

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

(Securities Code: 7931)

May 26, 2023

To our shareholders:

Masahiro Yamada
President
MIRAI INDUSTRY CO.,LTD.
1695-1, Niremata, Wanouchi-cho
Ampachi-gun, Gifu Prefecture

Notice of the 58th Annual General Meeting of Shareholders

You are cordially informed of the 58th Annual General Meeting of Shareholders of MIRAI INDUSTRY CO.,LTD. (the “Company”) to be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on the Company’s website. Please access the following website to view this information.

The Company’s website:

<https://www.mirai.co.jp/ir/library/#sec5> (Japanese only)

In addition to posting the matters subject to measures for electronic provision on the Company’s website, the Company also posts this information on the website of the Tokyo Stock Exchange (TSE).

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (Japanese only)

(Access the TSE website by using the internet address shown above, enter “MIRAI INDUSTRY” in “Issue name (company name)” or the Company’s securities code “7931” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

In lieu of attending the meeting in person, you may exercise your voting rights via the internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders shown below, refer to the “Guide to Exercising Your Voting Rights” (in Japanese only), and exercise your voting rights by 4:45 p.m. on Wednesday, June 14, 2023 (JST).

- 1. Date and Time of the Meeting:** Thursday, June 15, 2023, at 10:00 a.m.
2. Venue: Ogaki Forum Hotel, 2F, Ten-no-ma
2-31, Mangoku, Ogaki City, Gifu Prefecture

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements, as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 58th Term (from March 21, 2022 to March 20, 2023)
2. Non-consolidated Financial Statements for the 58th Term (from March 21, 2022 to March 20, 2023)

Items to be resolved:

- First Item of Business** Election of Five Directors (Excluding Audit and Supervisory Committee Members)
- Second Item of Business** Election of Three Directors Who Are Audit and Supervisory Committee Members
- Third Item of Business** Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

Fourth Item of Business Determination of the Amount and Details of Stock Compensation, etc. for Directors (Excluding Audit and Supervisory Committee Members)

4. Matters Determined for Convocation (Information about Exercising Voting Rights)

- (1) If you exercise your voting rights by submitting the Voting Form in writing (by mail) without indicating your approval or disapproval of any proposal, your vote for the proposal shall be counted as an approval.
- (2) In the event that voting rights are exercised multiple times via the internet, the most recently exercised voting right shall prevail.
- (3) If voting rights are exercised in duplicate via both the internet and in writing (by mail), regardless of the dates on which the votes are received, the exercise of voting rights via the internet shall prevail.
- (4) If you wish to exercise your voting rights by proxy, another shareholder holding a voting right of the Company may attend the General Meeting of Shareholders as proxy. In this case, a document that certifies the proxy's power of representation is required to be submitted.

- For those who will be in attendance, we would like to ask that you bring the voting rights form that has been sent together with this notice and submit it at the reception desk.
- In relation to this General Meeting of Shareholders, regardless of whether or not there has been a request for the delivery of paper-based documents, paper-based documents stating the matters subject to measures for electronic provision are sent to shareholders. However, among the matters subject to measures for electronic provision, the following matters do not include in accordance with the provisions of laws and regulations and Article 14 of the Company's Articles of Incorporation.
 - (1) "Corporate Structure and Policies" in the Business Report
 - (2) Notes to Consolidated Financial Statements
 - (3) Notes to Non-consolidated Financial StatementsAccordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in those documents represent only part of the applicable documents which were audited by the Audit and Supervisory Committee in preparing the Audit Report and the Accounting Auditor in preparing the Accounting Audit Report.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.

Reference Documents for the General Meeting of Shareholders

First Item of Business: Election of Five Directors (Excluding Audit and Supervisory Committee Members)

The terms of office of all five Directors (excluding Audit and Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of five Directors (excluding Audit and Supervisory Committee Members).

The “Personnel Committee,” an advisory body chaired by an independent outside Director, has been consulted regarding this item of business. In addition, the Audit and Supervisory Committee has expressed its opinion that it is appropriate to elect each candidate as a Director.

Candidates for Director (excluding Audit and Supervisory Committee Members) are as follows:

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Masahiro Yamada (June 10, 1963)	May 1987 Joined the Company Mar. 2003 Joined Mirai Co., Ltd. (absorption-type merger company) June 2005 Head of the Audit Division of Mirai Co., Ltd. Sept. 2006 Head of the Audit Division of the Company June 2008 Director June 2013 President and Representative Director (current position) (Responsibility) Audit Office / Internal Control	768,569
[Reason for nomination as a candidate for Director (excluding Audit and Supervisory Committee Member)] Masahiro Yamada, as President and Representative Director of the Company, has experience and achievements in the management of the Company group (the “Group”), and has appropriately fulfilled his role as a Director, including decision-making on important management matters and supervision of business execution. Thus, the Company continues to nominate him as a candidate for Director.			
2	Wataru Kawase (December 25, 1958)	Oct. 1987 Joined the Company June 2003 Director and General Manager of Accounting Division June 2005 Director of Mirai Co., Ltd. (absorption-type merger company) June 2019 Managing Director (current position) (Responsibility) Accounting Division / Quality Assurance Division, Purchasing Division	4,000
[Reason for nomination as a candidate for Director (excluding Audit and Supervisory Committee Member)] Wataru Kawase, as Managing Director of the Company, has appropriately fulfilled his role as a Director by making decisions on important management matters and supervising the execution of business, etc. As he has also served mainly in charge of the Accounting, Quality Assurance, and Purchasing Divisions, and is familiar with the overall management of the Group, the Company continues to nominate him as a candidate for Director.			
3	Yasushi Nakashima (January 1, 1965)	Mar. 1987 Joined the Company July 2013 General Manager of Corporate Planning Division June 2014 Director and General Manager of Corporate Planning Division June 2019 Managing Director (current position) (Responsibility) General Planning Division	12,200
[Reason for nomination as a candidate for Director (excluding Audit and Supervisory Committee Member)] Yasushi Nakashima, as Managing Director of the Company, has appropriately fulfilled his role as a Director in making decisions on important management matters and supervising the execution of business. In addition, as he has been mainly in charge of the General Planning Division and is familiar with the overall management of the Group, the Company continues to nominate him as a candidate for Director.			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Koji Yamauchi (June 10, 1962)	Mar. 1985 Joined the Company Mar. 1994 Joined MIRAI SEIKO CO., LTD. June 2006 Director of MIRAI SEIKO CO., LTD. June 2012 President and Representative Director of MIRAI SEIKO CO., LTD. June 2014 Director of the Company Mar. 2015 Director and General Manager of Sales Division (current position) (Responsibility) General Manager of Sales Division	2,300
		[Reason for nomination as a candidate for Director (excluding Audit and Supervisory Committee Member)] Koji Yamauchi, as a Director of the Company, has appropriately fulfilled his role as a Director, including decision-making on important management matters and supervision of business execution. In addition, as he is familiar with the overall sales matters of the Group as General Manager of the Sales Division of the Company, the Company continues to nominate him as a candidate for Director.	
5	Shigeyuki Goto (March 27, 1965)	Mar. 1987 Joined the Company June 2014 General Manager of the Manufacturing Division June 2018 Director and General Manager of the Manufacturing Division (current position) (Responsibility) General Manager of the Manufacturing Division, Development Division	1,600
		[Reason for nomination as a candidate for Director (excluding Audit and Supervisory Committee Member)] Shigeyuki Goto, as a Director of the Company, has appropriately fulfilled his role as a Director by making decisions on important management matters and supervising the execution of business, etc. As he has also served as General Manager of the Manufacturing Division and in charge of the Development Division of the Company, and is familiar with all manufacturing matters of the Group, the Company continues to nominate him as a candidate for Director.	

- Notes:
1. There is no special interest between the said five candidates for Director (excluding Audit and Supervisory Committee Members) and the Company.
 2. The Company merged with Mirai Co., Ltd. on September 21, 2006.
 3. The Company has entered into a liability insurance contract with an insurance company covering directors and officers, etc., naming all Directors and Audit and Supervisory Committee Members of the Company and its subsidiaries as the insured. The contract will cover damages incurred as a result of claims for compensation during the insurance period arising from the performance of the insured's duties, within the total maximum payment during the insurance period. If the election of the five candidates is approved, the Company plans to renew the relevant insurance contract during the term of office.

Second Item of Business: Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three Directors who are currently Audit and Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members.

The consent of the Audit and Supervisory Committee has been obtained for this item of business.

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

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Takahide Isobe (September 29, 1953)	Mar. 1986 Registered as a Certified Public Accountant Jan. 2001 Joined Nagoya Small and Medium Business Investment & Consultation Co., Ltd. Jan. 2006 General Manager of Business Division I of Nagoya Small and Medium Business Investment & Consultation Co., Ltd. June 2006 Director and General Manager of Business Division I of Nagoya Small and Medium Business Investment & Consultation Co., Ltd. June 2014 Outside Director of the Company June 2014 Resigned as Director and General Manager of Business Division I of Nagoya Small and Medium Business Investment & Consultation Co., Ltd. June 2015 Outside Director (Audit and Supervisory Committee Member) of the Company (current position) Mar. 2016 Outside Director of Hatsuho Shouji Co., Ltd. Mar. 2022 Outside Director (Audit and Supervisory Committee Member) of Hatsuho Shouji Co., Ltd. (current position) (Significant concurrent positions outside the Company) Outside Director of Hatsuho Shouji Co., Ltd.	1,100
[Reasons for nomination as a candidate for Director who is Audit and Supervisory Committee Member or outside Director and overview of expected role] Takahide Isobe has experience in the management of an investment and consultation company and a wide range of insight as a Certified Public Accountant. He is expected to make decisions at meetings of the Board of Directors and supervise the execution of duties by Directors as an outside Director. Therefore, the Company continues to nominate him as a candidate for Director who is Audit and Supervisory Committee Member or outside Director. At the conclusion of this meeting, his tenure since assuming office as outside Director of the Company will have been nine years.			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Yumi Takeuchi (September 24, 1971)	<p>Oct. 2000 Registered as Attorney with Nagoya Bar Association (currently Aichi Bar Association) Joined Hattori Yutaka Law Office</p> <p>Oct. 2005 Established Kitoh & Takeuchi LPC</p> <p>July 2008 Partner of Kitoh & Takeuchi LPC (current position)</p> <p>Mar. 2019 Outside Director of YASUE CORP (Audit and Supervisory Committee Member) (current position)</p> <p>Apr. 2020 Vice President of Aichi Bar Association</p> <p>June 2021 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>Oct. 2022 Special Assistant to President of Nagoya City University (current position)</p> <p>(Significant concurrent positions outside the Company) Partner of Kitoh & Takeuchi LPC Outside Director of YASUE CORP (Audit and Supervisory Committee Member) Special Assistant to President of Nagoya City University</p>	-
<p>[Reasons for nomination as a candidate for Director who is Audit and Supervisory Committee Member or outside Director and overview of expected role]</p> <p>Yumi Takeuchi has a high level of expertise as an attorney-at-law and has served as an outside Director of other business companies as well as Vice President of Aichi Bar Association. Based on the above, she is expected to provide supervision and advice from an objective and legal perspective, and therefore the Company has newly nominated her as a candidate for Director who is Audit and Supervisory Committee Member or outside Director. She has never in the past been involved in the management of a company except as an outside Director or outside Audit & Supervisory Board Member. However, the Company judges she will appropriately fulfill her duties as an outside Director based on the above reasons. At the conclusion of this meeting, her tenure since assuming office as outside Director of the Company will have been two years.</p>			
3	* Kunihiko Masunari (November 26, 1972)	<p>Apr. 2007 Joined Tax Accountant Corporation Ogaki Kaikei</p> <p>July 2009 Registered as a Licensed Tax Accountant Partner and Licensed Tax Accountant of Tax Accountant Corporation Ogaki Kaikei (current position)</p> <p>(Significant concurrent positions outside the Company) Partner and Licensed Tax Accountant of Tax Accountant Corporation Ogaki Kaikei</p>	-
<p>[Reasons for nomination as a candidate for Director who is Audit and Supervisory Committee Member or outside Director and overview of expected role]</p> <p>Kunihiko Masunari has expertise as a Licensed Tax Accountant, and based on such expertise, he is expected to provide supervision and advice from an objective and professional perspective. Therefore, the Company has newly nominated him as a candidate for Director who is Audit and Supervisory Committee Member or outside Director. He has never in the past been involved in the management of a company except as an outside Director or outside Audit & Supervisory Board Member. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.</p>			

- Notes:
1. There is no special interest between any of the three candidates for Director and the Company.
 2. Special notes regarding the candidates for outside Directors are as follows:
 - (1) Takahide Isobe, Yumi Takeuchi, and Kunihiko Masunari are candidates for outside Director.
 - (2) Pursuant to Article 423, paragraph (1) of the Companies Act, the Company has entered into agreements with Takahide Isobe and Yumi Takeuchi to limit their liability for damages. Based on this agreement, the maximum amount of liability for damages is the minimum amount provided for by laws and regulations, and the Company plans to continue this agreement with both of them if their reelections are approved. If the election of Kunihiko Masunari is approved, the Company plans to enter into the same limited liability agreement.
 - (3) The Company has entered into a liability insurance contract with an insurance company covering directors and officers, etc., naming the Directors as the insured. The contract will cover damages incurred as a result of claims for

compensation during the insurance period arising from the performance of the insured's duties, within the total maximum payment during the insurance period. If the election of the three candidates is approved, the Company plans to renew the relevant insurance contract during the term of office.

- (4) The Company has registered Takahide Isobe and Yumi Takeuchi as independent officers in accordance with the provisions of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. If the reelection of both candidates is approved, the Company plans for their designation as independent officers to continue. Furthermore, Kunihiko Masunari satisfies the requirements for an independent officer as provided for by both Exchanges, and the Company plans to submit notification to the aforementioned exchanges concerning his designation as an independent officer if his election is approved.
3. New candidates for Director are indicated by an asterisk (*).
4. Yumi Takeuchi's name in her family register is Yumi Kitoh.

Third Item of Business: Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

The election of Makoto Kuwabara, who was elected as a substitute Director who is an Audit and Supervisory Committee Member at the 56th Annual General Meeting of Shareholders held on June 15, 2021, will remain in effect until the commencement of this Annual General Meeting of Shareholders. Therefore, in preparation for the situation where the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations is not sufficient, the Company proposes the election of one substitute Director who is an Audit and Supervisory Committee Member.

The validity of this election can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this item of business.

The candidate for a substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
Makoto Kuwabara (March 14, 1956)	Mar. 1979 Joined Ogaki Shinkin Bank June 2009 Appointed as Director of Ogaki Shinkin Bank June 2017 Resigned as Director of Ogaki Shinkin Bank July 2017 Director of MIRAI GIKEN CO., LTD. June 2021 Resigned as Director of MIRAI GIKEN CO., LTD. June 2023 Audit & Supervisory Board Member of Mirai Communication Network Inc. (current position) Audit & Supervisory Board Member of amixcom Co., Ltd. (current position) (Significant concurrent positions outside the Company) Audit & Supervisory Board Member of Mirai Communication Network Inc. Audit & Supervisory Board Member of amixcom Co., Ltd.	-
[Reasons for nomination as a candidate for a substitute Director who is an Audit and Supervisory Committee Member] Makoto Kuwabara, having a wide range of perspectives from his experience in the management of the Group companies, is expected to supervise the decision-making of the Board of Directors and the execution of duties by Directors as a Director who is an Audit and Supervisory Committee Member. Therefore, the Company has nominated him as a candidate for Director who is Audit and Supervisory Committee Member.		

- Notes:
1. There is no special interest between Makoto Kuwabara and the Company.
 2. In the event that Makoto Kuwabara assumes office as a Director who is an Audit and Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
 3. The Company has entered into a liability insurance contract with an insurance company covering directors and officers, etc., naming the directors as the insured. The contract will cover damages incurred as a result of claims for compensation during the insurance period arising from the performance of the insured's duties, within the total maximum payment during the insurance period. In the event that Makoto Kuwabara assumes office as a Director who is an Audit and Supervisory Committee Member, he will be included as an insured in the contract.

[Reference] Composition of Board of Directors after this Annual General Meeting of Shareholders (planned)

Name	Position		Corporate management	Treasury, Accounting & Finance	Legal & Compliance	Sales & Marketing	Manufacturing & Technology
Masahiro Yamada	President (Representative Director)		○		○	○	○
Wataru Kawase	Managing Director		○	○			○
Yasushi Nakashima	Managing Director		○	○	○		
Koji Yamauchi	Member of the Board of Directors					○	○
Shigeyuki Goto	Member of the Board of Directors						○
Takahide Isobe	Member of the Board of Directors (Audit and Supervisory Committee Member)	Independent Outside	○	○			
Yumi Takeuchi	Member of the Board of Directors (Audit and Supervisory Committee Member)	Independent Outside			○		
Kunihiko Masunari	Member of the Board of Directors (Audit and Supervisory Committee Member)	Independent Outside		○			

* The above skills matrix does not represent all the knowledge and experience possessed by each person.

Fourth Item of Business: Determination of the Amount and Details of Stock Compensation, etc. for Directors (Excluding Audit and Supervisory Committee Members)

1. Reason for the Proposal and Reason for Considering such Compensation Plan as Appropriate

It was approved at the 50th Annual General Meeting of Shareholders held on June 17, 2015 that the maximum amount of compensation, etc. for Directors (excluding Audit and Supervisory Committee Members) of the Company shall be 200 million yen per annum (excluding the employee salaries for Directors who serve concurrently as employees), but the Company proposes that, separate to this maximum amount of compensation, etc., a new stock compensation plan (hereinafter, the “Plan”) be introduced under which the Company’s shares will be delivered to the Directors (excluding outside Directors, Audit and Supervisory Committee Members, and non-residents of Japan; hereinafter, the “Eligible Directors”) of the Company as compensation.

The Plan aims to enhance the Eligible Directors’ awareness of contributing to improving business performance over the medium- to long-term and maximizing the corporate value of the Company.

At the meeting of the Board of Directors held in May 2023, the Company decided on a new “Policy for Determining Officer Compensation, etc.” conditional upon approval of this item of business. The details are provided in the [Reference] section later in this document. The Company believes that this item of business is appropriate as it is necessary and reasonable for providing individual compensation, etc. to Directors, etc. in line with the policy.

The number of Eligible Directors subject to the Plan will be five if the First Item of Business “Election of Five Directors (Excluding Audit and Supervisory Committee Members)” is approved and adopted as originally proposed. Note that in order for the Company to enhance the fairness, transparency and objectivity in the processes of nomination and compensation, it established the “Personnel Committee,” whose majority of committee members are independent outside Directors, and the introduction of the Plan has passed through the deliberation process of the “Personnel Committee.”

2. Amount and Details of Compensation, etc. Under the Plan

(1) Overview of the Plan

The Plan is a stock compensation plan whereby the Company’s shares will be acquired through a trust funded by the amount of compensation for Eligible Directors contributed by the Company, and the Company’s shares and an amount of money equivalent to the converted value of the Company’s shares (hereinafter, the “Company Shares, etc.”) are delivered and paid (hereinafter, “Delivered, etc.”) to the Eligible Directors.

(Details are as described later in (2))

a) Eligible persons to whom the Company Shares, etc. subject to this item of business are to be Delivered, etc.	- Directors of the Company (excluding outside Directors, Audit and Supervisory Committee Members, and non-residents of Japan)
b) Impact of the Company’s shares, etc. subject to this item of business on the total number of issued shares	
Maximum amount of money to be contributed by the Company *As described below in (2)	- 190 million yen, covering five fiscal years
Maximum number of the Company’s shares to be Delivered, etc. to the Eligible Directors and method of acquiring the Company’s shares *As described below in (2) and (3)	- The maximum total number of Company Shares, etc. to be Delivered, etc. to the Eligible Directors covering five fiscal years is 90,000 shares. - The maximum total points granted to Eligible Directors per fiscal year is 18,000 points. One point shall equal one share of the Company’s common stock, and the ratio of the number of shares of the Company’s common stock to the total number of the Company’s issued shares (as of March 20, 2023, after excluding treasury shares) is approximately 0.10%. - The Company shares will be acquired from the stock market or the Company (disposition of treasury shares).
c) Timing of the Company Shares, etc. to be Delivered, etc. to Eligible Directors *As described below in (4)	- Upon resignation or retirement as Eligible Director, in principle

(2) Maximum Amount of Money to be Contributed by the Company

The Plan shall cover a period of five consecutive fiscal years (initial period consisting of the five fiscal years from the fiscal year ending March 20, 2024 to the fiscal year ending March 20, 2028, and in the event of the continuation of the trust period thereafter, each subsequent five fiscal year period) (the period covered by the Plan hereinafter referred to as the “Covered Period”).

The Company shall contribute money up to a maximum total of 190 million yen for each Covered Period as compensation for Eligible Directors and establish a trust (hereinafter, the “Trust”) with a trust period of five years in which Eligible Directors who satisfy the beneficiary requirements shall be the beneficiaries. Pursuant to instructions from the trust administrator, the Trust shall acquire the Company’s shares from the stock market or the Company (disposition of treasury shares) using the money entrusted to it as funds. Eligible Directors shall be granted a predetermined amount of points based on their position, and Company Shares, etc. equivalent to the accumulated value of the points granted to them (hereinafter, the “Accumulated Points”) shall be Delivered, etc. to them by the Trust at the time of resignation or retirement. Furthermore, upon the expiration of the trust period of the Trust, in place of establishing a new instance of the Trust, the Company may continue the Trust by means of making amendments to the trust agreement or creating an additional trust. In such an event, the trust period of the Trust shall be extended to correspond to the same period as the initial trust period, and the five fiscal years following the extension of the trust period shall be the new Covered Period. The Company shall make an additional contribution up to a maximum total of 190 million yen for each extension of the trust period, and continue to grant points to Eligible Directors and ensure Company Shares, etc. are Delivered, etc. throughout the extended trust period. However, when making such additional contributions, if there are the Company’s shares remaining (excluding the Company’s shares equivalent to the number of points granted to each Eligible Director that are not yet Delivered, etc.) and residual money (hereinafter, the “Residual Shares, etc.”) in the trust assets prior to such extension, the total amount of the Residual Shares, etc., and the money to be additionally contributed to the Trust shall not exceed the maximum of 190 million yen.

In addition, even in the event that the Trust expires, if there are Eligible Directors who may satisfy the beneficiary requirements at the time of the expiration of the trust period, the trust period of the Trust may be extended for up to a specified limited period of time until these Eligible Directors resign or retire and the Company Shares, etc. are Delivered, etc. to these Eligible Directors in completion following said expiration. In such an event, however, new points will not be granted to Eligible Directors.

(3) Calculation Method and Maximum Total Number of Company Shares, etc. that are Delivered, etc. to Eligible Directors

The number of the Company Shares, etc. that are Delivered, etc. to Eligible Directors is determined, in accordance with the Share Delivery Regulations, from the number of Accumulated Points granted each year based on their position.

One point shall equal one share of the Company’s common stock, and in the event that a stock split or stock consolidation, etc. occurs during the trust period with respect to the Company’s shares held in the Trust, the Company will make an adjustment to the number of the Company shares to be Delivered, etc. for based on the relevant split or consolidation ratio.

The maximum total number of points granted for Eligible Directors per fiscal year is 18,000 points. Therefore, the maximum total number of Company Shares, etc. to be Delivered, etc. to the Eligible Directors is 90,000 shares covering five fiscal years.

(4) Method and Timing of the Company Shares, etc. Being Delivered, etc. to Eligible Directors

In principle, an Eligible Director who satisfies the beneficiary requirements will, upon retirement or resignation from the position of Eligible Director and after completing certain specified beneficiary verification procedures, receive the delivery of the Company’s shares in a number equivalent to a determined percentage of their Accumulated Points at the time of the Eligible Director’s retirement or resignation and the number of the Company’s shares corresponding to the remaining Accumulated Points (shares less than one unit will be rounded down) shall be converted within the Trust and the Eligible Director shall receive payment in cash of the amount equivalent to the share exchange price at disposal.

In the event that an Eligible Director who satisfies the beneficiary requirements is to assume a position overseas and discontinue their status as a resident of Japan during the trust period, all of the Company's shares equivalent to the number of Accumulated Points that had been granted to them as of the time of such a decision shall be redeemed within the Trust and an amount of money equivalent to the converted value of said shares will be paid to the Eligible Director.

Furthermore, in the event that an Eligible Director passes away during the trust period, all of the Company shares equivalent to the number of Accumulated Points that had been granted to them as of the time of their passing shall be redeemed within the Trust and an amount of money equivalent to the converted value of said shares will be paid to the heir of said Eligible Director.

(5) Voting Rights of Company Shares within the Trust

In order to maintain the neutrality of management, voting rights with respect to the Company's shares held within the Trust will not be exercised during the trust period.

(6) Other Details of the Plan

Other matters regarding the details of the Plan shall be determined by resolution of the Board of Directors, as necessary, when establishing the Trust, amending or extending the Plan, making amendments to the trust agreement, and making additional contributions to the Trust.

[Reference] Policy for Determination of Compensation, etc. for the Directors Subject to the Fourth Item of Business
If the Fourth Item of Business is approved and adopted as originally proposed at this meeting, the Company plans to partially revise its policy for the determination of individual compensation, etc. for Directors as follows.

[Policy for Determination of Compensation, etc. for Directors]

(1) Basic policy

The Company's basic policy on the compensation, etc. system for Directors of the Company is to maintain compensation levels that allow us to secure and retain talented personnel while enhancing their awareness of contributing to improving business performance over the medium- to long-term and maximizing the corporate value of the Company in addition to ensuring high standards for transparency and objectivity. Compensation, etc. for Directors consists of basic compensation (fixed compensation and officer bonuses) and stock compensation set within the total maximum compensation approved at the General Meeting of Shareholders. For Directors (excluding Audit and Supervisory Committee Members), compensation, etc. is determined by resolution of the Board of Directors with the appropriate involvement and advice of the "Personnel Committee," a voluntary advisory body comprised of a majority of independent outside Directors. For Audit and Supervisory Committee Members, compensation, etc. is determined through discussions by Directors who are Audit and Supervisory Committee Members.

(2) Basic compensation

Regarding basic compensation, fixed compensation is paid on a monthly basis in accordance with the position and responsibilities of each Director, taking into account factors including the business environment and performance of the Group, situations at other companies in the same industry, and social and economic conditions. Officer bonuses are paid in or around the month of June.

(3) Stock compensation

To provide the stock compensation, the Company has adopted a stock delivery trust system under which eligible Directors (excluding Audit and Supervisory Committee Members) are granted points each year in June, which is calculated to be equivalent to 10% of their fixed compensation in accordance with the Share Delivery Regulations as prescribed by the Board of Directors, and the Company's shares are in principle delivered to them upon their resignation or retirement as Director of the Company based on the number of points they have been granted.