(NOTE) This document has been translated from the Japanese original for reference purposes only. In all cases, the Japanese original shall take precedence.

August 5, 2025

To Whom It May Concern:

Company name: Nippon Denko Co., Ltd.
Representative: Yasushi Aoki, President & CEO
(Securities code: 5563 TSE Prime Market)
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Notice Concerning the Introduction of a Restricted Stock Incentive Plan for Employees' Shareholding Association

Nippon Denko Co., Ltd. (the "Company") hereby announces that, at the meeting of the Board of Directors held on August 5, 2025, it has resolved to introduce an employee restricted stock incentive plan (the "Plan") to grant restricted stocks to employees of the Company and its subsidiaries through the Nippon Denko Employees' Shareholding Association (the "Employees' Shareholding Association").

1. Purpose of introducing the Plan

   In commemoration of its 100th anniversary, the Company is introducing the Plan to enhance the welfare of its employees and those of its subsidiaries. The Plan provides opportunities to acquire the Company's common shares, issued or disposed of by the Company, as restricted stocks through the Employees' Shareholding Association. The Plan aims to promote employees' wealth accumulation and provide incentives that encourage the sustainable enhancement of the Company's corporate value. Furthermore, the Plan encourages employees to share value with the Company's shareholders.

2. Outline of the Plan

   Under the Plan, the Company will pay monetary claims ("Special Incentive") as a special contribution to grant restricted shares to employees of the Company and its subsidiaries who have joined the Employees' Shareholding Association and agreed to the Plan (the "Eligible Employees"). The Eligible Employees will contribute the Special Incentive to the Employees' Shareholding Association, and the Employees' Shareholding Association will make a contribution in kind to the Company using the Special Incentive funds contributed by the Eligible Employees. As a result, the Eligible Employees will receive the issuance or disposal of the Company's common shares as restricted stocks through the Employees' Shareholding Association. Details of the Plan are currently being designed and will be announced once they are finalized.