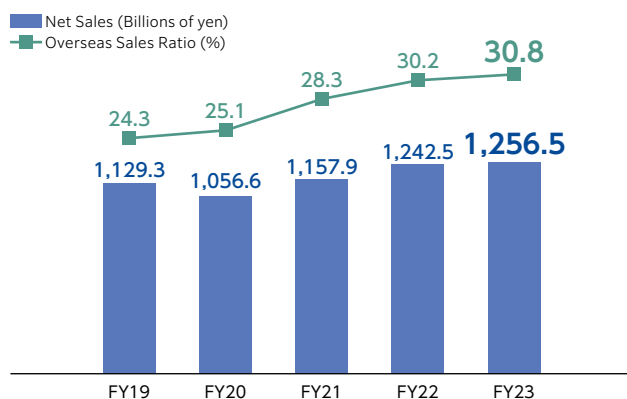


Financial and Non-financial Highlights

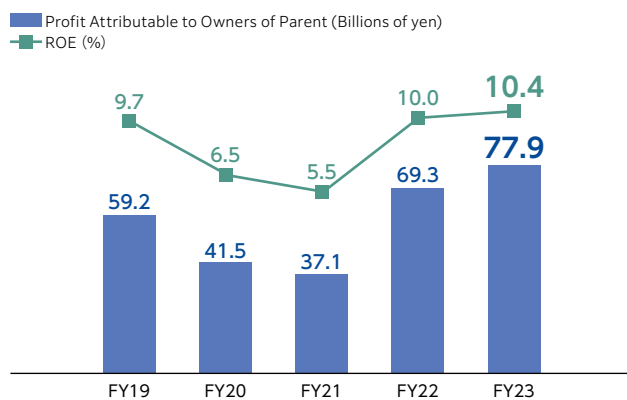
Net Sales/Overseas Sales Ratio



Although market conditions remained sluggish, including a slow recovery in the domestic new housing market and semiconductor-related market, there was a certain degree of recovery in automobile-related demand, etc. Net sales reached a record high of 1,256.5 billion yen due to expanded sales of high value-added products, as well as the effect of foreign exchange gains.

The ratio of overseas sales to total sales reached 30.8% due to sales growth in Europe, North America, and Asia.

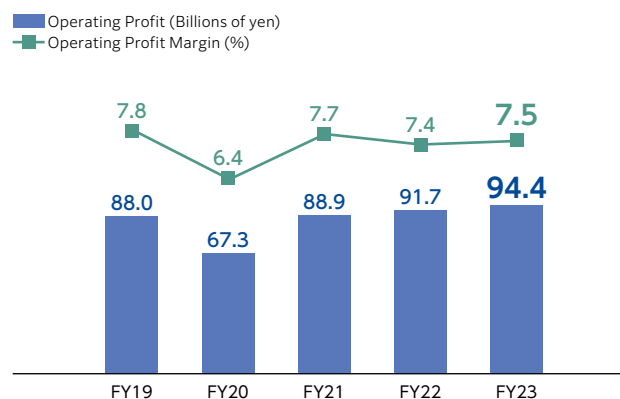
Profit Attributable to Owners of Parent/ROE



Net profit attributable to Owners of Parent reached a record high, mainly due to gain on sales of investment securities.

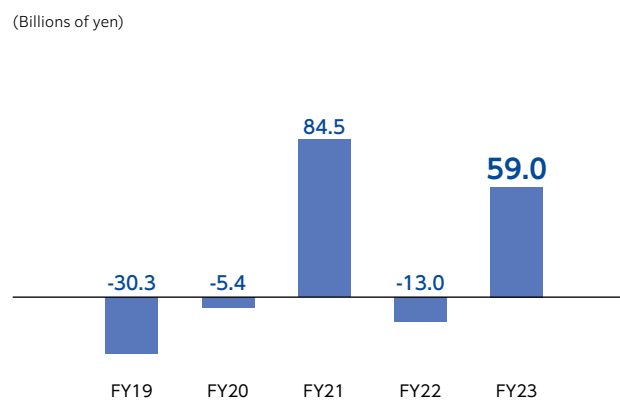
Capital efficiency improved with ROE of 10.4%.

Operating Profit/Operating Profit Margin



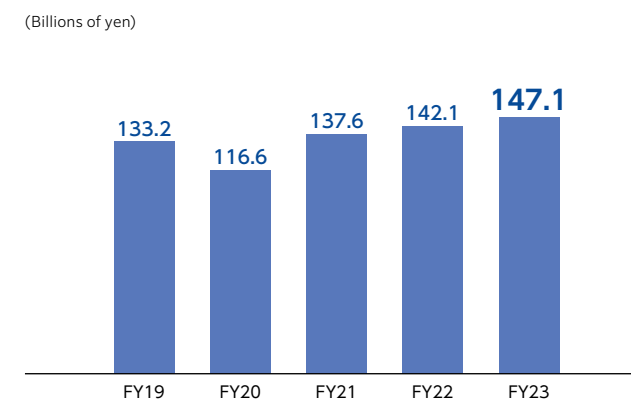
Efforts were made to expand sales of high value-added products, secure spreads, and control fixed costs. Due in part to the effect of foreign exchange gains, operating profit reached a record high of 94.4 billion yen.

Free Cash Flow



Free cash flow improved significantly to 59.0 billion yen due to an increase in cash flow from operating activities resulting from improved profits and an increase in cash flow from investing activities resulting from the sale of marketable securities.

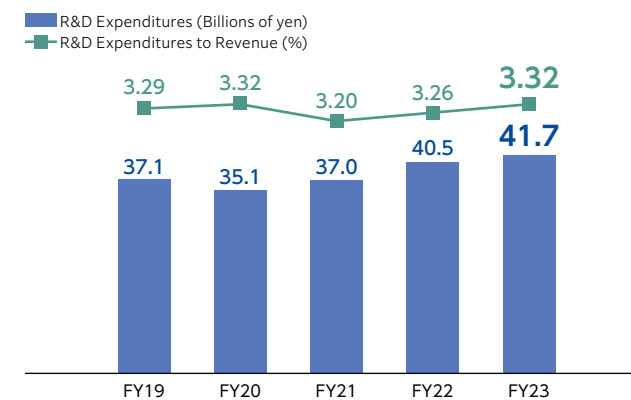
EBITDA



Operating profit and depreciation both increased and EBITDA reached the record level of 147.1 billion yen.

R&D Expenditures/ R&D Expenditures to Revenues

P.38 and 39

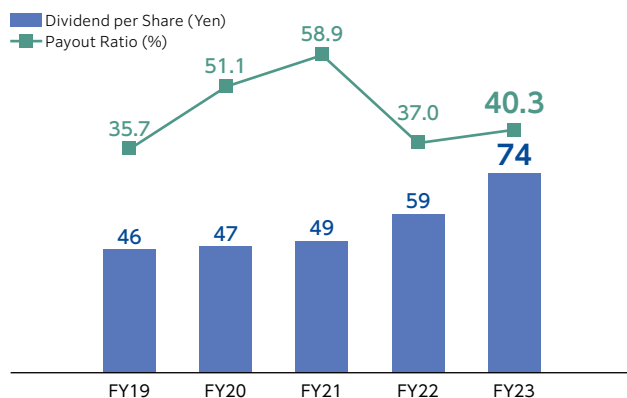


In order to solve social issues, we promoted research and development to stand out with cutting-edge technologies in the HPP Company, Medical Business, and new business, etc., R&D expenditures amounted to 41.7 billion yen.

Financial and Non-financial Highlights

Dividend per Share/Payout Ratio

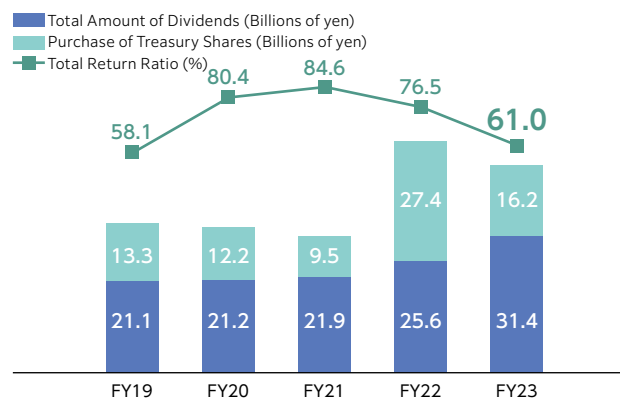
P.41



The Company implemented a stable dividend policy in line with its business performance. The annual dividend was 74 yen per share, representing an increase for the 14th consecutive year.

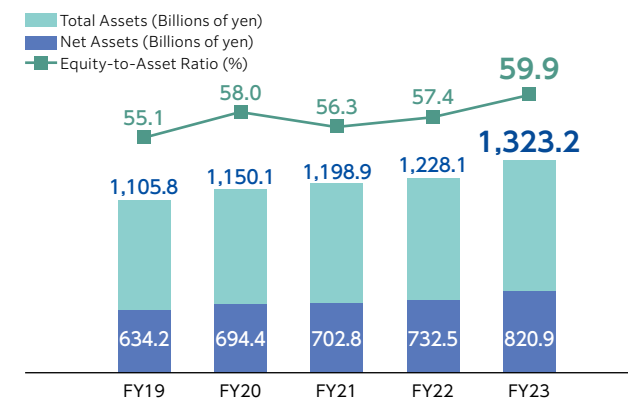
Total Amount of Dividends/ Purchase of Treasury Shares/Total Return Ratio

P.41



The Company repurchased 16.2 billion yen (8 million shares) of its own stock as part of its proactive shareholder return program, while implementing a flexible capital policy in response to changes in the business environment.

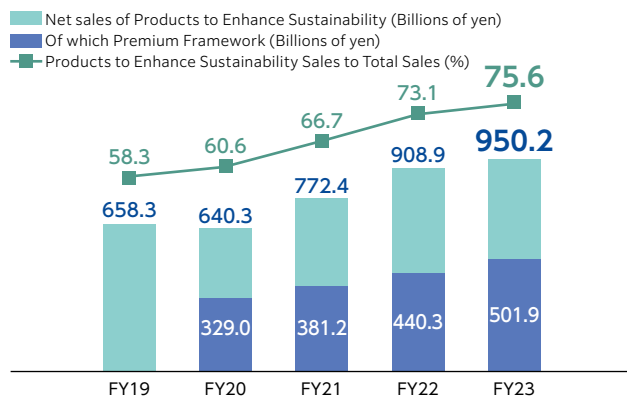
Total Assets/Net Assets/ Equity-to-Asset Ratio



Total assets increased 95.1 billion yen to 1,323.2 billion yen, but this includes the effect of foreign exchange (yen depreciation); excluding this effect, total assets increased by 52.1 billion yen. Strong cash flow led to an increase in cash and deposits. The Equity-to-Asset Ratio improved to 59.9%.

Net Sales of Products to Enhance Sustainability

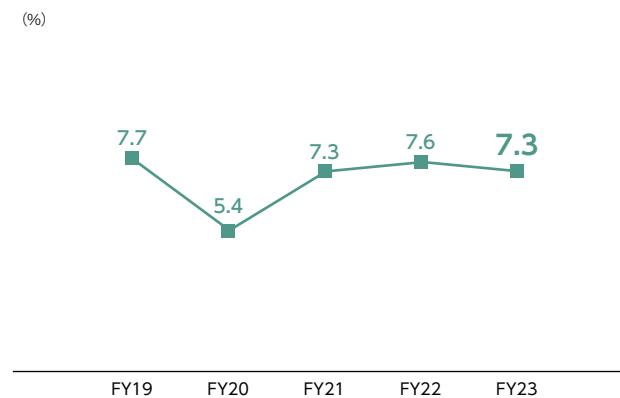
P.16



Net sales of Products to Enhance Sustainability, which are positioned as an important indicator, totaled 950.2 billion yen and accounted for 75.6% of total sales, up 2.5% from the previous fiscal year. Sales in the Premium Framework also increased to 501.9 billion yen.

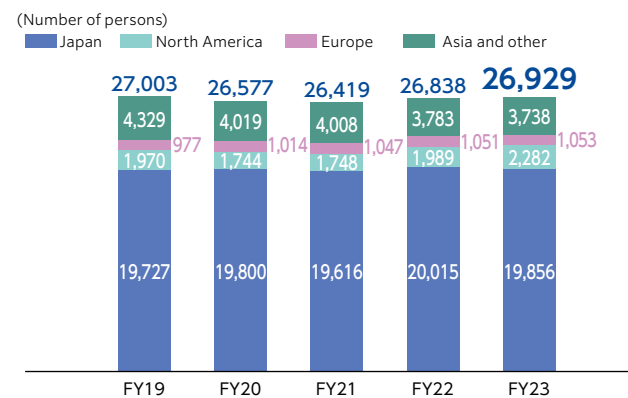
ROIC

P.38 and 39



ROIC decreased by 0.3% due to an increase in fixed assets and inventories, mainly due to foreign exchange effects, despite an increase in net profit after tax.

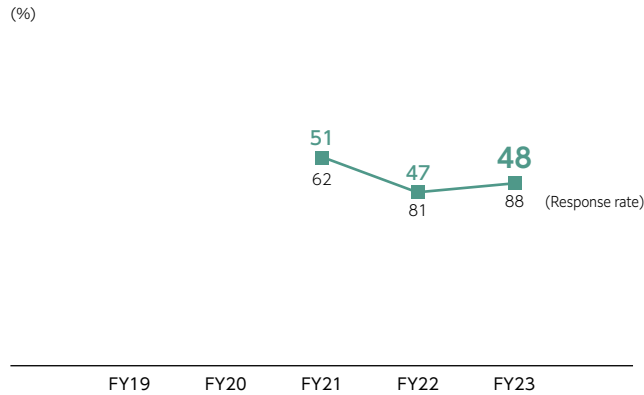
Number of Employees



The number of employees remained almost unchanged from the previous year at 26,929. Sales and operating profit per employee improved.

Financial and Non-financial Highlights

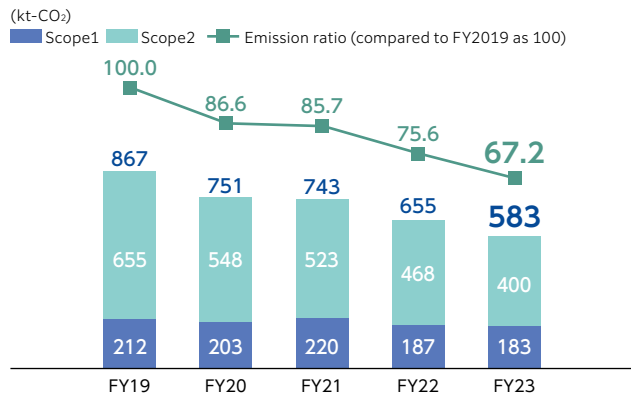
Employee Challenge Action Rate* P.47



Since FY2021, we have conducted an annual survey on Employee Challenge Action. To foster a culture of challenge, direct dialogue events between top management and employees were held in Japan and overseas in FY2023 under the themes of “ESG management” and “challenge,” which are the keywords of Vision 2030.

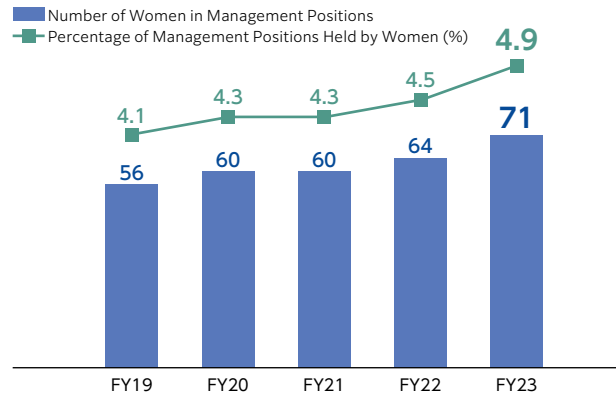
* The percentage of respondents who answered “applicable” or “somewhat applicable” to the question, “I am taking specific challenging actions toward the realization of Vision 2030.”

GHG Emissions from Business Activities P.50



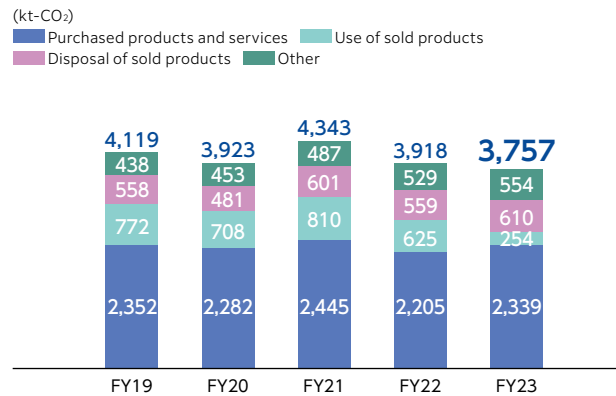
As a result of energy consumption innovations such as promoting renewal of aging facilities, and energy procurement innovations such as switching from of purchased electricity to renewable energy and introducing solar power generation equipment for in-house consumption, GHG emissions from our own business activities (Scope 1+2) reached 32.8% reduction compared to FY2019.

Number of Women in Management Positions (SEKISUI CHEMICAL Non-consolidated) P.48



In order to realize the goal of “Achieving Diversity,” the Percentage of Management Positions Held by Women is one of the KPIs to promote “promotion of diverse human resources,” and training and seminars are conducted to motivate and support the development of female managers for promotion to managerial positions. 2023 also saw an increase in the Percentage of Management Positions Held by Women due to an increase in the number of newly appointed managers.

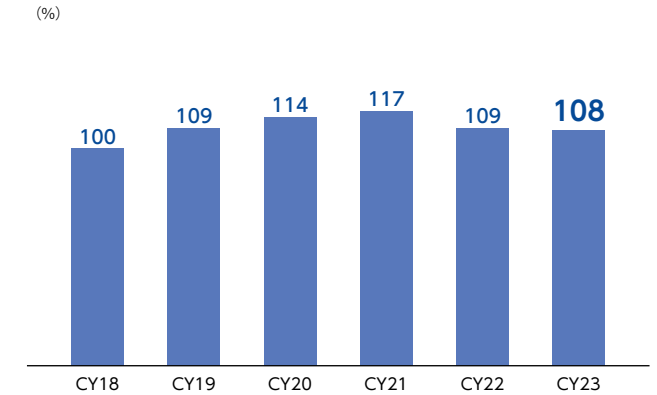
GHG Emissions from the Supply Chain (Scope3) P.50



Overall Scope 3 decreased by 8.8% compared to FY 2019.

While “purchased products and services,” which account for the majority of the total, showed a slight decrease, “use of sold products” showed a significant reduction due to an increase in the ratio of ZEH-specification homes.

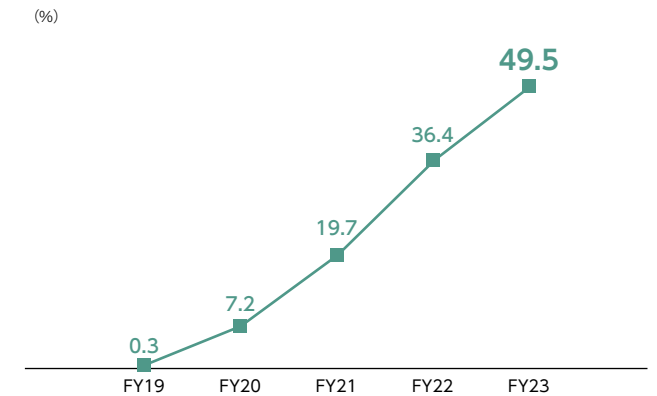
Patent Asset Index™ Growth Rate P.46



We consider intellectual property as the result of R&D activities to be an important management resource that supports growth and earnings to maximize corporate value, and we will use the Patent Asset Index™ (PAI) as a reference for our activities.

* The Patent Asset Index™ growth rate is indexed to 2018 and calculated using LexisNexis' PatentSight® patent analysis tool.
 * The Patent Asset Index™ is a comprehensive evaluation index of patents that multiplies the technical value calculated based on the number of citations and the market value calculated based on the country of application for each patent with valid legal status, and adds them together to show the asset value of the patent.

Renewable Energy Ratio of Purchased Electricity P.50



The ratio of purchased electricity generated from renewable energy sources reached 49.5%, and by FY2023 we had installed solar power generation facilities at 20 domestic and overseas business sites, with a total output of 10,560 MW. In addition, we have completed the switchover to 100% renewable energy sources for electricity purchased from outside sources at 41 business sites in Japan and overseas.

Key Financial and Non-financial Data

Financial Data

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Net sales	Millions of yen	1,110,851	1,112,748	1,096,317	1,065,776	1,107,429	1,142,713	1,129,254	1,056,560	1,157,945	1,242,521	1,256,538
(Housing)	Millions of yen	496,790	494,116	473,441	484,975	497,782	506,729	512,937	485,265	515,191	537,371	529,693
(Urban Infrastructure & Environmental Products) ^{*1}	Millions of yen	239,941	227,689	226,279	240,332	239,241	239,193	237,380	204,586	211,776	234,296	234,787
(High Performance Plastics) ^{**1,2}	Millions of yen	353,782	372,296	378,552	357,526	386,154	341,290	322,421	309,867	358,809	396,389	412,897
(Medical) ^{*2}	Millions of yen						70,721	72,588	72,342	88,517	89,680	92,620
(Other) ^{*3}	Millions of yen	43,799	38,906	38,300	2,730	5,861	6,095	4,970	3,611	4,944	7,388	7,252
Operating profit	Millions of yen	82,541	85,764	89,823	96,476	99,231	95,686	87,974	67,300	88,879	91,666	94,399
(Operating profit margin)	%	7.4	7.7	8.2	9.1	9.0	8.4	7.8	6.4	7.7	7.4	7.5
(Housing)	Millions of yen	41,108	41,327	36,387	37,549	37,935	39,002	37,792	30,546	35,318	32,831	27,729
(Urban Infrastructure & Environmental Products) ^{*1}	Millions of yen	6,460	1,264	3,610	12,827	14,791	15,007	15,480	11,251	14,061	21,192	22,129
(High Performance Plastics) ^{**1,2}	Millions of yen	36,098	45,951	53,353	54,537	57,821	44,855	37,374	28,935	42,351	40,091	50,931
(Medical) ^{*2}	Millions of yen						9,623	9,204	7,010	11,180	12,511	10,952
(Other) ^{*3}	Millions of yen	-778	-1,957	-3,069	-7,619	-9,764	-11,099	-9,721	-8,746	-10,316	-10,894	-10,821
Ordinary profit	Millions of yen	83,310	87,978	81,213	91,513	93,929	93,146	87,202	62,649	97,001	104,241	105,921
Profit attributable to owners of parent	Millions of yen	41,190	52,995	56,653	60,850	63,459	66,093	59,181	41,544	37,067	69,263	77,930
Comprehensive income	Millions of yen	57,944	91,587	37,080	57,638	73,898	55,648	36,364	93,956	41,509	84,008	135,737
Total assets	Millions of yen	961,009	968,011	936,043	943,640	994,137	1,023,706	1,105,781	1,150,143	1,198,921	1,228,131	1,323,243
Net assets	Millions of yen	473,555	535,292	544,156	570,549	612,757	632,746	634,219	694,392	702,753	732,525	820,925
R&D expenditures	Millions of yen	27,720	29,452	31,693	34,169	36,974	38,838	37,146	35,110	37,010	40,471	41,701
Capital expenditures	Millions of yen	41,827	46,993	49,740	43,868	53,518	73,595	66,667	55,326	52,540	56,761	60,606
Depreciation	Millions of yen	34,376	31,203	34,735	34,843	36,016	38,789	42,018	44,926	45,912	48,995	51,195
Amortization of goodwill	Millions of yen	2,957	2,348	2,156	2,118	2,416	2,848	3,238	4,419	2,792	3,411	1,477
Cash flows from operating activities	Millions of yen	97,720	67,760	71,389	108,229	82,272	85,213	92,647	75,271	105,023	71,543	106,632
Cash flows from investing activities	Millions of yen	-60,914	4,127	-23,715	-44,057	-60,881	-62,553	-100,562	-58,495	2,694	-59,430	-18,515
Cash flows from financing activities	Millions of yen	-49,803	-63,856	-41,726	-39,633	-35,981	-31,539	15,450	-19,157	-54,729	-62,906	-53,023
Net assets per share	yen	897.18	1,033.49	1,071.24	1,147.91	1,245.91	1,307.75	1,333.76	1,485.89	1,519.19	1,642.67	1,880.30
Basic earnings per share	yen	80.13	104.73	115.08	126.13	133.80	141.74	128.80	91.92	83.17	159.19	183.48
Dividend per share	yen	23	27	30	35	40	44	46	47	49	59	74
Payout ratio	%	28.7	25.8	26.1	27.7	29.9	31.0	35.7	51.1	58.9	37.0	40.3

*1 Effective from the third quarter of FY2022, the fire-resistant materials and CPVC-related businesses as well as Crosswave products, which were previously included in the HPP segment, have been reclassified into the UIEP segment for the purpose of optimizing the business portfolio in pursuit of greater synergies. Moreover, SEKISUI SEIKEI CO., LTD. and SEKISUI KYDEX, LLC., which were previously included in the UIEP segment, have been reclassified into the HPP segment.

*2 The Medical Business was separated from the High Performance Plastics Company from FY2019. (Prior to FY2017, the Medical Business was included in the High Performance Plastics Company.)

*3 Other: lithium-ion batteries for stationary use, Bio-refinery, R&D, etc.

Key Financial and Non-financial Data

Financial Data

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Financial Index												
Total return ratio	%	52.9	54.0	55.5	54.5	55.1	53.0	58.1	80.4	84.6	76.5	61.0
DOE	%	2.7	2.8	2.8	3.1	3.3	3.4	3.5	3.3	3.3	3.7	4.2
Equity-to-asset ratio	%	47.5	53.3	55.9	58.2	59.1	59.3	55.1	58.0	56.3	57.4	59.9
Current ratio	%	127.4	139.8	138.0	160.7	153.6	151.0	147.2	179.1	184.8	189.5	198.9
Fixed ratio	%	102.1	97.2	95.9	86.9	91.0	91.2	100.8	96.6	87.4	86.0	80.5
Interest-bearing debt	Millions of yen	94,010	63,120	52,338	43,734	46,326	53,848	117,665	138,168	122,557	120,459	120,725
Debt/Equity ratio	%	20.6	12.2	10.0	8.0	7.9	8.9	19.3	20.7	18.2	17.1	15.2
Interest coverage ratio	Times	33.2	51.7	64.5	100.4	109.9	113.5	85.3	58.2	120.4	110.8	90.5
Total assets turnover	Times	1.19	1.15	1.15	1.13	1.14	1.13	1.06	0.94	0.99	1.02	0.98
Inventory turnover	Times	7.50	7.09	7.11	7.00	6.84	6.30	5.52	4.80	4.96	4.68	4.30
Tangible fixed assets turnover	Times	4.51	4.31	4.11	4.01	4.09	3.88	3.49	3.07	3.23	3.35	3.26
R&D expenditures to revenues	%	2.50	2.65	2.89	3.21	3.34	3.40	3.29	3.32	3.20	3.26	3.32
ROE	%	9.4	10.9	10.9	11.3	11.2	11.1	9.7	6.5	5.5	10.0	10.4
ROA	%	8.9	9.1	8.5	9.7	9.7	9.2	8.2	5.6	8.3	8.6	8.3
ROIC	%							7.7	5.4	7.3	7.6	7.3
EBITDA	Millions of yen	119,875	119,316	126,714	133,437	137,665	137,324	133,231	116,647	137,584	142,099	147,072
PER	Times	13.39	14.89	12.04	14.83	13.87	12.55	11.17	23.12	21.15	11.78	12.15
PBR	Times	1.20	1.51	1.29	1.63	1.49	1.36	1.07	1.43	1.16	1.14	1.19
Net sales per employee	Millions of yen	49.13	47.44	45.88	45.44	45.12	43.47	42.22	39.43	43.69	46.66	46.74
Operating profit per employee	Millions of yen	3.65	3.65	3.75	4.11	4.04	3.64	3.28	2.51	3.35	3.44	3.51

Total return ratio = (Purchase of treasury shares + Total amount of dividends) / Profit attributable to owners of the parent

DOE = Total amount of dividends/Average equity

Equity-to-asset ratio = Equity/Total assets

Current ratio = Current assets/Current liabilities

Fixed ratio = Fixed assets/Equity

Debt/Equity ratio = Interest-bearing debt/Equity

Interest coverage ratio = (Operating profit + Interest and dividends)/Interest expense

Total assets turnover = Net sales/Average total assets

Inventory turnover = Net sales/Average inventory

Tangible fixed assets turnover = Net sales/Average tangible fixed assets

R&D expenditures to revenues = R&D expenditures/Net sales

ROE = Profit attributable to owners of parent/Average equity

ROA = Ordinary profit/Average total assets

ROIC = After-tax operating profit/Average invested capital (Fixed assets + Working capital)

EBITDA = Operating profit + Depreciation + Amortization of goodwill

PER = Stock prices at the end of fiscal year/Basic earnings per share

PBR = Stock prices at the end of fiscal year/Net assets per share

Net sales per employee = Net sales/Average number of employees

Operating profit per employee = Operating profit/Average number of employees

Please refer to the FACT BOOK for detailed financial data. <https://www.sekisuichemical.com/ir/financial/factbook/>

Key Financial and Non-financial Data

Non-financial Data

Products to Enhance Sustainability		FY2019	FY2020	FY2021	FY2022	FY2023
Sales ratio	%	58.3	60.6	66.7	73.1	75.6
Net sales	Billions of yen	658.3	640.3	772.4	908.9	950.2
(Housing)	Billions of yen	374.0	352.9	393.8	448.6	434.3
(Urban Infrastructure & Environmental Products)	Billions of yen	101.5	93.2	101.3	152.1	162.8
(High Performance Plastics)	Billions of yen	110.0	121.9	186.9	218.5	260.2
(Medical and Other)	Billions of yen	72.7	72.2	90.4	89.6	92.9
No. of newly registered Products to Enhance Sustainability		5	12	28	18	11

Human Capital						
Number of employees (consolidated)	Persons	27,003	26,577	26,419	26,838	26,929
By Region						
(Japan)	Persons	19,727	19,800	19,616	20,015	19,856
(North America)	Persons	1,970	1,744	1,748	1,989	2,282
(Europe)	Persons	977	1,014	1,047	1,051	1,053
(Asia/Pacific)	Persons	4,329	4,019	4,008	3,783	3,738
By segment						
(Housing)	Persons	10,937	11,182	11,017	11,368	10,991
(Urban Infrastructure & Environmental Products)	Persons	5,242	4,959	4,897	4,537	4,640
(High Performance Plastics)	Persons	8,078	7,541	7,506	7,964	8,111
(Medical)	Persons	2,050	2,160	2,214	2,127	2,264
Diversity (non-consolidated)						
Ratio of women among new graduates hired*1	%	26.7	34.1	22.2	28.1	31.4
Ratio of mid-career hires/of which the ratio of women**2*3	%	20.1/12.1	15.4/8.7	21.4/13.6	39.9/15.3	42.4/16.7
Ratio of women in management positions	%	4.1	4.3	4.3	4.5	4.9
Ratio of female directors (as of the end of the general meeting of shareholders)	%	11.1	10.0	10.0	25.0	25.0
Employment ratio of people with disabilities*3	%	2.9	2.7	2.5	2.3	2.4
Ratio of those who took childcare leave women/men	%	100/39.0	95.8/34.6	100/47.3	100/68.1	97.1/69.8
Retention rate (non-consolidated)*4	%	98.0	98.0	97.5	97.3	97.5
Career and human resources development						
Employee Challenge Action Rate*5	%	-	-	51	47	48
Results of intra-group job postings, No. of transferees / No. of applicants	Persons	28/62	28/54	70/80	45/101	41/122
Results of training for major intra-group job postings, No. of participants	Persons	69	Not conducted	102	102	54
Hours of training and development per FTE (non-consolidated)*6	Hours	9.4	6.3	7.1	6.1	6.2
Rate of successor candidate preparation*7	%	-	-	50.5	67.7	92.4

*1 New graduates hired: Employees who joined the Company for the first time after graduation (undergraduate degree, graduate school, etc.) with no working experience. *2 Mid-career hires (experienced personnel hires) ratio: Ratio of mid-career hires to all hires

*3 Past figures have been revised due to improvements in precision. *4 Retention rate: (1 - (Number of employees who left employment/Number of employees as of April of the fiscal year)) × 100

*5 The percentage of respondents who answered "applicable" or "somewhat applicable" to the question "I am taking specific challenging actions toward the realization of Vision 2030."

*6 Educational programs held at SEKISUI CHEMICAL's Human Resources Department at Corporate Headquarters *7 Ratio of successor candidates to the most senior business leader post.

Please refer to the Sustainability Report for detailed non-financial data.

Key Financial and Non-financial Data

Non-financial Data

Environment ^{*1}		FY2019	FY2020	FY2021	FY2022	FY2023
GHG emissions from the supply chain	Kt-CO ₂	4,986	4,674	5,086	4,573	4,340
Scope1+Scope2	Kt-CO ₂	867	751	743	655	583
Domestic	Kt-CO ₂	341.8	304.3	296.4	256.0	234.8
Overseas	Kt-CO ₂	525.3	446.9	446.9	399.2	348.3
Scope3	Kt-CO ₂	4,119	3,923	4,343	3,918	3,757
Energy use during manufacturing (Japan)	TJ	3,451	3,281	3,507	3,258	3,130
Energy use during manufacturing (Overseas)	TJ	6,766	5,842	6,922	6,658	6,530
Renewable energy ratio of purchased electricity	%	0.3	7.2	19.7	36.4	49.5
Production site waste generation	1,000 tons	70.9	67.6	68.9	71.2	64.9
Production site waste recycled	1,000 tons	61.9	58.4	63.2	63.1	58.0
Waste generated on construction sites of new housing (Japan)	Tons per unit	2.38	2.49	2.23	2.17	2.04
Water intake at production sites (Japan)	Km ³	14,146	13,719	14,247	13,449	13,276
Water intake at production sites (Overseas)	Km ³	6,522	6,167	7,290	7,319	7,571
COD discharge (Japan)	Tons	73.9	62.1	69.5	58.7	71.1
Discharge of volatile organic compounds (VOCs) into the atmosphere (Japan)	Tons	676	680	609	560	1,028

*1 Past figures have been revised due to improvements in precision.

Internal Control						
Safety						
Occupational accidents (Fatal occupational accidents)	Accidents	70 (0)	75 (1)	68 (0)	74 (0)	74 (0)
Incidents attributable to machines and equipment (Serious facility accidents)	Accidents	7 (0)	7 (0)	4 (0)	4 (0)	8 (0)
Frequency rate over time ^{*2}		0.42	0.20	0.39	0.29	0.96
Quality						
Occurrences of major quality issues	Accidents	1	2	1	2	1
External failure costs (FY2020 = 100) ^{*3}		-	100	97	79	79
Legal/Ethical, Accounting						
Serious non-compliance and negligence	Accidents	-	0	0	0	0
Information management						
Cyber security incidents ^{*4}	Accidents	-	-	0	0	0

*2 The total number of injuries, illness and fatalities in occupational accidents with lost time per 1,000,000 hours of total time worked during a given fiscal year (April through the following March)

*3 Costs arising from responding to product-related complaints

*4 Serious impact from incidents such as virus infection, information leakage, or core system outages resulting from external cyber attack

Corporate Information and Stock Information As of March 31, 2024

SEKISUI CHEMICAL CO., LTD.

Osaka Head Office: 4-4, Nishitenma 2-chome, Kita-ku, Osaka

Tokyo Head Office: 10-4, Toranomon 2-chome, Minato-ku, Tokyo

Founded: March 3, 1947

Employees: 26,929

Consolidated Subsidiaries: 143

Affiliates (Equity Method): 6

Paid-in Capital: ¥100,002,375,657

Fiscal Year: April 1 to March 31 of the following year

Accounting Auditor: KPMG AZSA LLC

Listings: Common stock listed on the Tokyo Stock Exchange

Stock Ticker Number: 4204

Number of Shareholders: 55,658

Manager of the

Register of Shareholders: Mitsubishi UFJ Trust and Banking Corporation

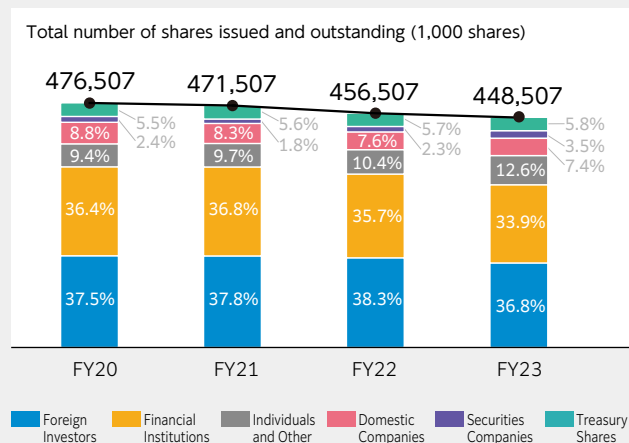
Issued: 448,507,285 shares

Major external evaluations conducted during FY2023

ESG indices

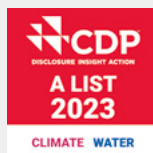
- Earned selection to the World Index category of the DJSI
- Earned selection to the FTSE4Good Index series
- Earned selection to the FTSE Blossom Japan Index
- Earned selection to the FTSE Blossom Japan Sector Relative Index
- Earned selection to the Morningstar Japan ex-REIT Gender Diversity Tilt Index
- Earned selection to the MSCI ESG Leaders Indexes
- Earned selection to the MSCI Japan ESG Select Leaders Index
- Earned selection to the MSCI Japan Empowering Women (WIN) Select Index
- Earned selection to the S&P / JPX Carbon Efficient Index

Issued shares and breakdown of shareholders



Environment

- CDP 2023 A-list companies in both the 'climate-change' and 'water-security' divisions.
- Reacquired certification from the SBT (Science-Based Targets) Initiative for the 1.5°C GHG reduction target (March 2023).



Regarding the Publication of the Integrated Report 2024 (Year Ended March 31, 2024)



Futoshi Kamiwaki

Representative Director,
Senior Managing Executive Officer,
Responsible for ESG Management,
and New Business Development Departments,
Head of Business Strategy Department

As a company that is consistently taking on the challenge of solving social issues, the SEKISUI CHEMICAL Group leverages its strengths in "Strategic Foresight," "Processing" and "Value Transformation" to create Products to Enhance Sustainability through innovation, thereby delivering value to society in the form of "Peace of Mind for Generations to Come." This Integrated Report describes the unique story of our Group's efforts to continuously increase corporate value and maximize shareholder value by transforming the impact of Products to Enhance Sustainability into a competitive advantage and enhancing non-financial capital. In editing the report, we have tried to reflect as much as possible the suggestions and opinions we received from institutional investors through dialogue.

We hope this Integrated Report will serve as a tool for understanding SEKISUI CHEMICAL Group more deeply and contribute to constructive dialogue. We will continue to provide investors with detailed and easy-to-understand explanations of the Company's status and growth strategies while working to increase our corporate value.

SEKISUI CHEMICAL CO., LTD.

2-10-4 Toranomon, Minato-ku, Tokyo
105-8566 Japan

<https://www.sekisuichemical.com/>

Investor Relations Group,
Business Strategy Department

<https://www.sekisuichemical.com/ir/support/contact/>