



April 28, 2025

Notice Regarding the Continuation and Partial Revision of the Share-based Compensation Plan

SEKISUI CHEMICAL CO., LTD. (hereinafter the “Company”) announces that at a meeting held on April 28, 2025, the Board of Directors resolved to continue and partially revise the share-based compensation plan (the “Plan”) for Directors (excluding Outside Directors) and Executive Officers (collectively referred to as “Directors, etc.”), and to submit a proposal regarding the partial revision of this Plan to the 103rd Annual General Meeting of Shareholders to be held on June 20, 2025. The details are as follows.

1. Details, etc. of the Plan after revision

(1) Overview of the current Plan

The Plan is a share-based compensation plan under which shares of the Company are acquired through a trust using funds contributed by the Company, and shares of the Company and cash equivalent to the proceeds from the sale of such shares (“Company Shares, etc.”) are granted and paid out (“Granted, etc.”) in accordance with the points assigned to Directors, etc. based on their positions.

(2) Details of the revised Plan

The revision of the Plan is being made because, in light of the rise in the Company's stock price, the amount of contributions for the acquisition of the Company's shares to be Granted, etc. to Directors, etc. under the Plan may exceed the specified maximum amount of the current Plan. The purpose of this revision is to further enhance the commitment of the Company's Directors to contributing to the medium to long-term improvement of the Group's performance and the enhancement of corporate value, as well as to strengthen their shareholder-oriented management mindset, by aligning their perspective with that of shareholders. The Company believes that this revision will help Directors, etc. share interests with its shareholders.

Therefore, in order to continue this Plan, the Company will revise the details of the existing Plan as follows (underlined portions indicate changes).

The Upper Limit of the Amount of Trust Money Entrusted to the Trust and the Number of Company Shares

Before revision	After revision
<ul style="list-style-type: none">Upper limit of money in the Trust: 330 million yenUpper limit of the number of points granted within one year: 70,000 points (Shares are delivered at the rate of one share being equal to one point.)	<ul style="list-style-type: none">Upper limit of money in the Trust: <u>630 million yen</u>Upper limit of the number of points granted within one year: 70,000 points (Shares are delivered at the rate of one share being equal to one point.)

(Note) 630 million yen, which is the upper limit of the total funds for the Trust to acquire shares, was obtained by multiplying 210 million yen (annual amount) by three (the duration of the trust term). The actual amount entrusted to the Trust will be the total of the funds for the Trust to acquire shares, the fees and expenses for the Trust. Additionally, the Company will entrust the funds for acquiring the Company's shares to be Granted, etc. to Executive Officers and manage them separately from the funds in the aforementioned Trust.

The ratio of the number of shares equivalent to the upper limit of the number of points granted within one year to the total number of shares issued by the Company (as of March 31, 2025, after deducting

treasury shares) is 0.05%. (The ratio per year is 0.01%.)

(3) Other matters related to the revision of the Plan

There are no changes to the timing of the Granting, etc. of the Company's Shares, etc., or other details of the Plan. For the details of the existing Plan, please refer to "Introduction of a Share-based Compensation Plan for Directors and Executive Officers*" dated April 27, 2016.

*disclosure material is available in Japanese only

The eligible period for the continuation of the Plan will be the three fiscal years from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028.

Reference

Main details of the Plan approved by shareholders at the 94th Annual General Meeting of Shareholders

Item	Details
People eligible for the Plan	Directors (excluding Outside Directors)
Eligible period for the Plan	Three consecutive fiscal years (At the time of introduction, the period was three fiscal years from the fiscal year ended March 31, 2017, to the fiscal year ended March 31, 2019)
Method of acquiring shares of the Company	Acquisition through the disposal of treasury shares or acquisition from the stock market
Timing for the Granting, etc. of Company Shares, etc. to Directors	At the time of retirement of Directors