



May 19, 2026

Company name : Sekisui Jushi Corporation
Name of representative : Hiroshi Baba, President and Representative
Director, CEO
(Securities code: 4212; Prime Market)
Inquiries: : Tomoyuki Kikuchi, Director and Managing
Executive Officer, Executives - Finance and
Investor Relations
(Telephone: +81-6-6365-3288)

Notice Regarding Revisions to Directors' Remuneration Amounts

At the meeting of the Board of Directors held on May 19, 2026, Sekisui Jushi Corporation (the "Company") resolved to revise the remuneration system for Directors and to submit a proposal related to the revision of Directors' remuneration amounts as described below at the 92nd Ordinary General Meeting of Shareholders that is scheduled on June 25, 2026.

We submit the following proposal to revise Directors' remuneration amounts to our shareholders for their approval.

1. Description of revisions

- (1) The Company would like to revise monetary remuneration for Directors of the Company from "up to ¥400 million per year (including up to ¥50 million per year for Outside Directors)," the amount approved at the 73rd Ordinary General Meeting of Shareholders held on June 28, 2007 and the 90th Ordinary General Meeting of Shareholders held on June 25, 2024, to "up to ¥300 million per year (including up to ¥50 million per year for Outside Directors)." It should be noted that, as before, this amount of monetary remuneration does not include the employee salaries of Directors who concurrently serve as employees.
- (2) The Company would like to revise the maximum amounts of restricted stock compensation and number of Company's shares to be granted to Directors of the Company from "up to ¥50 million per year (including up to ¥8 million per year for Outside Directors)" and "up to 12,000 shares per year (including up to 2,000 shares per year for Outside Directors)," respectively, the amounts approved as separate from the amount of monetary remuneration described in (1) at the 90th Ordinary General Meeting of Shareholders held on June 25, 2024, to "up to ¥150 million per year (including up to ¥10 million per year for Outside Directors)" and "up to 38,000 shares per year (including up to 2,000 shares per year for Outside Directors)," respectively. It should be noted that, aside from the

above revisions, the details approved at the 90th Ordinary General Meeting of Shareholders held on June 25, 2024 will not change.

		Present		Revised	
		Directors	Included portion for Outside Directors	Directors	Included portion for Outside Directors
Monetary remuneration	Remuneration (per year)	Up to <u>¥400</u> million	Up to <u>¥50</u> million	Up to <u>¥300</u> million	Up to <u>¥50</u> million
Non-monetary remuneration (amount of restricted stock compensation)	Remuneration (per year)	Up to <u>¥50</u> million	Up to <u>¥8</u> million	Up to <u>¥150</u> million	Up to <u>¥10</u> million
	Number of shares to be granted (maximum per year)	Up to <u>12,000</u> shares	Up to 2,000 shares	Up to <u>38,000</u> shares	Up to 2,000 shares

2. Reason for revisions

The Company's remuneration system for Directors is linked to shareholder returns to serve as an incentive to sustainably enhance corporate value, and the remuneration of each Director is determined appropriately based on their position, responsibilities, and other relevant factors. The remuneration for Directors responsible for business execution consists of basic remuneration, bonuses, and restricted stock compensation, while the remuneration for Outside Directors consists of basic remuneration and restricted stock compensation.

The Company has decided to establish an additional allocation for Directors responsible for business execution when calculating the number of shares to grant to them under the restricted stock compensation plan for Directors. The additional allocation will be determined according to the level of achievement of predetermined medium-term indicators pertaining to, for example, growth of corporate value and shareholder value.

Concurrently, the Company would like to raise the proportion of stock compensation without changing the limit of total compensation for Directors, and intends to accomplish this by reducing the limit of monetary remuneration.

3. Grounds for the reasonableness of the revisions

The purpose of this proposal is to promote further improvement of the Company's corporate value and value sharing with shareholders by creating stronger links between the Company's performance over the medium-term and the value of the Company's stock on the one hand, and stock compensation for Directors on the other. Thus, this proposal is in line with the Company's policy for determining details of remuneration and other compensation for each individual Director. Additionally, after considering all facets of the Company's business scale, the officer remuneration structure and payment levels, the present number of officers, and future trends, and upon deliberation by the Personnel Affairs and Remuneration Advisory Committee, the Board of Directors has made this decision, which the Company deems appropriate.

The Company's policy for determining details of remuneration and other compensation for each individual Director is as indicated at the end of this document.

It should be noted that the present number of Directors is eight (including four Outside Directors); neither will change if Proposal 1 (Election of eight (8) Directors) is approved.

Reference 1: Overview of Restricted Stock Compensation Plan (After Revision)

For the purpose of giving Directors an incentive to continuously improve the Company's corporate value and to promote further value sharing with shareholders, the Company will provide Directors with remuneration for the granting of restricted stock, separately from the monetary remuneration for Directors in this proposal.

The remuneration to be paid to the Directors for the granting of restricted stock pursuant to this system shall be in the form of monetary claims ("Monetary Remuneration Claims"). The total amount shall be no more than ¥150 million per year (including ¥10 million per year for Outside Directors), as deemed reasonable in light of the aforementioned purposes.

In addition, the specific timing for provision thereof and the allocation to each Director shall be determined by the Board of Directors. It should be noted that the remuneration stated above shall not include the employee salaries for Directors concurrently serving as employees.

The Directors shall pay all Monetary Remuneration Claims to be provided under this proposal in the form of property contributed in kind, in accordance with the resolution of the Board of Directors of the Company, and shall receive common shares of the Company that shall be by disposal of treasury shares, and the total number of common shares of the Company through disposal of treasury shares shall be no more than 38,000 shares per year (including 2,000 shares per year for Outside Directors; provided, however, that if the Company performs a share split (including allotment of common shares of the Company without contribution) or a reverse share split of its common shares, or any other reason arises necessitating an adjustment to the total number of common shares of the Company through disposal of treasury shares for restricted stock, the relevant total number shall be reasonably adjusted).

The paid-in amount per share shall be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors (or the closing price on the most recent trading day if there is no closing price on that day). In addition, upon the disposal of shares of common stock of the Company in this manner, the Company shall enter into a restricted stock allotment agreement (the "Allotment Agreement," with shares of common stock received as a result of this allotment referred to as the "Allotted Shares") with the Directors, which shall include the following details.

(1) Restriction Period

Directors shall not transfer, grant a security interest in, or otherwise dispose of the Allotted Shares ("Transfer Restrictions") for a period to be determined in advance by the Board of Directors of the Company between three (3) and 30 years from the pay-in date for the Allotted Shares (the "Restriction Period").

(2) Handling Upon Resignation

If a Director retires or resigns from any position of Director, Executive Officer, or other position determined in advance by the Board of Directors of the Company before the Restriction Period expires, the Company shall automatically acquire such Allotted Shares without contribution, unless the reason for his/her retirement or resignation from office is the expiration of the term of his/her office, death, or other justifiable reason. In any other case, the Company shall acquire, by rights, without contribution all the Allotted Shares if the Board of Directors of the Company has determined that it is appropriate for the Company to acquire them without contribution.

(3) Lifting of Transfer Restrictions

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restrictions on all of the Allotted Shares upon expiration of the Restriction Period, provided that the Director has continuously held the position determined in (2) above during the Restriction Period. However, if the Director retires or resigns from his/her position as designated in (2) above before the expiration of the Restriction Period due to the expiration of the term of his/her office, death, or other justifiable reason designated in (2) above, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of lifting as needed. In addition, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the provisions above.

(4) Handling of Organizational Restructuring, etc.

Notwithstanding the provisions of (1) above, in the event that a merger agreement in which the Company becomes the absorbed company, a share exchange agreement in which the Company becomes a wholly owned subsidiary, a share transfer plan, or other matters related to organizational restructuring, etc. are approved at a General Meeting of Shareholders (or by the Board of Directors if the organizational restructuring, etc. does not require approval of the General Meeting of Shareholders) of the Company during the Restriction Period, the Company may, by a resolution of the Board of Directors, and before the date on which such organizational restructuring, etc. takes effect, lift the Transfer Restrictions on the number of the Allotted Shares reasonably determined based on the period from the start of the Restriction Period to the date of approval of such organizational restructuring, etc. In addition, the Company shall automatically acquire any Allotted Shares for which the Transfer Restrictions have not yet been lifted without contribution immediately after the Transfer Restrictions are lifted in accordance with the above provisions.

(5) Other Matters

Other matters related to the Allotment Agreement shall be determined by the Board of Directors.

Reference 2: Policy for Determining Details of Remuneration and Other Compensation for Each Individual Director

Basic Policy

The Company's remuneration system for Directors is linked to shareholder returns to serve as an incentive to sustainably enhance corporate value, and the remuneration of each Director is determined appropriately based on their position, responsibilities, and other relevant factors. The remuneration for Directors responsible for business execution consists of basic remuneration, bonuses, and restricted stock compensation, while the remuneration for Outside Directors consists of basic remuneration and restricted stock compensation, all of which is paid within the range of the total amount of remuneration approved at the General Meeting of Shareholders.

Policy for Determining the Details of Individual Basic Remuneration (Monetary Remuneration)

The basic remuneration for Directors shall be determined within the remuneration limit approved at the General Meeting of Shareholders, based on monthly remuneration per their position and responsibilities, and shall be revisited as necessary in consideration of business performance, the level of other companies, social conditions, and other factors.

Policy for Determining the Details and Calculation Method of the Amount/Number of Shares of Performance-Linked Remuneration

Performance-linked remuneration consists of short-term performance-linked remuneration and medium-term performance-linked remuneration. For short-term performance-linked remuneration, a bonus is paid as monetary remuneration at a certain time each year. Among the Directors responsible for business execution, in order to maximize the incentive for improving corporate value through achievement of performance targets for each fiscal year, the amount to be paid is decided with overall consideration for operating profit and other important performance indicators of the Company and the Group, as well as other factors such as the conditions of the departments which each Director is responsible for. Medium-term performance-linked remuneration is paid as share awards at a certain time each year. The number of shares is decided according to factors including medium-term growth in corporate value and shareholder value for the Directors responsible for business execution, and ordinary shares of the Company are provided with restrictions on their transfer during the term of office.

Policy for Determining the Details and Calculation Method of the Amount/Number of Shares of Non-Monetary Remuneration

With the aim of promotion of further value sharing with our shareholders by granting incentives that contribute to enhancement of performance and corporate value in the medium- to long-term, Directors (including Outside Directors) are provided with ordinary shares of the Company with restrictions on their transfer during the term of office at a certain time each year, setting the number of shares according to their position, responsibilities, and other relevant factors.

Policy for Determining the Proportion of Each Type of Remuneration and Other Compensation for Each Individual Director

The Company has structured the proportion of each type of compensation for Directors responsible for business execution so that the higher their position in terms of their responsibility for enhancing corporate value, the stronger the link to their performance.

Matters Related to Determining Details of Remuneration and Other Compensation for Each Individual Director

The amount of basic remuneration for each individual Director and the details of bonuses and restricted stock compensation to be granted to Directors responsible for business execution are deliberated by the Personnel Affairs and Remuneration Advisory Committee and then determined by the Board of Directors based on the committee's recommendation.