

April 19, 2024
ADEKA CORPORATION

Notice of Introduction of Employee Stock Benefit Trust (J-ESOP)

At a meeting of the Board of Directors held today, we have resolved to introduce an incentive plan, "Share Benefit Trust (J-ESOP)" , under which the Company's shares are provided to employees of the Company and some of the Group companies, (hereinafter referred to as the "Plan" and a trust established under the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. with respect to the Plan, is referred to as the "Trust"), in order to enhance the linkage between the Company's stock price and performance and the treatment of employees, and to share the economic effects with shareholders, thereby raising the motivation and morale of employees to improve the stock price and performance. The following is an announcement.

Description

1. Background of Introduction

In April of this year, we launched a medium-term management plan, "ADX 2026," which will serve as the second stage of our efforts to realize our goal, based on the ADEKA Group Management Policies "To be a company that is progressive and dynamic with a keen attitude towards the new changing tide" and "Creating a better future for the people of the world." We have established a vision for 2030 of "ADEKA VISION 2030: *An Innovative Company Contributing to a Sustainable Future and Affluent Lifestyles.*" In formulating ADX 2026, we have been considering various incentive plans in order to raise employee morale and expand opportunities for human resources to play an active role.

The basic policy of ADX 2026 is to increase social value and achieve sustainable growth by promoting sustainability. We have recently decided to introduce the Plan as part of our efforts to establish a foundation for human capital utilization and to strengthen human capital management and investment in human capital in order to strengthen our management.

In order to strengthen the earning power of our group and realize sustainable growth, the growth of each and every employee is essential. We expect that the employee will be able to pay our stock to the employees themselves and become a stockholder, thereby raising their awareness of participation in management from the same point of view as the stockholder and their awareness of improving corporate value over the mid-to long-term, and making them more ambitious to work than ever before, thereby contributing to the further creation of group engagement.



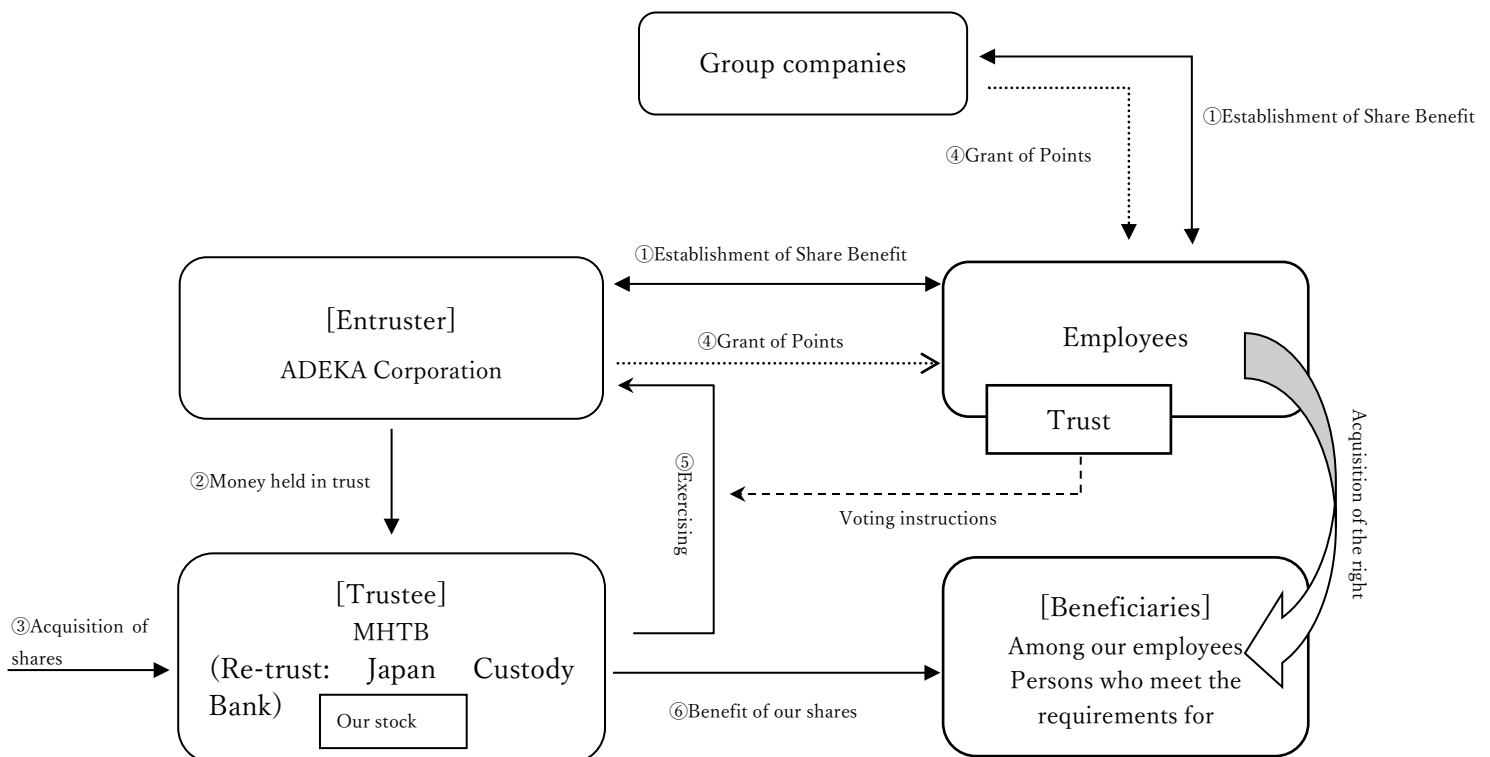
2. Outline of the Plan

The Plan is a trust-type scheme based on the U.S. ESOP (Employee Stock Ownership Plan system). Under the stock benefit regulations stipulated in advance by the Company, the Company will provide employees who meet certain conditions with our shares and cash equivalent to the amount of our shares converted at the market price (hereinafter referred to as "our shares").

We grant employees points in accordance with their individual contributions and positions, etc., and provide the Company's shares, etc., corresponding to the applicable points when they acquire the right to receive benefits under certain conditions. Shares to be provided to employees shall be acquired in the future, including the amount of money set in the trust in advance, and shall be segregated and managed as trust assets.

The timing and amount of the establishment of the trust under this system will be announced once decided.

[Mechanism of the System]



- ① We and some of our group companies have established the Share Benefit Regulations when introducing this system.
- ② In order to acquire shares to be paid to employees in the future in accordance with the Share Benefit Regulations, we will entrust money (other profit trust) to Mizuho Trust & Banking Co., Ltd. (re-entrusted to Japan Custody Bank, Ltd.).
- ③ The Trust will acquire our shares from the money entrusted under ② through the exchange market or by way of subscription for the disposition of our own shares.



- ④ We and some of our group companies grant points to employees in accordance with the Share Benefit Regulations.
- ⑤ The Trust shall exercise its voting rights under the instructions of the Trust Administrator.
- ⑥ The Trust shall provide the Company's shares to employees who have met the requirements for beneficiaries set forth in the Share Benefit Regulations (hereinafter referred to as the "Beneficiaries") according to the number of points granted to such beneficiaries.

■ Contacts

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*Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only.
In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.*