



SEKISUI CHEMICAL Group Modern Slavery Statement for

Financial Year (FY) 2024

The following statement is a report for FY2024 corresponding to the account closing date of March 31, 2025. It also includes plans for initiatives in FY2025 and beyond.

1. About this statement

SEKISUI CHEMICAL Co., Ltd. (hereafter referred to as the "Company") makes this statement pursuant to section 54 (1) of the UK Modern Slavery Act 2015 (hereafter referred to as the "Slavery Act"). It sets out the actions taken by SEKISUI CHEMICAL Group, which is a corporate conglomerate managed by the Company as the parent company, to prevent any forms of modern slavery and human trafficking in any part of its business or its supply chains. The Company hereby declares that it remains fully committed to opposing slavery and human trafficking in any part of its business or its supply chains. The concepts of slavery and human trafficking used in this statement are as defined in the Slavery Act.

2. Outlines of our business and structure

Since its establishment in 1947, SEKISUI CHEMICAL Group has continued to open up new frontiers of "residential and social infrastructure creation" and "chemical solutions", utilizing its prominent technology and quality, thereby contributing to enriching people's lives and the social infrastructure. In 2001, we adopted the Divisional Company Organization System, which consists of three Divisional Companies and Headquarters. SEKISUI CHEMICAL Group's products are sold around the world. The Group, which has its head office in Japan, has 155 Group companies (excluding equity-method affiliates and affiliates) in 20 countries and regions. It has 26,918 employees and consolidated sales of 1 trillion 297.8 billion yen.

(1) Company and main businesses

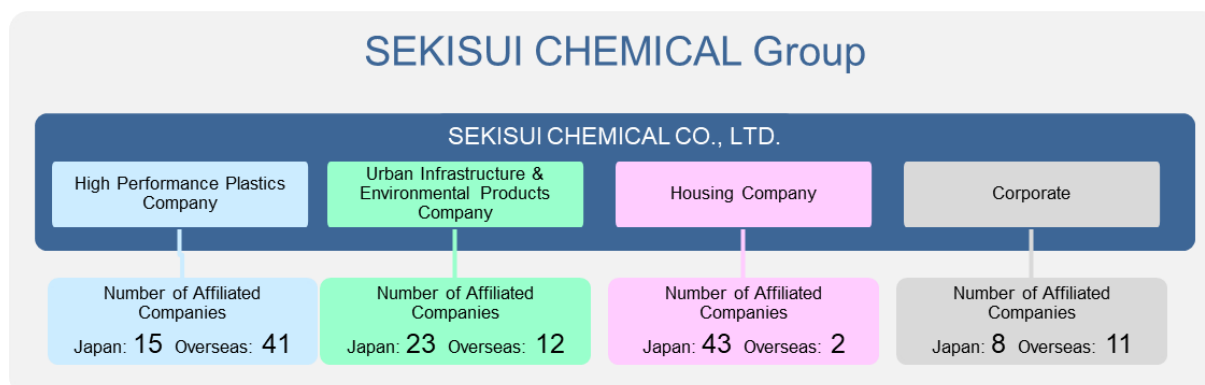
1) Housing Company

Major lines of business: Housing, Stock Business, Town and Community Development, Residential Services

2) Urban Infrastructure & Environmental Products Company

Major lines of business: Pipe systems, Buildings and Infrastructure Composite Materials, Infrastructure Renovation

- 3) High Performance Plastics Company
Major lines of business: Electronics, Mobility, Industrial
- 4) Headquarters: Life science and other businesses



(2) Business in the UK

In the United Kingdom, multiple companies that are part of SEKISUI CHEMICAL Group, including Sekisui Diagnostics (UK) Limited, are operating businesses.

Major lines of business: Manufacture and sales of enzymes, Clinical Chemistry and Coagulation systems & reagents, Infectious Disease Rapid Tests, Sales of polyolefin foam, etc.

3. Outline of our supply chains

We source raw materials from suppliers across the world based on our Basic Procurement Policy. In FY2024, we revised our Basic Procurement Policy in order to respond to further escalation of social demands in recent years, including human rights, sustainability, and anti-corruption. Calling on our suppliers to fulfill their responsibilities to respect human rights, we have posted information on the Company's website to widely publicize details on revision.

In addition, we summarize list of items as standards which we request all suppliers involved with the Group and production of the Group's products to comply with, as "SEKISUI CHEMICAL Group Sustainable Procurement Guidelines (Supplier Code of Conduct)". Sustainable Procurement Guidelines are in line with the UN Global Compact 10 Principles, UN Guiding Principles on Business and Human Rights, and SEKISUI CHEMICAL Human Rights Policy, and serve as the criteria that must be observed by all business partners involved with the Group and the production of its products. We ask our business partners to understand and comply with the purpose and content of these guidelines as well as cooperate with us in our efforts to realize a sustainable society.

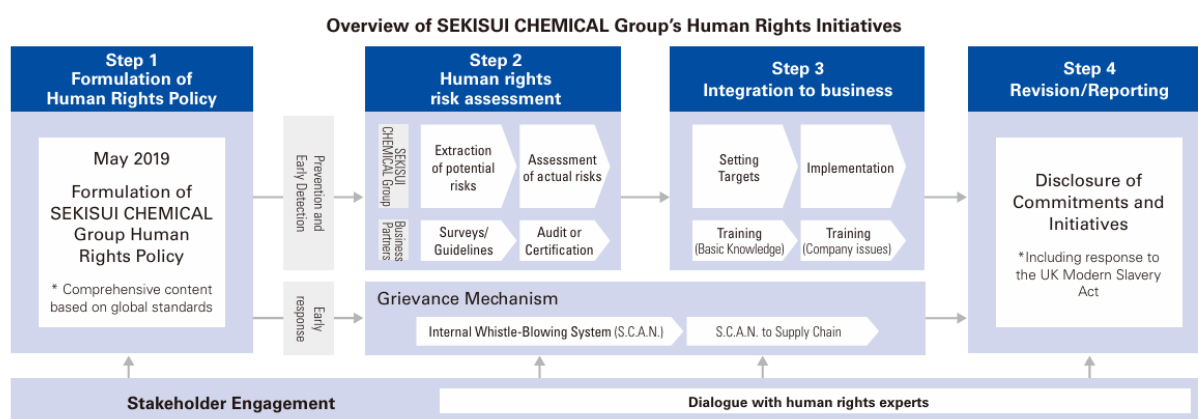
* Sustainability Report 2025 (p.142):

- Society > Responsible Procurement > Revised Basic Procurement Policy
- Society > Responsible Procurement > Sustainable Procurement Guidelines
(Supplier Code of Conduct)

4. Overview of SEKISUI CHEMICAL Group's Human Rights Initiatives

(1) Organizing our Human Rights Initiatives

SEKISUI CHEMICAL Group has organized human rights initiatives involving the Group based on the UN's Guiding Principles on Business and Human Rights in the following manner. Grounded in the SEKISUI CHEMICAL Group Human Rights Policy formulated in May 2019, we will work to build a cycle to evaluate human rights impacts, integrate human rights into business, make reports, and establish a grievance mechanism in an effort to identify, address, and remediate any human rights risks that may arise from the Group's business activities.

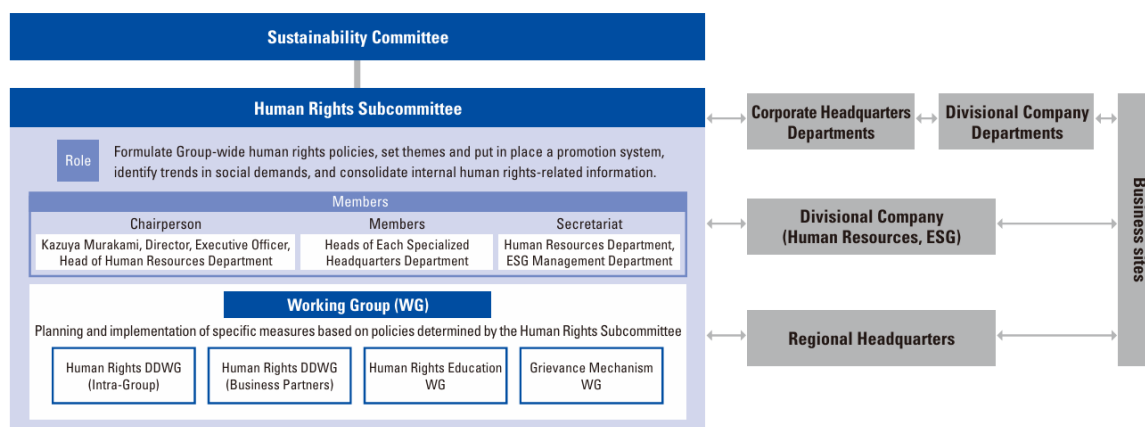


(2) System to Enhance Initiatives

To strengthen our response to a wide-ranging array of human rights issues, including identification, evaluation and remediation of human rights risks, education and training, and establishment of grievance mechanisms, in a cross-organizational manner, we established the Human Rights Subcommittee under the Sustainability Committee in FY2022.

From FY2024, the new Human Rights Section Meeting was launched as the eighth subcommittee under the umbrella of the Sustainability Committee, and the Human Rights Subcommittee was reorganized as the Human Rights Promotion Subcommittee, a wing of the Human Rights Section Meeting. Chaired by the Executive Officer and Head of Human Resources Department, the Human Rights Section Meeting is comprised of the heads of each specialized Headquarters department, and assumes the role of formulating Group-wide policies regarding human rights. At the same time, four working groups linked to the Human Rights

Promotion Subcommittee plan and execute concrete measures. Likewise, we promote our human rights initiatives throughout the Group by sharing the policies and measures established by the Human Rights Section Meeting and each working group among each of the relevant departments of the Company's headquarters and divisional companies, and by applying these down to the business site level. In FY2024, the Human Rights Section Meeting met one time and the Human Rights Promotion Subcommittee met five times.



5. Policies related to prevention of slavery and human trafficking

In May 2019, SEKISUI CHEMICAL Group drew up the SEKISUI CHEMICAL Group "Human Rights Policy", based on the United Nations Guiding Principles on Business and Human Rights, to prevent all forms of slavery and human trafficking in our business and supply chains. The "Human Rights Policy" was adopted by the Board of Directors of the Company and signed by the President and Representative Director of the Company. The next steps will include thoroughly informing all employees and business partners of SEKISUI CHEMICAL Group about the "Human Rights Policy" and fully implementing the Policy.

SEKISUI CHEMICAL Group Human Rights Policy

In March 2009, SEKISUI CHEMICAL Group signed the United Nations Global Compact and, together with all of our Group companies, is supporting the Ten Principles of the UN Global Compact.

6. Human rights risks and due diligence process

(1) SEKISUI CHEMICAL Group

1) Outline of Initiatives

SEKISUI CHEMICAL Group launched initiatives aimed at building a human rights due diligence framework in November 2018. Initiatives implemented up to FY2023 are as follows.

- ① **From FY2018 to FY2019:** Employed a specialized agency (Verisk Maplecroft) to analyse potential human rights risks in major businesses and conducted internal hearings based on the results of analysis.
- ② **FY2020:** Implemented human rights interviews at domestic production sites.
- ③ **FY2021:** Conducted a survey-format human rights risk assessment on a global basis for management in all areas where the Group is located and for general as well as indirect employees at selected business locations.
- ④ **FY2022:** Remediated issues identified through the above risk assessments, and implemented human rights interviews at two locations in Japan and overseas.
 - UIEP Company: SEKISUI INDUSTRIAL PIPING CO., LTD. (Taiwan)
 - Housing Company: SEKISUI HEIM KINKI CO., LTD.
- ⑤ **FY2023:** Human rights interviews were conducted at three locations: overseas production site, domestic nursing care site, and domestic construction site.
 - High Performance Plastics Company PT. SEKISUI POLYMATECH INDONESIA
 - Housing Company: Healthy Service Corporation
 - Construction company (a business partner of the Housing Company)
- ⑥ **FY2024:** Human rights interviews were conducted at four locations: overseas production sites and domestic construction sites.
 - High Performance Plastics Company: THAI SEKISUI FOAM CO., LTD.
 - Three construction companies (business partners of the Housing Company)

2) Detailed initiatives of FY2024

① Human Rights Interview at an Overseas Production Site

In FY2024, we conducted human rights interviews at an overseas business site (Thailand). Based on the results of a potential human rights risks analysis by outside experts (Verisk Maplecroft) and a human rights survey conducted across all Group companies, the employees at THAI SEKISUI FOAM were confirmed as being at comparatively high human rights risk, so we determined that it was necessary to prioritize interviews with them. We interviewed local employees to gain a better understanding of their actual working conditions (discrimination, harassment, appropriate wages, appropriate working hours, forced labour, occupational safety and health in the workplace, etc.).

[Targets]

11 employees at the High Performance Plastics Company THAI SEKISUI FOAM CO., LTD. (including 4 women) + 3 subcontractors working in the cafeteria (self-employed, including 3 women) + 4 administrators (including 1 woman)

[Implementation method]

- As a preliminary survey, we conducted a survey of employees based on the Dhaka Principles, an international norm on responsible migrant worker employment.
- Caux Round Table Japan※1 conducted interviews with employees divided into groups by role, each lasting about an hour based on a preliminary survey.

[Survey content]

Discrimination, harassment, appropriate wages, leave, shutdown, freedom of association and collective bargaining rights, respect for women's rights, etc.

[Results]

Although no significant negative impact on the human rights of employees was found in this survey, it helped identify areas of improvement for building a better working environment, such as providing opportunities for regular dialogue with employees, respect for the rights of women, occupational safety and health, and respect for the rights of subcontractors. To address these issues, THAI SEKISUI FOAM CO., LTD. formulated a remedial action plan.

※1 Caux Round Table Japan: A specified non-profit organization with a wealth of experience in initiatives to reduce human rights risks in corporate supply chains and a network of various CSR initiative groups both domestically and abroad.

② Human rights interviews at domestic construction sites

Since FY2020, SEKISUI CHEMICAL Group has conducted human rights assessments, including interviews with employees, at domestic production sites and construction companies of the Housing Company that employ foreign workers. This is in response to the high level of human rights risks related to the working environment of foreign workers in Japan identified through dialogue with overseas experts, etc. We conducted foreign national employment management assessments, including employee interviews, for the three companies listed below which are Housing Company business partners in FY2024.

[Targets]

- Construction Company K (business partner of the Housing Company):
Two foreign nationality employees (none of whom were women) + one manager
- Construction Company I (business partner of the Housing Company):

Three foreign nationality employees (none of whom were women) + one manager

- Construction Company H (business partner of the Housing Company): One foreign nationality employee (none of whom were women) + one manager

[Implementation method]

- Conducted a preliminary survey consisting of 342 questions in 40 categories regarding human rights, and held interviews with the president, executives, foreign national employment management, or personnel and labour management supervisors based on the survey results.
- Interviews were conducted with foreign nationality employees and managers for human resources and labour management.
- Based on the results of the assessment and a report by a third party organization, we have pointed out areas for correction and made improvement proposals.

[Results]

Both Company K and I received high marks that exceeded the appropriate judgement criteria on multiple items, confirming that they are acting appropriately in employing foreign nationals. Conversely, individual feedback was provided to each company by pointing out issues to work on in the future (evaluation systems, career education, etc.).

During interviews with staff at Company H, we identified human rights issues and conducted a probe into the causes. Along with formulating measures to resolve the issues, we will help prevent recurrences in the future.

Sustainability Report 2025 (p.138-140):

Society > Respect for Human Rights > Human Rights Due Diligence
(SEKISUI CHEMICAL Group)

(2) Supply Chain

1) Surveys on Sustainable Procurement

SEKISUI CHEMICAL Group conduct sustainable procurement surveys to assess whether our business partners are operating in a socially responsible manner. Based on the survey results, we work with our business partners to resolve any outstanding issues.

This survey is conducted once every three years. During FY2024 survey, we significantly overhauled the process for the first time in three years. The

Company prepared and distributed a sustainable procurement survey that can be understood by all business partners regardless of company scale. It includes details that can be used as a check-list for human rights initiatives. Traditionally, surveys have been conducted in Japanese, English, and Chinese, however, taking into consideration the location of business partners and the languages and nationalities of persons in charge, surveys are now available in German, Korean, Spanish, and Thai as well. Based on the survey process for the current fiscal year, surveys have been distributed to all 617 companies globally.

Sustainability Report 2025 (p.140):

Society > Respect for Human Rights > Human Rights Due Diligence (Our Suppliers)

2) Surveys on Raw Materials (Timber and Minerals)

① Surveys on Timber Procurement

The Group is formulating Sustainable Timber Procurement Guidelines to ensure compliance with our timber procurement policy. It not only aims for legal procurement of timber, but also to lessen the negative impact on the human rights of indigenous people due to forest destruction and on the environment. Surveys on tree species and logging areas are being conducted at 61 suppliers. We conducted interviews and clarified traceability at suppliers where raw materials come from endangered species and in countries with high-risk logging areas. The survey identified three at-risk companies in the direct supply chain, and in FY2024, we directly confirmed that they were not procuring timber from forests at risk of destruction.

Sustainability Report 2025 (p.146):

Society > Responsible Procurement > Sustainable Timber Procurement

② Surveys on Responsible Mineral Procurement

SEKISUI CHEMICAL Group holds in-house training sessions to deepen understanding of surveys on the background behind conflict minerals (minerals that fund armed insurgents) and social changes (human rights violations such as child labour). This training was conducted in advance of implementing the survey based on the Responsible Mineral Procurement survey manual.

The FY2024 survey was conducted at 50 locations that handle target minerals, including domestic and overseas branches. The results identified 95% of smelters with 5% being undisclosed among raw materials domestically, including target minerals. Overseas, 99% of smelters have been

identified, with 1% undisclosed. In FY2025, we will consider responses in line with the risk levels of undisclosed smelters.

Sustainability Report 2025 (p.146):

Society > Responsible Procurement > FY2024 Responsible Mineral
Procurement Survey

7. Establishment of a Hotline

The SEKISUI CHEMICAL Group establishes a variety of mechanisms to listen to opinions of stakeholders, such as reporting systems for employees and business partners, customer consultation office, and a sustainability inquiry desk, in order to take appropriate action to remediate any negative impact on human rights that may occur in its business activities.

In 2002, SEKISUI CHEMICAL Group established the in-house whistleblower system called Sekisui Compliance Assist Network (S.C.A.N.), which can be used by any employee of the Group. Also, in FY2024, the overseas multilingual whistleblower system known as the "SEKISUI Chemical Group Global Hotline" was fully introduced globally and is up and running. Externally, a website was set up on the SEKISUI CHEMICAL Group's website in FY2015 to accept a wide range of reports from business partners and other parties, and the global hotline system mentioned above is currently being expanded globally.

* Sustainability Report 2025 (p.173):

Governance > Legal and Ethical Issues > Fostering Compliance Awareness

8. Education about slavery and human trafficking

(1) Human rights training programmes for Group employees

SEKISUI CHEMICAL Group conducts training and educational programmes focusing on the theme of human rights for its employees. In this manner, the Group is endeavouring to engage in management that takes into consideration concerns regarding human rights. Training, especially at such milestones as when an employee enters the Company or is promoted, is designed to raise awareness of human rights issues including forced labour, child labour, and harassment, thereby promoting the importance of respecting human rights and our human rights policy. In FY2020, as part of human rights education for domestic and overseas employees, "Business and Human Rights e-Learning" was introduced to employees in all areas operated by the Group (North America, Europe, Asia) via the intranet, helping promote the importance of respecting human rights and spreading the word about human rights policies.

In FY2024, "Compliance e-Learning" (joint project between the October compliance

month and December human rights month), which was introduced in FY2023 for all global Group employees to promote understanding of a wide range of information on human rights and compliance, was implemented in close collaboration with managers and persons in charge of personnel and legal affairs in each area to improve attendance.

(2) Implemented SEKISUI CHEMICAL Group Human Rights Month

As part of efforts to provide educational opportunities so that employees can act with respect for human rights, the SEKISUI CHEMICAL Group implemented the Human Rights Month in December 2024. In addition to delivering the president's message translated into 11 languages to all Group companies and creating human rights posters (Japanese and English), we conducted an online Business and Human Rights Seminar domestically on 6th December. A video on the issue of foreign labourers in Japan, a familiar theme, was shown during Human Rights Month.

* Sustainability Report 2025 (p.141):

Society > Respect for Human Rights > Human Rights Education

9. Engagement with external stakeholders

From June to December 2024, the SEKISUI CHEMICAL Group participated in the Stakeholder Engagement Programme※2 where companies in various industries, NPOs, NGOs, and other prominent figures exchanged opinions on promoting human rights due diligence initiatives. After participating companies listened to presentations by NPOs, NGOs, and other prominent figures on a wide range of social issues with a focus on human rights and environmental subjects garnering attention around the world, various stakeholders engaged in a discussion to identify key human rights issues in each industry. We are currently sharing the new information and knowledge gained at the event to further promote activities by strengthening the foundation for human rights initiatives at the Company. We will continue to use the opinions of these stakeholders to promote systematic human rights initiatives in accordance with the Guiding Principles on Business and Human Rights.

※2 Stakeholder Engagement Program: Hosted by the Caux Round Table Japan

* Sustainability Report 2025 (p.141):

Society > Respect for Human Rights > Stakeholder Engagement

10. Plans for the future

Based on the perspective of the Guiding Principles on Business and Human Rights, we will strive to ensure that our business and supply chains do not cause or contribute to human rights abuses. In FY2025, we will identify the following three

points as important measures concerning "Business and Human Rights".

(1) Fostering and spreading a culture of respect for human rights

To ensure that all employees are aware of the human rights policy and that a climate of respect for human rights is fostered throughout the Group, we will develop and implement measures to disseminate the policy to employees through the following initiatives.

1) Working with Key Personnel

To ensure that human rights initiatives are implemented throughout the Group, key persons at each business unit and group company are identified to work together and deepen their understanding of the activities.

2) Raise level of understanding by management and executives

Conduct trainings and lectures for executive officers and Group executives to increase understanding among senior management.

3) Raise awareness on "Business and Human Rights" throughout the Group

Hold Human Rights Month in all areas where the Group operates in order to raise the level of understanding of human rights throughout the Group.

(2) Implementing human rights due diligence and reducing risks

1) SEKISUI CHEMICAL Group

Conduct human rights risk assessments for foreign workers at construction sites in Japan and production sites in Asia where high potential human rights risks have been identified within the Group. In addition, in order to raise Group-wide awareness of human rights issues and achieve more effective prevention and mitigation of human rights risks, we will promote the transition of operating entity for human rights due diligence from Corporate Headquarters to Regional Headquarters and Divisional Companies.

2) Business partners

Based on the results of the sustainable procurement surveys conducted in FY2024, we plan on directly confirming compliance (through dialogue) by visiting business partners in 2025 and holding seminars on sustainable procurement in seven regions both domestically and overseas.

(3) Implementation of Grievance Mechanism

Expand the introduction of multilingual global hotline and promote awareness of the hotline among non-Japanese employees and business partners.

This statement was adopted by the Board of Directors of the Company and signed by Keita Kato, President and Representative Director of the Company.

September 11, 2025

President and Representative Director SEKISUI CHEMICAL Co., Ltd.

Keith Kato