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News Release

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Notice of Disposal of Treasury Shares based on Subsequent Grant-type Restricted Stock 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	July 24, 2024
(2) Class and number of shares for disposal	502,745 shares of common share of Olympus
(3) Disposal price	2,579 yen per share
(4) Total amount of disposal value	1,296,579,355 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 2021 (FY2021-RSU) One non-executive Director (ended contract) 1,541 shares</p> <p>② RSU granted for the fiscal year ended March 2022 (FY2022-RSU) One non-executive Director (ended contract) and three Executive Officers (including those ended contract) 73,815 shares</p> <p>③ Transformational FY22-RSU granted for the fiscal year ended March 2022 One Executive Officer 6,081 shares</p> <p>④ RSU granted for the fiscal year ended March 2023 (FY2023-RSU) Two non-executive Directors (ended contract) and five Executive Officers (including those ended contract) 61,783 shares</p> <p>⑤ RSU granted for the fiscal year ended March 2024 (FY2024-RSU) Six non-executive Directors (including those ended contract), eight Executive Officers (including those ended contract) and one employee of affiliated company 139,516 shares</p> <p>⑥ 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) Five Executive Officers (including those ended contract) 111,328 shares</p>

	<p>⑦ PSU granted for the performance evaluation period starting from the fiscal year ended March 2023 and ending in the fiscal year ended March 2025 (FY2023-PSU)</p> <p>One Executive Officer (ended contract) 50,936 shares</p> <p>⑧ PSU granted for the performance evaluation period starting from the fiscal year ended March 2024 and ending in the fiscal year ended March 2026 (FY2024-PSU)</p> <p>One Executive Officer (ended contract) 57,745 shares</p>
(6) Other	Olympus has submitted Securities Registration Statement for the disposal of treasury shares in accordance with the Financial Instruments and Exchange Act.

2. Objectives and Reasons for the Disposal

Olympus introduced its PSU compensation plan in the fiscal year ending March 2018 to provide stock compensation to Directors (excluding outside Directors) and Corporate Officers. In June 2019 and to align with governance changes, Olympus expanded the PSU compensation plan to Executive Officers. As part of this process, Olympus ensured that its compensation systems establish that Directors (including outside Directors) and Executive Officers “maximize the corporate value and meets expectations of various stakeholders” and to align their responsibilities with suitable and appropriate compensation plans. Subsequently, Olympus introduced an additional RSU system to Directors (including outside Directors) and Executive Officers since the fiscal year ended March 2021.

Olympus’ disposal of treasury shares provides stock compensations for planned recipients of Directors and Executive Officers (hereinafter referred to as “Allottee”). A person who had been an Executive Officer when a stock compensation was granted and is an employee of an affiliate company after the end of the contract is also included in the Allottee.

An overview of the RSU and PSU systems are as follows.

[Overview of the RSU system]

(1) RSU for non-executive Directors

Olympus provides base salary to non-executive Directors as fixed monetary compensation. In addition to this base salary, non-executive Directors receive RSUs, which is non-performance-linked stock compensation.

For those residing in Japan, vesting of the RSUs occurs at the end of contract. For those residing outside of Japan, RSUs vest on an individual basis in accordance with a general method of stock compensation in each region for those who are non-resident in Japan.

On that basis, Olympus has awarded FY2021-RSU and FY2022-RSU to one ended contract non-executive Director, FY2023-RSU to two ended contract non-executive Directors and FY2024-RSU to three ended contract Directors resident in Japan, and FY2024-RSU to three non-executive Directors non-resident in Japan.

(2) RSU for Executive Officers

Compensation for Executive Officers includes base salary, short-term incentive compensation and long-

term incentive compensation. The long-term incentive compensation is composed of RSU and PSU.

Olympus' RSU plan grants Allotees rights to receive a pre-defined number of shares, provided that the individual Allottee meets certain eligibility criteria. Olympus has established a definite right calculation period for valuation of the shares and pre-defined award date..

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 fully vest 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's eligibility for a RSU grant ended during the rights calculation period due to a legitimate cause approved by the Compensation Committee, the number of shares shall be prorated by the number of months in office, including the last month of office, and the corresponding number of shares shall be provided. If the end of contract of an Allottee occurs as a result of "Retirement" defined under the compensation regulation by fulfilling certain conditions on age and tenure at the end of the contract, the number of shares corresponding to the number of all rights to receive the pre-defined number of shares held by an Allottee at the time of end of contract shall be provided upon resolution of the Compensation Committee, to the extent that any requirements otherwise determined by the Compensation Committee are satisfied. If an agreement with an Executive Officer stipulates individual agreement, the shares will be provided according to such individual agreement.

On that basis, Olympus has determined to provide FY2022-RSU to two Executive Officers and one ended contract Executive Officer, FY2023-RSU to four Executive Officers and an ended contract Executive Officer, FY2024-RSU to seven Executive Officers, an ended contract Executive Officer and an employee of an affiliate company after the end of the contract.

(3) Causes for loss of the right

If during the rights calculation period, an Allottee is sentenced to imprisonment or harsher sentence, or receives a petition for the commencement of a bankruptcy proceeding, commencement of a civil rehabilitation proceedings, Allottee shall forfeit the rights to the subject RSU grant.

(4) 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% award valuation. However, after deliberation, the Compensation Committee determined that the Executive Officers contributed to considerable achievements that lead to favorable 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 this determination, the Committee provided compensation to Executive Officers that encourages continuous focus on maximization of corporate values, enhancement of investors' values and sharing of interests between shareholders. This determination occurred in the Compensation Committee held on April 27, 2021.

Eligible recipients of Transformational FY22-RSU have been set from those of 18PSU and those who are continuously in office in the fiscal year closing March 2022. The date of grant was set as April 1, 2021,

and the time to determine vesting was set to March 31, 2024, which is after 3 years of the grant, or six (6) months after the end of contract.

On that basis, Olympus has determined to provide Transformational FY22-RSU to one Executive Officer.

[Overview of the PSU system]

(1) Outline of the PSU system

Olympus' PSU plan is a component of the long-term incentive compensation to Executive Officers in addition to RSU. This system provides 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 evaluation 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 (Total Shareholder Return) and defined ESG metrics. After closing of the performance evaluation period, the payout rate is determined by the Compensation Committee by evaluating achievement rate of these performance evaluation metrics. The number of shares to be allotted have been determined by multiplying such payout rate to the standard number of shares pre-defined for each Allottee.

If an Allottee's eligibility ended during the performance evaluation period due to a legitimate cause approved by the Compensation Committee, the number of shares shall be prorated by the number of months in office, including the last month of office, and the corresponding number of shares shall be provided. If the end of contract of an Allottee occurs as a result of "Retirement" defined under the compensation regulation by fulfilling certain conditions on age and tenure at the end of the contract, the number of shares calculated under performance evaluation metrics after the expiration of the performance evaluation period based on the number of all rights to receive the pre-defined number of shares that an Allottee has at the time of end of contract shall be provided upon resolution of the Compensation Committee, to the extent that any requirements otherwise determined by the Compensation Committee are satisfied. Shares will also be provided according to any individual employment agreement.

On that basis, Olympus has determined to provide FY2022-RSU to two Executive Officers, three ended contract Executive Officers, FY2023-PSU, and FY2024-PSU to one ended contract Executive Officer.

(2) Causes for loss of the right

If during the performance evaluation period, an Allottee is sentenced to imprisonment or harsher sentence or receives a petition for the commencement of a bankruptcy proceeding, commencement of a civil rehabilitation proceedings, Allottee shall forfeit the rights to the subject PSU grant.

3. Basis and Rationale for Calculating the Amount to be Paid

Olympus will dispose of its treasury shares to the Allottee by using the compensation plans described above as contributed assets. The disposal price is set by closing price of Olympus' common share as of June 25, 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 May 26, 2024 to June 25, 2024) 2,575.1 yen (round off to the

first decimal place, by simply averaging the closing prices, and the same applies to the followings) was 0.15% (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 March 26, 2024 to June 25, 2024) 2,377.2 yen was 7.83%, and the simple average closing price for 6 months (from December 26, 2023 to June 25, 2024) 2,273.5 yen was 11.84%.

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. Olympus considers above price to be 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.