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To whom it may concern:

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Notice Concerning Continuation and Partial Revision of Performance-Linked Stock Compensation System

JEOL Ltd. (hereinafter, the “Company”) hereby announces that, at the Board of Directors’ meeting held today, it has decided to submit a proposal regarding the continuation and partial revision of the performance-linked stock compensation system (hereinafter, the “System”) introduced in fiscal 2018 for the Company’s directors (excluding outside directors, non-executive directors and expatriates) and executive officers who have signed an entrustment agreement with the Company (excluding expatriates; hereinafter collectively, “Directors, etc.”) to the 78th Ordinary General Meeting of Shareholders (hereinafter, the “General Meeting of Shareholders”) to be held on June 26, 2025. Details are as follows.

1. Continuation and Partial Revision of the System

- (1) The Company has decided to continue the System, which aims to raise awareness of contributions to the improvement of the Company’s medium- to long-term business performance and the increase of corporate value, partially revising the System for Directors, etc. The continuation and partial revision of the System have been deliberated by the Compensation Committee, in which the chairperson and the majority of the committee members are independent outside directors.
- (2) The System is a stock compensation system using a mechanism known as the Board Incentive Plan Trust (hereinafter, the “BIP Trust”). The BIP Trust is an incentive plan for directors similar to the Performance Share system and Restricted Stock system in Europe and the United States. After the retirement of Directors, etc. (if it is decided that a Director, etc. will become an expatriate due to an overseas assignment, after the decision is made, or if the Director, etc. dies, after the death; the same shall apply hereinafter), the Company shall deliver or provide (hereinafter, “Delivery, etc.”) the Company stocks or the amount of money equivalent to the conversion value of the Company stocks acquired through the BIP Trust using the remuneration for Directors, etc. contributed by the Company (hereinafter, the “Company Stocks, etc.”), depending on the degree of achievement, etc. of performance targets.

(3) For the continuation of the System, the trust agreement of the BIP Trust (hereinafter, the “Trust”) already established by the Company shall be revised as described in 2. below.

(4) Partial revision of the System is subject to approval by the General Meeting of Shareholders.

2. Details of Revision of the System

For the continuation of the System, the trust period of the Trust already established will be extended, and the following points will be partially revised, subject to approval at the General Meeting of Shareholders. Items not described below are substantially the same as those of the System introduced in fiscal 2018.

(1) Concept of revision of the System

The Company has recently formulated the new Medium-Term Management Plan, “Evolving Growth 2.0 – A New Horizon –” which will run for 5 years beginning in fiscal 2025. With the aim of achieving the targets of the plan and further increasing the motivation of Directors, etc. to contribute to the improvement of the Company's medium- to long-term business performance and the increase of corporate value, the Company revises the period covered by the System, as well as the maximum amount of money to be contributed by the Company and the maximum number of total points to be granted to Directors, etc.

(2) Outline of the revised System

	Before the revision	After the revision
Covered period	<u>Three consecutive fiscal years</u> corresponding to the period covered by the Company's Medium-Term Management Plan	<u>The fiscal year</u> corresponding to the period covered by the Company's Medium-Term Management Plan
Maximum amount of money contributed by the Company	- <u>720 million yen in total for the covered period consisting of three fiscal years</u> - <u>However, 960 million yen for four fiscal years during the initial covered period</u>	- <u>350 million yen per fiscal year</u> - <u>For the covered period after the revision of the System, 1,750 million yen for five fiscal years</u>
Maximum number of total points granted to Directors, etc.	- The maximum number of total points granted to Directors, etc. per fiscal year is <u>430,000</u> points. The ratio of the number of stocks converted to 1 point =1 share to the Company's total number of issued stocks is approximately <u>0.45%</u> (as of March 31, <u>2018</u> ; excludes treasury shares)	- The maximum number of total points granted to Directors, etc. per fiscal year is <u>215,000</u> points. The ratio of the number of stocks converted to 1 point =1 share to the Company's total number of issued stocks is approximately <u>0.42%</u> (as of March 31, <u>2025</u> ; excludes treasury shares)

	- <u>The maximum number of total points to be granted to Directors, etc. during the covered period consisting of three fiscal years is 1,290,000 points (however, for the initial covered period, 1,720,000 points for four fiscal years)</u>	- <u>For the covered period after the revision of the System, the maximum number of total points to be granted to Directors, etc. for five fiscal years is 1,075,000 points</u>
Details of conditions for achievement of performance	- 50%-170% range depending on achievement of performance targets - Changes according to the degree of achievement of targets such as consolidated operating profit, <u>consolidated ordinary profit</u> , and return on equity (ROE) in each fiscal year	- 50%-170% range depending on achievement of performance targets - Changes according to the degree of achievement of targets such as <u>consolidated net sales</u> , consolidated operating profit, and return on equity (ROE) in each fiscal year

(*) At the 71st Ordinary General Meeting of Shareholders held on June 27, 2018, it was resolved that the maximum number of total points to be granted to Directors, etc. before the revision would be 430,000 points per fiscal year. However, since the Company conducted a reverse stock split of 2 shares into 1 share on October 1, 2018, this number corresponds to 215,000 shares of the Company stocks after the reverse stock split.

(3) Other matters

For details of the System before the revision, please refer to “Notice Concerning Introduction of Performance-Linked Stock Compensation” announced on May 15, 2018 and “Notice Concerning Continuation and Partial Revision of Performance-Linked Stock Compensation System” announced on May 13, 2022.

(Reference) Details of the trust agreement

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| (1) Type of the trust | Money held in trust other than a specified individually managed money trust (third-party benefit trust) |
| (2) Purpose of the trust | Provision of incentives to Directors, etc. |
| (3) Trustor | The Company |
| (4) Trustee | Mitsubishi UFJ Trust and Banking Corporation
(Joint trustee: The Master Trust Bank of Japan, Ltd.) |
| (5) Beneficiaries | Directors, etc. who satisfy beneficiary requirements |
| (6) Trust administrator | A third party with no interest in the Company |
| (7) Date of agreement to extend the trust period | August 18, 2025 (scheduled) |
| (8) Trust period | From August 27, 2018 to August 31, 2025 (before amendment)
From August 27, 2018 to August 31, 2030 (scheduled) (after amendment) |
| (9) Date of commencement of the System | August 27, 2018 |
| (10) Exercise of voting rights | Not to be exercised |
| (11) Type of stocks to be acquired | Common stocks of the Company |

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| (12) Maximum amount of trust money | 1,750 million yen (planned) (Including trust fees and trust expenses) |
| (13) Date of acquisition of stocks | To be determined (announcement will be made upon decision) |
| (14) Method of acquisition of stocks | Acquisition from the Company (disposal of treasury shares) or the stock market |
| (15) Vested rights holder | The Company |
| (16) Residual assets | The residual assets that the Company, the vested rights holder, can receive shall be within the scope of the trust expense reserve obtained by deducting the funds for stock acquisition from the trust money. |

(Note) The above schedule is subject to change to an appropriate time in light of applicable laws and regulations, etc.