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[TRANSLATION]

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To whom it may concern:

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Notice Regarding Introduction of Restricted Stock Plan for SECOM's Executive Officers

SECOM CO., LTD. (the "Company") hereby announces that its Board of Directors resolved at a meeting held today to introduce a plan under which the Company's common stock shares will be granted to the Company's executive officers as restricted stock (the "Plan"). The details are as follows.

1. Purpose of the Plan

The Company believes that human resources are of utmost importance for achieving a society free of any and all concerns, providing high-quality services to customers and building a resilient organization. In addition, in order to continue delivering further safety and peace of mind, it is necessary for us to continue to invest in securing and developing human resources.

With this in mind, the Company will introduce a benefit plan under which the Company's common stock shares will be granted to executive officers as restricted stock with the aim of enhancing the executive officers' engagement, while fostering a sense of participation in management and strengthening incentives to improve corporate value over the medium to long term.

2. Summary of the Plan and other related matters

The Company's executive officers (excluding those who concurrently serve as directors of the Company, as they are separately covered by the restricted stock compensation plan for directors) (the "Subject Executive Officers") will receive the Company's common stock shares as restricted stock through the issuance or disposition of shares by making an in-kind contribution to the Company of all of the monetary claims to be granted by the Company pursuant to the Plan.

The amount per a Company's common stock share to be issued or disposed of by the Company as restricted stock under the Plan to be paid shall be determined by the Board of Directors, based on the closing price of the common stock shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution pertaining to such issuance or disposal (or the closing price on the immediately preceding trading day, if such date was a non-trading day) and within the range of an amount not particularly advantageous to the Subject Executive Officers who are to subscribe for the common stock shares of the Company.

In addition, when issuing or disposing of common stock shares of the Company under the Plan, the Company shall enter into a restricted stock allotment agreement (the "Allotment Agreement") with each Subject Executive Officer who is to receive an allotment of such common stock shares, regarding the Company's common stock shares

to be allotted to the Subject Executive Officer (the “Allotted Shares”) (see 3 below for a summary of the Allotment Agreement).

3. Summary of Allotment Agreement

A summary of the Allotment Agreement is as follows:

(1) Non-transferable period

A Subject Executive Officer may not transfer, establish collateral or otherwise dispose of the Allotted Shares (such restrictions shall hereinafter be referred to as the “Transfer Restrictions”) during the period from the date on which the Allotted Shares are issued or disposed of to the Subject Executive Officer (the “Grant Date”) until the earlier of (i) the time when the Subject Executive Officer resigns or retires from all of the positions of the executive officer and employee of the Company, and director, executive officer, statutory auditor and employee of the Company’s subsidiaries (“Employee, etc.”) (including resignation and retirement due to death; hereinafter the “Retirement, etc.”), or (ii) the time when the Subject Executive Officer is newly appointed as a director or statutory auditor of the Company (the “Non-transferable Period”).

(2) Acquisition by the Company free of charge

- (a) If, upon the expiration of the Non-transferable Period, the reason for the Subject Executive Officer’s Retirement, etc. as Employee, etc. is not an expiration of their term of office or mandatory retirement, death or any other event deemed justifiable by the Board of Directors of the Company, the Company shall automatically acquire all of the Allotted Shares held by the Subject Executive Officer free of charge.
- (b) Even if, upon the expiration of the Non-transferable Period, the reason for the Subject Executive Officer’s Retirement, etc. as Employee, etc. is an expiration of their term of office or mandatory retirement, death or any other event deemed justifiable by the Board of Directors of the Company, if the Retirement, etc. is prior to the conclusion of the first Ordinary General Meeting of Shareholders of the Company held after the Grant Date, the Company shall automatically acquire all of the Allotted Shares held by the Subject Executive Officer free of charge, except for the number of shares (if such number includes a fraction less than one (1), that fraction is to be rounded off) obtained by multiplying the number described in (i) below by the number described in (ii) below.
 - (i) The number of the Allotted Shares held by the Subject Executive Officer.
 - (ii) The number obtained by dividing the number of months from the first day of the month including the Grant Date until the last day of the month including the date of the Subject Executive Officer’s Retirement, etc. as Employee, etc., by 12.
- (c) If, during the Non-transferable Period, the Company’s Board of Directors determines that any Subject Executive Officer has engaged in business that competes with the business of the Company or a subsidiary of the Company, violated laws or regulations or the Allotment Agreement in a material respect, or otherwise met certain conditions, or if the Company’s Board of Directors determines that it is appropriate for the Company to acquire all of the Allotted Shares held by the Subject Executive Officer free of charge, the Company shall acquire all of the Allotted Shares held by the Subject Executive Officer free of charge by giving notice to the Subject Executive Officer.

(3) Management of shares

During the Non-transferable Period, the Allotted Shares shall be managed in a dedicated account opened by the Subject Executive Officers at Nomura Securities Co., Ltd. in accordance with the agreement the Company has entered into with Nomura Securities Co., Ltd. to secure the performance of the Transfer Restrictions, and the Subject Executive Officers agree to submit to such management without objection.

(4) Measures to be taken upon organizational restructuring, etc.

If a merger agreement under which the Company will become an absorbed company, a statutory stock exchange agreement or a statutory stock transfer plan under which the Company will become a wholly-owned subsidiary, or any other matters related to organizational restructuring, etc., are approved at a General Meeting of Shareholders of the Company (or by the Board of Directors of the Company, if such organizational restructuring, etc. does not require approval at a General Meeting of Shareholders under applicable law) during the Non-transferable Period, out of the Allotted Shares held by the Subject Executive Officers on the date of approval, the Company will cancel the Transfer Restrictions for a certain number of shares determined in accordance with a reasonable standard set out in advance by the Company's Board of Directors in line with the case of (2)(b) above, at the time immediately prior to the business day immediately preceding the effective date of such restructuring, etc., and the Company shall acquire all of the remaining Allotted Shares held by such Subject Executive Officers free of charge. However, such cancelation shall not apply if the Non-transferable Period expires before the time immediately prior to the business day immediately preceding the effective date of such restructuring, etc.

4. Others

With respect to the initial grant of restricted stock to the Subject Executive Officers under this Plan, the relevant agenda item is scheduled to be submitted at a meeting of the Board of Directors of the Company to be held on June 26, 2026.

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