

*(This document is made in Japanese and translated into English for reference purposes. If there is any conflict or inconsistency between these two documents, the Japanese document prevails.)*



February 12, 2021

To Whom It May Concern

Company Name: Arealink Co., Ltd.  
Representative: Naomichi Hayashi □  
President and CEO  
(Securities Code: 8914, TSE 2nd section)  
Inquiries: Wataru Sasaki  
Executive Officer, Head of  
Administrative Division  
TEL 03—3526—8555

## **Notice Concerning the Introduction of a Restricted Stock Compensation Plan**

Arealink Co., Ltd. hereby announces that, as of the Board of Directors meeting to be held on February 12, 2021, the Company will resolve to introduce a restricted stock compensation plan (hereinafter the “Plan”) as a new incentive scheme for directors. The Company will submit a proposal regarding this Plan to the 26th Ordinary General Meeting of the Shareholders (hereinafter the “AGM”) scheduled to be held on March 24, 2021.

### **1. Purpose and Conditions for Introducing the Plan**

#### 1.1 Purpose of Introducing the Plan

The Plan is a compensation system that provides an incentive for the Company’s directors (excluding outside directors, and hereinafter “Eligible Directors”) to continuously improve the Company’s corporate value, and to promote further shared value with its shareholders.

#### 1.2 Conditions for Introducing the Plan

Under the Plan, restricted stock will be allocated to Eligible Directors as remuneration. Therefore, the introduction of the Plan to allocate such remuneration is subject to the approval of shareholders at the AGM.

At the 23rd AGM held on March 28, 2018, the amount of remuneration for directors of the Company was approved to be no more than 300 million yen per year. At the AGM, the Company will request shareholders’ approval to introduce the Plan within the scope of the aforementioned remuneration limit, thereby establishing the Plan’s remuneration limit for the Eligible Directors.

### **2. Outline of the Plan**

Under the Plan, Eligible Directors are not required to pay money in exchange for subscription shares but instead shall be issued with common shares in the Company, or treasury stock shall be disposed of, as compensation for the directors.

The total number of common shares issued or disposed of by the Company for the allocation of restricted stock shall be no more than 50,000 shares per year. In the event of a share split (including the allotment of

Company's common shares without contribution) or share consolidation with an effective date that is on or after the resolution date of the AGM, the said total number of shares may be reasonably adjusted according to the split or consolidation ratio. The amount for the common shares issued or disposed of shall be no more than 50 million yen per year (excluding the portion of employee's salary for directors who concurrently serve as employees). No monetary payment is required to grant the restricted stock, however, remuneration for the Eligible Directors shall be decided by the Board of Directors based on the Company's closing share price on the Tokyo Stock Exchange on the business day prior to (or in the event of no trading on that day, the closing price on the last trading day immediately prior to) the date of the resolution by the Board of Directors. The remuneration shall be decided to the extent that it will not constitute an especially advantageous sum with respect to the Eligible Directors who have been allocated the restricted stock. The specific timing of payment and allocation to each of the Eligible Directors shall be determined by the Board of Directors after full consideration is given to various matters, such as the degree to which directors have contributed towards performance in the previous fiscal year.

Furthermore, the issuance or disposal of restricted stock under the Plan shall be subject to the conclusion of a Stock Restriction Agreement between the Company and each Eligible Director who will be allocated restricted stock to include the following items:

- 1) The Eligible Director shall not transfer, create a security interest on, or dispose of restricted stock for a certain period of time (hereinafter the "transfer restriction period"), and;
- 2) The Company shall acquire the restricted stock without contribution upon the occurrence of certain events.

During the transfer restriction period, the restricted stock shall be administered in dedicated accounts opened by the Eligible Directors at Okasan Securities Co., Ltd. This is to ensure Eligible Directors do not transfer, create a security interest on, or dispose of the restricted stock during the transfer restriction period.