

Company name: Enplas Corporation
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Notice Concerning Introduction of Restricted Stock Remuneration System

Enplas Corporation ("Enplas", Head Office: Saitama, President: Daisuke Yokota) hereby announces that at the meeting of the Board of Directors held on April 30, 2021, it resolved to introduce a restricted stock remuneration system (hereinafter referred to as "the System"). The proposal for adopting the System will be presented at the 60th Annual Meeting of Shareholders (hereinafter referred to as the "Shareholders Meeting") scheduled to be held on June 23, 2021.

1. Purposes and conditions for introducing the System

(1) Purposes for introducing the System

The System grants restricted stock to the Directors, excluding Audit Committee Directors and Outside Directors, (hereinafter referred to as "Applicable Directors") as an incentive to continuously improve Enplas's corporate value, and is intended to promote further value sharing with Enplas's shareholders.

(2) Conditions for introducing the System

As the System will provide monetary remuneration claims for the grant of restricted stock to Applicable Directors, the introduction of the System shall be subject to the approval of the shareholders at the Shareholders Meeting.

At the 54th Annual Meeting of Shareholders held on June 26, 2015, it has been approved that the amount of remuneration for Directors (excluding Audit Committee Directors) shall not exceed 300 million yen per fiscal year (of which the amount for Outside Directors shall not exceed 50 million yen per fiscal year), and the amount for Audit Committee Directors shall not exceed 100 million yen per fiscal year.

Enplas will propose to introduce the System and establish a remuneration quota for the System for the Applicable Directors, which is different from the above remuneration quota at the Shareholders Meeting.

2. Overview of the System

The Applicable Directors shall pay out of all the monetary remuneration claims provided by Enplas according to the System, and shall, in return, receive the Enplas's common shares that will be issued or disposed of by Enplas.

The total amount of monetary remuneration claims to be paid to the Applicable Directors based on the System shall be 30 million yen or less per year (excluding the portion of employee's salary for directors

who concurrently serve as employees).

The total number of common shares to be issued or disposed of by Enplas in the System (hereinafter referred to as “the Shares”) shall be 7,500 or less per year. In the event of a share split (including the allotment of Enplas’s common shares without consideration) or share consolidation of the Enplas’s common shares with an effective date that is on or after the resolution date of the Shareholders Meeting, the total number of shares shall be adjusted to a reasonable extent in accordance with the split ratio, consolidation ratio, etc. after the effective date. The amount to be paid-in per share shall be decided at the Board of Directors to the extent that the amount is not particularly favorable to the Applicable Directors who will receive Enplas’s common shares, based on the closing price of the Enplas’s common share on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors (or, if no transaction is made on the same day, the closing price of the immediately preceding business day. The specific timing of payment thereof and allocation to each Applicable Director shall be determined at the Board of Directors.

In addition, the issuance or disposal of the Shares shall be subject to the conclusion of a Restricted Stock Allotment Agreement including the following items between Enplas and each Applicable Director who is scheduled to receive the allotment of the Shares:

- 1) The transfer of the Shares to a third party, the establishment of a security interest in the Shares, or any other disposition of the Shares is prohibited for a certain period of time, and
- 2) Enplas shall acquire the Shares without consideration in the case where certain events occur, etc.

The Shares shall be managed in accounts that will be specially opened by the Applicable Directors at Daiwa Securities Co., Ltd. during the restricted transfer period so that the shares cannot be transferred, secured or otherwise disposed of during the restricted transfer period.

In order to realize the sharing of value with shareholders, which is one of the purposes of introducing the System, over the medium to long term, the restricted transfer period is scheduled to be the period from the date on which restricted stock is granted to the date on which the Applicable Director loses his/her position as a director of the Enplas or any other position determined by the Board of Directors of the Enplas.

3. Application of the System to Enplas's Executive Officers, other employees and certain directors of the Enplas's subsidiaries

Enplas shall also introduce a system to grant restricted stock to the Enplas's executive officers, other employees and certain directors of the Enplas's subsidiaries on the condition that the introduction of the System is approved at the Shareholders Meeting.

Notice:

1. The official version of this announcement was published in Japanese. An unofficial English translation is provided for the convenience of overseas investors. For any discrepancies between the Japanese and English versions, the Japanese version shall prevail.