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Company: C. Uyemura & Co., Ltd.  
Stock Code: 4966  
Listing: Standard Market of the Tokyo Stock  
Exchange  
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## **Notice Regarding Revision of the Restricted Stock Compensation Scheme**

C. Uyemura & Co., Ltd. (hereinafter the “Company”) hereby announces its decision made at the meeting of the Board of Directors held today to review the Officers’ Compensation Scheme and to revise the Restricted Stock Compensation Scheme (hereinafter the “Scheme”), and will propose revising the Scheme at the 95th Annual General Meeting of Shareholders, which will be held on June 29, 2023 (hereinafter the “Meeting”).

### 1. Overview of the Revisions of the Scheme

The Scheme was adopted at the 93rd Annual General Meeting of Shareholders held on June 29, 2021, with the aim to provide the Company’s Directors (excluding Outside Directors; hereinafter, “Eligible Directors”) with incentives in order to work toward the sustainable enhancement of corporate value, and to further promote value sharing with the Company’s shareholders. In addition, the above meeting approved that the total amount of monetary compensation claims to be paid to Eligible Directors shall not exceed 30 million yen per year (however, this does not apply to the employee salary portion of Directors who serve concurrently as employees), and the total number of the Company’s common shares to be issued or disposed of shall not exceed 10,000 shares per year. (However, in association with a share split of the Company’s common shares at the ratio of 1:2 as of July 1, 2021, with June 30, 2021, as the record date, currently, the total number of shares to be issued or disposed of shall not exceed 20,000 shares per year.)

At this time, the Company has decided to review its Officers’ Compensation Scheme and to revise the Scheme for the purpose of further increasing the incentives for Eligible Directors in order to work toward the sustainable enhancement of corporate value and to further promote value sharing with the Company’s shareholders.

Specifically, in addition to the existing "Service Period-linked Restricted Stock Compensation," which requires a certain period of continuous service at the Company as a condition to lift the transfer restrictions, in order to increase the linkage between the compensation of Eligible Directors and the performance of the Company, a new "Performance-linked Restricted Stock Compensation," for which the achievement of performance goals set in advance by the Board of Directors is the condition to lift the transfer restrictions, will be adopted.

In addition, with respect to the method of granting restricted shares under the Scheme, instead of the previous method where all of the monetary compensation claims provided to Eligible Directors as their compensation are paid in the form of property contributed in kind and the issuance or disposition of the Company's common shares are received, the method will be changed to one where the issuance or disposition of the Company's common shares can be received without paying money or property contributed in-kind in exchange for the Company's common shares as compensation of Eligible Directors.

The total amount of the Company's common shares to be issued or disposed of under the Scheme shall not exceed 30 million yen per year for the "Service Period-linked Restricted Stock Compensation," and shall not exceed 70 million yen per year for "Performance-linked Restricted Stock Compensation," and in total, the amount shall not exceed 100 million yen per year (however, this does not apply to the employee salary portion of Directors who serve concurrently as employees). In addition, the total number of the Company's common shares to be issued or disposed of to Eligible Directors shall not exceed 20,000 shares per year for "Service Period-linked Restricted Stock Compensation," and 46,000 shares per year for "Performance-linked Restricted Stock Compensation." In total, the amount shall not exceed 66,000 shares per year (However, regarding any of the total numbers, in the event of a split of the Company's common shares (including a gratis allotment of the Company's common shares), a consolidation of shares, or any other event where an adjustment to the total number of the Company's common shares to be issued or disposed of as restricted shares is necessary after the date of approval of this proposal, the total number of shares to be issued or disposed of will be adjusted proportionately, to a reasonable extent.).

In addition to the above revisions, necessary revisions will also be made with respect to the timing of the lifting of the transfer restrictions and the handling upon resignation or retirement.

Further, the above revisions will apply to restricted shares that are granted in the future and will not change the restricted shares that have already been granted.

## 2. Purpose and Conditions of Revisions of the Scheme

The purpose of the revisions of the Scheme is to further increase the incentives for Eligible

Directors to work toward the sustainable enhancement of corporate value and to further promote value sharing with the Company's shareholders. In addition, since the Scheme will be revised as part of the review of the Officers' Compensation Scheme, it is subject to the approval of the shareholders at the Meeting.

### 3. Others

Other than the revision of the Scheme, the overview of the Scheme is basically the same as before. For an overview of the Scheme at the time of its adoption, please refer to the "Notice Regarding Revision of the Officers' Compensation Scheme (Adoption of a Restricted Stock Compensation Scheme and Abolishment of Officer's Retirement Benefit System)" announced on May 14, 2021.