

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: 6363

June 5, 2024

To Our Shareholders:

Kotaro Harada, Representative Director and President  
**Torishima Pump Mfg. Co., Ltd.**  
1-1-8, Miyata-cho, Takatsuki City, Osaka

## Notice of Convocation of the 143rd Annual General Meeting of Shareholders

We hereby notify you that the 143rd Annual General Meeting of Shareholders of Torishima Pump Mfg. Co., Ltd. (the “Company”) will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of Business Report, etc. in electronic format, and posts this information on the following websites. Please access either of the websites by using the internet address to review the information.

The Company’s website: <https://www.torishima.co.jp/ir/irinfo/meeting/> (in Japanese)

Website for posted informational materials for the general meeting of shareholders:  
<https://d.sokai.jp/6363/teiji/> (in Japanese)

Tokyo Stock Exchange website (Listed Company Search):

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

(Access the TSE website shown above, enter “Torishima Pump Mfg.” in “Issue name (company name)” or the Company’s securities code “6363” 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].”)

If you are unable to attend the meeting, please take the time to examine the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5 p.m. on Monday, June 24, 2024 (JST) in accordance with the “Information on Exercising Voting Rights” (in Japanese only).

[Exercise of voting rights via the Internet]

Please access the Company’s designated voting website (<https://evote.tr.mufg.jp> (in Japanese only)) using the “Login ID” and “Password” printed on the voting form sent out together with this notice. Follow the instructions on the screen to indicate your approval or disapproval of the proposal, ensuring you make your entry by the deadline for exercising voting rights.

[Exercise of voting rights in writing (by mail)]

Please indicate on the voting form whether you approve or disapprove of each proposal, and return it by the voting deadline stated above.

**1. Date and time:** Wednesday, June 26, 2024 at 10 a.m. (JST) (Reception starts at 9:30 a.m.)

**2. Venue:** Head office of the Company  
1-1-8, Miyata-cho, Takatsuki City, Osaka

### **3. Purpose**

#### **Items to be reported:**

1. Report on the content of the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements for the 143rd Fiscal Year (from April 1, 2023 to March 31, 2024)
2. Report on the audit results of the Consolidated Financial Statements by the accounting auditor and the Audit and Supervisory Committee for the 143rd Fiscal Year

#### **Items to be resolved:**

- Proposal No. 1** Election of Six Directors Who Are Not Members of the Audit and Supervisory Committee
- Proposal No. 2** Election of One Director Who Is a Member of the Audit and Supervisory Committee
- Proposal No. 3** Revision of Limits on the Amount of Remuneration for Directors Who Are Not Members of the Audit and Supervisory Committee (Basic Remuneration)

### **4. Exercising Voting Rights**

1. When exercising voting rights in writing (by mail), if neither approval nor disapproval of each proposal is indicated on the voting form, we will assume that you indicated your approval of the proposal.
  2. If you exercise your voting rights multiple times via the Internet, we will assume that the last exercising of voting rights is the valid exercising of voting rights.
  3. If you exercise your voting rights twice, via the Internet and in writing (by mail), we will assume that the vote via the Internet is the valid exercising of your voting rights.
  4. If you exercise your voting rights by proxy, you may designate one other shareholder holding voting rights in the Company to attend the meeting. Please note, however, that it is necessary to submit a document proving the authority of proxy.
  5. If you wish to make a diverse exercise of your voting rights, please notify the Company in writing of your intention of making a diverse exercise of your voting rights and the reasons therefor by three days prior to the Annual General Meeting of Shareholders.
- If you are attending the meeting in person, please submit the voting form to the reception desk at the venue.
  - If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the aforementioned websites.
  - The dress code at the meeting for Directors and employees of the Company will be light clothes (“Cool Biz”).
  - If you plan on attending the meeting in person, please check the status of infections and your own state of health on the day the meeting.
  - The notice of resolutions and the list of company officers that has traditionally been sent out after the general meeting of shareholders will no longer be sent out. Instead, such notice will be posted on the Company’s website in accordance with the introduction of the system for providing information electronic format.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### **Proposal No. 1      Election of Six Directors Who Are Not Members of the Audit and Supervisory Committee**

The term of office of six current Directors who are not members of the Audit and Supervisory Committee, Kotaro Harada, Gerry Ashe, Alister Flett, Koichiro Hamu, Yutaka Fukuda, Toshimasa Iue and Rieko Ueda will expire at the conclusion of this Annual General Meeting of Shareholders.

This time, the Company proposes the election of seven Directors who are not members of the Audit and Supervisory Committee, in order to continue promoting global management.

No opinion of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Directors who are not members of the Audit and Supervisory Committee are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
1	Kotaro Harada (Born on October 2, 1961)  Re-election	Apr. 1984      Joined the Daiwa Bank, Ltd. (current Resona Bank, Limited) July 1997      Joined the Company Aug. 1998      General Manager of the President's Office June 1999      Director Aug. 2000      General Manager of the President's Office and Deputy General Manager of the Sales Division June 2001      Managing Director and General Manager of the Sales Division June 2004      Representative Senior Managing Director June 2006      Representative Director, President & CEO (current position) Apr. 2023      Representative Director and CEO (Chief Executive Officer) (current position)	79,837
Reasons for nomination as candidate Since assuming office as Representative Director and President in June 2006, Kotaro Harada has been demonstrating a strong leadership at the center of the management and striving to improve the Company Group's corporate value. Judging that he will keep playing an essential role to improve the mid- and long-term corporate value of the Company Group, we have decided to renominate him as a candidate for Director.			
2	Gerry Ashe (Born on February 19, 1966)  Re-election	Aug. 1988      Joined Weir Pumps Ltd Jan. 2003      Joined the Company Apr. 2007      Regional Director, TGT Europe Apr. 2010      Managing Executive Officer and General Manager of the Overseas Sales Division Apr. 2019      Deputy President Apr. 2023      Deputy CEO (Deputy Chief Executive Officer) June 2023      Director and Deputy CEO (Deputy Chief Executive Officer) (current position)	0
Reasons for nomination as candidate Gerry Ashe has been mainly engaged in business operations relating to the overseas business departments, where he has worked to strengthen the Company's global business. Judging that he will contribute to the improvement of the mid- and long-term corporate value of the Company Group utilizing his experience and knowledge to support the CEO in overall management as a Director, we have decided to renominate him as a candidate for Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
3	<p style="text-align: center;">Alister Flett (Born on July 25, 1970)</p> <p style="text-align: center;">Re-election</p>	<p>Aug. 1991      Joined Weir Pumps Ltd</p> <p>May 2004      Joined the Company</p> <p>Apr. 2009      Deputy General Manager of Overseas Sales Division</p> <p>Apr. 2011      President of Torishima Service Solutions FZCO</p> <p>Apr. 2015      Executive Officer of the Company, President and General Manager of the Middle East Sales Department of the Middle East Branch of Torishima Service Solutions FZCO</p> <p>Apr. 2018      Managing Executive Officer and Deputy General Manager of the Overseas Division</p> <p>Apr. 2019      Senior Managing Executive Officer and General Manager of the Overseas Division</p> <p>Apr. 2023      CO-COO (Co-Chief Operating Officer), General Manager of the Overseas Division, and Supervisor of the Information System Department in the Production Division</p> <p>June 2023      Director and CO-COO (Co-Chief Operating Officer), General Manager of the Overseas Division, and Supervisor of the Information System Department in the Production Division</p> <p>Apr. 2024      Director and CO-COO (Co-Chief Operating Officer), Supervisor of the Overseas Division and Information System Department in the Production Division (current position)</p>	0
<p>Reasons for nomination as candidate</p> <p>Alister Flett has been mainly engaged in sales at the overseas business departments, where he has worked to strengthen the Company's global business. Since April 2023, he has been promoting the Company's global business through overseas transactions and strengthening production systems as CO-COO. Judging that he will contribute to the improvement of the mid- and long-term corporate value of the Company Group utilizing his experience and knowledge, we have decided to renominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
4	<p style="text-align: center;">Koichiro Hamu (Born on December 7, 1967)</p> <p style="text-align: center;">Re-election</p>	<p>Apr. 1991      Joined the Company</p> <p>Apr. 2009      General Manager of the TGT Engineering Department</p> <p>Mar. 2011      General Manager of the Application Engineering Department and General Manager of the TGT Sales Department</p> <p>Apr. 2012      Executive Officer, General Manager of the Application Engineering Department, and General Manager of the TGT Sales Department</p> <p>Apr. 2013      Executive Officer and General Manager of the Engineering Division</p> <p>Apr. 2015      Managing Executive Officer and General Manager of the Engineering Division</p> <p>Apr. 2016      Managing Executive Officer, General Manager of the Engineering Division, and General Manager of the Research &amp; Development Department</p> <p>June 2017      Director</p> <p>Apr. 2019      Senior Managing Executive Officer, General Manager of the Corporate Strategy Bureau, General Manager of the Engineering Division, and General Manager of the Research &amp; Development Department</p> <p>June 2019      Representative Director</p> <p>Apr. 2020      Senior Managing Executive Officer, General Manager of the Corporate Strategy Bureau, and General Manager of the Support Division</p> <p>Apr. 2023      Director and CO-COO (Co-Chief Operating Officer), General Manager of the Engineering Division, and Supervisor of the Public-sector Division, Private-sector Division, and Quality Management Department</p> <p>Apr. 2024      Director and CO-COO (Co-Chief Operating Officer), General Manager of the Engineering Division, and Supervisor of the Public-sector Division, Private-sector Division, Quality Management Department, and Business Development Division (current position)</p>	33,382
<p>Reasons for nomination as candidate</p> <p>Koichiro Hamu has been mainly engaged in engineering and has been involved in the planning and development of new products, work to strengthen our overseas sales capabilities, and work related to establishing the Company's foundation, including service as the person responsible for the areas of R&amp;D, overseas sales, and administration. Since April 2023, as CO-COO, he has been promoting the Company's business, mainly by opening up domestic trading markets and making improvements in quality. Judging that he will contribute to the improvement of the mid- and long-term corporate value of the Company Group utilizing his experience and knowledge, we have decided to renominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
5	<p style="text-align: center;">Toshimasa Iue (Born on December 3, 1962)</p> <p style="text-align: center;">Re-election Outside Director</p>	<p>Apr. 1989      Joined SANYO Electric Co., Ltd.</p> <p>June 1996      Director</p> <p>June 2002      Executive Vice President and Representative Director</p> <p>June 2005      President and Representative Director</p> <p>June 2007      Special Advisor</p> <p>Feb. 2010      Deputy Chief Executive Officer of LIXIL Group Corporation</p> <p>Apr. 2011      Director, Deputy Chief Executive Officer of LIXIL Corporation</p> <p>June 2016      Director of LIXIL Group Corporation</p> <p>July 2017      Advisor</p> <p>June 2018      Outside Director who is a member of the Audit and Supervisory Committee of Enplas Corporation (current position)</p> <p>Aug. 2019      Outside Director of TAKARA &amp; COMPANY Ltd. (current position)</p> <p>June 2020      Outside Director who is a member of the Audit and Supervisory Committee of the Company Outside Director of KAMEDA SEIKA CO., LTD. (current position)</p> <p>June 2022      Outside Director who is not a member of the Audit and Supervisory Committee of the Company (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Outside Director who is a member of the Audit and Supervisory Committee of Enplas Corporation</p> <p>Outside Director of TAKARA &amp; COMPANY Ltd.</p> <p>Outside Director of KAMEDA SEIKA CO., LTD.</p>	3,810
<p>Reasons for nomination as candidate and overview of expected roles</p> <p>Toshimasa Iue has held various important positions, including President and Representative Director, and has abundant experience as a manager and a wide range of knowledge and personal connections, and we have decided to renominate him as a candidate for outside Director who is not a member of the Audit and Supervisory Committee in the expectation that he will provide valuable opinions and suggestions on the management of the Company Group from a global perspective as an outside Director.</p> <p>If elected, he will be appointed as a member of the Nomination and Remuneration Committee and will serve as an objective and neutral party in the nomination of the Company's executive candidates and the determination of executive remuneration and other matters.</p> <p>Matters pertaining to independence</p> <p>TAKARA &amp; COMPANY Ltd., where Toshimasa Iue holds a concurrent position, is a business partner of the Company through its subsidiary TAKARA PRINTING CO., LTD. and Simul International, Inc. but there is no economic dependence on TAKARA &amp; COMPANY Ltd. in light of the size and nature of the business transactions.</p> <p>There are no transactions between the Company and Enplas Corporation or KAMEDA SEIKA CO., LTD.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
6	Rieko Ueda (Born on December 18, 1961)  Re-election Outside Director	Apr. 1984      Joined DAIKIN INDUSTRIES, LTD. Aug. 2001      Representative Director and President of Mothernet (current position) Apr. 2016      Visiting Professor at Otomon Gakuin University (current position) June 2022      Outside Director of Okumura Corporation (current position) Outside Director who is not a member of the Audit and Supervisory Committee of the Company (current position)  (Significant concurrent positions outside the Company) Representative Director and President of Mothernet Visiting Professor at Otomon Gakuin University Outside Director of Okumura Corporation	1,403
<p>Reasons for nomination as candidate and overview of expected roles</p> <p>As a business owner, Rieko Ueda has been working on the promotion of work-life balance and the promotion of women's activities. We have decided to renominate her as a candidate for outside Director who is not a member of the Audit and Supervisory Committee in the expectation that she will provide valuable opinions and suggestions on the management of the Company Group as an outside Director.</p> <p>If elected, she will be appointed as a member of the Nomination and Remuneration Committee and will serve as an objective and neutral party in the nomination of the Company's executive candidates and the determination of executive remuneration and other matters.</p> <p>Matters pertaining to independence</p> <p>There are no transactions between the Company and Otomon Gakuin University or Okumura Corporation, where Rieko Ueda holds concurrent positions. Mothernet is a business partner of the Company, but there is no economic dependence on Mothernet in light of its size and nature of the business transactions.</p>			

- Notes:
1. There is no special interest between each candidate and the Company.
  2. Toshimasa Iue and Rieko Ueda are candidates for outside Directors.
  3. The Company has entered into limited liability agreements with outside Directors pursuant to the provisions of Article 427, 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. If the election of Toshimasa Iue and Rieko Ueda is approved, the limited liability agreement that the Company entered into with them will remain in effect.
  4. The Company has entered into an officers' and directors' liability insurance policy stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and a summary of the insurance policy is listed in "Summary of officers' and directors' liability insurance policy" of the Business Report (in Japanese only). If the election of candidates for Directors who are not members of the Audit and Supervisory Committee is approved, the Company plans to enter into a new insurance policy with the same terms to cover all candidates.
  5. The Company has submitted notification to the Tokyo Stock Exchange that Toshimasa Iue and Rieko Ueda have been designated as independent officers as provided for by the aforementioned exchange. If the re-election of Toshimasa Iue and the re-election of Rieko Ueda are approved, the Company plans to continue the aforementioned notification.
  6. Toshimasa Iue is currently an outside Director, and at the conclusion of this Annual General Meeting of Shareholders, his tenure will have been four years.
  7. Rieko Ueda is currently an outside Director, and at the conclusion of this Annual General Meeting of Shareholders, her tenure will have been two years.

**Proposal No. 2 Election of One Director Who Is a Member of the Audit and Supervisory Committee**

The term of office of the current Director who is a member of the Audit and Supervisory Committee, Hiroshi Akiyama, will expire at the conclusion of the Annual General Meeting of Shareholders.

This time, the Company proposes the election of one Director who is a member of the Audit and Supervisory Committee, in order to maintain the supervision function of the Audit and Supervisory Committee.

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

The candidate for Director who is a member of the Audit and Supervisory Committee is as follows:

Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
<p style="text-align: center;">Hiroshi Akiyama (Born on August 6, 1969)</p> <p style="text-align: center;">Re-election Outside Director</p>	<p>Apr. 1994 Registered as a lawyer, Osaka Bar Association Joined Midosuji Law Firm (current Midosuji Legal Profession Corporation)</p> <p>Dec. 2002 Reorganized as the Legal Corporation and became a member attorney at law</p> <p>June 2016 Outside Director who is a member of the Audit and Supervisory Committee of the Company (current position)</p> <p>Apr. 2020 Managing Partner of Midosuji Legal Profession Corporation (current position)</p> <p>Mar. 2021 Outside Audit &amp; Supervisory Board Member of Sunstar Inc. (current position)</p> <p>(Significant concurrent positions outside the Company) Representative member attorney at law of Midosuji Legal Profession Corporation Outside Audit &amp; Supervisory Board Member of Sunstar Inc.</p>	8,386
<p>Reasons for nomination as candidate for outside Director who is a member of the Audit and Supervisory Committee and overview of expected roles</p> <p>Hiroshi Akiyama has expertise and abundant experience in corporate legal affairs and governance as an attorney at law. He provides us with accurate proposals and advice at the Board of Directors meetings from an objective standpoint being independent from the management. Thus, we have decided to renominate him as a candidate for outside Director who is a member of the Audit and Supervisory Committee in the expectation that he will contribute to the improvement of the mid- and long-term corporate value of the Company Group.</p> <p>If elected, he will be appointed as a member of the Nomination and Remuneration Committee and will serve as an objective and neutral party in the nomination of the Company's executive candidates and the determination of executive remuneration and other matters.</p> <p>Although he has never been involved in the management of a company except in his role as an outside Director, based on the aforementioned reasons, we believe that he can suitably perform his duties as an outside Director.</p> <p>Matters pertaining to independence</p> <p>There are no transactions between the Company and Midosuji Legal Profession Corporation or Sunstar Inc., where Hiroshi Akiyama holds concurrent positions.</p>		

- Notes:
1. There is no special interest between Hiroshi Akiyama and the Company.
  2. Hiroshi Akiyama is a candidate for outside Director.
  3. Hiroshi Akiyama is currently an outside Director who is a member of the Audit and Supervisory Committee, and at the conclusion of this Annual General Meeting of Shareholders, his tenure will have been eight years.
  4. The Company has entered into limited liability agreements with outside Directors pursuant to the provisions of Article 427, 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. If the re-election of Hiroshi Akiyama is approved, the limited liability agreement that the Company entered into with him will remain in effect.
  5. The Company has entered into an officers' and directors' liability insurance policy stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and a summary of the insurance policy is listed in "Summary of officers' and directors' liability insurance policy" of the Business Report (in Japanese only). If the election of the candidate for Director who is a member of the Audit and Supervisory Committee is approved, the Company plans to enter into a new insurance policy with the same terms to cover the candidate.



6. The Company has submitted notification to the Tokyo Stock Exchange that Hiroshi Akiyama has been designated as an independent officer as provided for by the aforementioned exchange. If the re-election of Hiroshi Akiyama is approved, the Company plans to renew the aforementioned notification.

(Reference) Skill Matrix

The Company is committed to responding to changes in the global environment to enhance its corporate value over the mid to long term, meeting the expectations of stakeholders, and becoming a global company that is integral to a sustainable society.

If Proposals 1 and 2 are approved, the expertise of each Director and the Nomination and Remuneration Committee members are as follows.

Skill Matrix Table of the knowledge and experiences of the Directors who constitute the Board of Directors and members of the Nomination and Remuneration Committee

	Name	Corporate Management	Global Business	Manufacturing Engineering R&D	Sales Marketing	HR/Labor HR Development	Finance Accounting	Legal Governance	Nomination and Remuneration Committee
Directors who are not members of the Audit and Supervisory Committee	Kotaro Harada	○	○	○	○		○		○
	Gerry Ashe	○	○	○	○			○	
	Alister Flett	○	○	○	○				
	Koichiro Hamu	○	○	○		○			
	Toshimasa Iue (Outside)	○	○		○	○			○
	Rieko Ueda (Outside)	○			○	○			○
Directors who are members of the Audit and Supervisory Committee	Haruhisa Sumi					○		○	
	Hirohi Akiyama (Outside)		○			○		○	○
	Soji Yamamoto (Outside)						○	○	○
	Yuji Abe (Outside)				○		○	○	

\* The above list represents areas in which each person has more specialized knowledge based on his/her experience, etc., and does not represent all the knowledge he/she possesses.

**Proposal No. 3      Revision of Limits on the Amount of Remuneration for Directors Who Are Not Members of the Audit and Supervisory Committee (Basic Remuneration)**

The maximum amount of remuneration for Directors who are not members of the Audit and Supervisory Committee were approved as “not more than ¥350,000,000 per year” for basic remuneration, and “not more than ¥50,000,000 per year” for remuneration paid for the granting of restricted shares at the 142nd Annual General Meeting of Shareholders held on June 28, 2023 (in each case, not including payment of employee salaries for Directors who serve concurrently as employees).

The Company intends to further promote global management, and in preparation for the future increase in the number of global professionals with expertise in overseas business, and in light of the recent depreciation of the yen, the Company requests an increase in the maximum amount of remuneration (basic remuneration) for Directors who are not Audit and Supervisory Committee Members, subject to approval of Proposal No. 1, “Election of Six Directors Who Are Not Members of the Audit and Supervisory Committee.”

For the above reasons, the Company proposes that the maximum amount of basic remuneration for Directors who are not members of the Audit and Supervisory Committee be set at “not more than ¥500,000,000 per year” (not including payment of employee salaries for Directors who serve concurrently as employees). There will be no change in the maximum amount of remuneration paid for the granting of restricted shares.

This proposal has been decided by the Board of Directors after deliberation by the Nomination and Remuneration Committee and as such, we judge it to be reasonable. The policy for decisions related to the content of individual remuneration, etc. for Directors of the Company is included in the Business Report □□(in Japanese only)□□.

Currently there are seven eligible Directors, and if Proposal No. 1 is approved as proposed, the number of eligible Directors will be six (including two outside Directors).

The content of the remuneration is as follows. The content has not changed from that approved by the 142nd Annual General Meeting of Shareholders held on June 28, 2023.

(1) Maximum number of shares

Eligible Directors shall pay in all of the monetary remuneration claims paid to them under this proposal as property contributed in kind in accordance with the resolution of the Board of Directors of the Company, and shall receive an issuance or disposal of the Company’s common shares with the total number of common shares to be issued or disposed of in this way being no more than 45,000 shares per year. However, from the date of approval of this proposal onward, in the event of a share split of the Company’s common shares (including gratis allotment of the Company’s common shares) or a consolidation of such shares being conducted or some other event necessitating adjustment of the total number of the Company’s common shares to be issued or disposed of as restricted shares, this total number shall be adjusted rationally.

The amount to be paid in per share shall be the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day preceding the date of the Board of Directors’ resolution (if the shares were not traded on that day, then the closing price on the most recent trading day before that).

Furthermore, when issuing or disposing of the Company’s common shares in this way, the Company and the eligible Directors shall conclude a restricted share allotment agreement (hereinafter the “Allotment Agreement”) including the following content.

(2) Transfer Restriction Period

Eligible Directors may not transfer, pledge as collateral, or dispose of in any other way (hereinafter the “Transfer Restriction”) the Company’s common shares received as an allotment under the Allotment Agreement (hereinafter the “Allotted Shares”) for a period of between 3 years and 30 years, determined in advance by the Board of Directors, from the date of receiving the allotment under the Allotment Agreement (hereinafter the “Transfer Restriction Period”).

(3) Treatment upon retirement

If an eligible Director retires from the position of Director of the Company before the completion of the Transfer Restriction Period, except in the cases of a justifiable reason such as the end of their term of office or their death, upon their retirement the Company shall acquire, by rights, the Allotted Shares without contribution.

(4) Lifting of the Transfer Restriction

The Company shall lift the Transfer Restriction on all of the Allotted Shares upon the completion of the Transfer Restriction Period provided that the eligible Director has remained a Director of the Company continuously throughout the Transfer Restriction Period. However, the Company shall rationally adjust the number of the Allotted Shares and the timing for lifting the Transfer Restriction as necessary in the cases where a Director of the Company retires before the completion of the Transfer Restriction Period due to a justifiable reason such as the end of their term of office or their death. Furthermore, directly after the lifting of the Transfer Restriction, the Company shall acquire, by rights, any Allotted Shares whose Transfer Restriction was not lifted without contribution.

(5) Treatment during a reorganization, etc.

Notwithstanding the provision in (1) above, during the Transfer Restriction Period, if a matter related to a reorganization such as a merger agreement in which the Company is the dissolving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other kind of reorganization is approved by the General Meeting of Shareholders of the Company (or by the Board of Directors of the Company in a case where the reorganization does not require approval by the General Meeting of Shareholders of the Company), the Transfer Restriction on a number of the Allotted Shares to be determined rationally based on the period between the starting date of the Transfer Restriction Period and the date of approval of the reorganization, etc., shall be lifted before the effective date of the reorganization, etc., by resolution of the Board of Directors. In cases specified above, the Company shall naturally acquire without contribution the Allotted Shares on which the Transfer Restriction has not been lifted as of the time immediately after the Transfer Restriction was lifted.

(6) Other matters

Other matters related to the Allotment Agreement are to be determined by the Board of Directors of the Company.