[This is an English translation of the original text written in Japanese]

April 30, 2024

LIXIL Corporation
Kinya Seto
Representative Executive Officer, President, and CEO
(TSE Prime market and NSE Premier market, code 5938)

(Contact):
Aya Kawai
Leader, Investor Relations Office

Notification Regarding Issuance of New Shares as Restricted Stock Compensation

LIXIL Corporation (hereinafter "the Company") hereby gives notice that the Board of Directors has today resolved issuance of new shares (hereinafter "the Issuance of New Shares") as Restricted Stock Compensation as follows.

1. Overview of the Issuance of New Shares

(1)	Due date of payment	May 15, 2024
(2)	Class and number of shares to be issued	Common share of the Company: 128,670 shares
(3)	Issuance price	JPY1,923 per share
(4)	Total issuance amount	JPY247,432,410
(5)	Eligible persons allotted shares, and the number of shares to be allotted	Executive Officers of the Company 7(*1) 128,670 shares
(6)	Other matters	Regarding the Issuance of New Shares, an extraordinary report has been submitted in accordance with the Financial Instruments and Exchange Act.

(*1) Including Executive Officers who serve as Director and excluding Executive Officers who are non-residence in Japan

2. Purpose and reason for the Issuance of New Shares

The Company has been applying Restricted Stock Compensation Plan (hereinafter "Restricted Stock Plan") from April 2023, in order to encourage Executive Officers to share more interests with shareholders over their term of office and work to create value over mid- to long-term. In order to achieve this purpose, the period of transfer restriction of Restricted Stock Plan is

limited to the time of retirement.
Furthermore, the Company has been applying Stock Ownership Guideline to ensure the sharing of interests with shareholders. Under this guideline, the number of the Company's shares to be held by Executive Officers during their term of office is at least three times the amount of Annual Base Salary for Representative Executive Officers and at least one time the amount of Annual Base Salary for other Executive Officers.

Upon implementation of Restricted Stock plan, the Compensation Committee held on April 18, 2024 has resolved to pay a total of JPY247,432,410, which is the monetary compensation claims as Restricted Stock Plan for the period from April 1, 2024 to March 31, 2025 for the Executive Officers (including Executive Officers who serve as Director and excluding Executive Officers who are non-residence in Japan, hereinafter "the Eligible Executive Officers"), to the 7 Eligible Executive Officers who are scheduled to be allotted (hereinafter "the Allottees").
Then, the Board of Directors in the Company held today resolved to allot 128,670 shares of common share of the Company to the Allottees through the Issuance of New Shares as specified restricted stock by the method in which the Allottees deliver all of monetary compensation claims to the Company by way of contribution in kind.
The amount of monetary compensation claims for each Allottee shall be determined comprehensively in consideration of role and responsibility, business performance, experience, and difficulty in securing personnel in accordance with the Company's compensation basic policy. In addition, monetary compensation claims shall be paid on the condition that each Allottee conclude Restricted Stock Allotment Agreement (hereinafter "Allotment Agreement") with the Company, which includes the following details.

Supplementary information: The compensation system for Executive Officers consists of Annual Base Salary, Performance-linked Compensation, and Stock-linked Compensation.

<table>
<tr><td rowspan="2">Annual Base Salary</td><td rowspan="2">Performance-linked Compensation（Short-term incentive compensation）</td><td colspan="2">Stock-linked Compensation（Mid- to long-term incentive compensation）</td></tr>
<tr><td>Restricted Stock</td><td>Phantom Stock</td></tr>
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3. Overview of Allotment Agreement
(1) Restricted Period
The restricted period is from May 15, 2024 until the Allottees retire from any position as Director or Executive Officer of the Company. (Provided, however, that if the date of such retirement is on or before June 30, 2025, the date shall be July 1, 2025.)
During the transfer restriction period specified above (hereinafter "the Restricted Period"), the Allottees shall not transfer, pledge, create a security interest in, make a living gift, bequest or otherwise dispose of the restricted shares allotted (hereinafter "the Shares") to any third party (hereafter "the Transfer Restriction").

(2) Lifting of the Transfer Restriction
The Company shall lift the Transfer Restriction of all the Shares at the time of retirement from any position as Director or Executive officer of the Company on the condition that

the Allottees have continuously held the position of Executive Officer of the Company until the last day of the first fiscal year that falls after the commencement date of Restricted Period. In the event that the Allottees retire from the position of Executive officer due to reasons that Board of Directors of the Company determines to be justified by the day before the last day of the first fiscal year of the Company that falls after the commencement date of the Restricted Period, the Company shall lift the Transfer Restriction of the number of the Shares, which is obtained by dividing the number of months from April 2024 to the month including the day on which the Allottees retire from the position of Executive Officer of the Company by 12 (if the result of the calculation exceeds 1, it shall be 1), multiplied by the number of the Shares held by the Allottees as of such time (any fraction resulting from the calculation that is less than one share, shall be rounded down), at the time of retirement from any position as Director or Executive officer of the Company.

(3) Gratis acquisition by the Company
In the event that the Allottees retire from the position of Executive officer by the day before the last day of the first fiscal year of the Company that falls after the commencement date of the Restricted Period unless there are reasons that the Board of Directors of the Company determines to be justified, the Company shall automatically acquire the Shares without consideration at the time of retirement from any position as Director or Executive Officer of the Company. In the event that there are the Shares of which the Transfer Restriction has not lifted based on the provisions for reasons for lifting of the Transfer Restriction on the above (2) at the time of the expiration of the Restricted Period (hereafter "the Expiration Date"), the Company shall automatically acquire the Shares without consideration immediately after the time of the Expiration Date.

(4) Management of share
The Allottees shall open an account with SMBC Nikko Securities Inc. in which the Shares shall be entered or recorded in a manner designated by the Company and keep and maintain the Shares in such account during the Restricted Period.

(5) Treatment in the event of organizational restructuring, etc.
In the event that the proposals, such as merger agreement whereby the Company becomes the dissolving company, share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary and any other reorganization, is approved at the Shareholders' Meeting of the Company (or at the Board of Directors of the Company in the case that approval by the Shareholders' Meeting of the Company is not required regarding that organizational restructuring, etc.) during the Restricted Period, the Company shall lift the Transfer Restriction of the number of the Shares, which is obtained by dividing the number of months from April 2024 to the month including the approval date by 12 (if the result of the calculation exceeds 1, it shall be 1), multiplied by the number of the Shares held by the Allottees as of the date of such approval (any fraction resulting from the calculation that is less than one share, shall be rounded down), at the immediately preceding time of the business date prior to the effective date of organizational restructuring, etc., based on the resolution by the Compensation Committee of the Company. The Company shall automatically acquire the Shares of which

the Transfer Restriction has not lifted on the business date prior to the effective date of reorganization without consideration on such date.

4. Basis of calculation and specific details of the amount to be paid in

The amount to be paid in per share is JPY1,923 which is the daily simple closing average of the common share of the Company on the Tokyo Stock Exchange for the 30 business days prior to the previous day of April 1, 2024 to ensure that the price is free from arbitrariness (if a fraction occurs, the first decimal place shall be rounded up to a whole number).
This price is same as the share price used to calculate the number of shares granted as Phantom Stock, which is another mid- to long-term incentive compensation plan for Executive officer, and the method of determination and amount of the issue price are believed to be reasonable and not particularly favorable. In addition, the Company's executive compensation regulations stipulate that if the Board of Directors determines that there is a concern that the such daily simple closing average would be particularly favorable to Executive Officers, the closing price of the common share of the Company on the Tokyo Stock Exchange on the business day prior to the day on which the Board of Directors resolves to issue new shares shall apply, but it has been confirmed that there is no such concern in the Issuance of New Shares.

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