



MEMBERSHIP

May 12, 2022

Company name: UBE Corporation  
Representative: Masato Izumihara  
President and Representative Director  
Securities code: 4208 (shares listed on Prime Section of the  
Tokyo Stock Exchange and Fukuoka Stock  
Exchange)  
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## Notice Regarding the Introduction of Restricted Stock Remuneration Plan

UBE Corporation, at the Board of Directors meeting held today, reviewed the remuneration system for officers and resolved to introduce a restricted stock remuneration plan (hereinafter, the "Plan"). Accordingly, the Company has decided to submit a proposal on the Plan to the 116th Ordinary General Meeting of Shareholders scheduled to be held on June 29, 2022 (hereinafter, the "General Meeting of Shareholders") for the Directors of the Company (excluding those who are Audit and Supervisory Committee members and Outside Directors). We hereby announce as follows.

### 1. Purpose of the Introduction of the Plan, etc.

Targeting the Directors of the Company (excluding those who are Audit and Supervisory Committee members and Outside Directors) (hereinafter, "Eligible Directors") and Executive Officers who do not concurrently serve as Directors of the Company (hereinafter collectively with Eligible Directors, "Eligible Directors, etc."), the Plan is designed to increase incentives for achieving the Company's medium- to long-term goals and improving shareholder value and to promote further value sharing with shareholders.

Under the Plan, monetary claims will be paid as remuneration to the Eligible Directors for the granting of restricted stock. Consequently, the introduction of the Plan shall be conditional on the approval of shareholders for the payment of such remuneration at the General Meeting of Shareholders. At the 113th Ordinary General Meeting of Shareholders held on June 27, 2019, the amount of remuneration, etc. for the Directors of the Company (excluding those who are Audit and Supervisory Committee members) was approved to be up to 720 million yen per annum (of which the amount for Outside Directors (excluding those who are Audit and Supervisory Committee members) is up to 85 million yen per annum). In addition, at the Company's 115th Ordinary General Meeting of Shareholders held on June 29, 2021, the amount of remuneration, etc. for stock acquisition rights as stock compensation-type stock options for the Directors of the Company (excluding those who are Audit and Supervisory Committee members and Outside Directors) was approved to be up to 130 million yen per annum, separately from the abovementioned amount of remuneration, etc. for the Directors.

The Company will request approval from shareholders to, as part of the review of the remuneration system for officers, newly introduce the Plan in place of the above stock options and to establish a remuneration limit for the Plan for the Eligible Directors, separately from the above remuneration limit.

Subject to the approval of this proposal, the Company will abolish the provisions concerning the remuneration, etc. for stock acquisition rights as stock compensation-type stock options, and discontinue the issuance of stock acquisition rights as stock compensation-type stock options thereafter. Stock acquisition rights as stock options granted to the Eligible Directors, etc. that have not yet been exercised will be waived by the Eligible Directors, etc., provided that the Plan will be introduced.

### 2. Outline of the Plan

The total amount of monetary claims to be paid to the Eligible Directors under the Plan shall be up to 70 million yen per annum (not including employee salaries for the Directors who concurrently serve as employees), and the total number of shares of common stock to be newly issued or disposed of by the

Company shall be up to 41,000 shares per annum (provided, however, that in the event of a stock split of the Company's shares of common stock (including a gratis allotment of shares of the Company's common stock) or a stock consolidation thereof that takes effect on or after the date of resolution by the General Meeting of Shareholders, said total number shall be adjusted as necessary to a reasonable extent in proportion to the split ratio, consolidation ratio, etc. after said effective date). However, in this fiscal year, as a transition measure from stock options, the remuneration for granting the same number of shares of restricted stocks as the number of shares that is the purpose of the waived stock acquisition rights shall be paid up to 369 million yen per annum, separately from the above amount of up to 70 million yen per annum, and the total number of shares of common stock to be newly issued or disposed of shall be up to 91,700 shares per annum, separately from 41,000 shares above.

The Eligible Directors, etc. shall make in-kind contribution of all monetary claims paid by the Company under the Plan, and shall, in return, receive shares of common stock of the Company that will be issued or disposed of by the Company. The amount to be paid per share shall be determined by the Board of Directors based on the closing price of shares of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of resolution of each Board of Directors meeting (if a transaction is not completed on that day, the closing price on the most recent trading day prior to that date), to the extent that the amount is not particularly favorable for the Eligible Directors, etc. who will underwrite said common stock. The specific timing and allocation of payment to each of the Eligible Directors, etc. shall be decided by the Board of Directors after deliberation by the Remuneration Committee.

In addition, the issuance or disposal of the Company's common stock (hereinafter, the "Stock") under the Plan shall be subject to the conclusion of an agreement on the allotment of restricted stock between the Company and the Eligible Directors, etc., which includes the following terms: (1) Transfer to a third party of, creation of a security interest in, or any other disposition of the Stock shall be prohibited for a certain period (hereinafter, the "Transfer Restriction Period"); and (2) The Company shall acquire the Stock without consideration in the event of certain circumstances. To prevent transfer, creation of a security interest or other disposition during the Transfer Restriction Period, the Stock shall be managed in a dedicated account to be opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd. during the Transfer Restriction Period.