

UBE Corporation

Notice of the 116th Ordinary General Meeting of Shareholders

This document is an abridged translation of the Japanese original. It is for reference purposes for shareholders living outside Japan, and does not constitute a formal translation of the original notice. Certain information, including the Company's business report and account documents, both consolidated basis and non-consolidated basis, has been intentionally omitted from the translation.

June 7, 2022

Dear Shareholder:

You are cordially invited to attend the 116th Ordinary General Meeting of Shareholders of Ube Corporation to be held in **the Convention Hall, ANA Crowne Plaza Ube**, 8-1, Aioicho, Ube City, Yamaguchi, Japan on **June 29, 2022 at 10 o'clock in the morning**.

Just as last year, you are firmly requested to exercise your voting rights in writing or via the Internet, and to refrain from coming to the meeting to avoid the infection of the novel coronavirus disease (COVID-19). Please review the accompanying reference documents at the 116th General Meeting of Shareholders below and exercise your voting rights, with reference to Voting Information as described on page 5 and 6 below.

We ask you to take actions to prevent the spread of infection by wearing masks and attend after confirming the infection status and your physical condition at the time of the General Meeting of Shareholders. In addition, we ask for your cooperation as we may take measures to prevent the spread of infection at the venue of the General Meeting of Shareholders.

Sincerely,

Masato Izumihara
President and Representative Director
Ube Corporation
1978-96, O-Aza Kogushi,
Ube-shi, Yamaguchi
755-8633,
Japan

Notes :

- (1) If attending the meeting in person, please remember to bring the Voting Card enclosed with these materials and hand it to a receptionist. The reception for the meeting starts at 9:00 a.m.
- (2) Any revisions to the reference documents for the Ordinary General Meeting of Shareholders, Annual Business Reports, Consolidated Account Documents, and Non-Consolidated Account Documents shall be posted on the Company's website at <http://www.ube.co.jp> (Japanese) and <https://www.ube.co.jp/ube/en/index.html> (English).

Notes:

1. DATE and TIME 10:00 a.m. Wednesday June 29, 2022

2. PLACE Convention Hall, ANA Crowne Plaza Ube
8-1, Aioicho, Ube City, Yamaguchi, Japan

3. OBJECTIVES OF THE MEETING:

MATTERS TO BE REPORTED:

1. Reports on the Annual Reports, and the Consolidated Account Documents for 116th fiscal year (from April 1, 2021 to March 31, 2022) as well as the Audit Reports on Consolidated Account Documents by Independent Auditors and the Audit and Supervisory Committee
2. Reports on the Non-Consolidated Account Documents for 116th fiscal year (from April 1, 2021 to March 31, 2022)

PROPOSALS :

- Proposal 1: Disposition of Retained Earning
- Proposal 2: Amendment of a part of the Articles of Incorporation
- Proposal 3: Election of Six Directors (Excluding Directors who Are Audit and Supervisory Committee Members)
- Proposal 4: Election of Two Directors who Are Audit and Supervisory Committee Members
- Proposal 5: Decision on Compensation to Grant Restricted Stock to Directors (excluding Directors who Are Audit and Supervisory Committee Members and Outside Directors)

Notes for disclosure of Company's information through internet :

The following items are not contained within the documentation accompanying this Notice of the 116th Ordinary General Meeting of Shareholders. In accordance with relevant laws and regulations and with Article 16 of the Company's Articles of Incorporation, this information has been published separately on the Company's website at <http://www.ube.co.jp> (Japanese) and <https://www.ube.co.jp/ube/en/index.html> (English).

- ① Matters related to the Share Acquisition Rights, etc., the overview of systems for securing appropriate business execution and operating status of such internal control system thereof
- ② Consolidated Statements of Changes in Net Assets and Tables of Explanatory Notes on Consolidated Financial Statements
- ③ Non-Consolidated Statements of Changes in Net Assets and Tables of Explanatory Notes on Non-Consolidated Financial Statements

The Reports on the Annual Reports, The Consolidated Financial Statements and Non-Consolidated Financial Statements which have been audited by Audit and Supervisory Committee shall include not only the attached documents of this Notice of the 116th Ordinary General Meeting of Shareholders, but also the No.①,② and ③ of the items mentioned above, which published on the Company's website at <http://www.ube.co.jp> (Japanese) and <https://www.ube.co.jp/ube/en/index.html> (English).

The Consolidated Account Documents and Non-Consolidated Account Documents which have been audited by Independent Auditor shall include not only the attached documents of this Notice of the 116th Ordinary General Meeting of Shareholders, but also the No.② and ③ of the items mentioned above, which published on the Company's website at <http://www.ube.co.jp> (Japanese) and <https://www.ube.co.jp/ube/en/index.html> (English).

Notes for notice of Resolution of General Meeting of Shareholders :

Please be advised that a written notice of the resolutions at General Meeting of Shareholders will no longer be send to shareholders for resource-saving, instead, it will be posted on the Company's website above after the meeting.

End of document

Guide to the Exercise of the Voting Rights

You may exercise your voting rights by following three methods.

1. Attending the General Meeting of Shareholders

If you attend the General Meeting of Shareholders to exercise your voting right, please submit the enclosed Voting Card at the reception . In order to conserve resources, please bring this Notice with you to the meeting place.

You can exercise your voting rights by designating a shareholder who has voting rights and will attend the General Meeting of Shareholders as your delegate. In such case, a Power of Attorney will need to be submitted in accordance with the provisions of the Article of Incorporation.

We sincerely ask you to come to the meeting place a little early as the reception will be extremely crowded immediately before the opening of the meeting..

Date and Time of the General Meeting of Shareholders	10:00 a.m. Wednesday June 29, 2022 (The reception is scheduled to open at 9:00 a.m.)
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2. In case of not Attending the General Meeting of Shareholders

(1) Exercising the Voting Rights by Mail

If you exercise your voting right by mail, please indicate your approval or disapproval of each of the proposals in the space provided on the enclosed Voting Card, affix your signature or registered seal, and return the Voting Card to the Company.

Proposal 1, 2 & 5	
If you approve : Mark the ○ in the box marked “賛”	If you disapprove : Mark the ○ in the box marked “否”

Proposal 3 & 4		
For all candidates		If you selectively certain candidates: Mark the ○ in the box “賛” and write the number of each candidate you choose to veto.
If you approve : Mark the ○ in the box marked “賛”	If you disapprove : Mark the ○ in the box marked “否”	

Exercise Due Date	Received by 5:00 p.m., Tuesday June 28, 2022 (Japan Time)
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(2). Exercising the Voting Rights via Internet

If you exercise your voting right via Internet, Please access the Company’s designated the Voting Web Site (<http://www.evotetr.mufg.jp/>) to exercise your voting rights online, and enter your vote of approval or disapproval for each proposal by following on-screen guidance.

For details, please follow the the instructions on page 5 below.

Exercise Due Date	Input by 5:00 p.m., Tuesday June 28, 2022 (Japan Time)
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[For Institutional Investors]
Nominal shareholders such as trust banks acting as administrator (including standing proxies) can also use the electronic voting platform as an electromagnetic means to exercise their voting rights at the General Meeting of Shareholders of the Company, in addition to the exercising of voting rights via Internet above, if they apply in advance for the use of the electronic voting platform operated by ICJ Inc.

Guide to the Exercise of the Voting Rights via Internet

Voting Procedure

(1) For Smartphone user (scanning QR code*)

You can simply login to the voting web site for exercising voting rights without entering your “Login ID” and “Temporary Password” printed on the Voting Card.

- (i) Please scan QR Code located on the right side of Voting Card
- (ii) Please cast your vote by following the directions on the screen.

* “QR code” is a registered or unregistered trade mark of DENSO WAVE INCORPORATED.

Note you can login to the website only once by using QR Code.

If you wish to access to the voting web site once again, please login to the web site in accordance with the following instruction

(2) Entering Login ID and Temporary Password (the use of Voting Web Site)

Voting Web Site

Voting web site designated by the Company : <https://evote.tr.mufg.jp/>

- (i) Once you have accessed the Voting Web Site (<http://www.evote.tr.mufg.jp/>), click the “Next Screen”.
- (ii) Please enter your “Login ID” and “Temporary Password” shown on the bottom right of the your Voting card, then click the “Login”.
- (iii) Please enter your “Present Password”, “New Password” and “New Password” (for confirmation), then click the “Send”.
- (iv) Please cast your vote by following the directions on the screen.

Note : Voting Right Exercised in Plural Times

- (i) Please be noted in case that a voting right is exercised in both by mail and internet, only internet voting is treated as effective voting.
- (ii) In case that a voting right is exercised by internet more than one time, last voting is treated as effective voting.

Note : Cost of Access to Voting Web Site

Any cost incurred in accessing to voting web site (such as internet access charge and phone charge) shall be borne and paid by shareholders. Packet communication charge and other charge incurred to use of a cell phone shall also be borne and paid by shareholders.

CONTACT INFORMATION FOR INQUIRES ABOUT SYSTEM

Help Desk : Security Agency, Mitsubishi UFJ Trust & Banking Corporation
Tel 0120-173-027 (9:00 – 21:00, toll free) (Japan Time)

Guide to Live Streaming the meeting via Internet

In order to enable shareholders to view the Company's General Meeting of Shareholders from their homes or other locations, the Company will offer live Internet streaming of the meeting as follows.
Internet live streaming will be available via computer or smartphone according to the following instructions.

1 Date and time of streaming

10:00 a.m., Wednesday, June 29, 2022 (JST)
to the end of the General Meeting of Shareholders

* The live streaming website becomes accessible at around 9:30 a.m., 30 minutes before the start time.

2 General Meeting of Shareholders website "Engagement Portal"

URL : <https://engagement-portal.tr.mufg.jp/>





- Please access the General Meeting of Shareholders website, "Engagement Portal," from the URL above.
- On the shareholder authentication screen (log in screen), enter login ID and password indicated on the voting rights exercise form, and confirm the terms of use and conditions, click on "Agree with the terms of use" and then click on the "Log in" button.
- Login ID and password can be omitted by reading the QR code.
- * Please use the password indicated on the voting form even after you change the password on the voting website.
- * Please be sure to take a copy of your login ID and password before sending out the voting form.

3 How to watch the live stream

- Please click the “Watch Live on the Day” button on the Website. Check the “I agree to the Terms of Use” checkbox after confirming the Terms of Use. Then click the “Watch” button.
- Please note that Internet Explorer is not supported.

4 Notes on viewing

- It is strictly prohibited to make the live stream available to the public through social media.
- Viewing the live stream is not considered to be attending the General Meeting of Shareholders under the Companies Act, and therefore you will not be able to exercise your voting rights and ask any questions.
- Please exercise your vote beforehand either in writing (by mail) or via the Internet by the deadline, or vote by proxy.
- Only the shareholder may view the live stream. We ask that proxies, etc. refrain from viewing it.
- Please note that due to factors such as the Internet communication environment, video and audio may be distorted, transmission may be interrupted, and other problems may occur.
- Any costs incurred in accessing the Website for streaming (communication fees etc.) shall be borne by the shareholder.
- In consideration of the privacy of the shareholders and other matters, we will only film the screen image and the area around the seats of officers for the live stream. However, there may be cases where shareholders in attendance are unavoidably filmed. Thank you for your understanding.
- If you have lost the enclosed Voting Rights Exercise Form, please contact the following.

Contact points for inquiries regarding the Website	 0120-676-808 (toll free)
	 9:00 a.m. to 5:00 p.m. (JST) (except Saturdays, Sundays and holidays) On the day of the General Meeting of Shareholders: From 9:00 a.m. to the end of the General Meeting of Shareholders

Reference Documents for Ordinary General Meeting of Shareholders

Proposals and Related Matters:

Proposal 1: Disposition of Retained Earning

Based on comprehensive consideration of factors including business results in the fiscal year ended March 31, 2022 and future business development, the Company proposes to distribute the year-end dividend for this fiscal year as follows.

(1) Type of dividend: Cash

(2) Appropriation of Dividends to Shareholders and total amount of Dividend:

¥50 per common share Total amount ¥4,840,368,200

Note: The annual dividend for the fiscal year ended March 31, 2022 will be ¥95 per share, including the interim dividend of ¥45.

(3) Effective date of the Distribution of the Year-End Dividend: June 30, 2022

(Reference) Shareholder Returns for Ube Corporation



(Note) On October 1, 2017, the Company implemented a reverse stock split at a ratio of one share for every 10 common shares. The dividend per share prior to fiscal 2016 was converted after the reverse stock split.

The Company will emphasize Dividend on Equity (DOE) and the consolidated total return ratio (including acquisition of own shares).

The Company will aggressively invest for growth based on its own capital and cash flow status and further enhance shareholder returns in the future.

Proposal 2: Amendment of a Part of the Articles of Incorporation

1. Reasons for amendment

(1) Introduction of a system for electronically providing materials for the Ordinary General Meeting of Shareholders

The amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act for Partial Amendment of the Companies Act (Act No. 70 of 2019) will take effect on September 1, 2022. Therefore, to prepare for the introduction of the electronic system for providing materials for the Ordinary General Meeting of Shareholders, the Articles of Incorporation shall be amended as follows.

- (i) Article 16 of the proposed amendment stipulates that the electronic provision measure be taken for information contained in the Reference Documents for the Ordinary General Meeting of Shareholders and establish provisions to limit the scope of matters to be described in the document to be delivered to shareholders who requested written delivery.
- (ii) The provision (present Articles of Incorporation, Article 16) for providing Reference Documents for the Ordinary General Meeting of Shareholders that are regarded as having been disclosed on the Internet is no longer necessary and will be deleted.
- (iii) With the establishment and deletion of the above, the supplementary provisions regarding the effective date and other matters are provided. Furthermore, these supplementary provisions shall be deleted after a specified date has passed.

(2) Partial exemption from director liability

To secure valuable personnel to be Directors and create an environment where all Directors can adequately fulfill the roles expected of them, the Company has established new provisions regarding the partial exemption of director liability. At the same time, the Company is now expanding the scope of contracts (limited liability contracts) concluded that limit the liability of only Outside Directors to also include Directors who do not execute business.

This proposal is made with the consent of the members of the Audit and Supervisory Committee.

2. Contents of the amendment

The details of the amendment are as follows.

(Amendments shown by underlines)

Present Articles	Proposed Amendments
<p>CHAPTER III Ordinary General Meeting of Shareholders <u>(Provision of reference documents for the Ordinary General Meeting of Shareholders that are regarded as having been disclosed on the Internet)</u> Article 16 <u>When convening the Ordinary General Meeting of Shareholders, the Company shall use the Internet to disclose information on matters to be stated or recorded in the Reference Documents for the Ordinary General Meeting of Shareholders, business reports, financial statements, and consolidated financial statements in accordance with the provisions of the Ordinance of the Ministry of Justice, and disclose it in such a manner that it shall be regarded as having been provided to shareholders.</u> (newly established)</p>	<p>CHAPTER III Ordinary General Meeting of Shareholders (Deleted) <u>(Electronic provision measures)</u> Article 16 <u>When convening the Ordinary General Meeting of Shareholders, the Company shall take electronic provision measures for information contained in the Reference Documents for the Ordinary General Meeting of Shareholders. The Company may decide not to provide all or part of matters specified by the Ordinance of the Ministry of Justice for which the electronic provision measures are to be taken in the documents to be delivered to shareholders who requested written delivery by the voting record date.</u></p>
<p>Chapter IV Directors, Board of Directors, Audit and Supervisory Committee member, and Executive Officers <u>(Limited liability contract for Outside Directors)</u> Article 27 The Company may enter into an agreement with <u>Outside Directors</u> that limits their liability for damages under Article 423, Paragraph 1 of the Companies Act as stipulated in Article 427, Paragraph 1 of the Companies Act. However, the maximum amount of liability under the agreement shall be the minimum amount of liability provided by law.</p>	<p>Chapter IV Directors, Board of Directors, Audit and Supervisory Committee member, and Executive Officers <u>(Exemption of Director liability)</u> Article 27 <u>In accordance with the provisions of Article 426, Paragraph 1 of the Companies Act, the Company shall by a resolution of the Board of Directors exempt Directors (including former Directors) from liability to the extent provided by law as stipulated in Article 423, Paragraph 1 of the Companies Act.</u> Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with <u>Directors (excluding Directors who execute business)</u> to limit their liability under Article 423, Paragraph 1 of said Act. However, the maximum amount of liability under the agreement shall be the minimum amount of liability provided by law.</p>

Present Articles	Proposed Amendments
(newly established)	<p style="text-align: center;">Supplemental Provisions</p> <p><u>(Introduction of a system for electronically providing materials for the Ordinary General Meeting of Shareholders)</u></p> <p><u>Article 2 The deletion of Article 16 of the present Articles of Incorporation (provided via Internet as Reference Documents for the Ordinary General Meeting of Shareholders) and the establishment of Article 16 (electronic provision measures) shall take effect on September 1, 2022 (hereinafter, "enforcement date"), which is the date of enforcement of the revised provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act for Partial Amendment of the Companies Act (Act No. 70 of 2019).</u></p> <p><u>Notwithstanding the provisions of the preceding paragraph, Article 16 of the present articles shall remain effective for the Ordinary General Meeting of Shareholders whose date is within six months from the enforcement date.</u></p> <p><u>These supplementary provisions shall be deleted after six months have lapsed since the enforcement date or three months have lapsed since the date of the Ordinary General Meeting of Shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of Six Directors (Excluding Directors who Are Audit and Supervisory Committee Members)

The term of office of all six (6) Directors (excluding Directors who are Audit and Supervisory Committee members) will expire at the close of this Ordinary General Meeting of Shareholders in accordance with Article 20 of the Article of Incorporation. Accordingly, shareholders are requested to elect six (6) Directors (excluding Directors who are Audit and Supervisory Committee members).

The candidates for Director (excluding Directors who are Audit and Supervisory Committee members) positions are as follows:

Candidate No.	Name	Title, and area(s) of responsibility		Attendance at the meetings of Board of Directors in 116th fiscal year	Years in office (at the close of this Ordinary General Meeting of Shareholders)
1	Yuzuru Yamamoto	Chairman of the Board of Directors	Re-elected	14/14 100%	9 years
2	Masato Izumihara	President & Representative Director, President & Executive Officer, CEO	Re-elected	14/14 100%	4 years
3	Hideo Tamada	Senior Managing Executive Officer, CRO, CCO, with responsibility for Risk Management Dept., Human Resources Dept., General Affairs Dept. and Legal Dept.	Candidate to be newly-elected	—	—
4	Masayuki Fujii	Director, Managing Executive Officer, CFO, with responsibility for Corporate Planning Dept., Accounting Dept., and Finance & Investor Relations Dept.	Re-elected	14/14 100%	3 years
5	Tetsuro Higashi	Outside Director	Re-elected Outside Director candidate Independent Director candidate	12/14 85%	3 years
6	Takefumi Fukumizu		Candidate to be newly-elected Outside Director candidate Independent Director candidate	—	—

Notes:

1. Contents of Limited Liability Contract

The Company has entered into an agreement with Mr. Tetsuro Higashi in which the liability for damages under Article 423, Paragraph 1 of the Companies Act is limited to the minimum amounts specified in each item of Article 427, Paragraph 1 of the Companies Act. If the reelection of Mr. Higashi is approved, the Company intends to renew such agreement with him. If the reelection of Mr. Yuzuru Yamamoto and the election of Mr. Takefumi Fukumizu are approved, the Company intends to enter into such agreement with each of them. The agreement with Mr. Yuzuru Yamamoto shall take effect on condition that the amendment of the Articles of Incorporation takes effect in Proposal 2: "Amendment of a Part of the Articles of Incorporation"

2. Contents of Compensation Agreement

The Company has entered into an agreement with the Directors to compensate them for the expenses stipulated in Article 430-2, Paragraph 1, No. 1 of the Companies Act and for losses stipulated in No. 2 of the same paragraph within the range stipulated by law. As a measure to ensure that the appropriateness of the execution of business by officers is unimpaired by the agreement, the agreement mainly stipulates the upper limit of compensation and acknowledges the need for compensation by the compensation committee. If the reelection of Mr. Yuzuru Yamamoto, Mr. Masato Izumihara, Mr. Masayuki Fujii, and Mr. Tetsuro Higashi is approved, the agreement shall be renewed, and if the election of Mr. Hideo Tamada and Mr. Takefumi Fukumizu is approved, the Company intends to enter into the limited liability contract described hereto with each of them.

3. Contents of Company Directors and Officers Liability Insurance

The Company has concluded a contract for directors and officers liability insurance (D&O insurance) with an insurance company.

The scope of the insured persons under the contract includes directors, auditors, executive officers, management employees,*1 outside dispatched directors*2, resigned directors and auditors, and their successors at the Company and its subsidiaries. Insured events that are covered include corporate litigation, shareholder litigation, and third-party litigation. As a measure to ensure that the appropriateness of the execution of business by the insured by the agreement, the agreement stipulates that the total amount of insurance payments during the insurance period, personal profits received or the intentional violation of laws and regulations, and damages caused by criminal acts shall not be compensated. The insurance fees are paid by the companies at which said directors perform their duties. If the election of Hideo Tamada and Takefumi Fukumizu is approved, they will be included among the insured persons of the agreement. The Company plans to conclude agreements with the same content when the insurance period expires.

*1 Management employee: Refers to a person who has been appointed as a "major employee" under the Companies Act by a resolution of the Board of Directors.

* 2 Outside dispatched officer: If a person from the Company or its subsidiaries becomes director or officer of a domestic corporation other than the Company or its subsidiary, regardless of position in the Company or its subsidiaries, the insurance will cover liability arising from his/her duties as director/officer of the corporation. However, dispatch to corporations outside of Japan is not covered by the insurance.

◆The opinion of Audit and Supervisory Committee on the selection of directors

Based on the results of deliberation by the Nomination Committee, which Outside Directors who are Audit and Supervisory Committee members attended as observers, the Audit and Supervisory Committee discussed and confirmed that each of the candidates is suitable for the position of director, and the process of selecting directors is appropriate.

Candidate No.

1

Yuzuru Yamamoto

Date of birth: Mar. 8, 1953



Candidate to be re-elected

[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1977 Joined the Company
 Jun. 2001 Executive Officer, Ube Machinery Corporation, Ltd.
 Jun. 2003 Executive Officer of the Company, and President and Representative Director, Ube Machinery Corporation, Ltd.
 Apr. 2007 Managing Executive Director
 Apr. 2010 Senior Managing Executive Officer
 Jun. 2013 Representative Director, and Senior Managing Executive Officer
 Apr. 2015 President & Representative Director, President & Executive Officer, and Group CEO
 Apr. 2019 Chairman of the Board of Directors & Representative Director
 Jun. 2019 Chairman of the Board of Directors & Director (current position)
 Jun. 2020 Outside Director, The Yamaguchi Bank, Ltd.
 Jun. 2021 Outside Director, Yamaguchi Financial Group, Inc. (current position)

Shares of the Company's stock owned	21,500	Years in office (at the close of this Ordinary General Meeting of Shareholders)	9 years	Attendance at the meetings of Board of Directors in 116th fiscal year	14/14 (100%)
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[Important concurrent positions and special interests between the candidate and the Company]

The Yamaguchi Bank, Ltd., which is a group company of Yamaguchi Financial Group, Inc. and at which Yuzuru Yamamoto is the position of Outside Director, is a financial lender to Ube Corporation whose loans amount to less than 13% of the total debts of The Company. Yamaguchi Bank, Ltd. has no special relationship with the Company.

There is no special interest between Mr. Yuzuru Yamamoto and the Company.

[Reason for the nomination as a candidate for Director]

Since joining the Company, Mr. Yuzuru Yamamoto has extensive experience in the business of the machinery division, and also has rich experience and enough of a track record as chief executive, which he had served as Representative Director of Ube Machinery Corporation, Ltd., since 2003, and achieved to ensure constant profitability of the machinery division's business.

In April 2015, he was appointed President & Representative Director of the Company and was involved in the overall management of the UBE Group. Since April 2019 as Chairman of the Board of Directors & Representative Director, and then Chairman of the Board of Directors & Director as of June of the same year, he has been playing a role in Group management and promoted the strengthening of corporate governance.

Based on his extensive experience, the Board of Directors has decided to re-nominate him as director because the Board of Directors determined that he will continuously play a full role as director in deciding important matters of, supervision of management execution, and the strengthening of corporate governance of the UBE Group, taking advantage of his knowledge and business management career.

Candidate No.

2

Masato Izumihara

Date of birth: Jan. 8, 1961



Candidate to be re-elected

[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1983 Joined the Company
Apr. 2010 Executive Officer
Jun. 2011 Director, and Executive Officer
Apr. 2013 Director, and Managing Executive Officer
Apr. 2018 Senior Managing Executive Officer
Jun. 2018 Director, and Senior Managing Executive Officer
Apr. 2019 President & Representative Director, President & Executive Officer, CEO
(current position)

Shares of the Company's stock owned	18,200	Years in office (at the close of this Ordinary General Meeting of Shareholders)	4 years	Attendance at the meetings of Board of Directors in 116th fiscal year	14/14 (100%)
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[Special interests between the candidate and the Company]

There is no special interest between Mr. Masato Izumihara and the Company.

[Important concurrent positions] None

[Reason for the nomination as a candidate for Director]

Mr. Masato Izumihara has wide experience in the business of chemicals, and corporate business management section, and has held Group CFO, General Manager of Corporate Planning & Administration Office, and Vice President of Chemicals Company successively. Since April 2019, he has been serving as President & Representative Director, and involved in the whole management of the UBE Group.

In consideration of these achievements, the Board of Directors has decided to re-nominate him as a candidate for Director to promote the long-term vision "UBE Vision 2030 Transformation" and its achievement, and the medium-term business plan "UBE Vision 2030 Transformation—1st Stage" which ends in fiscal 2024.



Candidate to be newly-elected

[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1981 Joined the Company

Apr. 2015 Executive Officer

Apr. 2018 Managing Executive Director

Apr. 2021 Senior Managing Executive Officer (current position)

Shares of the Company's stock owned	11,600	Years in office (at the close of this Ordinary General Meeting of Shareholders)	—	Attendance at the meetings of Board of Directors in 116th fiscal year	—
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[Special interests between the candidate and the Company]

There is no special interest between Mr. Hideo Tamada and the Company.

[Important concurrent positions] None

[Reason for the nomination as a candidate for Director]

Hideo Tamada has a wide range of business experience in the Company, mainly in the Human Resources and General Affairs departments, and was also in charge of business and management at Ube-Kohsan Central Hospital.

As General Manager of the General Affairs & Human Resources Office, and Group Chief Compliance Officer (CCO) and Chief Risk Management Officer (CRO), he has promoted the development of the compliance and risk management structure of the Company.

The Board of Directors has decided to nominate Mr. Tamada as Director because the Board of Directors determined that he can play a full role in deciding important matters and in the supervision of management execution of the UBE Group taking advantage of his extensive experience in the Company's business.

Candidate No.

4

Masayuki Fujii

Date of birth: Mar. 9, 1963



[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1985 Joined the Company

Apr. 2015 Executive Officer

Apr. 2019 Managing Executive Director (current position)

Jun. 2019 Director (current position)

Candidate to be re-elected

Shares of the Company's stock owned	8,700	Years in office (at the close of this Ordinary General Meeting of Shareholders)	3 years	Attendance at the meetings of Board of Directors in 116th fiscal year	14/14 (100%)
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[Special interests between the candidate and the Company]

There is no special interest between Mr. Masayuki Fujii and the Company.

[Important concurrent positions] None

[Reason for the nomination as a candidate for Director]

Mr. Masayuki Fujii has wide experience in the business of chemicals, and corporate business management section, and has held Group CFO, General Manager of Corporate Planning & Administration Office successively in charge of the Company's financial strategy.

The Board of Directors has decided to re-nominate him as Director because the Board of Directors determined that he can play a full role in deciding important matters and in the supervision of management execution of the UBE Group taking advantage of his extensive experience in the Company's business.



[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1977 Joined Tokyo Electron Limited

Dec. 1990 Director, Tokyo Electron Limited

Apr. 1994 Managing Director, Tokyo Electron Limited

Jun. 1996 Representative Director, President of Tokyo Electron Limited

Jun. 2003 Representative Director, Chairman of the Board of Tokyo Electron Limited

Jun. 2012–Jun. 2014 Outside Director of the Company

Jun. 2013 Representative Director, Chairman and President of Tokyo Electron Limited

Jun. 2015 Representative Director, President of Tokyo Electron Limited

Jun. 2016–Jun. 2019 Director, Corporate Advisor, Tokyo Electron Limited

May 2018 Outside Director, Seven & i Holdings Co., Ltd (current position)

Jun. 2019 External Director, Nomura Real Estate Holdings, Inc. (current position)

Jun. 2019 Outside Director of the Company (current position)

Candidate to be re-elected

Candidate for Outside Director

Candidate for Independent Director

Shares of the Company's stock owned	1,200	Years in office (at the close of this Ordinary General Meeting of Shareholders)	3 years	Attendance at the meetings of Board of Directors in 116th fiscal year	12/14 (85%)
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[Important concurrent positions and special interests between the Company and entity where important concurrent positions are held, and matters regarding independency]

Organization where concurrent Position is held	Concurrent position	Transaction matter, etc.
Seven & i Holdings Co., Ltd.	Outside Director	None
Nomura Real Estate Holdings, Inc.	External Director	None

The Company has no special relationship with Seven & i Holdings Co., Ltd. (“7&i HDGS”), and Nomura Real Estate Holdings, Inc. (“Nomura Real Estate HDGS”), respectively.

Mr. Higashi concurrently serves as outside director of 7&i HDGS and Nomura Real Estate HDGS, without execution of operation at any of those companies and therefore, the Company has decided his concurrent assumption of outside director of 7&i HDGS, and Nomura Real Estate HDGS would not impair independence of outside director of the Company.

As stipulated by the rules of Tokyo Stock Exchange, Inc., etc. (“TSE”), The Company has designated Mr. Tetsuro Higashi as an independent director who is unlikely to engender conflicts of interests with general shareholders, and has notified the TSE.

[Reason for the nomination as a candidate for Outside Director and expected role to fulfill after election]

Mr. Tetsuro Higashi has for many years successively been involved in corporate management as a senior executive of Tokyo Electron Limited (“TEL”). Mr. Higashi has extensive corporate management experience and broad insight into corporate management, including making a significant contribution to the globalization of TEL. Mr. Higashi also possesses extensive knowledge of all aspects of global management by Japanese companies.

For the aforementioned reasons, the Board of Directors anticipates that Mr. Higashi will suitably execute his duties as an Outside Director and strengthen the management framework of the Company. Therefore, the Board of Directors has decided to re-nominate Mr. Higashi as an Outside Director candidate.



Candidate to be newly-elected

Candidate for Outside Director

Candidate for Independent Director

[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1976 Joined the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry)
 Jun. 2004 Director-General, Kinki Bureau of Economy, Trade and Industry
 Jul. 2006 Director-General, Regional Economic and Industrial Policy
 Jul. 2007–Jul. 2008 Director-General, Small and Medium Sized Enterprise Agency
 Jul. 2008–Jul. 2011 Deputy Director, NEDO
 Apr. 2013–Jun. 2016 Vice President, Japan Alcohol Corporation
 Feb. 2017 Director, Japan Testing Center for Construction Materials
 Sep. 2021 Advisor, Japan Testing Center for Construction Materials (current position)

Shares of the Company's stock owned	Years in office (at the close of this Ordinary General Meeting of Shareholders)	Attendance at the meetings of Board of Directors in 116th fiscal year

[Important concurrent positions and special interests between the Company and entity where important concurrent positions are held, and matters regarding independency]

There are no important concurrent positions held by Mr. Takefumi Fukumizu. There is no special interest between Mr. Fukumizu and the Company.

If the election of Mr. Takefumi Fukumizu as a Director is approved, Mr. Fukumizu will be designated as an independent director who is unlikely to engender conflicts of interest with general shareholders as stipulated by the rules of Tokyo Stock Exchange, Inc., etc. ("TSE"), with the intention to notify the TSE.

[Reason for the nomination as a candidate for Outside Director and expected role to fulfill after election]

Mr. Takefumi Fukumizu has been in charge of chemical safety and ceramic building materials at the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry), and has held important positions as Director-General of Regional Economic and Industrial Policy and Director-General of the Small and Medium Sized Enterprise Agency. He has also been involved in the expansion of research and technological development of domestic industries as Deputy Director of the New Energy and Industrial Technology Development Organization (NEDO), and has extensive knowledge and experience in such fields as industrial policy and industrial science technology. He also served as vice president of a business firm and has experience in business management.

For the aforementioned reasons, the Board of Directors anticipates that Mr. Takefumi Fukumizu will suitably execute his duties as an Outside Director and strengthen the management framework of the Company.

Therefore, the Board of Directors has decided to nominate Mr. Fukumizu as an Outside Director candidate.

Proposal 4: **Election of Two Directors who Are Audit and Supervisory Committee Members**

Mr. Tadahiko Fukuhara, a Director who is an Audit and Supervisory Committee member, will resign at the close of the Ordinary General Meeting of Shareholders. To strengthen the Company's audit system, we request that the number of Directors who are Audit and Supervisory Committee members be increased by one, and that two Directors who are Audit and Supervisory Committee members be appointed.

The Company requests that Mr. Tamesaburo Yamamoto, a candidate for Director who is also an Audit and Supervisory Committee member, be appointed as a substitute for Mr. Tadahiko Fukuhara, a Director who is an Audit and Supervisory Committee member. The term of office shall be until the expiration of the retiring Audit and Supervisory Committee member's term of office pursuant to Article 20 of the Article of Incorporation of the Company.

This proposal is made with the consent of the Audit and Supervisory Committee.

The candidates for Directors who are Audit and Supervisory Committee members positions are as follows:

Candidate No.	Name	Title, and area(s) of responsibility	Attendance at the meetings of Board of Directors in 116th fiscal year	Attendance at the meetings of Audit and Supervisory Committee in 116th fiscal year	Years in office (at the close of this Ordinary General Meeting of Shareholders)
1	Tamesaburo Yamamoto	Candidate to be newly-elected Outside Director candidate Independent Director candidate	—	—	—
2	Satoko Suzuki	Candidate to be newly-elected Outside Director candidate Independent Director candidate	—	—	—

Notes:

1. Contents of Limited Liability Contract

The Company has entered into an agreement with Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act as a Director based on Article 427, Paragraph 1 of the same Act. The limit to liability under the contract is the minimum amount stipulated by law. If the election of Mr. Tamesaburo Yamamoto and Ms. Satoko Suzuki is approved, the Company intends to enter into the limited contract agreement described here to.

2. The Company has entered into an agreement with the Directors to compensate them for the expenses stipulated in Article 430-2, Paragraph 1, No. 1 of the Companies Act and for losses stipulated in No. 2 of the same paragraph within the range stipulated by law. As a measure to ensure that the appropriateness of the execution of business by officers is unimpaired by the agreement, the agreement mainly stipulates the upper limit of compensation and acknowledges the need for compensation by the compensation committee. If the election of Mr. Tamesaburo Yamamoto and Ms. Satoko Suzuki is approved, the Company intends to enter into the limited contract agreement described here to.

3. Contents of Company Directors and Officers Liability Insurance

The Company has concluded a contract for directors and officers liability insurance (D&O insurance) with an insurance company.

The scope of the insured persons under the contract includes directors, auditors, executive officers, management employees,*1, outside dispatched directors*2, resigned directors and auditors, and their successors at the Company and its subsidiaries. Insured events that are covered include corporate litigation, shareholder litigation, and third-party litigation. As a measure to ensure that the appropriateness of the execution of business by the insured is unimpaired by the agreement, the agreement mainly stipulates that the total amount of insurance payment during the insurance period, personal profits received or the intentional violation of laws and regulations, and damages caused by criminal acts will not be compensated. The insurance fees are paid by the companies at which said directors perform their duties. If the election of Mr. Tamesaburo Yamamoto and Ms. Satoko Suzuki is approved, they will be included in the insured persons of this insurance agreement. The Company plans to conclude agreements with the same content when the insurance period expires.

*1 Management employee: Refers to a person who has been appointed as a "major employee" under the Companies Act by a resolution of the Board of Directors.

*2 Outside dispatched officer: If a person from the Company or its subsidiaries becomes director or officer of a domestic corporation other than the Company or its subsidiary, regardless of position in the Company or its subsidiaries, the insurance will cover liability arising from his/her duties as director/officer of the corporation. However, dispatch to corporations outside of Japan is not covered by the insurance.

Candidate No.

1

Tamesaburo Yamamoto

Date of birth: Mar. 19, 1958



Candidate to be newly-elected

Candidate for Outside Director

Candidate for Independent Director

[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Apr. 1998 Professor, Faculty of Law, Keio University (current position)

Jan. 2006–Feb. 2010 Examiner, Certified Public Accountant Examination

Nov. 2006–Oct. 2007 Examiner, New Bar Examination

Jun. 2010 Director, Japan Association of the Law of Trust (current position)

Oct. 2015–Oct. 2019 Director, Japan Association of Private Law

Shares of the Company's stock owned	—	Years in office (at the close of this Ordinary General Meeting of Shareholders)	—
Attendance at the meetings of Board of Directors in 116th fiscal year	—	Attendance at the meetings of Audit and Supervisory Committee in 116th fiscal year	—

[Important concurrent positions and special interests between the Company and entity where important concurrent positions are held, and matters regarding independency]

Organization where concurrent position is held	Concurrent position	Transaction matter, etc.
Keio University	Professor	None

The Company has no special relationship with Keio University.

If the election of Mr. Tamesaburo Yamamoto as a Director who is an Audit and Supervisory Committee member is approved, Mr. Yamamoto will be designated as an independent director who is unlikely to engender conflicts of interest with general shareholders as stipulated by the rules of Tokyo Stock Exchange, Inc., etc. ("TSE"), with the intention to notify the TSE.

[Reason for the nomination as a candidate for Outside Director who is Audit and Supervisory Committee member and expected role to fulfill after election]

Mr. Tamesaburo Yamamoto has been active for many years as a professor of the Faculty of Law at Keio University and its Graduate School, and as a legal scholar specializing in the Commercial Code and Companies Act, Mr. Yamamoto possesses the extensive knowledge and insight required of an Outside Director.

Mr. Yamamoto has not been involved in directly managing companies. For the aforementioned reasons, it is anticipated that Mr. Yamamoto will secure the effectiveness of audits and the health and appropriateness of management decision-making at the Company, and that he will also increase transparency, contribute to the sustainable growth of the Company, and elevate corporate value over the medium and long term. Therefore, the Board of Directors has decided to nominate Mr. Yamamoto as a candidate for Director who is an Audit and Supervisory Committee member.



[Summary of career, title, area(s) of responsibility, and important concurrent positions in other organization]

Oct. 1996 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
 Sep. 2003 Registered certified public accountant
 Aug. 2005 Representative, opened Suzuki Satoko CPA Office (current position)
 Mar. 2006 Registered tax accountant
 Sep. 2010 Auditor, non-profit Machizukuri Information Center Kanagawa (current position)
 Sep. 2012 Director, non-profit Accounting & Tax Professionals Network
 Jul. 2015 Supervisory Director, Ichigo Hotel REIT Investment Corporation (current position)
 Jun. 2019 Outside Director, Bull-Dog Sauce Co., Ltd. (current position)

Candidate to be newly-elected

Candidate for Outside Director

Candidate for Independent Director

Shares of the Company's stock owned	Years in office (at the close of this Ordinary General Meeting of Shareholders)]	—
Attendance at the meetings of Board of Directors in the 116th fiscal year	Attendance at the meetings of Audit and Supervisory Committee in the 116th fiscal year	—

[Important concurrent positions and special interests between the Company and entity where important concurrent positions are held, and matters regarding independency]

Organization where concurrent position is held	Concurrent position	Transaction matter, etc.
Suzuki Satoko CPA Office	Representative	None
Ichigo Hotel REIT Investment Corporation	Supervisory Director	None
Bull-Dog Sauce Co., Ltd.	Outside Director	None

The Company has no special relationship with organizations above and has no transactions with Suzuki Satoko CPA Office and Ichigo Hotel REIT Investment Corporation. Furthermore, since Ms. Suzuki serves as an Outside Director for and does not execute business at Bull-Dog Sauce, the Company has decided that her concurrent serving as an outside director at Bull-Dog Sauce would not impair her independence as an Outside Director of the Company.

If the election of Ms. Satoko Suzuki as a Director who is an Audit and Supervisory Committee member is approved, Ms. Suzuki will be designated as an independent director who is unlikely to engender conflicts of interest with general shareholders as stipulated by the rules of Tokyo Stock Exchange, Inc., etc. ("TSE"), with the intention to notify the TSE.

[Reason for the nomination as a candidate for Outside Director who is Audit and Supervisory Committee member and expected role to fulfill after election]

Satoko Suzuki has been involved in accounting audits and internal control system maintenance support service. She is currently the representative of a CPA office and is qualified as a CPA and a tax accountant.

Furthermore, she has extensive knowledge about corporate management and accounting through her experience in accounting audits at a non-profit and supervising business at an investment corporation.

Ms. Suzuki has not been involved in directly managing companies, by any means other than serving as an Outside Director. For the aforementioned reasons, it is anticipated that Ms. Suzuki will secure the effectiveness of audits and the health and appropriateness of management decision-making at the Company, and that he will also increase transparency, contribute to the sustainable growth of the Company, and elevate corporate value over the medium- and long-term. Therefore, the Board of Directors has decided to nominate Ms. Suzuki as a candidate for Director who is an Audit and Supervisory Committee member.

(Reference) Board of Directors [Scheduled for after June 29, 2022]

Under Ube corporate philosophy, “Pursue technology and embrace innovation to create value for the future and contribute to social progress,” the Company has formulated the medium-term business plan “UBE Vision 2030 Transformation—1st Stage,” a specific action plan to fiscal 2024 that depicts its vision for 2030 and management measures such as business structural reforms to achieve the long-term vision “UBE Vision 2030 Transformation.”

The Board of Directors of the Company believes that it is important to show a major direction for its business strategy and supervise its execution in order to realize this medium- to long-term business plan.

In order to be highly effective as a Board of Directors, the Company evaluates the Board of Directors as a whole to ensure they are equipped with the necessary skills and consists of personnel with abundant knowledge, experience and high ability in various fields.

	Name	General Business/sustainability	Finance/Accounting	Manufacturing/technology/R&D	Sales/marketing	Compliance/risk management	Human resource management	Internationalization	* Up to three areas of expertise expected of each Director are listed.
Directors (Excluding Directors who are Audit and Supervisory Committee members)	Yuzuru Yamamoto	✓		✓		✓			
	Masato Izumihara	✓	✓		✓				
	Hideo Tamada	✓				✓	✓		
	Masayuki Fujii	✓	✓					✓	
	Tetsuro Higashi	✓			✓			✓	
	Takefumi Fukumizu	✓		✓		✓			
Directors who are Audit and Supervisory Committee members	Atsushi Yamamoto	✓				✓	✓		
	Takashi Shoda	✓		✓				✓	
	Tamesaburo Yamamoto	✓				✓	✓		
	Satoko Suzuki	✓	✓			✓			

Decision on Compensation to Grant Restricted Stock to Directors

Proposal 5: (excluding Directors who Are Audit and Supervisory Committee Members and Outside Directors)

At the 113th Ordinary General Meeting of Shareholders held on June 27, 2019, it was decided that the amount of compensation for Directors of the Company (excluding Directors who are Audit and Supervisory Committee members) shall be not more than 720 million yen annually (of which the amount for Outside Directors [excluding Directors who are Audit and Supervisory Board members] shall be not more than 85 million yen annually). Further, at the 115th Ordinary General Meeting of Shareholders held on June 29, 2021, it was approved that the amount of compensation for share acquisition rights as stock compensation-type stock options for Directors (excluding Directors who are Audit and Supervisory Committee members) shall be not more than 130 million yen annually, which is separate from the amount of compensation paid to the above-mentioned Directors.

As part of its review of the officer compensation system, the Company has increased the incentives for its Directors (excluding Directors who are not Audit and Supervisory Committee members as well as Outside Directors; hereinafter “Eligible Directors”) to achieve the Company’s medium- to long-term goals and improve shareholder value. In addition, for the further sharing of value with shareholders, the Company will replace the current stock compensation-type stock option system with the new compensation for the granting of restricted shares to Eligible Directors.

In line with this, the Company will discontinue the provision for stock compensation-type stock options and replace it with a total monetary claim of not more than 70 million yen annually (however, the salary of employees of Directors who are also Company employees shall not be included) to be paid to the Eligible Directors as compensation for the restricted shares. Furthermore, the Board of Directors shall decide the actual timing and allotment of payment to each Eligible Director.

The current number of Directors (excluding Directors who are Audit and Supervisory Committee members) is six (6) (of which two are Outside Directors). If Proposal No. 3 “Appointment of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee members) is approved as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee members) shall be six (6) (of which two (2) are Outside Directors).

In addition, the Eligible Directors shall pay all monetary claims paid by this proposal as properties contributed in kind based on a resolution of the Board of Directors of the Company, and the common shares of the Company shall be issued and disposed of. As such, the total number of common shares of the Company issued or disposed of thereby shall be not more than 41,000 shares (however, if a stock split of the Company’s common shares [including an allotment of the Company’s common shares without contribution] or if a reverse stock split is performed after the date on which this proposal is approved, the stock shall be issued or disposed of as other stock with transfer restrictions, or if there is a reason that the total number of common shares of the Company requires adjustment, the total number will be adjusted within a reasonable range). The amount to be paid per share will be the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day before the date of each board resolution (if the transaction is not closed on the same day, then the closing price on the previous trading day). The amount will be decided by the Board of Directors to the extent that the amount is not particularly favorable to the Eligible Directors who will underwrite the common stock. In addition, the issuing or disposing of the Company’s common shares and the paying of monetary claims as properties contributed in kind shall be subject to the conclusion of a restricted share allotment agreement (hereinafter “Allotment Agreement”) between the Company and the Eligible Directors that includes the following content. Furthermore, the upper limit of compensation in this proposal, the total number of common shares of the Company to be issued and disposed of, and other conditions for the granting of restricted shares to the Eligible Directors based on this proposal have been determined in consideration of the aforementioned objectives, the business conditions of the Company, the policies on individual compensation of the Directors of the Company (if this proposal is approved, the content of those policies will be changed to that described [reference] in the column below so that it is consistent with the approved content), and various other factors. The Company believes the decision to be reasonable.

Subject to the approval of this proposal, share acquisition rights will not be issued thereafter based on the amount of compensation related to share acquisition rights as stock compensation-type stock options. Of the share acquisition rights as stock compensation-type stock options that have been granted to the Eligible Directors, those that have not been exercised shall be waived by the Eligible Directors subject to this proposal’s approval.

Therefore, in the current fiscal year only, as a transitional measure from stock compensation-type stock options, the Company shall provide Eligible Directors with compensation to acquire the same number of restricted shares as the number of shares that are the object of share acquisition rights (91,700 shares). The total value of which shall be a maximum of 369 million yen annually, which is separate from the aforementioned “total monetary claim of not more than 70 million yen annually.” The total number of common shares to be newly issued or disposed of shall be not more than 91,700 shares annually, in addition to the above 41,000 shares. This was already granted to the Eligible Directors in previous years and does not add any new compensation.

[Overview of the New Allotment Agreement]

(1) Transfer Restriction Period

The Eligible Directors shall not transfer, establish security rights, or otherwise dispose (hereinafter, “Transfer Restrictions”) of the common shares of the Company allotted under the Allotment Agreement (hereinafter, “Allotted Shares”) for a period predetermined by the Board of Directors of the Company (hereinafter, “Transfer Restriction Period”) between three to 30 years from the date of the allotment under the Allotment Agreement.

(2) Handling at Time of Retirement

In the event that the Eligible Directors retire from the position of officer or employee of the Company or its subsidiaries, which is predetermined by the Board of Directors of the Company, prior to the expiration of the period, which is predetermined by the Board of Directors of the Company (hereinafter, “Service Provision Period”), the Company shall naturally acquire the Allotted Shares free of charge unless the term of office has expired, death has occurred, or there is another justifiable reason for the retirement.

(3) Lifting of Transfer Restrictions

Subject to the condition that the Eligible Director has been in a position predetermined by the Board of Directors of the Company to be among the positions of officers and employees of the Company or its subsidiaries during the Service Provision Period, the Company will lift the

Transfer Restrictions on all the Allotted Shares when the Transfer Restriction Period expires. However, if the Eligible Director retires from their position as an officer or employee of the Company or a subsidiary of the Company, which is predetermined by the Company, before the Transfer Restriction Period expires due to the expiration of their term of office, death, or other justifiable reason, the number of shares to be allotted for which the Transfer Restriction will be lifted and the timing for lifting the Transfer Restriction shall be reasonably adjusted as necessary. Immediately after the Allotted Shares held by the Eligible Directors who have retired from their position as predetermined by the Board of Directors of the Company and the Transfer Restriction has been lifted in accordance with the above provisions due to the expiration of their term of office, death, or an other than justifiable reason before the expiration of the Transfer Restriction Period, the Company shall naturally acquire free of charge the Allotted Shares for which the Transfer Restrictions have not been lifted.

(4) Handling in Organizational Restructuring

Notwithstanding the provisions of (1) above, in the event that a merger agreement in which the Company becomes an absorbed company, a share exchange agreement in which the Company becomes a wholly owned subsidiary, a share transfer plan, or other matter related to organizational restructuring is approved at the Ordinary General Meeting of Shareholders (however, if the reorganization does not require the approval of the Ordinary General Meeting of Shareholders of the Company, then the Board of Directors of the Company) during the Transfer Restriction Period, the Transfer Restrictions will be lifted prior to the effective date of the organizational restructuring for the number of shares to be allotted that is reasonably determined based on the period from the start date of the Transfer Restriction Period to the approval date of the organizational restructuring by the resolution of the Board of Directors. In the case specified above, immediately after the Transfer Restrictions have been lifted, the Company will naturally acquire free of charge the Allotted Shares for which the Transfer Restrictions have not been lifted.

(5) Other Matters

Other matters concerning this Allotment Agreement shall be decided by the Board of Directors of the Company.

(Reference) Policy for determining compensation for Directors (excluding Directors who are Audit and Supervisory Committee members)

1. Basic Policy

The compensation of the Directors of the Company (excluding Directors who are Audit and Supervisory Committee members; hereinafter, "Directors") shall be a system of compensation that fully functions as an incentive to continuously raise corporate and shareholder value. When determining individual compensation for Directors, the Company's basic policy is to set an appropriate level based on each job responsibility within the compensation limit of Directors by a resolution of the Ordinary General Meeting of Shareholders.

With respect to the compensation for Inside Directors among Directors, the Company will strengthen the link with business performance and reflect not only single-year business performance but also medium- to long-term target achievement. In addition to cash compensation, the Company will provide stock compensation to create a compensation system that consciously improves corporate and shareholder value over the medium to long term.

Specifically, the compensation of Inside Directors consists of base compensation, which is a fixed compensation by position, and annual incentives and long-term incentives, which are performance-linked compensation. The annual incentive consists of Companywide performance-linked compensation and annual individual target-based compensation, and the long-term incentive consists of medium- to long-term individual target-based compensation and restricted stock compensation.

Among Directors, Outside Directors will be compensated a fixed amount of base compensation.

2. Policy on determining the amount of base compensation.

The annual amount of base compensation for Inside Directors is determined by their position. The base compensation of Outside Directors shall be determined as a fixed annual amount.

3. Policy on determining the content and amount of performance-linked compensation (excluding restricted stock compensation)

Of the performance-linked compensation of Inside Directors, the Companywide performance-linked compensation uses consolidated ordinary profit that can reflect the performance of equity-method affiliates as a benchmark to raise awareness of improving the performance of the Group each fiscal year. It is determined by multiplying the consolidated ordinary profit for the fiscal year by the coefficient for each position.

The annual and medium- to long-term individual target-based compensation are determined according to the degree of achievement of annual and medium- to long-term targets set by each officer at the beginning of the fiscal year based on the evaluation tables established in advance for each position.

4. Policy on determining the content and amount of non-monetary compensation.

Non-monetary compensation for Inside Directors is stock compensation with Transfer Restrictions, and stock with Transfer Restrictions is allotted and granted according to position with the goal of increasing incentives for Inside Directors to achieve medium- to long-term targets and improve shareholder value. Only in the fiscal year following the three-year medium-term management plan period, which is established by the Company, the number of shares to be granted shall be adjusted from up to 80% to 130% depending on the degree of achievement of the key indicators (consolidated ordinary profit, consolidated free cash flow, and consolidated ROE) during the period.

5. Policy on determining the ratio of base compensation, performance-linked compensation, and non-monetary compensation to the individual compensation of Inside Directors

The ratio of compensation by type for Inside Directors, while focusing on the level and stability of base compensation, will emphasize the improvement of corporate value over the medium to long term, and will be set appropriately taking into account the balance between base compensation and performance-linked compensation (including restricted stock compensation). The ratios of performance-linked compensation for the President and the Chairman are higher, and base compensation lower, compared to those for other Directors.

Specifically, the ratios of base compensation, annual incentive, and long-term incentive (including restricted stock compensation) are designed so that base compensation is 50%, annual incentive is 30%, and long-term incentive is 20% based on the past average of consolidated ordinary profit and the intermediate value of the annual and medium- to long-term individual target-based compensation.

6. Policy on determining the timing and conditions for providing compensation

Individual compensation for Directors (excluding restricted stock compensation for Inside Directors) shall be paid for a one-year term of office from July to June of the following year. Furthermore, the total amount divided by 12 shall be paid monthly.

Restricted shares for Inside Directors shall be allotted and granted within one year from of the date of the Ordinary General Meeting of Shareholders of each fiscal year.

7. Matters concerning decisions about the content of individual director compensation

To ensure transparency and objectivity, the individual compensation of Directors is deliberated on by the Remuneration Committee, which is chaired by an outside director and the majority of its members are outside directors. The compensation is determined by the Board of Directors following presentation and reporting of the results of deliberations by the Compensation Committee, which is an advisory body to the Board of Directors.

With regard to the level of director compensation, always reference the corporate officer compensation survey data of outside research organizations and compare it to the compensation levels at major manufacturing industries similar in size and type to the Company's and decide by considering all factors while verifying the objective validity.

End of Document