



News Release

June 30, 2022

Cybozu, Inc.

**Cybozu becomes First Japanese Company to Establish
a Global Employee Share Ownership Plan
Encompassing Overseas Locations**

~ Fixed-term contact employees in Japan will also be eligible to join the
Japan Employee Share Ownership Program ~

TOKYO, JAPAN -- Cybozu, Inc. (Head Office: Chuo-ku, Tokyo; Representative Director and President: Yoshihisa Aono; "Cybozu") will globally roll out a share ownership plan whereby employer contributions match employee contributions 100%. Cybozu is pleased to announce that in addition to the existing Employee Share Ownership Program that has been in operation in Japan, we will be introducing the Cybozu Employee Share Ownership Plan ("Global Share Ownership Plan"), which will be rolled out to our overseas offices come January 2023. At the same time, we have also decided to expand the scope of the Japan Employee Share Ownership Program, granting fixed-term contract employees eligibility to join the program, in addition to the existing open-ended contract employees.

■ Background to Introduction of the Global Share Ownership Plan

Cybozu introduced our Employee Share Ownership Program in Japan, in April 2005, and since September 2005, we have operated the plan at the increased employer contribution rate of 100%, equally matching employee contributions. Now, utilizing the new Global Share Ownership Plan, to be delivered by Nomura Securities Co., Ltd., (Head Office: Chuo-ku, Tokyo; Representative Director and President: Kentaro Okuda), Global Shares plc (Head Office: Republic of Ireland; CEO: Tim Houstoun), and Tapestry Compliance Limited (Head Office: United Kingdom; Representative: Chris Fallon), Cybozu will become the first Japanese company to also extend eligibility to join a share ownership plan to employees at its global locations.

Through the Global Share Ownership Plan, Cybozu will create an environment in which each employee can take more ownership of his or her work, and we will strive even harder to create a society that is brimming with teamwork around the globe.

■ Summary of the Global Share Ownership Plan Rules

Please find a summary of the rules of the Global Share Ownership Plan attached. The detailed design of the plan for each location will be determined separately.

Please see the attached reference material.



■ Thinking behind the Introduction of the Global Share Ownership Plan

We have summarized the thinking behind the introduction of the Global Share Ownership Plan, which is a new initiative for Cybozu. See below for details.

(Japanese web page) <https://cybozu.backstage.cybozu.co.jp/n/n8771beaf079>

■ Overview of Service Providers Operating the Global Share Ownership Plan

Nomura Securities Co., Ltd.: Nomura Securities provides a range of services including asset management and financing, not only to individual investors but also to many different types of companies, through the capital markets. Nomura Securities is the largest trustee of shareholding associations in Japan and is entrusted with the administration of Cybozu's Japan Employee Share Ownership Program.

Responsible Department: Lifeplan Services Department (Tel. No.: +81-3-6741-8267, email: gmochikabukai-r4310074@jp.nomura.com)

<https://www.nomuraholdings.com/company/group/nsc/index.html>

Global Shares plc: Global Shares is an Irish FinTech company with solutions dedicated to the practical administration of equity compensation plans in over 100 countries. In Japan, Global Shares Japan K.K. was established in January 2019, to provide management support for global stock incentive plans for several Japanese companies using TSE-listed common stock.

<https://www.globalshares.com/>

Tapestry Compliance Limited : Tapestry Compliance Limited is a multi-award winning corporate law firm, based in the United Kingdom that specializes in all aspects of global employee share plans, executive remuneration and incentives. Tapestry Compliance Limited has assisted Cybozu with the implementation of the Global Share Ownership Plan and provided advice on due diligence, taxation and other compliance matters in respect of the Global Share Ownership Plan.

<https://tapestrycompliance.com/>

* For notes on trademarks and copyright notices, please click here (Japanese web page).

<https://cybozu.co.jp/logotypes/other-trademark/>

Summary of the Cybozu Employee Share Ownership Plan

1. General

The operation of the Cybozu Employee Share Ownership Plan (the “**Plan**”) will be overseen by the Company.

Decisions of the Head of Human Resources are final and conclusive.

2. Eligibility

Employees of Cybozu and its subsidiaries who are resident outside of Japan, in a country or state in which Cybozu has a presence (“**Eligible Employees**”) are eligible to participate in the Plan.

3. Awards under the Plan

The Plan is for eligible employees and is a share purchase plan. The Company will issue a general invitation to Eligible Employees to apply to participate in the Plan to purchase shares in Cybozu.

Participants choose to make regular contributions from their salary in order to purchase shares in Cybozu. Where participants make contributions from salary, Cybozu will add an additional cash amount to those contributions to increase the amount used to purchase shares. The participants employer will choose the frequency by which contributions from salary will be deducted.

The Company will specify the minimum and the maximum amount that participants may choose to contribute under the Plan. The Company will also specify the percentage of the participants’ contributions that will be added to those contributions to purchase shares.

Eligible Employees may apply to participate in the Plan during an invitation period. The Eligible Employees employer will decide when invitation periods will occur. Eligible Employees must complete a share purchase plan agreement in order to apply for an award under the Plan.

The share purchase plan agreement will set out:

- the amount the participant would like to contribute per contribution from their salary;
- the percentage of the participant’s chosen contribution amount which Cybozu will pay as a discretionary cash bonus to the participant when a contribution is made; and
- that the participant agrees for the chosen contribution plus the amount of the discretionary bonus to be deducted from the participant’s net salary and used to purchase Cybozu shares.

Following the participant completing the share purchase plan agreement, the participant’s employer will make arrangements to:

- pay the discretionary cash bonus to the participant each time a contribution is made;
- deduct from the participant’s net salary the chosen contribution plus the amount the discretionary bonus; and
- apply the amounts deducted for the purchase of Cybozu shares on the open market,

each time a contribution is made.

4. Plan administrator

Shares acquired by participants under the Plan are held by a Plan administrator on behalf of the participants. Participants will be entitled to dividends paid in respect of shares acquired under the Plan and entitled to vote at the AGM.

Participants may elect to sell shares acquired under the Plan or to give the Plan administrator instructions to transfer those shares out of the Plan.

However, participants resident in China cannot transfer shares out of the Plan, and may only elect to sell shares under the Plan. Dividends and sale proceeds must be repatriated to China.

5. Ongoing participation in the Plan

Participants may choose to vary the amounts of the chosen contributions from salary (within the maximum and minimum permitted contributions). In addition, Participants may choose to suspend their participation in the Plan.

Participants may also choose to withdraw entirely from the Plan, if they so wish. However, participants who withdraw from the Plan may not normally re-join the plan except in exceptional circumstances.

The Company may change the maximum and/or minimum permitted contribution under the Plan. In addition, the Company may decide to change the percentage rate at which it will match participants' contributions under the Plan.

6. Dividend reinvestment

Unless the Company decides otherwise, dividends paid on shares held under the Plan will be reinvested to purchase additional Cybozu shares on behalf of participants. Participants in China will not reinvest dividends, which must be repatriated.

7. Leavers

If a participant leaves employment with Cybozu, the participant's award under the Plan will lapse. Following the lapse of the award, no further deductions from salary will be made in order to purchase shares.

Participants who have left may continue to hold Plan Shares with the Plan administrator, subject to any reasonable charges raised by the Plan administrator in relation to the cost of holding the Plan Shares.

Participants will then be required to remove their shares from the Plan or to give the Plan administrator instructions to sell their shares.

8. Amendments and termination

The Company may change the Plan in any way and at any time.

The Plan will continue unless and until the Company chooses to terminate the Plan.