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Stock Exchange Code 6590  
June 2, 2026

**To Shareholders with Voting Rights:**

Keigo Imamura  
Representative Director,  
President and Chief Executive Officer  
SHIBAURA MECHATRONICS CORPORATION  
2-5-1, Kasama, Sakae-ku, Yokohama-shi, Kanagawa, Japan

**NOTICE OF  
THE 117th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

The 117th Annual General Meeting of Shareholders of SHIBAURA MECHATRONICS CORPORATION (the “Company”) will be held for the purposes as described below.

**If you do not attend the meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:15 p.m. on Tuesday, June 16, 2026, Japan time.**

- 1. Date and Time:** Wednesday, June 17, 2026 at 10:00 a.m. Japan time
- 2. Place:** Banquet hall “Seiryu” on the 4th floor of Yokohama Bay Sheraton Hotel & Towers located at  
1-3-23 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 117th Fiscal Year (April 1, 2025–March 31, 2026) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 117th Fiscal Year (April 1, 2025–March 31, 2026)
  - Proposals to be resolved:**
    - Proposal 1:** Election of 6 Directors
    - Proposal 2:** Payment of Bonuses to Officers
    - Proposal 3:** Partial Revision of Performance-Linked Stock Compensation Plan for Directors

#### 4. Matters Related to Measures for Electronic Provision

The Company has taken measures for electronic provision in convening this General Meeting of Shareholders and posted matters subject to measures for electronic provision on the following website on the Internet.

<The Company's website>

<https://www.shibaura.co.jp/ir/general.html> (available in Japanese)

In addition to the website above, the Company has also posted the matters subject to measures for electronic provision on the website of the Tokyo Stock Exchange, Inc. (TSE). To confirm the information, please visit the TSE website (TSE Listed Company Search) below and enter and search for the company name (SHIBAURA MECHATRONICS) or the security code (6590) and select "Basic information" and "Documents for public inspection/PR information" in that order.

<Tokyo Stock Exchange's website>

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

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- ◎ **Should the matters subject to measures for electronic provision require any revisions, the revised matters will be posted on each of the websites on which they are posted.**
  - ◎ **Please note that details of the resolutions of this General Meeting of Shareholders will be posted on the Company's website after the meeting is concluded.**
  - ◎ **The documents sent to you also serve as documents containing the matters subject to measures for electronic provision to be sent upon request from shareholders. Please note that, while the Company has taken measures for electronic provision, we decided to provide shareholders with the paper copy of the materials for the General Meeting of Shareholders for this General Meeting of Shareholders as we did in the past, including the Reference Documents for the General Meeting of Shareholders, in addition to the Voting Rights Exercise Form. There is a possibility that the Company decides to discontinue providing shareholders with the paper copy of the materials for the General Meeting of Shareholders at the next General Meeting of Shareholders in accordance with the purpose of the system for measures for electronic provision. However, shareholders may continue to receive the hard copy pursuant to the provisions of laws and regulations and the Articles of Incorporation of the Company by requesting it by the record date (March 31, 2027).**
  - ◎ **We kindly ask for your understanding that we do not hold a social gathering with shareholders after the meeting or distribute souvenirs to our shareholders.**

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Election of 6 Directors

The terms of office of all 6 Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of 6 Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
1	<p style="text-align: center;">Keigo Imamura (September 30, 1962)</p> <p style="text-align: center;">[Reappointment]</p>	<p>April 1985      Joined Toshiba Corporation</p> <p>August 1996    Joined the Company</p> <p>April 2009      General Manager of Bonder Department, SAGAMINO Operations</p> <p>April 2011      Deputy Executive General Manager of Production &amp; Procurement Division and General Manager in charge of Mechatronics System Equipment</p> <p>June 2014      Director, Executive General Manager of Production &amp; Procurement Division</p> <p>January 2015    Director, Executive General Manager of Production &amp; Procurement Division and General Manager in charge of Fine Mechatronics Equipment, Fine Mechatronics Division</p> <p>June 2017      Senior Vice President, Deputy Executive General Manager of Fine Mechatronics Division</p> <p>June 2019      Director and Senior Vice President, Executive General Manager of Fine Mechatronics Division</p> <p>June 2020      Director and Executive Vice President, Executive General Manager of Fine Mechatronics Division</p> <p>June 2021      Representative Director, President and Chief Executive Officer</p> <p>To present</p>	867
<p>[Reason for nomination]</p> <p>The term of office of Mr. Keigo Imamura as Company's Director will be seven years at the conclusion of this General Meeting of Shareholders, of which five years serving as Representative Director of the Company. He served as Representative Director, President and Chief Executive Officer of the Company and the Group, and took charge of the management and supervised it properly. The Company nominates him as a candidate for Director, because it believes that he is qualified to continue serving as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
2	Yoshiaki Kurokawa (February 13, 1966)	April 1988      Joined the Company April 2010      Manager of Technology Group 2, Fine Mechatronics Division July 2015      Deputy General Manager in charge of Fine Mechatronics Equipment, Fine Mechatronics Division April 2017      General Manager in charge of Semiconductor Manufacturing Equipment, Fine Mechatronics Division May 2018      Deputy Executive General Manager of Fine Mechatronics Division June 2019      Vice President, Deputy Executive General Manager of Fine Mechatronics Division June 2021      Director and Senior Vice President, Executive General Manager of Fine Mechatronics Division To present	345
	[Reappointment]		
[Reason for nomination] The term of office of Mr. Yoshiaki Kurokawa as the Company's Director will be five years at the conclusion of this General Meeting of Shareholders. Mr. Yoshiaki Kurokawa has management experience as the Company's Director. Currently, he is serving as the operating officer for business operations in the position of Executive General Manager of Fine Mechatronics Division, and conducting business execution and management oversight appropriately. The Company nominated him as a candidate for Director because it believes that he is qualified to continue serving as Director.			
No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
3	Kazutoshi Horiuchi (April 8, 1969)	April 1993      Joined the Company April 2010      Chief Specialist of Marketing & Sales Department 1 of Fine Mechatronics Division April 2013      Senior Manager of Marketing & Sales Department 1 of Fine Mechatronics Division April 2015      Deputy Executive General Manager of Fine Mechatronics Division June 2019      Vice President, Deputy Executive General Manager of Fine Mechatronics Division June 2022      Director and Senior Vice President, Executive General Manager of Mechatronics System Division To present	294
	[Reappointment]		
[Reason for nomination] The term of office of Mr. Kazutoshi Horiuchi as the Company's Director will be four years at the conclusion of this General Meeting of Shareholders. Mr. Kazutoshi Horiuchi has management experience as the Company's Director. Currently, he is serving as the operating officer for business operations in the position of Executive General Manager of Mechatronics System Division, and conducting business execution and management oversight appropriately. The Company nominated him as a candidate for Director because it believes that he is qualified to continue serving as Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
4	<p>Tomoko Inaba (July 22, 1966)</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1996 Registered as an attorney (Daini Tokyo Bar Association) Joined Hikari Sogoh Law Offices</p> <p>January 2002 Joined Tanso &amp; Yamamoto (currently InfoTech Law Offices)</p> <p>June 2013 Established SHOU LAW OFFICE</p> <p>October 2013 Registered as a patent attorney</p> <p>June 2015 Outside Director, the Company To present</p> <p>August 2017 Joined TATSUMURA LAW OFFICE To present</p> <p>[Significant concurrent position] Partner, TATSUMURA LAW OFFICE</p>	—
<p>[Reason for nomination and outline of expected roles]</p> <p>The term of office of Ms. Tomoko Inaba as the Company's Outside Director will be 11 years at the conclusion of this General Meeting of Shareholders. Although Ms. Tomoko Inaba has no experience in being directly involved in corporate management, she leverages her experience and knowledge as an attorney to conduct management oversight and important decision-making. The Company nominated her as a candidate for Outside Director because it believes that she is qualified to continue serving as Outside Director.</p> <p>The Company expects that Ms. Tomoko Inaba will give effective advice on the general management in the position of Independent Outside Director and contribute to enhancing the corporate governance further not only in the meetings of the Board of Directors but also through her various activities including those in the Personnel and Remuneration Advisory Committee, which acts as an independent voluntary advisory body concerning nomination and remuneration-related matters of Directors and Vice Presidents.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
5	<p>Mitsuru Ono (December 25, 1958)</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1981      Joined The Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2011      Executive Officer, General Manager of International Credit Management Department, Sumitomo Mitsui Banking Corporation</p> <p>April 2012      Executive Officer, Deputy Head of International Banking Unit, Sumitomo Mitsui Banking Corporation</p> <p>June 2015      Standing Auditor, Sumitomo Mitsui Banking Corporation</p> <p>May 2017      Adviser, Mazda Motor Corporation</p> <p>June 2017      Director and Senior Managing Executive Officer, Oversight of Financial Services, Assistant to the Officer overseeing Fleet Sales, In charge of Global Corporate Communications, Mazda Motor Corporation</p> <p>June 2018      Director and Senior Managing Executive Officer, Oversight of Financial Services and Administrative Domain, Assistant to the Officer overseeing Fleet Sales, Mazda Motor Corporation</p> <p>June 2019      Director and Senior Managing Executive Officer, Oversight of Financial Services and Administrative Domain, Mazda Motor Corporation</p> <p>June 2021      Director and Senior Managing Executive Officer, Oversight of Financial Services and Corporate Planning &amp; Development, Mazda Motor Corporation</p> <p>June 2023      Director and Senior Managing Executive Officer, Oversight of Corporate Planning &amp; Development, Mazda Motor Corporation (until June 2024)</p> <p>June 2025      Outside Director, the Company</p> <p>To present</p>	—
<p>[Reason for nomination and outline of expected roles]</p> <p>The term of office of Mr. Mitsuru Ono as the Company's Outside Director will be one year at the conclusion of this General Meeting of Shareholders. Having many years of overseas work experience at a financial institution, Mr. Mitsuru Ono has served in several key roles at other companies, including positions as an executive officer, corporate auditor, and director. Notably, he also held the role of senior financial executive responsible for overseeing financial affairs. He possesses profound knowledge of global business, finance, and accounting, coupled with comprehensive management experience. He leverages his expertise to conduct management oversight and participate in important decision-making. The Company nominated him as a candidate for Outside Director because it believes that he is qualified to continue serving as Outside Director.</p> <p>The Company expects that Mr. Mitsuru Ono will give effective advice on the general management in the position of Independent Outside Director and contribute to enhancing the corporate governance further not only in the meetings of the Board of Directors but also through his various activities including those in the Personnel and Remuneration Advisory Committee, which acts as an independent voluntary advisory body concerning nomination and remuneration-related matters of Directors and Vice Presidents.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held (hundred shares)
6	<p data-bbox="185 282 411 526">Yukiko Sawa (December 14, 1964)</p> <p data-bbox="185 526 411 750">[Reappointment] [Outside] [Independent]</p>	<p data-bbox="411 282 1289 315">April 1988      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p data-bbox="411 315 1289 376">September 1998      Associate of Investment Banking Division, Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.)</p> <p data-bbox="411 376 1289 436">July 2002      Executive Director of Investment Banking Division, JPMorgan Securities Japan Co., Ltd.</p> <p data-bbox="411 436 1289 497">March 2012      General Manager of Corporate Planning Department, Ajinomoto Co., Inc.</p> <p data-bbox="411 497 1289 589">July 2017      General Manager of Business Strategy and Development Department, Corporate Fellow, Ajinomoto Co., Inc. (until March 2024)</p> <p data-bbox="411 589 1289 680">June 2021      Director and Chief Financial Officer (CFO), KORTUC Inc. (concurrently served in the aforementioned position at Ajinomoto Co., Inc. until September 2022)</p> <p data-bbox="411 680 1289 741">April 2024      Corporate Officer, Deputy Head of Investment Advisory Department, Sumitomo Corporation (until March 2025)</p> <p data-bbox="411 741 1289 801">June 2025      Outside Director, the Company</p> <p data-bbox="411 801 1289 862">To present</p> <p data-bbox="411 862 1289 922">June 2025      Outside Director, Member of the Audit &amp; Supervisory Committee, Suruga Bank, Ltd.</p> <p data-bbox="411 922 1289 983">To present</p> <p data-bbox="411 983 1289 987">[Significant concurrent position] Outside Director, Member of the Audit &amp; Supervisory Committee, Suruga Bank, Ltd.</p>	—
<p data-bbox="196 987 751 1016">[Reason for nomination and outline of expected roles]</p> <p data-bbox="196 1016 1461 1232">The term of office of Ms. Yukiko Sawa as the Company’s Outside Director will be one year at the conclusion of this General Meeting of Shareholders. Having work experience at financial institutions, Ms. Yukiko Sawa has served as a financial officer at another company and acquired extensive expertise in finance and accounting. In addition, she has gained substantial experience and knowledge in global business, investment, mergers, and acquisitions (M&amp;A) through her overseas work experience, as well as her roles in investment banking and business development at other organizations. She leverages her expertise to conduct management oversight and participate in important decision-making. The Company nominated her as a candidate for Outside Director because it believes that she is qualified to continue serving as Outside Director.</p> <p data-bbox="196 1232 1461 1379">The Company expects that Ms. Yukiko Sawa will give effective advice on the general management in the position of Independent Outside Director and contribute to enhancing the corporate governance further not only in the meetings of the Board of Directors but also through her various activities including those in the Personnel and Remuneration Advisory Committee, which acts as an independent voluntary advisory body concerning nomination and remuneration-related matters of Directors and Vice Presidents.</p>			

(Notes)

1. There are no special interests between the candidates and the Company.
2. The number of shares of the Company held by each candidate includes shares held through Shibaura Mechatronics Officers' Shareholding Association.
3. Ms. Tomoko Inaba, Mr. Mitsuru Ono and Ms. Yukiko Sawa are candidates for Outside Director.
4. Ms. Tomoko Inaba, Mr. Mitsuru Ono, and Ms. Yukiko Sawa are Independent Directors prescribed by the provisions of the Tokyo Stock Exchange. If they assume office as Outside Directors, they will continue their roles as Independent Directors.
5. With the expectation that Outside Directors can fully fulfill their roles, the Company has entered into an agreement with current Outside Directors, namely Ms. Tomoko Inaba, Mr. Mitsuru Ono, and Ms. Yukiko Sawa, to limit their liability for payment of damages to the Company to the amount stipulated by laws and regulations. If Ms. Tomoko Inaba, Mr. Mitsuru Ono, and Ms. Yukiko Sawa assume office as Outside Directors, the Company plans to continue the said liability limitation agreement with them.
6. The Company has entered into a directors and officers liability insurance agreement with an insurance company. The insurance agreement covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the candidates assume office as Director, they will be included as the insured under this insurance agreement. In addition, the Company plans to renew this insurance agreement with the same contents at the time of next renewal.
7. Mazda Motor Corporation, at which Mr. Mitsuru Ono served as a Director and Senior Managing Executive Officer from June 2017 until June 2024, pursuant to a request issued by the Ministry of Land, Infrastructure, Transport and Tourism in January 2024 to investigate potential irregularities in type designation applications, conducted a comprehensive review of all relevant tests. The investigation confirmed that irregularities were present in several tests, and these findings were reported to the Ministry in May 2024.
8. In the past ten years, Mr. Mitsuru Ono had served as an Executive Officer and an Auditor at Sumitomo Mitsui Banking Corporation, which is classified as a Specified Associated Service Provider of the Company.

(Reference) Skill Matrix of Directors and Auditors

The main expertise of the Directors and Auditors after this Annual General Meeting of Shareholders (planned) are as follows.

Name	Title	Expertise						
		Corporate management	Technology	Marketing & Sales	Legal affairs & Risk management	Finance and Accounting	M&A	Global business
Keigo Imamura	Representative Director, President	○	○					○
Yoshiaki Kurokawa	Director	○	○					○
Kazutoshi Horiuchi	Director	○		○				○
Tomoko Inaba	Outside Director				○			
Mitsuru Ono	Outside Director	○			○	○		○
Yukiko Sawa	Outside Director					○	○	○
Yasuhiko Yamato	Corporate Auditor			○	○			○
Noriko Itai	Outside Corporate Auditor				○			
Tomoyoshi Inoue	Outside Corporate Auditor				○	○		
Keiji Kuwata	Outside Corporate Auditor	○			○			

(Note) The definitions of the descriptions of expertise are as follows:

[Corporate management]: A person who has ever assumed office as an executive director or a vice president in the Company or any other company and is deemed to have knowledge and experience of corporate management

[Technology]: A person who has ever belonged to a technical affairs division in the Company and is deemed to have knowledge and experience of technology related to the business of the Company

[Marketing & Sales]: A person who has ever belonged to marketing & sales divisions in the Company and is deemed to have knowledge and experience of sales and marketing related to the business of the Company

[Legal affairs & Risk management]: A person who is a qualified attorney or has ever served as an auditor or engaged in audit operations in the Company or any other company, and is deemed to have knowledge and experience of legal affairs, compliance and risk management

[Finance and accounting]: A person who is a qualified certified public accountant or has ever worked at a financial institution, or served as an officer overseeing or responsible for financial affairs in any other company, and is deemed to have knowledge and experience of finance and accounting

[M&A]: A person who has ever belonged to an investment banking division or a business development division in any other company and is deemed to have knowledge and experience of investment, mergers and acquisitions (M&A)

[Global business]: A person who has some experience working overseas, or who has some experience in customer service, etc. involving business targeted at major regions overseas (e.g., China, Taiwan, South Korea, United States) where the Company is expanding business

**Proposal 2:** Payment of Bonuses to Officers

Taking into consideration the performance of the current term, the Company proposes to pay bonuses at the total amount of ¥138,500 thousand to 3 Directors (excluding Outside Directors) serving during the fiscal year under review.

In proposing this matter to this General Meeting of Shareholders, the Company has obtained findings from the Personnel and Remuneration Advisory Committee to the effect that such payment for Directors is appropriate and based on policy for determining remuneration, etc. for individual officers established by the Company, per discussions carried out by the said committee, whose membership mainly consists of Independent Outside Directors.

The Company requests that decisions on specific amounts, timing and method of payment, etc. for each Director be left to deliberation by the Board of Directors.

(Note)

An overview of the Company's policy for determining matters pertaining to remuneration, etc. for individual officers is as presented in the Report for the 117th Fiscal Term (in Japanese), under "4. Matters concerning company officers," "(4) Remuneration, etc. for Directors and Corporate Auditors pertaining to the fiscal year under review," "iv. Matters concerning the policy for determining matters of remuneration, etc. for individual officers" (page 15).

**Proposal 3: Partial Revision of Performance-Linked Stock Compensation Plan for Directors**

1. Reasons for this Proposal and the Grounds for its Appropriateness

The Company received approval for the Performance-Linked Stock Compensation Plan for Directors (excluding Outside Directors) (the “Plan”) at the 108th Annual General Meeting of Shareholders held on June 22, 2017, and it remains in effect.

The Plan is a performance-linked stock compensation plan under which a trust that the Company has established by contributing money acquires shares of the Company, and then through the trust, each Director is delivered the number of shares of the Company equivalent to the number of points granted by the Company to each Director based on certain standards, including performance achievement level. Under the Plan, on a fixed date each year during the trust period as stipulated by the Company, each Director is granted the number of points objectively calculated based on position and performance achievement level, pursuant to the Share Delivery Regulations established by the Board of Directors.

This proposal hereby requests approval for the review and partial revision of the Plan, with the aim of further enhancing its function as an appropriate incentive for increasing the Company’s corporate value over the medium to long term.

Specifically, the evaluation factors serving as the standards for granting points to Directors will be reviewed, and new non-financial sustainability factors (medium- to long-term sustainability, including ESG elements) will be added to the current factors of position and financial performance achievement level.

As part of its medium- to long-term management strategy, the Company promotes sustainability management and believes that linking the compensation of Directors to non-financial indicators related to these initiatives is suitable for increasing the Company’s corporate value of the medium to long term; therefore, it considers the contents of this proposal to be appropriate. Furthermore, in making this proposal to the General Meeting of Shareholders, the contents of this proposal have been deliberated by the Personnel and Remuneration Advisory Committee, whose membership consists primarily of Independent Outside Directors, and received affirmation from said Committee to the effect that this is appropriate, based on similar considerations.

If Proposal 1, “Election of 6 Directors,” is passed as originally proposed, the number of Directors eligible for the Plan will be three. Outside Director will not be eligible for the Plan.

In addition, the Company has introduced a stock compensation plan for Vice Presidents, and if revision of the Plan is approved, this plan likewise is planned to be revised.

2. Details of the Revisions

In continuing the Plan, the contents of the Plan will be partially revised as described below. Furthermore, except for the revisions noted below, the contents of the Plan will basically be maintained as approved at the 108th Annual General Meeting of Shareholders held on June 22, 2017.

<Revisions>

(Changes are underlined.)

Item	Before revision	After revision
Method of calculating the number of shares of the Company to be delivered to Directors	To be objectively calculated based on the following factors in accordance with the Share Delivery Regulations <ul style="list-style-type: none"> <li>• Position of the Director</li> <li>• Performance achievement level based on financial indicators</li> </ul>	To be objectively calculated based on the following factors in accordance with the Share Delivery Regulations <ul style="list-style-type: none"> <li>• Position of the Director</li> <li>• Performance achievement level based on financial indicators (*1)</li> <li>• <u>Sustainability management achievement level based on non-financial indicators</u> (*2)</li> </ul>

(\*1) Set based on the achievement level of performance goals in the Medium-Term Management Plan during the target period, consolidated net sales, consolidated ROS, and consolidated ROE are planned to be used as indicators for the Medium-Term Management Plan period from FY2026 to FY2028.

(\*2) Set based on the achievement level of initiatives related to sustainability management during the target period, the ratio of positive responses to a selected set of questions from the results of an employee engagement survey is planned to be used as an indicator for the Medium-Term

Management Plan period from FY2026 to FY2028.

(Reference) Overview of the Plan

The Plan is a performance-linked stock compensation plan under which a trust (the “Trust”) that the Company has established by contributing money acquires shares of the Company, and then through the Trust, each Director is delivered the number of shares of the Company equivalent to the number of points granted by the Company to each Director based on certain standards, including performance achievement level. The Directors receive delivery of the shares of the Company on a fixed date each year.

(1) Eligible persons

Directors (excluding Outside Directors) serving during the three years corresponding to the Medium-Term Management Plan period, currently from FY2026 to FY2028 (the “Target Period”).

(2) Maximum money to be contributed by the Company

The trust period of the Trust shall be three years, currently through September 30, 2029, following extensions to the period that commenced on the trust agreement date of August 25, 2017. During said trust period, under the Plan, and for the purpose of securing the funds necessary to acquire shares of the Company for delivery to Directors, the Company will contribute a monetary sum of no more than 120 million yen as compensation to the Directors serving during the Target Period, and will establish the Trust, designating as beneficiaries the Directors who satisfy certain conditions. Utilizing the money entrusted by the Company as a source, the Trust will acquire shares of the Company through exchange markets (including off-exchange transactions) or by subscribing to a disposition of treasury shares of the Company.

(Note) The money actually entrusted by the Company is the aggregate amount of the aforementioned funds to acquire shares of the Company and the estimated amount of necessary expenses, such as trust fees and trust administrator fees.

Furthermore, upon expiry of the trust period, the Company’s Board of Directors may resolve to extend the trust period in three-year increments (including, in substance, extending the Trust Agreement by transferring the trust assets of the Trust to a separate trust established by the Company for the same purpose; the same applies hereinafter) and to continue the Plan. In such a case, the Company will make additional monetary contributions to the Trust of no more than 120 million yen for each extended trust period, to serve as funds necessary to acquire additional shares of the Company for delivery to Directors under the Plan. In addition, in such a case, the Target Period will be extended based on the continuation of the Plan and the extension of the trust period, and the granting of points as described in (3)(i) below and the delivery of shares of the Company as described in (4) below will continue throughout the extended trust period.

(3) Method of calculating the number of shares to be delivered to Directors, and the maximum thereof

(i) Method of granting points to Directors, and the maximum thereof

Each year the Company will grant to each Director the number of points objectively calculated based on the factors below, on a fixed date during the trust period as determined by the Company, pursuant to the Share Delivery Regulations set by the Board of Directors.

- Position of the Director
- Performance achievement level based on financial indicators
- Sustainability management achievement level based on non-financial indicators

The total number of points granted by the Company to Directors shall be no more than 90,000 points (Note) per fiscal year.

(Note) The total number of points granted by the Company to Directors was to be no more than 60,000 points per fiscal year when the Plan was introduced. However, due to a subsequent reverse split of the Company’s common stock of 1 for 10 on October 1, 2018, and stock splits of 3 for 1 on October 1, 2023, and 5 for 1 on March 1, 2026, respectively, the maximum number of points is currently 90,000 points per fiscal year.

(ii) Delivery of shares of the Company based on the number of points granted

Directors will receive delivery of shares of the Company in accordance with the procedures described in (4) below, based on the number of points granted as described in (i) above. The number of shares of the Company to be delivered to each Director shall be equal to the number of points granted to said Director multiplied by one. (If any circumstance arises, such as a stock

split or reverse stock split, whereby it is deemed reasonable to adjust the number of shares of the Company to be delivered, a reasonable adjustment will be made based on the split ratio, reverse split ratio, or similar factors.)

(4) Delivery of shares of the Company to Directors

The delivery of shares of the Company to each Director, as described in (3)(ii) above, will be conducted from the Trust on a date separately stipulated by the Company, provided that each Director completes the prescribed beneficiary determination procedures. However, a certain portion of these will be sold and converted into cash within the Trust and then delivered in monetary form in lieu of shares of the Company.