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News Release

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Notice of Disposal of Treasury Shares based on Subsequent Grant-type Restricted Stock Unit Compensation and Performance-linked Stock Compensation Systems

Olympus Corporation (hereinafter "Olympus") hereby announces that it has determined to dispose of its treasury shares based on its subsequent grant-type restricted stock compensation (RSU: Restricted Stock Unit) and performance-linked stock compensation (PSU: Performance Stock Unit) as follows:

1. Summary of the Disposal

(1) Date of disposal	June 10, 2024
(2) Class and number of shares for disposal	189,070 shares of common share of Olympus
(3) Disposal price	2,289 yen per share
(4) Total amount of disposal value	432,781,230 yen
(5) Disposal recipients, the number of such recipients, and the number of shares to be disposed of	<p>① RSU granted for the fiscal year ended March 2022 (FY2022-RSU) One non-executive director, four executive officers and nine corporate officers (including those retired) 39,222 shares</p> <p>② Transformational FY22-RSU granted for the fiscal year ended March 2022 One non-executive director, one executive officer and six corporate officers (including those retired) 17,004 shares</p> <p>③ RSU granted for the fiscal year ended March 2023 (FY2023-RSU) One non-executive director, five executive officers, ten corporate officers (including those retired) and thirty-eight employees of Olympus group (including one retired employee) 36,244 shares</p> <p>④ RSU granted for the fiscal year ended March 2024 (FY2024-RSU) One non-executive director, two executive officers, ten corporate officers (including those retired) and forty-eight employees of Olympus group 42,021 shares</p> <p>⑤ PSU granted for the performance evaluation period starting from the fiscal year ended March 2022 and ending in the fiscal year ended March 2024 (FY2022-PSU)</p>

	<p>One non-executive director, four executive officers and eleven corporate officers (including those retired) 54,579 shares</p> <p>* An officer retired in the fiscal year ended March 2022 is included in the retired corporate officers.</p>
(6) Other	Olympus has submitted notice of securities for the disposal of treasury shares in accordance with the Financial Instruments and Exchange Act.

2. Objectives and Reasons for the Disposal

Olympus introduced PSU system in the fiscal year ended March 2018 as a stock compensation to directors (excluding outside directors) and corporate officers. After its transition into a company with Nominating Committee, etc. in June 2019, Olympus further worked on reviewing its compensation systems under a basic concept to reward the responsibilities of directors (including outside directors) and executive officers with suitable and appropriate treatments through encouraging strong awareness “to maximize the corporate value and to meet expectations of various stakeholders,” and additionally introduced RSU system since the fiscal year ended March 2021 as the consequence. Olympus has introduced a similar RSU system to corporate officers as well since the fiscal year ended March 2022 and PSU and RSU systems to employees of senior management positions of Olympus and its subsidiaries (hereinafter referred to as “employee of Olympus group”) since the fiscal year ended March 2023.

Also, Olympus has set share-holding guidelines to directors and executive officers respectively, and clawback clause to executive officers.

This disposal of treasury shares is made due to RSU and PSU systems as stock compensations for planned recipients of corporate officers and employee of Olympus group (hereinafter referred to as “Allottee”). A director and an executive officer, who was corporate officer or employee of Olympus group at the time the stock compensations were granted, are also included in the Allottee.

The outline etc. of the RSU and PSU systems are as follows.

[Outline etc. of the RSU system]

(1) Outline of the RSU system

It is a system to grant a right to receive a pre-defined number of shares by Olympus to an Allottee with a condition to stay in office in Olympus group during a right calculation period and provide a pre-defined number of common shares of Olympus at a pre-defined time. For FY2022-RSU, which is a subject of this disposal of treasury shares, the right calculation period has been set as three (3) years, number of shares eligible for grant was defined at the beginning of the right calculation period, and corresponding number of shares will be vested after three years. For FY2023-RSU and FY2024-RSU, which are also the subject of this disposal of treasury shares, the right calculation period has been set as three (3) years, number of shares eligible for grant was defined at the beginning of the right calculation period, and one third of shares will be vested after each one year has passed.

If an Allottee eligible for grant ended office or employment during the right calculation period due to a legitimate cause approved by the representative executive officer (including end of office due to expiration

of assignment period, death, illness, etc. and end of employment by retirement of age, death, illness, etc.) the number of shares eligible for grant shall be prorated by the number of months in office, including the month in which such Allottee ended office or employment, and the corresponding number of shares shall be provided though a determination by representative executive officer.

(2) Causes for loss of the right

In the cases an Allottee resigns for his/her own reasons during the right calculation period, is sentenced to imprisonment or harsher sentence, or receives a petition for the commencement of a bankruptcy proceeding, commencement of a civil rehabilitation proceedings, at that time, Olympus shall acquire all of the share units that such an Allottee then holds.

(3) Transformational FY22-RSU

The PSU for the performance evaluation period starting in the fiscal year ended March 2019 and ending in the fiscal year ended March 2021 (hereinafter “18PSU”) resulted in 0% pay ratio. However, the Compensation Committee judged that the executive officers contributed to considerable achievements that leads to business performance in the fiscal year ended March 2022 and after, under the business circumstances severely hit by the spread of novel coronavirus disease. Based on the judgement, the Committee perceived the necessity to provide a compensation to executive officers that encourages continuous focus on maximization of corporate values, enhancement of investors’ values and sharing of interests between shareholders, then determined to grant “Transformational FY22-RSU” in the meeting of Compensation Committee held on April 27, 2021.

Transformational FY22-RSU sets the eligible recipients from those of 18PSU and those executive officers continuously in office in the fiscal year closing March 2022. The date of grant was set as April 1, 2021, and the right of disposal is set to determine on March 31, 2024, which is after 3 years of the grant, or six (6) months after retirement. Corporate officers are granted RSU similarly, with the date of grant as April 1, 2021, and the right of disposal set to determine on March 31, 2024, or at retirement.

[Outline etc. of the PSU system]

(1) Outline of the PSU system

It is a system to provide common shares of Olympus in the numbers based on pre-set standard number of shares and adjusted within a certain range according to the achievement rate of pre-defined performance metrics during a performance evaluation period of three (3) years.

For FY2022-PSU, which is a subject of this disposal of treasury shares, the performance evaluation metrics are operating profit margin, relative TSR and ESG metrics, and after closing of the performance evaluation period, the payout rate is determined by representative executive officer by evaluating performance of each Allottee in light of each index, and number of shares to be allotted have been determined by multiplying such rate to the standard number of shares.

If an Allottee ended office during the performance evaluation period due to a legitimate cause approved by the representative executive officer including expiration of assignment period, the number of shares calculated after the performance evaluation shall be prorated by the number of months in office, including the month in which such Allottee ended office, and the corresponding number of shares shall be provided though a determination by representative executive officer.

(2) Causes for loss of the right

In the cases an Allottee retires for his/her own reasons during the performance evaluation period, is sentenced to imprisonment or harsher sentence, or receives a petition for the commencement of a bankruptcy proceeding, commencement of a civil rehabilitation proceedings, at that time, such an Allottee shall be excluded from the planned recipients of the grant.

3. Basis for Calculating the Amount to be Paid and the Rationales thereof

Olympus will dispose of its treasury shares to planned recipients by using the monetary compensation claims granted to them by the above systems as contributed assets. The disposal price of 2,289 yen is set by closing price of Olympus' common share as of May 10, 2024 (business day preceding the date of determination by representative executive officer) in Tokyo Stock Exchange.

The deviation rate of this value from the simple average closing price of common stock of Olympus in Tokyo Stock Exchange for one month (from April 11, 2024 to May 10, 2024) 2,208.0 yen (round off to the first decimal place, by simply averaging the closing prices, and the same applies to the followings) was 3.54% (round off to the second decimal place in calculating deviation rate, and the same applies to the followings), the simple average closing price for 3 months (from February 11, 2024 to May 10, 2024) 2,176.3 yen was 4.92%, and the simple average closing price for 6 months (from November 11, 2023 to May 10, 2024) 2,162.4 yen was 5.53%.

The above price is the market price immediately before the date of determination on disposal of treasury shares by the representative executive officer, which is pursuant to the "guidance on handling of stock increase by third-party allotment" by Japan Securities Dealers Association, and Olympus considers it rational and not particularly favorable to the recipients.

4. Matters concerning the procedure required by the corporate code of conduct

This third-party allotment does not require an opinion from an independent third party or require procedures for confirming the intent of shareholders, which are provided for under Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, because (i) the dilution ratio is less than 25% and (ii) this third-party allotment does not involve a change in controlling shareholder.