



August 10, 2023

To all persons concerned

Company Name: ENEOS Holdings, Inc.
Representative: Saito Takeshi
Representative Director, President
Code number: 5020;
TSE Prime Market/
NSE Premier Market
Contact person: Eguchi Sayuri
Group Manager,
Investor Relations Group,
Investor Relations Department
(Tel.: +81-3-6257-7075)

Regarding Continuation of Share Remuneration Plan for Directors Who Are Not Audit and Supervisory Committee Members, and Executive Officers

ENEOS Holdings, Inc. (“**Company**”) hereby announces that at the Board of Directors meeting held on August 10, 2023, a resolution was passed to continue the share remuneration plan (“**Plan**”) for Directors and Executive Officers (*) of the Company and of the Company’s Principal Operating Companies: ENEOS Corporation; JX Nippon Oil & Gas Exploration Corporation; and JX Metals Corporation (hereinafter these four companies, the Company and the Principal Operating Companies, are collectively referred to as “**Participating Companies**”). The details are provided below.

(*) The eligible persons for the Plan (collectively referred to as “**Eligible Persons**”) are described as follows.

- Directors who are not Audit and Supervisory Committee Members (excluding outside directors and overseas residents), and Executive Officers (excluding overseas residents.) of the Company and JX Metals Corporation.
- Directors (excluding outside directors and overseas residents) and Executive Officers (excluding overseas residents) of ENEOS Corporation, JX Nippon Oil & Gas Exploration Corporation.

Description

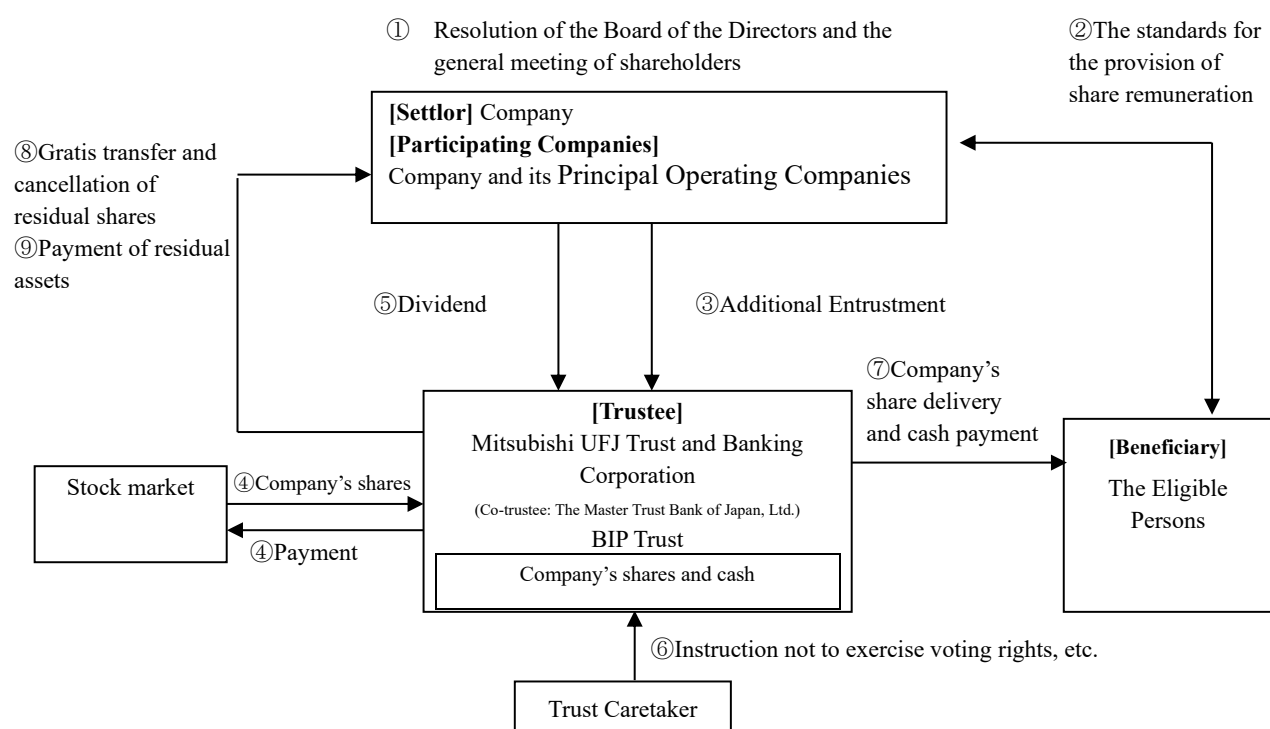
1. Continuation of the Plan

(1) The Company introduced the Plan over three consecutive fiscal years (“**Plan Period**”) based on the medium-Term Management Plan from FY2017 and revised its contents pertaining to the performance linkage with the following purpose in FY2020.

- ① To further raise the linkage between the medium to long-term management strategies and the remuneration plan for the Eligible Persons

- ② To cultivate the Eligible Persons' incentive to contribute to the enhancement of the enterprise value and their awareness for shareholder-oriented management
 - ③ To promote initiatives for building a sustainable society such as preserving the environment.
- (2) The Company will establish performance targets (*) to achieve the goals of the ENEOS Group Third Medium-term Management Plan (FY2023-FY2025) and will continue the Plan from FY2023. The details of the Plan are described in the "Regarding Continuation and Partial Revision of Share Remuneration Plan for Directors Who Are Not Audit and Supervisory Committee Members, and Executive Officers" dated May 20, 2020.
- (*) The performance targets of the share remuneration plan regarding Third Medium-term Management Plan constitute ROIC (excluding incubation), ROE, current net income (excluding inventory impact), free cash flow, net D/E ratio, and GHG emission reduction.
- (3) With the continuation of the Plan, the Company will contribute an additional amount of money to the BIP (Board Incentive Plan) Trust ("Trust") established by the Company and the Trust will acquire the required Company's shares on the stock market.

2. Trust summary



- ① The Board of Directors of each Participating Company will pass a resolution approving the continuation of the Plan.
- ② Each Participating Company has established the standards for the provision of share remuneration concerning the Plan.

- ③ For the extension of the trust period of the Trust, the beneficiaries of which are the Eligible Persons satisfying beneficiary requirements, the Participating Companies will contribute cash on a pro-rata basis, based on the proportion of the fund for the remuneration to the relevant the Eligible Persons of each Participating Company, within the limit approved by the relevant general meeting of shareholders of each Participating Company.
- ④ The Trust will, in accordance with instructions from the trust caretaker, use the contributed cash referred to in ③ above and the Trust's residual cash as a fund to acquire the Company's shares from the stock market. The number of shares to be acquired by the Trust shall be within the limit approved by the resolution of the general meeting of shareholders. The Company's shares held in the Trust are managed separately for each Participating Company based on the amount of money contributed by the Participating Company.
- ⑤ Dividends on the Company's shares in the Trust will be distributed as well as the dividends on other shares of the Company will be distributed.
- ⑥ The voting rights of the Company's shares in the Trust shall not be exercised during the trust period.
- ⑦ At a certain time in each year during the Plan Period, the Eligible Persons shall receive an award of standard points based on their role in accordance with the standards for the provision of share remuneration of each Participating Company to which they belong. However, such standard points shall be adjusted following the end of the Plan Period based on the level of achievement of performance targets, etc., and finalized as the share delivery points. In principle, after the elapse of three years from the award of standard points, the Eligible Persons receive the Delivery, etc. of the Company's Shares, etc. corresponding to the number of the share delivery points. In addition, the Eligible Persons will also receive the amount equivalent to the dividend paid for the Company's shares within the Trust, based on the standard points or the share delivery points as of the arrival of each dividend record date during the trust period.
- ⑧ In the cases where there are residual shares at the expiration of the trust period, if the Trust will continue to be used for the Plan or a share remuneration plan similar to the Plan, the residual shares will be subject to the Delivery, etc. to the Eligible Persons after the continuation of the Trust. In the cases where the Trust will terminate due to the expiration of the trust period (in the cases where the trust period is extended, the expiration of the extended period), as part of the return to the shareholders, a gratis transfer of these residual shares will be made from the Trust to the Company, and the Company will cancel them by a resolution of the Board of Directors.
- ⑨ Any remaining dividends on the Company's shares within the Trust at the expiration of the trust period will be utilized to acquire the Company's shares if the Trust will continue to be used; however, in the cases where the Trust will terminate due to the expiration of the trust period (in the cases where the trust period is extended, the expiration of the extended period), the portion in excess of the trust expense reserve will be donated to organizations in which Participating Companies and the Eligible Persons have no interest.

(Note) In the cases where all Company's Shares, etc. within the Trust are used for the Delivery, etc. to the Eligible Persons satisfying the beneficiary requirements, the trust is terminated before the expiration of the trust period. Participating Companies may contribute additional cash to the Trust to fund the acquisition of the Company's shares within the limit approved by the relevant general meeting of shareholders of each Participating Company.

(Reference)

[Trust agreement contents]

- | | |
|-----------------------------------|--|
| ① Trust type: | An individually operated designated trust of cash other than cash trust (third party benefit trust) |
| ② Trust purpose: | Introduction of share remuneration plan for the Eligible Persons |
| ③ Settlor: | The Company |
| ④ Trustee: | Mitsubishi UFJ Trust and Banking Corporation
(Co-trustee: The Master Trust Bank of Japan, Ltd.) |
| ⑤ Beneficiaries: | The Eligible Persons satisfying the beneficiary requirements |
| ⑥ Trust caretaker: | A third-party who does not have any interest in the Company (certified public accountant) |
| ⑦ Trust agreement date: | August 15, 2017 |
| ⑧ Trust period: | From August 15, 2017 to August 31, 2023
(Planned to be extended until August 31, 2026 by changing trust agreement) |
| ⑨ Start of plan: | August 15, 2017 |
| ⑩ Exercise of voting rights: | Not exercised |
| ⑪ Type of acquired shares: | The Company's ordinary shares |
| ⑫ Planed additional trust amount: | 230 million yen |
| ⑬ Upper limit of trust money: | 6,500 million yen (including trust fees and costs) |
| ⑭ Period of acquiring shares: | From August 23, 2023 (planned) to August 31, 2023 (planned)
(excluding the last five business days of each accounting period (including interim and quarterly accounting periods)) |
| ⑮ Method of acquiring shares: | To be acquired from the stock market |
| ⑯ Holder of the vested right: | The Company |
| ⑰ Residual assets: | Residual assets that can be received by the Company, which is the holder of the vested right, shall be within the limit of the trust expense reserve, which is calculated by deducting the cost for acquiring the shares from the trust money. |

Please refer definition of capitalized terms in the disclosure material “Regarding Continuation and Partial Revision of Share Remuneration Plan for Directors Who Are Not Audit and Supervisory Committee Members, and Executive Officers” dated on May 20, 2020.

Past disclosures

- | | |
|--------------|--|
| May 12, 2017 | Regarding Introduction of Share Remuneration Plan for Directors and Executive Officers |
| May 20, 2020 | Regarding Continuation and Partial Revision of Share Remuneration Plan for Directors Who Are Not Audit and Supervisory Committee Members, and Executive Officers |

END