

Note: This English translation is only a part of the original Japanese version of the Notice of Convocation of the 64th Annual General Meeting of Shareholders and in particular does not include a translation of the annex (the Business Report, the Financial Statements (consolidated and non-consolidated) and the Audit Reports). In addition, this document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Securities Code 7970)

June 4, 2024

To our shareholders:

Toshiaki Deto  
President  
**Shin-Etsu Polymer Co., Ltd.**  
1-1-3 Otemachi, Chiyoda-ku, Tokyo

## Notice of Convocation of the 64th Annual General Meeting of Shareholders

You are hereby notified that the 64th Annual General Meeting of Shareholders of Shin-Etsu Polymer Co., Ltd. (the “Company”; and this meeting, this “Meeting”) will be held as described below.

In convening this Meeting, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (“Electronic Provision Measures Matters”) in electronic format, and has posted the information on the Company’s website. Please access the following website to view the information.

The Company’s website:

<https://www.shinpoly.co.jp/ja/ir/stock/meeting.html> (in Japanese)

In addition to the Company’s website, the Electronic Provision Measures Matters are also posted on the website of the Tokyo Stock Exchange (TSE). Please visit the website below and review the information.

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “Shin-Etsu Polymer” in “Issue name (company name)” or the Company’s securities code “7970” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Please confirm by clicking “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”)

Instead of attending this Meeting in person, you may exercise your voting rights in writing or by electromagnetic means (such as the Internet). Please review the Reference Documents for the Meeting of Shareholders attached hereto and exercise your voting rights by no later than 5:35 p.m. on Monday, June 24, 2024 (Japan Standard Time).

Exercising Voting Rights in Writing (via Mail)

Please indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form (“Voting Form”), which was sent together with this Notice of Meeting, and return the form to us so that it arrives by the above-mentioned deadline for exercising your voting rights.

Exercising Voting Rights via the Internet, etc.

Please refer to the “Information About Exercising Your Voting Rights via the Internet, etc.” below<sup>1</sup> and follow the instructions on the screen to enter your approval or disapproval of the proposals by the above-mentioned deadline for exercising your voting rights.

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<sup>1</sup> Translator’s Annotation

Please refer to page 5 of the original Japanese version of the Notice of Convocation of the 64th Annual General Meeting of Shareholders as to “Information About Exercising Your Voting Rights via the Internet, etc.” (Japanese only)

- 1. Date and Time:** Tuesday, June 25, 2024, at 10:00 a.m. (Japan Standard Time; reception begins at 9:00 a.m.)
- 2. Venue:** Station Conference Manseibashi, 4th Floor of JR Kanda Manseibashi Building  
1-25 Kanda-Sudacho, Chiyoda-ku, Tokyo

**3. Agenda:**

**Matters to be reported:**

1. Report on the Business Report, the Consolidated Financial Statements, and the Audit Reports by the Accounting Auditor and by the Audit & Supervisory Board on the Consolidated Financial Statements for the 64th fiscal year (From April 1, 2023 to March 31, 2024)
2. Report on the Non-consolidated Financial Statements for the 64th fiscal year (From April 1, 2023 to March 31, 2024)

**Matters to be resolved:**

**Proposal No. 1:** Dividends from Surplus

**Proposal No. 2:** Delegation to the Board of Directors of the Company of Determination of Subscription Requirements for Stock Acquisition Rights to Be Issued as Stock Options to Executive Officers and Employees of the Company and Directors of Subsidiaries of the Company

**4. Predetermined Items Related to the Convocation of this Meeting**

- (1) If you do not indicate your approval or disapproval for any proposal on the Voting Form, you will be deemed to have approved that proposal.
  - (2) If you exercise your voting rights multiple times, both by returning the Voting Form and via the Internet, etc., only the voting via the Internet, etc. will be deemed effective.
  - (3) If you exercise your voting rights multiple times via the Internet, etc., only the last vote will prevail.
- Among the Electronic Provision Measures Matters, “Matters Concerning a System for Ensuring the Propriety of Business Activities” in the Business Report, “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements, and “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are not included in the paper-based documents delivered to shareholders who requested the delivery of paper-based documents, in accordance with laws and regulations and the provisions of Article 16 of the Articles of Incorporation of the Company. Accordingly, the paper-based documents delivered to shareholders who requested the delivery of paper-based documents are part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by Audit & Supervisory Board Members and part of Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditor.
  - If revisions to the Electronic Provision Measures Matters arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each website where the information is available.
  - You are kindly requested to present the enclosed Voting Form to the receptionist when you attend this Meeting in person.

## Reference Documents for the Meeting of Shareholders

### **Proposal No. 1:** Dividends from Surplus

The Company proposes the dividends from surplus as follows:

The Company considers the return of profits to shareholders to be one of the most important management priorities. With the objective of increasing corporate value through a strengthening of its corporate foundation and sustainable growth, the basic policy of the Company is to continue paying stable dividends on a medium-term basis in line with business results, while at the same time securing funds for the soundness of financial strength, R&D investment, investments for production facilities, M&A, etc.

As for the year-end dividend for the 64th fiscal year, in comprehensive consideration of the business performance, future business developments, dividend payout ratio, etc., the Company proposes to pay a dividend of ¥24 per share. As a result, the annual dividend will total ¥46 per share, including the interim dividend paid of ¥22 per share, which is ¥8 higher than that for the previous fiscal year.

Matters concerning year-end dividend:

- (1) Type of dividend property  
Cash
- (2) Matters concerning allocation of dividend property to shareholders and the total amount thereof  
¥24 per share of common stock of the Company totaling ¥1,937,786,280
- (3) Effective date of dividend from surplus  
June 26, 2024

**Proposal No. 2:** Delegation to the Board of Directors of the Company of Determination of Subscription Requirements for Stock Acquisition Rights to Be Issued as Stock Options to Executive Officers and Employees of the Company and Directors of Subsidiaries of the Company

The Company asks for the shareholders' approval to delegate to the Board of Directors of the Company the determination of the subscription requirements for stock acquisition rights to be issued as stock options to Executive Officers and employees of the Company and directors of subsidiaries of the Company in accordance with the provisions of Articles 236, 238 and 239 of the Companies Act.

1. Reasons for issuing stock acquisition rights with particularly favorable terms and conditions:

For the purpose of further enhancing the willingness and morale to contribute to the long-term increase of corporate value of the Company's group, and thus increasing the corporate value of the Company's group, the Company would like to issue stock acquisition rights to Executive Officers and employees of the Company and directors of subsidiaries of the Company without requiring any payment of money.

2. Features and the maximum number of stock acquisition rights, etc. for which the Board of Directors will be authorized to determine subscription requirements, based on the matters to be determined at this Meeting:

(1) The maximum number of stock acquisition rights for which the Board of Directors will be authorized to determine subscription requirements based on the delegation

The maximum number of stock acquisition rights specified in item (3) below shall be four thousand (4,000). The maximum total number of shares of common stock of the Company to be delivered upon exercise of stock acquisition rights shall be four hundred thousand (400,000). If the number of shares to be granted is adjusted as prescribed in item (3) below, however, the adjusted number of shares to be granted shall be the product of the number of shares to be granted after adjustment multiplied by the above-mentioned maximum number of stock acquisition rights.

(2) No payment of money shall be required for the stock acquisition rights for which the Board of Directors will be authorized to determine subscription requirements based on the delegation.

(3) Features of stock acquisition rights for which the Board of Directors will be authorized to determine subscription requirements based on the delegation

(a) Class and number of shares underlying stock acquisition rights

The class of shares underlying stock acquisition rights shall be common stock and the number of shares underlying each stock acquisition right (hereinafter referred to as the "Number of Shares to Be Granted") shall be one hundred (100).

If, however, the Company either effects a share split of its common stock (including allotment of its shares of common stock without contribution; the same shall apply to the share split described hereinafter) or effects a consolidation of its shares of common stock, after the date of resolution of the Meeting of Shareholders (hereinafter referred to as the "Resolution Date"), the Number of Shares to Be Granted shall be adjusted according to the formula described below. Fractions of less than one (1) share resulting from such adjustments shall be rounded down.

$$\begin{array}{l} \text{Number of Shares to Be} \\ \text{Granted after adjustment} \end{array} = \begin{array}{l} \text{Number of Shares to Be} \\ \text{Granted before adjustment} \end{array} \times \begin{array}{l} \text{Ratio of share split or share} \\ \text{consolidation} \end{array}$$

In addition to the above, if, after the Resolution Date, any event that would force the Company to adjust the Number of Shares to Be Granted occurs, the Company shall make appropriate adjustments to the Number of Shares to Be Granted within a reasonable range.

(b) Amount of assets to be contributed upon exercise of stock acquisition rights

The amount of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the amount to be paid in for one (1) share to be delivered upon exercise of stock acquisition rights (hereinafter referred to as the "Exercise Price") by the Number of Shares to Be Granted.

The Exercise Price shall be the higher of either the amount obtained by multiplying 1.025 by the average of daily closing price of the common stock of the Company in regular trading on the Tokyo Stock Exchange (hereinafter referred to as the "Closing Price") during the month (excluding dates on which no trade is made) immediately prior to the month containing the date on which stock acquisition rights are allotted (hereinafter referred to as the "Allotment Date"), with any fractions of less than ¥1 to be rounded up; or the Closing Price on the Allotment Date (or in the event that there

is no Closing Price on that date, the Closing Price on the immediately preceding day on which the Company's common stock was traded).

If the Company effects either a share split or a consolidation of its shares of common stock after the Allotment Date, the Exercise Price shall be adjusted according to the formula described below. Fractions of less than ¥1 resulting from such adjustments shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of share split or share consolidation}}$$

If, after the Allotment Date, the Company issues new shares of common stock or disposes of shares of treasury stock thereof at a price lower than the market price (excluding the sale of shares of treasury stock pursuant to the provisions of Article 194 of the Companies Act ["Demand for Sale of Shares Less than One Unit by Holders of Shares Less than One Share Unit"], the conversion of securities that shall or may be converted to shares of common stock of the Company, and the exercise of stock acquisition rights with which the delivery of shares of common stock of the Company can be requested [including bonds with stock acquisition rights]), the Exercise Price shall be adjusted according to the formula described below. Fractions of less than ¥1 resulting from such adjustments shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Payment amount per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

In the formula above, "Number of issued shares" is the total number of shares of common stock issued by the Company excluding the number of treasury shares of common stock owned by the Company. In the case of the Company's disposal of treasury stock, "Number of newly issued shares" shall be replaced with "Number of shares of treasury stock to be disposed of."

In addition to the above, if, after the Allotment Date, any event that would force the Company to adjust the Exercise Price occurs, the Company shall make appropriate adjustments to the Exercise Price within a reasonable range.

- (c) Period during which stock acquisition rights may be exercised  
From the day following the 2-year anniversary of the Allotment Date to March 31, 2030
- (d) Matters concerning increases in capital and capital reserves when shares are issued upon exercise of stock acquisition rights
  - i. The amount by which capital is to be increased by the issuance of shares upon exercise of stock acquisition rights shall be one-half of the maximum amount of increase in capital etc., which is calculated in accordance with Article 17, paragraph 1 of the Corporate Accounting Rules. Fractions of less than ¥1 resulting from such calculation shall be rounded up.
  - ii. The amount by which capital reserves are to be increased by the issuance of shares upon exercise of stock acquisition rights shall be the amount obtained by subtracting the amount by which capital is to be increased as prescribed in (i) above from the maximum amount of increase in capital etc. described in (i) above.
- (e) Restriction on acquisition of stock acquisition rights by transfer  
Any acquisition of stock acquisition rights by transfer shall be subject to the approval by a resolution of the Board of Directors.
- (f) Conditions for exercise of stock acquisition rights
  - i. If a person granted stock acquisition rights or his or her heir has waived the stock acquisition rights, the stock acquisition rights cannot be exercised.
  - ii. If a person granted stock acquisition rights no longer falls under any of the following items, the person granted stock acquisition rights may exercise stock acquisition rights not yet exercised only until the earlier of the date two years after the person no longer falls under any of the following items or March 31, 2030.
    - a. A Director or Audit & Supervisory Board member, Executive Officer, employee, adviser, counselor [consultant] or temporary employee of the Company
    - b. A director or audit & supervisory board member or employee of a subsidiary of the Company or a subsidiary of the Company's parent company

- iii. An heir of a person granted stock acquisition rights may exercise the stock acquisition rights for only six months (up until March 31, 2030) from the day the stock acquisitions rights were succeeded to in accordance with the provisions of the Civil Code.
  - iv. Other conditions are as set forth in the agreement for allotment of stock acquisition rights concluded between the Company and the person granted stock acquisition rights, based on a resolution made by the Board of Directors of the Company.
- (g) Provisions for acquisition of stock acquisition rights
- i. In the event that a proposal for a merger agreement under which the Company will not be the surviving company, a proposal for a company split agreement or company split plan under which the Company will split, or a proposal for a share exchange agreement or share transfer plan under which the Company will become a wholly-owned subsidiary is approved at a shareholders' meeting of the Company (or, in any of the above cases, when approval at a shareholders' meeting of the Company is not required and approval at a Board of Directors' meeting is granted), the Company may acquire the stock acquisition rights without consideration on the date separately specified by the Board of Directors of the Company.
  - ii. If a person granted stock acquisition rights or his or her heir can no longer exercise the stock acquisition rights pursuant to (f) above, the Company may acquire the stock acquisition rights without consideration on the date separately specified by the Board of Directors of the Company.
- (h) In the event where the Company engages in a merger (limited to the case where the Company ceases to exist after the merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (hereinafter collectively referred to as the "Reorganization Actions"), the Company shall deliver to the holders of the remaining stock acquisition rights at the time the Reorganization Action takes effect (hereinafter referred to as the "Remaining Stock Acquisition Rights") the stock acquisition rights of the relevant stock companies listed in Article 236, paragraph 1, item (viii) - (a) through (e) of the Companies Act (hereinafter referred to as the "Reorganized Company"), in each case in accordance with the conditions set forth below. In this event, the Remaining Stock Acquisition Rights shall become extinct and new stock acquisition rights in the Reorganized Company shall be issued. However, the foregoing shall be on the condition that delivery of such stock acquisition rights by the Reorganized Company in accordance with the following conditions is included in the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan.
- i. Number of stock acquisition rights of the Reorganized Company to be delivered  
The same number of such stock acquisition rights as the number of the Remaining Stock Acquisition Rights possessed by each holder of the Company's stock acquisition rights shall be delivered.
  - ii. Class of shares of the Reorganized Company underlying stock acquisition rights  
The class of shares underlying stock acquisition rights shall be common stock of the Reorganized Company.
  - iii. Number of shares of the Reorganized Company underlying stock acquisition rights  
The number of shares shall be determined in the same manner as (a) above taking into consideration the conditions and other factors concerning the Reorganization Actions.
  - iv. Amount of assets to be contributed upon exercise of stock acquisition rights  
The amount of assets to be contributed upon exercise of each stock acquisition right to be delivered shall be the amount obtained by multiplying the amount to be paid in after reorganization, which is adjusted taking into consideration the conditions and other factors concerning the Reorganization Actions, by the number of shares underlying the relevant stock acquisition rights as determined in accordance with (iii) above.
  - v. Period during which stock acquisition rights may be exercised  
This period shall commence either on the starting date of the period for exercising stock acquisition rights specified in (c) above or on the date on which the Reorganization Action comes into effect, whichever is later, and end on the expiry date of the period for exercising stock acquisition rights specified in (c) above.

- vi. Matters concerning increases in capital and capital reserves when shares are issued upon exercise of stock acquisition rights  
These matters shall be determined in the same manner as (d) above.
- vii. Restriction on acquisition of stock acquisition rights by transfer  
Any acquisition of stock acquisition rights by transfer shall be subject to the approval by resolution of the Board of Directors of the Reorganized Company.
- viii. Conditions for exercise of stock acquisition rights  
These conditions shall be determined in the same manner as (f) above.
- ix. Provisions for acquisition of stock acquisition rights  
These provisions shall be determined in the same manner as (g) above.
- (i) In cases where the number of shares to be delivered to the holders of the stock acquisition rights who have exercised the stock acquisition rights includes any fractions of less than one (1) share, such fractions shall be rounded down.
- (j) Other details with respect to stock acquisition rights  
Other matters concerning stock acquisition rights and particulars not stipulated in the above shall be established by means of a resolution at a separately held Board of Directors' Meeting.