

Company name:	J T O W E R Inc.
Representative:	Representative Director Atsushi Tanaka (TSE Mothers Code No. 4485)
Contract:	Ryosuke Nakamura Managing Director, CFO

## **Notice of Introduction of the Employee Stock Ownership Plan (J-ESOP)**

At the meeting of the Board of Directors held today, JTOWER has resolved to introduce an incentive plan, the Employee Stock Ownership Plan (J-ESOP) ("the Plan") to provide employees with their own shares. The following is a notice.

### 1. Background

We have decided to introduce the Plan with the aim of fostering employees' sense of belonging, enhancing their motivation to improve medium-to long-term business performance and increase stock values, while enhancing corporate value over the medium to long term.

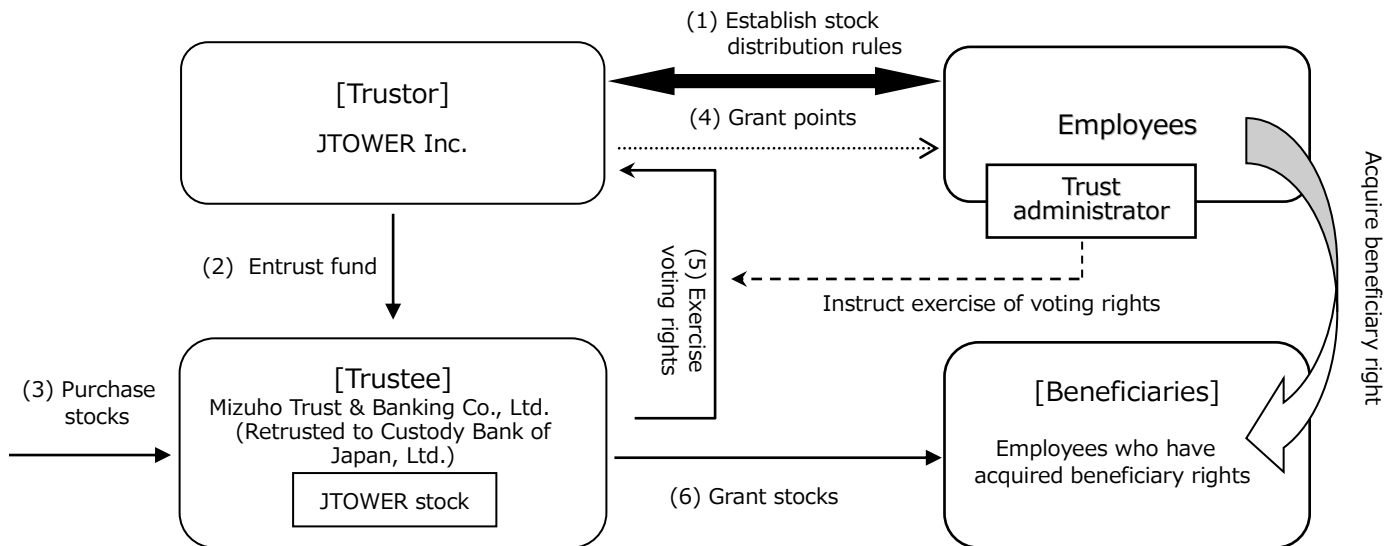
### 2. Overview of the Plan

This Plan allows employees who meet certain criteria to receive the Company stocks in accordance with the stock distribution rules pre-established by the Company.

Employees will be granted points based on their individual contributions and when they acquire the right to receive benefits under certain conditions, they will receive Company stocks that correspond to the points granted. Stocks to be distributed to employees, including stocks to be granted in the future, will be purchased with funds placed in trust in advance and managed separately as trust assets.

The introduction of the Plan is expected to raise employee interest in Company stock values and business performance and motivate them further in their business activities.

## Structure of the Plan



- (1) In order to enact the Plan, the Company establishes its stock distribution rules.
- (2) In order to purchase stocks in advance for future distribution to employees in accordance with the aforementioned rule, the Company places funds in trust with Mizuho Trust & Banking (re-entrusted to Custody Bank of Japan).
- (3) The Trust Bank purchases Company stocks through the exchange market or by assuming the disposition of our own shares using the money trusted in (2).
- (4) The Company grants points to each employee in accordance with the stock distribution rules.
- (5) The Trust Bank exercises voting rights under instructions received from the trust administrator.
- (6) The employee who meets the beneficiary requirements set forth in the Share Benefit Regulations (hereinafter referred to as "the Beneficiaries"), the employee will receive Company stocks that correspond to his or her accumulated points.

### 3. Overview of the Trust

- (1) Name : Employee Stock Ownership Plan (J-ESOP)
- (2) Entrustor : JTOWER Inc.
- (3) Trustee : Mizuho Trust & Banking Co., Ltd.  
(re-entrusted to Custody Bank of Japan, Ltd.)
- (4) Beneficiaries : Employees those who are vested with the right to receive stocks under the stock distribution rules
- (5) Trust administrator : Selected from our employees
- (6) Type of Trust : Money trusts other than money trusts (other profit trusts)
- (7) Date of trust agreement : May 28, 2021 (Provisional)
- (8) Date of trust establishment : May 28, 2021 (Provisional)
- (9) Period of the trust : From May 28, 2021 (provisional) until the completion of the trust  
(No termination date will be set as the trust continues for as long as the plan itself continues)

4. Details of the Company's stocks to be acquired under the Trust

- (1) Type of stocks : Our common stock
- (2) Amount of funds to acquire stocks : JPY100,000,000
- (3) Maximum number of stocks repurchased : 16,000 Shares
- (4) Method of acquiring stocks : Stock market transaction
- (5) Period of acquiring stocks : From May 28, 2021 (provisional) to May 31, 2021 (provisional)