

November 8, 2023
Sysmex Corporation

Announcement Regarding Introduction of Stock-Granting Compensation Plan (ESOP Trust)

Sysmex Corporation (HQ: Kobe, Japan; President: Kaoru Asano) announces that, at a meeting of the Board of Directors held on October 24, 2023, the company resolved to introduce the “Stock Granting ESOP Trust” (the “Plan”, and the trust to be established in accordance with the trust agreement to be concluded with Mitsubishi UFJ Trust and Banking Corporation regarding the Plan shall hereinafter be referred to as the “Trust”), an incentive plan to issue its own shares to employees of Sysmex Group, with the aim of increasing its corporate value over the medium to long term. Details as follows:

1. Background to Introduction

Within its long-term corporate strategy 2033, ending in fiscal year 2033, Sysmex has identified human capital as one of its basic strategies. In terms of human capital strategy, Sysmex places importance on realizing competitive compensation, leading to improved engagement and to securing and developing a leadership team, and have been considering the introduction of a stock compensation plan as part of its incentive plan. The company has now decided to introduce the Plan as a compensation plan whereby the company’s shares will be delivered to eligible employees, and the increase in the company’s share price due to the improvement in corporate value will also contribute to the asset formation of employees.

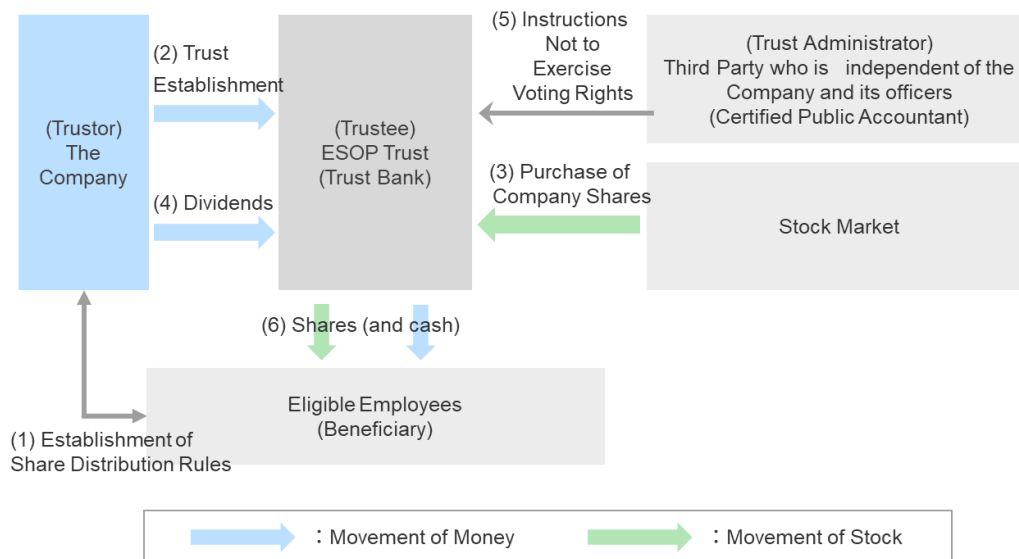
Starting in fiscal year 2024, the Plan will be initially implemented for employees in specific key positions at its overseas subsidiaries, and will be extended to key positions across the Sysmex Group, both domestically and internationally from fiscal year 2025 onwards.

2. Overview of the Plan

The Plan is a trust-type scheme based on the U.S. ESOP (Employee Stock Ownership Plan), a system whereby shares of the company are delivered to employees who meet certain requirements in accordance with the share delivery rules established in advance by the company.

Sysmex will grant points to eligible employees based on work-related duties etc. every year through fiscal year 2033, and will deliver company shares equivalent to the granted points when they gain beneficiary rights after a specified service period. With regard to the shares that will be delivered to eligible employees, the company will acquire the shares, including future portions, with money set up in a trust in advance, and will manage them separately as trust assets.

<Structure of the Plan>



- (1) Sysmex and its subsidiaries will establish “Share Delivery Rules” upon introduction of the Plan.
- (2) The company will place money in trust (third-party-benefit trust) at Mitsubishi UFJ Trust and Banking Corporation (co-trustee: The Master Trust Bank of Japan, Ltd.) in order to acquire shares in advance to be delivered to eligible employees in the future in accordance with the “Share Delivery Rules”.
- (3) This Trust will acquire the company’s shares in the form of market purchases on the stock market using the money entrusted in (2) as capital.
- (4) Dividends will be paid to the company’s shares in this Trust in the same manner as other shares in the company.
- (5) Voting rights will not be exercised throughout the trust period for the company’s shares in this Trust.
- (6) Trustee will deliver shares and provide monetary payments to eligible employees in accordance with the “Share Delivery Rules”.

3. Overview of this Trust

Type of Trust	Money trust other than specific money trust individually managed (third-party-benefit trust)
Purpose of the Trust	To grant incentive to Employees
Settlor	Systemex Corporation
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiary	Employees in key positions across the Systemex Group who meet beneficiary requirements
Trust Administrator	Third party with no vested interest in Systemex Group (Certified Public Accountant)
Trust Contract Date	November 10, 2023 (Planned)

Trust Period	November 10, 2023 ~ November 30, 2033 (Planned)
Plan Commencement Date	November 10, 2023 (Planned)
Exercise of Voting Rights	Will not be exercised
Holder of Vested Rights	Sysmex Corporation
Residual Property	The residual assets that can be received by the company as the vested rights holder shall be within the range of trust expense reserves etc. after deducting funds for stock acquisition from the trust fund.

(Note) Planned dates and periods noted above are subject to change as deemed appropriate in light of applicable laws and regulations.

4. Details of Acquisition of Sysmex shares by this Trust

- Type of shares to be acquired The company's common shares
- Total acquisition price 12 Billion Yen (Planned)
- Share acquisition period November 13, 2023 ~ January 31, 2024 (Planned)
- Share acquisition method Acquired on the stock market

The information contained in this press release is current as of the date of the announcement but may be subject to change without prior notice.