox="820 683 1356 1064" style="list-style-type: none"> <li data-bbox="820 683 1356 808">1. The Board of Directors shall, by its resolution, appoint Representative Director(s) from among the Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u>.</li> <li data-bbox="820 813 1356 1064">2. The Board of Directors may appoint, by its resolution, one Director and Chairperson, one Director and President, one Director and Executive Vice President, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors from among the Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u>.</li> </ol> <p data-bbox="804 1068 904 1093">Article 23</p> <p data-bbox="804 1097 1276 1155">Convener and Chairperson of Board of Directors Meetings</p> <ol data-bbox="820 1160 1356 1478" style="list-style-type: none"> <li data-bbox="820 1160 1356 1285">1. Unless otherwise provided for by laws and regulations, <u>the Director decided in advance by the Board of Directors</u> shall convene Board of Directors meetings and preside at the meetings.</li> <li data-bbox="820 1290 1356 1478">2. In cases where the <u>Director in the preceding paragraph</u> is absent or prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene Board of Directors meetings and preside at the meetings.</li> </ol> <p data-bbox="804 1673 904 1697">Article 24</p> <p data-bbox="804 1702 1311 1731">Convocation Notice of Board of Directors Meetings</p> <ol data-bbox="820 1736 1343 1861" style="list-style-type: none"> <li data-bbox="820 1736 1343 1765">1. (Not Amended)</li> <li data-bbox="820 1769 1343 1861">2. With the consent of all Directors, a Board of Directors meeting may be held without following the convening procedures.</li> </ol>

Existing Articles of Incorporation	Proposed Amendment
<p data-bbox="411 304 612 331">(Newly established)</p> <p data-bbox="236 593 584 620">Articles <u>25</u> to <u>27</u> (Articles Omitted)</p> <p data-bbox="236 622 336 649">Article <u>28</u></p> <p data-bbox="236 651 424 678">Remuneration, Etc.</p> <p data-bbox="252 680 788 842">Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties (hereinafter the “Remuneration, Etc.”) to Directors shall be determined by resolution of a General Meeting of Shareholders.</p> <p data-bbox="464 943 560 969">Chapter 5</p> <p data-bbox="268 972 759 1032"><u>Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</u></p> <p data-bbox="236 1034 336 1061">Article <u>29</u></p> <p data-bbox="236 1064 711 1090"><u>Number of Audit &amp; Supervisory Board Members</u></p> <p data-bbox="252 1093 775 1153"><u>The Company shall not have more than four (4) Audit &amp; Supervisory Board Members.</u></p> <p data-bbox="236 1155 336 1182">Article <u>30</u></p> <p data-bbox="236 1184 699 1256"><u>Method of Electing Audit &amp; Supervisory Board Members</u></p> <p data-bbox="252 1258 788 1756"> <ol style="list-style-type: none"> <li data-bbox="252 1258 788 1321">1. <u>Audit &amp; Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u></li> <li data-bbox="252 1323 788 1541">2. <u>Resolutions on the election of Audit &amp; Supervisory Board Members shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</u></li> <li data-bbox="252 1543 788 1756">3. <u>Based on the provisions of Article 329, paragraph (3) of the Companies Act, the Company may elect substitute Audit &amp; Supervisory Board Members at a General Meeting of Shareholders in preparation for cases when the number of Audit &amp; Supervisory Board Members is less than the number prescribed by law.</u></li> </ol> </p>	<p data-bbox="804 304 904 331"><u>Article 25</u></p> <p data-bbox="804 333 1353 394"><u>Delegation of Decision-making Authority Regarding the Execution of Important Operations</u></p> <p data-bbox="820 396 1359 584"><u>The Company, pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, may delegate all or part of decisions on the execution of important business (excluding matters listed in items of the same Article, paragraph (5)) to Directors by the resolution of the Board of Directors.</u></p> <p data-bbox="804 586 1123 613">Articles <u>26</u> to <u>28</u> (Not Amended)</p> <p data-bbox="804 616 904 642">Article <u>29</u></p> <p data-bbox="804 645 992 672">Remuneration, Etc.</p> <p data-bbox="820 674 1356 902"><u>Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties (hereinafter the “Remuneration, Etc.”) to Directors shall be determined by resolution of a General Meeting of Shareholders <u>separately for Directors who are Audit and Supervisory Committee Members and other Directors.</u></u></p> <p data-bbox="1034 943 1129 969">(Deleted)</p> <p data-bbox="1034 1034 1129 1061">(Deleted)</p> <p data-bbox="1034 1167 1129 1193">(Deleted)</p>

Existing Articles of Incorporation	Proposed Amendment
<p><u>4. The period when the resolution for election of substitute Audit &amp; Supervisory Board Members pursuant to the preceding paragraph shall expire at the start of the Ordinary General Meeting of Shareholders which will be convened in respect to the last fiscal year ending within four (4) years after their election to the office, unless the period was shortened by the resolution.</u></p>	
<p><u>Article 31</u></p>	(Deleted)
<p><u>Term of Office of Audit &amp; Supervisory Board Members</u></p>	
<p><u>1. The term of office of an Audit &amp; Supervisory Board Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year out of the fiscal years terminating within four (4) years after the election of the Audit &amp; Supervisory Board Member.</u></p>	
<p><u>2. The term of office of an Audit &amp; Supervisory Board Member who is elected as the substitute for an Audit &amp; Supervisory Board Member who retired from office before the expiration of the term of office shall continue until the time when the term of the retired Audit &amp; Supervisory Board Member was set to expire. However in the event that a substitute Audit &amp; Supervisory Board Member who was elected pursuant to paragraph 3 of the preceding article assumed office as an Audit &amp; Supervisory Board Member, the substitute Audit &amp; Supervisory Board Member may remain in office following the conclusion of the Ordinary General Meeting of Shareholders which will be convened with respect to the last fiscal year out of the fiscal years terminating within four (4) years after the election of that substitute Audit &amp; Supervisory Board Member.</u></p>	
<p><u>Article 32</u></p>	(Deleted)
<p><u>Full-time Audit &amp; Supervisory Board Members</u></p>	
<p><u>Full-time Audit &amp; Supervisory Board Members shall be selected by a resolution of the Audit &amp; Supervisory Board.</u></p>	
<p><u>Article 33</u></p>	(Deleted)
<p><u>Convocation Notice of Audit &amp; Supervisory Board Meetings</u></p>	
<p><u>1. The convocation notice of an Audit &amp; Supervisory Board meeting shall be dispatched to each Audit &amp; Supervisory Board Member at least three days prior to the scheduled date of such meeting, provided, however, that this period may be reduced in case of urgency.</u></p>	
<p><u>2. With the consent of all Audit &amp; Supervisory Board Members, an Audit &amp; Supervisory Board meeting may be held without following the convening procedures.</u></p>	

Existing Articles of Incorporation	Proposed Amendment
<p><u>Article 34</u>  <u>Regulations of the Audit &amp; Supervisory Board</u>  <u>Matters concerning the Audit &amp; Supervisory Board shall be governed by the Regulations of the Audit &amp; Supervisory Board established by the Audit &amp; Supervisory Board, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>	(Deleted)
<p><u>Article 35</u>  <u>Remuneration, Etc.</u>  <u>The Remuneration, Etc. to Audit &amp; Supervisory Board Members shall be determined by resolution of a General Meeting of Shareholders.</u></p>	(Deleted)
<p><u>Article 36</u>  <u>Exemption of Audit &amp; Supervisory Board Members From Liability</u>  1. Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit &amp; Supervisory Board Member (including a person who was formerly an Audit &amp; Supervisory Board Member) from liability for damages arising from neglecting assigned duties to the extent permitted by laws and regulations.  2. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an Outside Audit &amp; Supervisory Board Member, limiting liability for damages arising from neglecting assigned duties. However, the maximum amount of the liability based on said agreement shall be the amount prescribed in laws and regulations.</p>	(Deleted)
(Newly established)	<p><u>Chapter 5</u>  <u>Audit and Supervisory Committee</u></p>
(Newly established)	<p><u>Article 30</u>  <u>Full-time Audit and Supervisory Committee Members</u>  <u>The Audit and Supervisory Committee may, by its resolution, select one or a small number of full-time Audit and Supervisory Committee Members from among the Audit and Supervisory Committee Members.</u></p>
(Newly established)	<p><u>Article 31</u>  <u>Convocation Notice of Audit and Supervisory Committee Meetings</u>  1. The convocation notice of an Audit and Supervisory Committee meeting shall be dispatched to each Audit and Supervisory Committee Member at least three days prior to the scheduled date of such meeting, provided, however, that this period may be reduced in case of urgency.</p>

Existing Articles of Incorporation	Proposed Amendment
<p>(Newly established)</p> <p>Chapter 6 Accounting Auditor Articles <u>37</u> to <u>38</u> (Articles Omitted) Article <u>39</u> Remuneration, Etc. of Accounting Auditor Remuneration, Etc. of Accounting Auditor shall be determined by Representative Directors with the consent of the Audit <u>&amp;</u> Supervisory <u>Board</u>.</p> <p>Chapter 7 Accounts Articles <u>40</u> to <u>43</u> (Articles Omitted)</p> <p>(Newly established) (Newly established)</p> <p>(Newly established)</p>	<p><u>2. With the consent of all Audit and Supervisory Committee Members, an Audit and Supervisory Committee meeting may be held without following the convening procedures.</u></p> <p><u>Article 32</u> <u>Regulations of the Audit and Supervisory Committee Matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p> <p>Chapter 6 Accounting Auditor Articles <u>33</u> to <u>34</u> (Not Amended) Article <u>35</u> Remuneration, Etc. of Accounting Auditor Remuneration, Etc. of Accounting Auditor shall be determined by Representative Directors with the consent of the Audit <u>and</u> Supervisory <u>Committee</u>.</p> <p>Chapter 7 Accounts Articles <u>36</u> to <u>39</u> (Not Amended)</p> <p><u>Supplementary Provisions</u></p> <p><u>Article 1</u> <u>Transitional Measures Concerning the Exemption of Auditors from Liability</u> <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit &amp; Supervisory Board Member (including a person who was formerly an Audit &amp; Supervisory Board Member) from liability for damages arising from neglecting assigned duties prior to the conclusion of the 4th Ordinary General Meeting of Shareholders to the extent permitted by laws and regulations.</u></p> <p><u>Article 2</u> <u>Transitional Measures Concerning the Change of the Corporate Name</u> <u>The amendment to Article 1 Corporate Name shall become effective on January 1, 2026. This supplementary provision shall be deleted after the amendment to Article 1 of the Articles of Incorporation becomes effective.</u></p>

**Proposal No. 3: Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

Subject to the approval and adoption of Proposal No. 2 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. As a result, all six (6) Directors will end their terms of office at the conclusion of this General Meeting of Shareholders. Therefore the Company proposes the election of six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members). The selection of a candidate for the position of Director was made taking into consideration the recommendations of the Nomination Committee, the majority of which is comprised of Independent Outside Directors.

This proposal can only take effect once Proposal No. 2 “Amendment to the Articles of Incorporation” has taken effect.

Candidates for the position of Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name	Positions and responsibilities in the Company	Attributes
1	Kunihiko Iida	Chairperson and Representative Director	Reappointment
2	Ryohei Furusato	President and Representative Director	Reappointment
3	Katsuhiko Yamashita	Director (Senior Managing Executive Officer)	Reappointment
4	Hiroyuki Nakatsukasa	Outside Director	Reappointment Outside Independent
5	Junko Takechi	Outside Director	Reappointment Outside Independent
6	Hisao Takahashi	Outside Director	Reappointment Outside Independent

Reappointment Candidate for the position of Director to be reappointed

Outside Candidate for the position of Outside Director

Independent Independent officer as defined by the securities exchange

Candi- date No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p style="text-align: center;"><b>Kunihiko Iida</b> December 10, 1956 <u>Reappointment</u></p>	<p>April 1980      Joined Maruka Machinery Co., Ltd. (currently Maruka Corporation)</p> <p>December 2008      Commissioner of Maruka Machinery Co., Ltd.</p> <p>December 2009      Deputy Chief of Administrative Headquarters of Maruka Machinery Co., Ltd.</p> <p>December 2012      Executive Officer of Maruka Machinery Co., Ltd.</p> <p>February 2013      Director, Executive Officer, and Chief of Administrative Headquarters of Maruka Machinery Co., Ltd.</p> <p>April 2018      Chief Financial Officer of Maruka Machinery Co., Ltd.</p> <p>February 2019      Director and Managing Executive Officer of Maruka Machinery Co., Ltd.</p> <p>March 2020      Director, Vice President and Executive Officer of Maruka Corporation</p> <p>February 2021      President of Maruka Corporation (to present) Chief Executive Officer of Maruka Corporation (to present)</p> <p>October 2021      Chairperson and Representative Director of the Company (to present)</p> <p>March 2024      Director of G-NET CORPORATION (to present)</p> <p>January 2025      Chairperson and Representative Director of UNISOL BUSINESS PARTNERS Corporation (to present)</p> <p>Significant concurrent position President and Chief Executive Officer of Maruka Corporation Director of Sonoruka Engineering Co., Ltd. Director of G-NET CORPORATION Chairperson and Representative Director of UNISOL BUSINESS PARTNERS Corporation</p>	10,659 shares
<p><b>Reason for nomination as a candidate for the position of Director</b> Kunihiko Iida has served as Chief of Administrative Headquarters and Vice President at Maruka Machinery Co., Ltd. (currently Maruka Corporation), and has been serving as President of the company. He has abundant experience and knowledge concerning overall management and administrative operations of Maruka Corporation. He has been in charge of general management as Chairperson and Representative Director since the Company was founded. In light of the above, the Company has determined that, as Director of the Company, he will continue to conduct appropriate decision-making and supervision of the Group's management.</p>			

Candi- date No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p style="text-align: center;"><b>Ryohei Furusato</b> September 15, 1962 <u>Reappointment</u></p>	<p>September 1985    Joined FURUSATO INDUSTRIES, LTD. June 1995        Director and General Manager of Purchasing &amp; Marketing Department of FURUSATO INDUSTRIES, LTD. April 1997        Managing Director, Chief of Purchasing &amp; Marketing Headquarters, and General Manager of Purchasing &amp; Marketing Department of FURUSATO INDUSTRIES, LTD. April 2000        Representative Director and Senior Managing Director of FURUSATO INDUSTRIES, LTD. June 2004        President and Representative Director of FURUSATO INDUSTRIES, LTD. (to present) October 2021     President and Representative Director of the Company (to present) March 2023       Director of Maruka Corporation (to present) January 2025     President and Representative Director of UNISOL BUSINESS PARTNERS Corporation (to present)</p> <p>Significant concurrent position President and Representative Director of FURUSATO INDUSTRIES, LTD. President and Representative Director of G-NET CORPORATION President &amp; Representative Director of Security Design Inc. Director of Maruka Corporation President and Representative Director of UNISOL BUSINESS PARTNERS Corporation</p>	401,500 shares
<p><b>Reason for nomination as a candidate for the position of Director</b> Ryohei Furusato, as Director of FURUSATO INDUSTRIES, LTD. and its group companies, has led the management of the entire Group for many years. He has good achievement, abilities, and abundant experience as a corporate manager. He has exercised leadership in management as Representative Director and President since the Company was founded, and has contributed to improving corporate value. In light of the above, the Company has determined that, as Director of the Company, he will continue to conduct appropriate decision-making and supervision of the Group's management.</p>			



Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<b>Katsuhiro Yamashita</b> August 6, 1968 <u>Reappointment</u>	<p>April 1991      Joined the Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>March 1999      Deputy General Manager of Kyoto Corporate Business Department 1 of Global Large Enterprise Line of the Sanwa Bank, Limited</p> <p>June 2004      Assistant General Manager of Hong Kong Kowloon Branch of the Sanwa Bank, Limited</p> <p>August 2006      Joined Merrill Lynch Japan Securities Co., Ltd. (now BofA Securities Japan Co., Ltd.) Vice President of Global Markets Division</p> <p>January 2008      Director of Business Corporation Origination Department of Investment Banking Unit of Merrill Lynch Japan Securities Co., Ltd.</p> <p>September 2015      Joined FURUSATO INDUSTRIES, LTD. Advisor</p> <p>June 2016      Senior Managing Director of FURUSATO INDUSTRIES, LTD. (to present)</p> <p>October 2021      Director and Senior Managing Executive Officer of the Company (to present)</p> <p>Significant concurrent position Senior Managing Director of FURUSATO INDUSTRIES, LTD. Director of G-NET CORPORATION</p>	3,500 shares
<p><b>Reason for nomination as a candidate for the position of Director</b> Katsuhiro Yamashita is a financial specialist with a wealth of experience and knowledge cultivated in both commercial and investment banks and has experience in working overseas. He has been in charge of suitable responsibilities including formulation of business plans, important management decisions, and supervision of business execution since the Company was founded. In light of the above, the Company has determined that, as Director of the Company, he will continue to conduct appropriate decision-making and supervision of the Group's management.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<b>Hiroyuki Nakatsukasa</b> December 21, 1957 <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>October 1981    Joined Deloitte Haskins and Sells LLC (currently Deloitte Touche Tohmatsu LLC)</p> <p>September 1984    Registered as a Certified Public Accountant</p> <p>October 1988    Registered as a tax accountant</p> <p>November 1989    Established Nakatsukasa Certified Public Accountant and Tax Accountant Office, Representative of the same Office (to present)</p> <p>June 2007    Chairman and President of The Japanese Institute of Certified Public Accountants Kinki Chapter</p> <p>July 2007    Vice-Chairman of The Japanese Institute of Certified Public Accountants</p> <p>June 2009    Outside Audit and Supervisory Board Member of Osaka Stock Exchange, Inc.</p> <p>February 2012    Outside Audit &amp; Supervisory Board Member of FURUSATO INDUSTRIES, LTD.</p> <p>January 2013    Outside Director of Japan Exchange Group, Inc.</p> <p>June 2015    Outside Audit and Supervisory Board Member of The Nippon Synthetic Chemical Industry Co., Ltd. Outside Director of FURUSATO INDUSTRIES, LTD.</p> <p>June 2021    Outside Audit &amp; Supervisory Board Member of The Bank of Kyoto, Ltd.</p> <p>October 2021    Outside Director of the Company (to present)</p> <p>October 2023    Outside Director (Audit and Supervisory Committee Member) of Kyoto Financial Group, Inc. (to present)</p> <p>Significant concurrent position Representative of Nakatsukasa Certified Public Accountant and Tax Accountant Office Outside Director (Audit and Supervisory Committee Member) of Kyoto Financial Group, Inc.</p>	- shares
<p><b>Reason for nomination as a candidate for the position of Outside Director and overview of expected roles</b></p> <p>Based on his wealth of knowledge and experience in finance and accounting as a Certified Public Accountant and tax accountant, Hiroyuki Nakatsukasa has contributed to improving the quality of discussions by actively making remarks throughout meetings of the Board of Directors in general, and has played an appropriate role such as in supervising the execution of the business as Outside Director of the Company. He also attended the Compensation Committee of the Company as the chairperson, and took a leading role in supervision of the decision-making process of compensation, etc. for Directors from an objective and neutral standpoint. The Company nominated him as a candidate for the position of Outside Director based on its judgment that he will continue to play a role in providing advice and supervising regarding the Group's management with the use of his broad insight and abundant experience.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<b>Junko Takechi</b> December 28, 1971 <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>April 1999 Completed legal training</p> <p>April 1999 Registered with the Osaka Bar Association Joined Midosuji Legal Profession Corporation</p> <p>January 2003 Associated with Midosuji Legal Profession Corporation</p> <p>January 2006 Partner of Midosuji Legal Profession Corporation (to present)</p> <p>April 2012 Councilor of Assumption Academy</p> <p>June 2014 Outside Director of FURUSATO INDUSTRIES, LTD.</p> <p>October 2021 Outside Director of the Company (to present)</p> <p>June 2023 Outside Director of IwaiCosmo Holdings, Inc. (to present)</p> <p>Significant concurrent position Partner of Midosuji Legal Profession Corporation Outside Director of IwaiCosmo Holdings, Inc.</p>	- shares
<p><b>Reason for nomination as a candidate for the position of Outside Director and overview of expected roles</b></p> <p>Junko Takechi possesses the knowledge and experience cultivated as an attorney as well as a strong spirit of legal compliance. She has contributed to improving the quality of discussions by actively making remarks throughout meetings of the Board of Directors in general, and has played an appropriate role such as in supervising the execution of the business as Outside Director of the Company. She also attended the Nomination Committee of the Company as the chairperson, and took a leading role in selection of candidates for the position of Director from an objective and neutral standpoint. The Company nominated her as a candidate for the position of Outside Director based on its judgment that she will continue to play a role in providing advice and supervising regarding the Group's management with the use of her broad insight and abundant experience.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<b>Hisao Takahashi</b> February 24, 1961 <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>April 1983      Joined Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation)</p> <p>January 1989    Joined Honda R&amp;D Co., Ltd.</p> <p>April 2010      President of Honda R&amp;D Asia Pacific Co., Ltd.</p> <p>April 2014      Managing Officer of Honda R&amp;D Co., Ltd.</p> <p>April 2015      Representative of Production of Regional Operation (China) of Honda Motor Co., Ltd., Executive Vice President of Honda Motor (China) Investment Co., Ltd., and Executive Vice President of Honda Motor (China) Technology Co., Ltd.</p> <p>April 2018      Director and Managing Officer of Honda R&amp;D Co., Ltd.</p> <p>April 2019      Director and Senior Managing Officer of Honda R&amp;D Co., Ltd.</p> <p>April 2020      Director of Honda R&amp;D Co., Ltd. and Managing Officer of Honda Motor Co., Ltd.</p> <p>April 2022      Director of Honda R&amp;D Co., Ltd. and Senior Managing Officer of Honda Motor Co., Ltd.</p> <p>April 2023      Senior Partner of CO-SAKU GK (to present)</p> <p>August 2023    Specially Appointed Professor at Nagaoka University of Technology (to present)</p> <p>March 2024    Outside Director of the Company (to present)</p> <p>June 2024      Outside Director of Nitta Gelatin Inc. (to present)</p> <p>Significant concurrent position Senior Partner of CO-SAKU GK Specially Appointed Professor at Nagaoka University of Technology Outside Director of Nitta Gelatin Inc.</p>	- shares
<p><b>Reason for nomination as a candidate for the position of Outside Director and overview of expected roles</b></p> <p>Hisao Takahashi was engaged in development projects at Honda R&amp;D Co., Ltd. and Honda Motor Co., Ltd., and has experience working overseas. He has provided advice on the Group's management as an engineer as well as from a global perspective and has contributed to strengthening the management structure of the Company, as Outside Director. He also attended the Nomination Committee and Compensation Committee of the Company as a member of both committees, and was in charge of selection of candidates for the position of Director of the Company and supervision of the decision-making process of compensation, etc. for Directors from an objective and neutral standpoint. The Company nominated him as a candidate for the position of Outside Director based on its judgment that he will continue to play a role in providing advice and supervising regarding the Group's management with the use of his broad insight and abundant experience.</p>			

(Notes)

1. There are no special interests between the candidates and the Company.
2. Hiroyuki Nakatsukasa, Junko Takechi, and Hisao Takahashi are candidates for the position of Outside Director.
3. Although Hiroyuki Nakatsukasa does not have any experience in corporate management in manner of other than serving as an outside officer, based on his wealth of knowledge and experience in finance and accounting as a Certified Public Accountant and tax accountant, he has contributed to improving the quality of discussions by actively making remarks throughout meetings of the Board of Directors. For these reasons, the Company nominated him as a candidate for the position of Outside Director based on its judgment that he will be able to appropriately perform his duties as Outside Director. Hiroyuki Nakatsukasa is currently Outside Director of the Company and will have served for three years and six months as Outside Director

- at the close of this Meeting. He also served as Outside Audit & Supervisory Board Member and Outside Director of FURUSATO INDUSTRIES, LTD., a subsidiary of the Company, in the past.
4. Although Junko Takechi does not have any experience in corporate management in manner of other than serving as an outside officer, she has accumulated knowledge and experience as an attorney and has a strong spirit of legal compliance. For these reasons, the Company nominated her as a candidate for the position of Outside Director based on its judgment that she will be able to appropriately perform her duties as Outside Director. Junko Takechi is currently Outside Director of the Company and will have served for three years and six months as Outside Director at the close of this Meeting. She also served as Outside Director of FURUSATO INDUSTRIES, LTD., a subsidiary of the Company, in the past.
  5. Hisao Takahashi is currently Outside Director of the Company and will have served for one year as Outside Director at the close of this Meeting.
  6. Conclusion of a liability limitation agreement with candidates for the position of Outside Director  
The Company has entered into an agreement with Hiroyuki Nakatsukasa, Junko Takechi, and Hisao Takahashi to limit their liability for damages under Article 423, paragraph 1 of the Companies Act pursuant to the provisions of Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company. If reappointment of the candidates is approved, the Company intends to continue with this agreement. The maximum amount of liability under the agreement is the minimum liability amount stipulated in Article 425, paragraph 1 of the same Act.
  7. If the reappointment of Hiroyuki Nakatsukasa, Junko Takechi, and Hisao Takahashi is approved, the Company intends to continue their designation as independent officers in accordance with the provisions of the Tokyo Stock Exchange.
  8. The Company concluded an officer's liability insurance (D&O insurance) contract as stipulated in Article 430-3, paragraph 1 of the Companies Act with all officers as insured persons. If this proposal is approved as proposed and the candidates assume position as Director, the candidates will be an insured person under the relevant insurance contract. The insurance contract indemnifies against damage that may occur as a result of an insured Director being held liable for the performance of his or her duties or receiving a claim for the pursuit of such liability. However, there will be certain exemptions, such as not covering damages caused by acts committed with the recognition that they are in violation of the laws and regulations.

**Proposal No. 4: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members**

Subject to the approval and adoption of Proposal No. 2 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. In that regard, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members. The selection of a candidate for the position of Director was made taking into consideration the recommendations of the Nomination Committee, the majority of which is comprised of Independent Outside Directors. In addition, prior consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal can only take effect once Proposal No. 2 “Amendment to the Articles of Incorporation” has taken effect.

Candidates for the position of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Positions and responsibilities in the Company	Attributes
1	Satoshi Onishi	Standing Audit & Supervisory Board Member	<u>New election</u>
2	Kyoko Hikita	Outside Audit & Supervisory Board Member	<u>New election</u> <u>Outside</u> <u>Independent</u>
3	Yasuo Sasaki	Outside Audit & Supervisory Board Member	<u>New election</u> <u>Outside</u> <u>Independent</u>

New election Candidate for the position of Director to be newly elected

Outside Candidate for the position of Outside Director

Independent Independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<b>Satoshi Onishi</b> October 23, 1956 <u>New election</u>	<p>April 1979      Joined the Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>May 2008      Joined FURUSATO INDUSTRIES, LTD. Executive Manager of Administrative Headquarters</p> <p>June 2008      Director and Executive Manager of Administrative Headquarters of FURUSATO INDUSTRIES, LTD.</p> <p>June 2010      Managing Director, Executive Manager of Administrative Headquarters, and Executive Manager of General Affairs Division of FURUSATO INDUSTRIES, LTD.</p> <p>June 2011      Director and Executive Manager of Administrative Headquarters of G-NET CORPORATION</p> <p>June 2013      Managing Director and Executive Manager of Administrative Headquarters of G-NET CORPORATION</p> <p>November 2016      Corporate Auditor of Security Design Inc.</p> <p>June 2017      Standing Audit &amp; Supervisory Board Member of FURUSATO INDUSTRIES, LTD.</p> <p>June 2017      Corporate Auditor of Gifu Shoji Co., Ltd.</p> <p>October 2021      Standing Audit &amp; Supervisory Board Member of the Company (to present)</p>	4,400 shares
<p><b>Reasons for Nomination as Director Who Is an Audit and Supervisory Committee Member</b></p> <p>Satoshi Onishi has considerable knowledge of finance and accounting from his many years of experience at financial institutions. He also has ample operational experience and an extensive track record from his experience as a managing director of FURUSATO INDUSTRIES, LTD. and a Standing Audit &amp; Supervisory Board Member of the Company. For these reasons, the Company judges that he will appropriately fulfill his duties as a Director who is an Audit and Supervisory Committee Member.</p>			

Candi- date No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p style="text-align: center;"><b>Kyoko Hikita</b> December 19, 1964 <u>New election</u> <u>Outside</u> <u>Independent</u></p>	<p>October 1991    Joined Showa Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>August 1995    Registered as a Certified Public Accountant</p> <p>July 2019        Director of Hikita CPA Firm (to present)</p> <p>February 2021    Outside Auditor of Maruka Corporation</p> <p>April 2021        Professor at Institute of Business and Accounting, Professional Graduate School, Kwansei Gakuin University (to present)</p> <p>October 2021    Outside Audit &amp; Supervisory Board Member of the Company (to present)</p> <p>July 2022        Director of The Japanese Institute of Certified Public Accountants (to present)</p> <p>June 2023        Outside Audit &amp; Supervisory Board Member of PALTAC CORPORATION (to present)</p> <p>June 2024        Outside Auditor of AOYAMA TRADING Co., Ltd. (to present)</p> <p>Significant concurrent position Director of Hikita CPA Firm Professor at Institute of Business and Accounting, Professional Graduate School, Kwansei Gakuin University Director of The Japanese Institute of Certified Public Accountants Outside Audit &amp; Supervisory Board Member of PALTAC CORPORATION Outside Auditor of AOYAMA TRADING Co., Ltd.</p>	- shares
<p><b>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>Kyoko Hikita has ample auditing experience and expert knowledge of finance and accounting from her many years as a Certified Public Accountant, and has provided useful insights and forthright commentary on the Company's management as an Outside Audit &amp; Supervisory Board Member at meetings of the Board of Directors. The Company nominates her as an Outside Director who is an Audit and Supervisory Committee Member so that she can participate in the Company's management in that capacity.</p>			



Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<b>Yasuo Sasaki</b> January 23, 1957 <u>New election</u> <u>Outside</u> <u>Independent</u>	<p>April 1979      Joined Toyota Motor Corporation</p> <p>January 2003    Manager of Planning Office, Accounting Department of Toyota Motor Corporation</p> <p>July 2004       Senior Vice President of Toyota Motor Thailand Co., Ltd.</p> <p>January 2008    Manager of Global Audit Office of Toyota Motor Corporation</p> <p>January 2009    Operating Officer of Futaba Industrial Co., Ltd.</p> <p>June 2009       Managing Director of Futaba Industrial Co., Ltd.</p> <p>June 2012       Senior Managing Director of Futaba Industrial Co., Ltd.</p> <p>June 2014       Representative Director and Senior Managing Executive Officer of Futaba Industrial Co., Ltd.</p> <p>June 2015       Representative Director and Vice President of Primearth EV Energy Co., Ltd.</p> <p>October 2021    Outside Audit &amp; Supervisory Board Member of the Company (to present)</p>	3,999 shares
<p><b>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>Yasuo Sasaki has in-depth insight from his extensive experience at Toyota Motor Corporation, Futaba Industrial Co., Ltd., and Primearth EV Energy Co., Ltd., and has provided useful insights and forthright commentary on the Company's management as an Outside Audit &amp; Supervisory Board Member at meetings of the Board of Directors. The Company nominates him as an Outside Director who is an Audit and Supervisory Committee Member so that he can participate in the Company's management in that capacity.</p>			

(Notes)

- There are no special interests between the candidates and the Company.
- Kyoko Hikita and Yasuo Sasaki are candidates for the position of Outside Director.
- Kyoko Hikita is currently an Outside Audit and Supervisory Committee Member of the Company and will have served for three years and six months as an Audit and Supervisory Committee Member at the close of this Meeting. She also served as an Outside Auditor of Maruka Corporation, a subsidiary of the Company, in the past.
- Yasuo Sasaki is currently an Outside Audit and Supervisory Committee Member of the Company and will have served for three years and six months as an Audit and Supervisory Committee Member at the close of this Meeting.
- Conclusion of a liability limitation agreement with a candidate for the position of Outside Director  
The Company has entered into an agreement with Kyoko Hikita and Yasuo Sasaki to limit their liability for damages under Article 423, paragraph 1 of the Companies Act pursuant to the provisions of Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company. If reappointment of the candidates is approved, the Company intends to continue with this agreement. The maximum amount of liability under the agreement is the minimum liability amount stipulated in Article 425, paragraph 1 of the same Act.
- If the appointment of Kyoko Hikita and Yasuo Sasaki is approved, the Company intends to sustain the designation of them as independent officers in accordance with the provisions of the Tokyo Stock Exchange.
- The Company concluded an officer's liability insurance (D&O insurance) contract as stipulated in Article 430-3, paragraph 1 of the Companies Act with all officers as insured persons. If this proposal is approved as proposed and the candidates assume their positions as Directors who are Audit and Supervisory Committee Members, the candidates will be insured persons under the relevant insurance contract. The insurance contract indemnifies against damage that may occur as a result of an insured Director being held liable for the performance of his or her duties or receiving a claim for the pursuit of such liability. However, there will be certain exemptions, such as not covering damages caused by acts committed with the recognition that they are in violation of the laws and regulations.

[Reference] Skill Matrix of the Board of Directors after the General Meeting of Shareholders

If Proposal No. 3 and Proposal No. 4 are approved and adopted as originally proposed, the skill matrix of the Board of Directors will be as follows.

Name	Positions	Attributes		Management/ Business strategy	Solution development (Technology)	Global	Sustainability / SDGs	Legal/ Governance	Finance/ Accounting	Human resources/ Organization
Kunihiko Iida	Chairperson and Representative Director	Male		●		●	●	●	●	●
Ryohei Furusato	President and Representative Director	Male		●	●	●	●	●		●
Katsuhiro Yamashita	Director and Senior Managing Executive Officer	Male		●		●	●		●	●
Hiroyuki Nakatsukasa	Director	Male	Outside Independent	●				●	●	●
Junko Takechi	Director	Female	Outside Independent				●	●		
Hisao Takahashi	Director	Male	Outside Independent	●	●	●				●
Satoshi Onishi	Director (Standing Audit and Supervisory Committee Member)	Male							●	●
Kyoko Hikita	Director (Audit and Supervisory Committee Member)	Female	Outside Independent				●		●	
Yasuo Sasaki	Director (Audit and Supervisory Committee Member)	Male	Outside Independent	●					●	●

\* The above table is not an exhaustive list of all the knowledge, experience, ability, etc., possessed by each individual.

**Proposal No. 5: Election of Two (2) Substitute Directors Who Are Audit and Supervisory Committee Members**

Subject to the approval and adoption of Proposal No. 2 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. Accordingly, to prepare for instances in which the Company may lack the legally mandated number of Directors who are Audit and Supervisory Committee Members, the Company proposes the election of two (2) substitute Directors who are Audit and Supervisory Committee Members.

The validity of this election can be nullified by resolution of the Board of Directors of the Company if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office. The selection of a candidate for the position of Director was made taking into consideration the recommendations of the Nomination Committee, the majority of which is comprised of Independent Outside Directors.

In addition, prior consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal can only take effect once Proposal No. 2 “Amendment to the Articles of Incorporation” has taken effect.

Candidates for the position of substitute Director who is an Audit and Supervisory Committee Member are as follows:

The Company proposes the election of Naoto Shimabayashi as substitute Director who is an Audit and Supervisory Committee Member other than Outside Director who is an Audit and Supervisory Committee Member, and Osamu Okawa as substitute Outside Director who is an Audit and Supervisory Committee Member.

Candi- date No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<b>Naoto Shimabayashi</b> August 6, 1961	September 2014 Assistant to the General Manager of the International Operations Department (seconded by MUFG Bank Ltd.) of Maruka Machinery Co., Ltd. (currently Maruka Corporation) July 2015 Joined (by transfer) Maruka Machinery Co., Ltd., Deputy General Manager of Administrative Headquarters of MARUKA U.S.A. INC. December 2015 Vice President of MARUKA U.S.A. INC. March 2016 General Manager of Americas Supervising Division of Maruka Machinery Co., Ltd. February 2018 Executive Officer of Maruka Machinery Co., Ltd. March 2018 Director of MARUKA MEXICO S.A.de C.V. March 2020 Chief of Administrative Headquarters of Maruka Corporation October 2021 Executive Officer of the Company (to present) Deputy General Manager of Administrative Headquarters of the Company January 2024 General Manager of Group Governance Division of the Company (to present)	2,116 shares
<p><b>Reasons for nomination as candidate for substitute Director who is an Audit and Supervisory Committee Member</b></p> <p>Naoto Shimabayashi has considerable knowledge of finance and accounting from his many years of experience at financial institutions. His experience at Maruka Corporation includes terms as Vice President of MARUKA U.S.A. INC., President of MARUKA MEXICO S.A.de C.V., and General Manager of Administrative Headquarters of MARUKA MEXICO S.A.de C.V., before experiencing General Manager of Group Governance Division of the Company. Given his broad insight and abundant experience, the Company has nominated him as a candidate for the position of substitute Director who is an Audit and Supervisory Committee Member.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<b>Osamu Okawa</b> November 15, 1969 <u>Outside</u>	<p>April 1996 Registered with the Osaka Bar Association Joined Dojima Law Office</p> <p>June 2003 Outside Audit &amp; Supervisory Board Member of Tigers Polymer Corporation</p> <p>October 2005 Multi-posted visiting professor (extramural) at Osaka University Law School (to present)</p> <p>June 2007 Outside Auditor of Sun Capital Management Co., Ltd.</p> <p>October 2009 Partner and attorney at law at Dojima Law Office (to present)</p> <p>December 2023 Outside Director (Audit and Supervisory Committee Member) of GMO Payment Gateway, Inc. (to present)</p> <p>Significant concurrent position Partner at Dojima Law Office Multi-posted visiting professor (extramural) at Osaka University Law School Outside Director (Audit and Supervisory Committee Member) of GMO Payment Gateway, Inc.</p>	- shares
<p><b>Reasons for nomination as candidate for substitute Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>Osamu Okawa has advanced expertise and insights with a specialty in corporate legal affairs from his prolific experience as an attorney at law. Given his experience and expertise, the Company judges that, if he assumes office as an Outside Director who is an Audit and Supervisory Committee Member, he will appropriately fulfill his duty to audit and supervise the Company's execution of business, and therefore nominates him as a candidate for the position of substitute Outside Director who is an Audit and Supervisory Committee Member.</p>			

(Notes)

1. There are no special interests between the candidates and the Company.
2. Osamu Okawa is a candidate for substitute Outside Director.
3. Although Osamu Okawa does not have any experience in corporate management in manner of other than serving as an outside officer, he has advanced expertise and insights with a specialty in corporate legal affairs as an attorney at law. For these reasons, the Company nominated him as a candidate for the position of Outside Director based on its judgment that he will be able to appropriately perform his duties as Outside Director.
4. Conclusion of a liability limitation agreement with a candidate for the position of substitute Outside Director  
If the nomination to the position of substitute Director who is an Audit and Supervisory Committee Member is approved and Osamu Okawa assumes offices as an Outside Director who is an Audit and Supervisory Committee Member, the Company intends to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act pursuant to the provisions of Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company. The maximum amount of liability under the agreement is the minimum liability amount stipulated in Article 425, paragraph 1 of the same Act.
5. The Company concluded an officer's liability insurance (D&O insurance) contract as stipulated in Article 430-3, paragraph 1 of the Companies Act with all officers as insured persons. If this proposal is approved as proposed and the candidates assume their positions as Directors who are Audit and Supervisory Committee Members, the candidates will be insured persons under the relevant insurance contract. The insurance contract indemnifies against damage that may occur as a result of an insured Director being held liable for the performance of his or her duties or receiving a claim for the pursuit of such liability. However, there will be certain exemptions, such as not covering damages caused by acts committed with the recognition that they are in violation of the laws and regulations.

**Proposal No. 6: Setting of Amount of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

Until now, the amount of remuneration for Directors of the Company has been not more than ¥300 million (including not more than ¥30 million for Outside Directors) annually as approved at the 1st Ordinary General Meeting of Shareholders held on March 30, 2022.

On this occasion, subject to the approval and adoption of Proposal No. 2 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee.

Upon transitioning to a company with an audit and supervisory committee, the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) will be set anew, and all existing provisions pertaining to the amount of remuneration for Directors will be abolished; the Company intends to set the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to not more than ¥300 million (including not more than ¥30 million for Outside Directors) annually.

If this proposal is approved, regarding the policy for determining the details of remuneration, etc. of individual Directors on page 55 of the business report (in Japanese only), the Company plans to change the portion which defines eligible persons as “Directors” to “Directors (excluding Directors who are Audit and Supervisory Committee Members)” at the meeting of the Board of Directors after the close of this Meeting to align it with the approved details.

The Company deems the details of this proposal to be appropriate because it is necessary for defining the details of remuneration, etc. for individual Directors in line with the policy, and defines a reasonable remuneration framework for Directors (excluding Directors who are Audit and Supervisory Committee Members) considering economic circumstances, the size of the Company, the number of Directors, other companies’ levels of remuneration, and the like.

Notably, the Company proposes that the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) does not include the portion of employee salaries of Directors who concurrently serve as employees. If Proposal No. 2 “Amendment to the Articles of Incorporation” and Proposal No. 3 “Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved and adopted as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be six (including three Outside Directors).

This proposal can only take effect once Proposal No. 2 “Amendment to the Articles of Incorporation” has taken effect.

**Proposal No. 7: Setting of Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members**

Subject to the approval and adoption of Proposal No. 2 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee.

The Company proposes that, upon transitioning to a company with an audit and supervisory committee, given the duties and responsibilities of Directors who are Audit and Supervisory Committee Members, the amount of remuneration for Directors who are Audit and Supervisory Committee Members be set to not more than ¥50 million annually.

The Company deems the details of this proposal to be necessary and appropriate because it defines a reasonable remuneration framework for Directors who are Audit and Supervisory Committee Members considering their responsibilities, the level of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members), and the like.

If Proposal No. 2: “Amendment to the Articles of Incorporation” and Proposal 4 “Election of Three (3) Directors Who Are Audit and Supervisory Committee Members” are approved and adopted as originally proposed, there will be three Directors who are Audit and Supervisory Committee Members.

This proposal can only take effect once Proposal No. 2 “Amendment to the Articles of Incorporation” has taken effect.

**Proposal No. 8: Deciding the Amounts and Contents of Performance-linked and Share-based Remuneration Plan for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

1. Reasons for the proposal and for deeming the remuneration therein appropriate

The Company's performance-linked and share-based remuneration plan (the "Plan") for the Company's Directors (excluding Outside Directors) and Executive Officers as well as the directors of FURUSATO INDUSTRIES, LTD., the directors and executive officers of Maruka Corporation, the directors of G-NET CORPORATION, and the directors of Security Design Inc. (collectively, the "directors, etc. of subsidiaries") was approved at the 1st Ordinary General Meeting of Shareholders held on March 30, 2022 (the "Previous Resolution") and partially amended at the meeting of the Board of Directors of the Company held on February 13, 2024, and that is where the situation stands today.

On this occasion, if Proposal No. 2 "Amendment to the Articles of Incorporation" is approved and adopted as originally proposed, the Company will become a company with an audit and supervisory committee. Accordingly, assuming the proposal is approved and adopted as originally proposed, the current remuneration framework of the Plan will be abolished, and the Company requests your approval for resetting the amounts and details of remuneration, etc. under the Plan for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors), Executive Officers, and the directors, etc. of subsidiaries (collectively, for the rest of this proposal, the "Directors, etc.>").

This proposal is a procedural element of transitioning to a company with an audit and supervisory committee; the details of remuneration, etc. pertaining to the Plan are essentially identical to those of the Previous Resolution. The purpose of this proposal is the same as the Previous Resolution, which is to further clarify the linkage between remuneration for the Directors, etc. and the corporate performance and stock value of the Company in pursuit of sustainable growth and have the Directors, etc. share the benefits and risks of fluctuations in the stock value with the shareholders, thereby raising awareness of contributing to the medium- to long-term improvement of business performance and increase in corporate value. Since this proposal is for the above purpose and is consistent with the policy for determining the details of remuneration, etc. for individual Directors of the Company ("Policy, etc. for Determining the Details of Remuneration, etc. for Officers" (page 55 of the business report) (in Japanese only)), the Company considers it to be appropriate.

If Proposal No. 6 "Setting of Amount of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" is approved and adopted as originally proposed, the amount of remuneration for the Company's Directors (excluding Directors Who Are Audit and Supervisory Committee Members) will be not more than ¥300 million annually (including not more than ¥30 million annually for Outside Directors, excluding the portion of employee salaries of directors who concurrently serve as employees); however, the Company requests your approval for new amounts and details of remuneration, etc. in a framework separate from this remuneration framework.

The Company would like the Board of Directors to be entrusted to determine the details of the Plan within the scope in 2. below.

If Proposal No. 2 "Amendment to the Articles of Incorporation" and Proposal No. 3 "Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" are approved and adopted as originally proposed, the number of the Company's Directors covered by the Plan will be three.

This proposal can only take effect once the amendment to the Articles of Incorporation in Proposal No. 2 "Amendment to the Articles of Incorporation" has taken effect.

2. Amount of remuneration, etc. and the details, according to the Plan

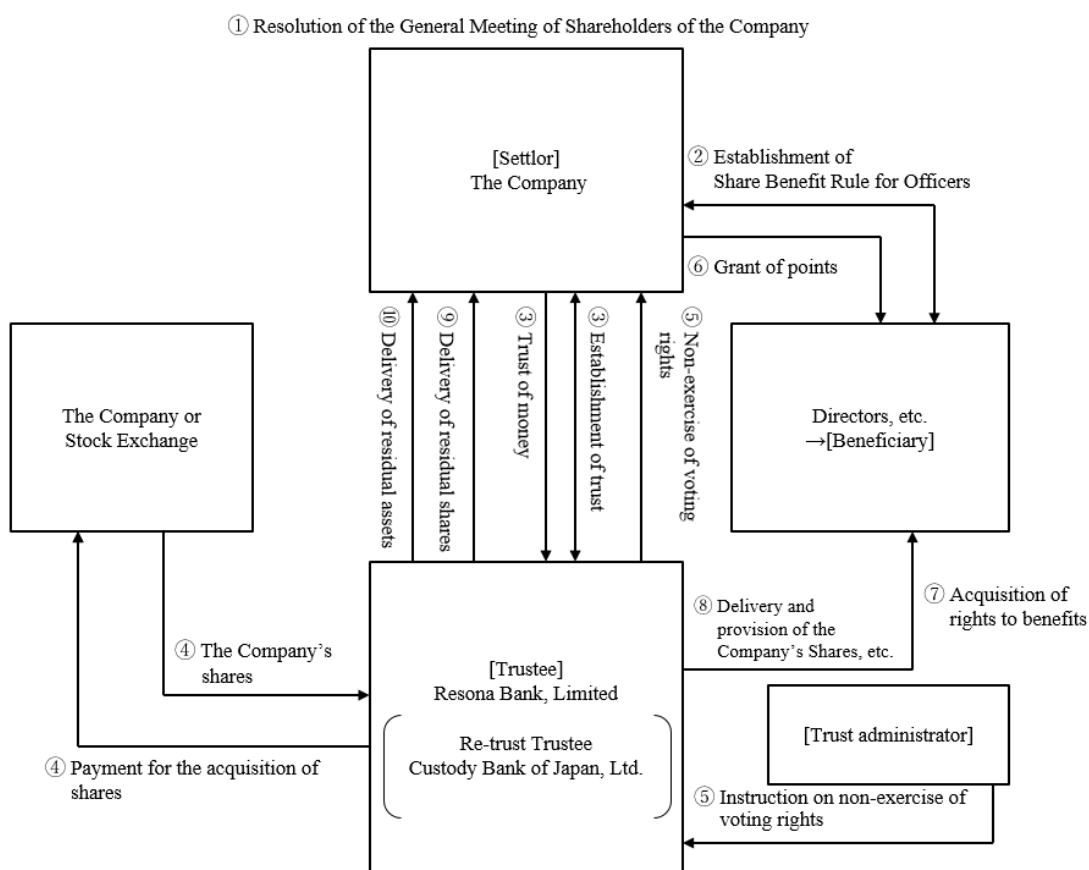
The Company will continue to use the Trust established under the Previous Resolution for the Plan for the Directors, etc. after the transition to a company with an audit and supervisory committee.



(1) Outline of the Plan

- (i) The Plan is a performance-linked, share-based remuneration plan under which, in order to provide to the Directors, etc. thereunder, during the Covered Period defined in (3) below, the Company contributes funds to acquire a number of the Company's shares deemed reasonable for a certain consecutive period in advance of that period (including trust fees, trust expenses, and the like) as remuneration for the Directors, etc. (with a maximum as defined in (5) below) to the Trust, which the Trust then uses as funds to acquire the Company's shares and provides the Company's shares and amounts of money equivalent to the market price of the Company's shares (collectively, "the Company's Shares, etc.") in line with the Share Benefit Rule for Officers for officer remuneration set out by the Company, FURUSATO INDUSTRIES, LTD., Maruka Corporation, G-NET CORPORATION, and Security Design Inc. The timing of provision of the Company's shares to the Directors, etc. will be, in principle, upon their retirement. Resona Bank, Limited, the trustee under the Plan, will re-entrust the trust assets to Custody Bank of Japan, Ltd.
- (ii) The respective general meetings of shareholders of FURUSATO INDUSTRIES, LTD., Maruka Corporation, G-NET CORPORATION, and Security Design Inc. have approved the companies' adoption of the Plan pertaining to officer remuneration.

(Mechanism of the Plan)



- ① Each of the general meetings of shareholders of the Company, as well as FURUSATO INDUSTRIES, LTD., Maruka Corporation, G-NET CORPORATION, and Security Design Inc. (collectively, the “Covered Companies”), has approved resolutions for officer remuneration pertaining to the adoption of the Plan.
- ② Each of the boards of directors of the Covered Companies has established rules for provision of shares for officer remuneration pertaining to the adoption of the Plan as well as standards and the like for delivering and providing points, shares, and the like to the Directors, etc.
- ③ The Company has established (inherited the title of settlor) a trust with the Directors, etc. covered by the Plan as beneficiary candidates (the “Trust”) to which to entrust money within the scope approved by the Company’s general meeting of shareholders defined in ① above. The Company may also entrust additional money within the scope approved at this General Meeting of Shareholders.
- ④ The Trust will use the money entrusted to it as described in ③ above as funds to acquire the Company’s shares from the Company (via disposition of treasury stock) or stock exchange (including after-hours trading).
- ⑤ Voting rights for the Company’s shares in the Trust will not be exercised during the Trust Period.
- ⑥ The Company will grant points to the Directors, etc. in accordance with the Share Benefit Rule for Officers.
- ⑦ The Directors, etc. who fulfill the Share Benefit Rule for Officers and the requirements set out in the trust agreement pertaining to the Trust will acquire the Company’s shares and rights to monetary benefits, thus becoming beneficiaries.
- ⑧ The trustee will deliver and provide the Company’s shares and money to the beneficiaries.
- ⑨ If residual shares remain in the Trust when the Trust Period expires, either the Trust will continue to be used for the Plan or the same kind of share-based remuneration plan by amending the trust agreement by resolution of the Board of Directors or the like and making additional contributions to the Trust, or the Trust will make a gratuitous conveyance of the residual shares to the Company, which the Company will cancel by resolution of the Board of Directors.
- ⑩ When the Trust is liquidated, reserve funds for trust expenses (money contributed by the Company less funds for acquiring the Company’s shares) will revert to the Company. Other residual assets will either be delivered to the beneficiaries or donated to a nonprofit foundation.

(2) Covered Individuals

Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) and Executive Officers of the Company, directors of FURUSATO INDUSTRIES, LTD., directors and executive officers of Maruka Corporation, directors of G-NET CORPORATION, and directors of Security Design Inc. are covered.

(3) Covered Period

The initial period is the five fiscal years from the fiscal year ended December 31, 2022 to the fiscal year ending December 31, 2026 (the “Initial Period”). The Company may continue the Plan after the Initial Period ends under a new covered period of the five fiscal years immediately following the Initial Period (or, if the Board of Directors approves a different period, that period), and may also continue the Plan similarly thereafter (These periods are referred to collectively with the Initial Period as the “Covered Period.”).

(4) Trust Period

April 21, 2016 to December 31, 2026

When the Trust Period expires, the Company will continue the Trust again by amending the trust agreement and making additional contributions to the Trust, and continue it similarly thereafter. The Plan will end upon the delisting of the Company's shares, the abolishment of the Share Benefit Rule for Officers, or the like.

(5) Maximum amount of money contributed by the Company and maximum number of shares acquired by the Trust

In order to provide the Company's Shares, etc. to the Directors, etc. under the Plan, the Company has contributed a maximum of ¥202 million (including ¥121 million for the Company's Directors (excluding Outside Directors) and ¥81 million for the points accumulated by covered individuals of the performance-linked and share-based remuneration plans of FURUSATO INDUSTRIES, LTD. and Maruka Corporation that predated the adoption of the Plan (collectively, the "Former Plans")) as funds for acquiring shares for the Initial Period and established the Trust with the Directors, etc. who fulfill the requirements for beneficiaries as the beneficiaries (with the Company inheriting the title of settlor from Maruka Corporation for the trust established under the Former Plans of Maruka Corporation, upon the transition to a holding company under the merger of FURUSATO INDUSTRIES, LTD. and Maruka Corporation on October 1, 2021).

During the Initial Period, the Company may entrust additional funds for acquiring shares within the scope set out previously. However, the Company's shares and money remaining in the trust assets at the point in time when the Company inherited the title of settlor for the Trust (the "Remaining Shares, etc. Upon Inheritance") are allocated to funds for providing the Company's Shares, etc. in the Initial Period, and the maximum amount of money the Company may contribute additionally during the Initial Period is ¥202 million less the amount of the Remaining Shares, etc. Upon Inheritance (for the shares, the amount of remaining shares commensurate with the market price at the time of the Company's inheritance of the title of settlor) and the amount contributed when the Trust was established (inherited).

The Trust will use the money entrusted by the Company as funds to acquire the Company's shares through stock exchanges or by means of undertaking disposition of the Company's treasury stock. Even after the Initial Period passes, until the Plan ends, the Company may make additional contributions to the Trust not exceeding ¥121 million for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) for each Covered Period. However, when making such additional contributions, if there are any Company's shares (the Company's shares equivalent to the number of points provided to the Directors, etc. (for information about points, see (8) below), excluding shares not yet delivered to the Directors, etc.) or money remaining in the trust assets on the last day of the Covered Period immediately preceding the Covered Period in which the additional contribution is to be made (collectively, the "Remaining Shares, etc."), the Remaining Shares, etc. will be allocated to funds for providing during the subsequent Covered Period in accordance with the Plan, and the maximum amount of money the Company may contribute additionally during the Covered Period is ¥121 million less the amount of the Remaining Shares, etc. (for the shares, the amount of remaining shares commensurate with the market price on the last day of the immediately preceding Covered Period). The maximum number of the Company's shares the Trust may acquire during the Covered Periods is 88,000 during the Initial Period (including 51,000 for Directors of the Company (excluding Outside Directors) and 37,000 for points accumulated by covered individuals of the Former Plans) and 51,000 for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) during subsequent Covered Periods (however, when a share split, free allotment of shares, consolidation of shares, or the like is executed with respect to the Company's shares, a reasonably adjusted number commensurate with the respective proportions).

- (6) Method of acquisition of the Company's shares by the Trust  
The Trust will acquire the Company's shares through stock exchanges or by means of undertaking disposition of the Company's treasury stock within the maximum amount of money contributed to the Trust defined in (5) above.
- (7) Method of calculating, and maximum number of the Company's shares to be provided to covered individuals of the Plan  
In each fiscal year in each Covered Period, the Directors, etc. are granted points commensurate with their position and degree of achievements in performance during that fiscal year. When providing shares, the number of points granted is converted to common shares of the Company at a rate of one share per point (however, if a share split, free allotment of shares, consolidation of shares, or the like is executed with respect to the Company's shares after this proposal is approved, the conversion rate will be reasonably adjusted commensurate with the respective proportions).  
The Directors, etc. are granted a fixed number of points in each fiscal year of each Covered Period, equal to the basic number of points for each position multiplied by a performance-linked coefficient commensurate with the degree of achievements in performance. The performance-linked coefficient is the degree of achievement of the expected consolidated operating profit and ROE at the beginning of each fiscal year disclosed in the earnings summary, and, for the directors, etc. of subsidiaries, the degree of achievement of operating profit targets for each segment at the beginning of each fiscal year published in results briefing documents, and must fall within the range of 0.0 and 1.2.  
The maximum cumulative number of shares to be granted to the Directors, etc. of the Group during the Covered Periods is 88,000 during the Initial Period (including 51,000 for Directors of the Company (excluding Outside Directors) and 37,000 for points accumulated by covered individuals of the Former Plans) and 51,000 for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) during subsequent Covered Periods.
- (8) Timing of provision of the Company's shares to covered individuals of the Plan  
In principle, when a Director, etc. retires from office and has satisfied the beneficiary requirements, he or she undergoes the requisite beneficiary vesting procedures and a number of the Company's Shares, etc. commensurate with the number of vested points set out at his or her retirement is provided. In these cases, the Director is delivered a number of the Company's shares equivalent to 70% of the number of vested points, and is paid an amount of money equivalent to the proceeds from converting the Company's shares corresponding to the remaining number of points into cash within the Trust so that the Company can withhold at the source funds for paying withholding income tax and other such taxes.  
However, when a Director, etc. who fulfills the beneficiary requirements retires from office during the Trust Period as a result of his or her death, all of the Company's shares equivalent to the number of vested points at that time are converted into cash within the Trust and provided to the heirs of the Director, etc.
- (9) Clawback system, etc.  
When an eligible Director, etc. has committed gross misconduct, violations, or the like, the Director, etc. may be required to forfeit his or her beneficiary rights to shares scheduled to be delivered to him or her under the Plan (malus) and return money equivalent to shares and the like delivered to him or her (clawback).
- (10) Exercise of voting rights for the Company's shares within the Trust  
To ensure independence from the management of the Trust, voting rights for the Company's shares within the Trust will not be exercised.

- (11) Handling of dividends on the Company's shares within the Trust  
Dividends on the Company's shares within the Trust are received by the Trust and allocated to acquiring the Company's shares and trust fees and other trust expenses. When the Trust is terminated, dividends remaining within the Trust will be paid to each covered individual of the Plan in office at that time in proportion to their cumulative number of points, or donated to a nonprofit foundation.
- (12) Treatment upon the termination of the Trust  
Of the residual assets of the Trust at the time of the termination of the Trust, all the Company's shares will be acquired by the Company without any compensation and canceled by a Board of Directors resolution or donated to a nonprofit foundation. Of the residual assets of the Trust at the time of the termination of the Trust, the money will be paid to each covered individual of the Plan in office at that time in proportion to their cumulative number of points, or donated to a nonprofit foundation.
- (13) Other details of the Plan  
Other details concerning the Plan are determined by the Board of Directors meeting each time of setting up the Trust, amending a trust agreement, or additional payment to the Trust.