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## **Notice of Capital Policy and Shareholder Returns during the New Medium-Term Management Plan**

At the Board of Directors meeting held on April 19, 2023, NOK Corporation decided the following capital policies and shareholder returns during the new Medium-Term Management Plan, which the Company plans to announce at the time of its new earnings release on May 10, with the aim of achieving sustainable growth and increasing corporate value over the medium to long term.

### **1. Capital policy and shareholder returns during the new Medium-Term Management Plan**

Our company has positioned the enhancement of profitability as one of its key management issues in the new Medium-Term Management Plan. In order to invest for growth and improve capital efficiency and corporate value while ensuring financial stability, we will implement shareholder returns (share buyback and dividends) with a minimum of 67.5 billion yen in total over three years.

#### **① Share buyback**

In order to improve capital efficiency, we will repurchase 10 billion yen of our own shares in the fiscal year ending March 31, 2024, and will make further decisions in the fiscal years ending March 31, 2025 and 2026, taking into consideration the situation.

#### **② Dividends**

In order to enhance shareholder returns, we have revised its dividend policy as DOE 2.5% or higher for the period from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2026, with a minimum total dividend of 37.5 billion yen.

#### **③ Sale of cross-shareholdings**

In order to improve capital efficiency, we will sell 25% of the total market value of cross-shareholdings as of March

31, 2023 for the period from the fiscal year ending March 31, 2024 through the fiscal year ending March 31, 2026.

## **2. Applicable period**

This policy will be applied from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2026, and will be reviewed at the end of the relevant period.

The policy may be revised in the event that the Company is severely affected by a disaster or economic crisis during the relevant period.

\*Forward-looking statements on business results projections that are stated in this material are based on information currently available to NOK Corporation and certain assumptions that NOK Corporation deems reasonable and are not meant to promise the achievement of such projections. Furthermore, actual financial results may differ significantly due to various factors.