

August 5, 2025

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Notification Regarding Additional Monetary Contributions to the Stock Compensation Plan

Azbil Corporation (the “Company”) announces that it has resolved, at its Board of Directors meeting held on August 5, 2025, to make additional monetary contributions to the stock compensation plan for directors, corporate executives and executive officers (hereinafter referred to as the “Plan”; the trust established for the Plan, based on the trust agreement concluded with Mizuho Trust & Banking Corporation, being referred to as the “Trust”). For an overview of the Plan, please refer to “Notice Regarding the Planned Introduction of the Company’s Stock Compensation Plan (Overview of the Plan and Details of the Intended Acquisition of Shares)” dated May 13, 2022.

Following the new medium-term plan (FY2025-FY2027)*¹, the Company’s Remuneration Committee*² revised the executive remuneration system, aiming to motivate officers to achieve the medium- to long-term performance targets and enhance enterprise value. As a result, the relative size of the performance-linked component (bonuses and stock-based compensation) increased, and the key performance indicators were revised. For details of the Company’s executive remuneration system, please refer to the remuneration policy published in its *Corporate Governance Report*.

*¹ On May 13, 2025, the Company adopted and announced its new medium-term plan (FY2025-FY2027).

*² As a company with a three-committee board structure, the Company has a Remuneration Committee, of which the majority consists of independent outside directors, with the chairperson also being an independent outside director.

1. Reasons for the additional monetary contributions

For the continuance of the Plan, the Company has decided to make additional monetary contributions to the Trust (the “Additional Trust”) to fund the Trust’s acquisition of the Company’s stock expected to be required for future benefits.

2. Overview of the Additional Trust

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|-------------------------------------|-------------------|
| (1) Date of the Additional Trust: | August 20, 2025 |
| (2) Amount of the Additional Trust: | 1,060 million yen |

- (3) Type of stock to be acquired: Common stock of the Company
- (4) Maximum number of shares to be acquired: 1,224,300 shares
- (5) Acquisition period: From August 20, 2025 to September 5, 2025 (planned)
- (6) Acquisition method: Market transactions on the Tokyo Stock Exchange

(Reference) Partial revision to the Plan

As explained above, the Company's Remuneration Committee revised the Plan. As a result, the maximum number of points that can be granted to eligible officers*³ for each target period, as announced in the "Notice Regarding the Planned Introduction of the Company's Stock Compensation Plan (Overview of the Plan and Details of the Intended Acquisition of Shares)" dated May 13, 2022, will be as follows.

Before the revision* ⁴	After the revision
Number of fiscal years in the target period x 252,800 points	Number of fiscal years in the target period x 434,400 points

*³ Directors (excluding non-residents of Japan, including outside directors), corporate executives (excluding non-residents of Japan), and executive officers (excluding non-residents of Japan)

*⁴ The Company implemented a 4-for-1 common stock split effective on October 1, 2024; the figures shown here are adjusted accordingly.

END