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KURITA GROUP Integrated Report 2025

Pioneering "new value for water"



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**KURITA GROUP
Integrated Report 2025**

Fiscal year ended March 31, 2025

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Editorial Policy

This Integrated Report is intended to report to our stakeholders the vision and roadmap that the Kurita Group is pursuing in medium to long terms and what specific actions are being taken in terms of corporate strategy, business modeling and business base building in line with the vision and roadmap. We hope this will provide a basis for further discussion with our shareholders, investors and all the other stakeholders to consider our future and to drive further increase in our corporate value.

Organizations Covered

The scope includes Kurita Water Industries Ltd., 61 consolidated subsidiaries, and 3 equity-method affiliates (2 subsidiaries and 1 affiliated company). However, the following companies and locations are excluded from the scope concerning environmental data.

- A company before starting environmental improvement activities
- A company with no business operations and no environmental impact
- A subsidiary sharing the same location as the parent company (included in the parent company)
- A location where it is impossible to calculate the environmental impact due to tenant occupancy, etc.

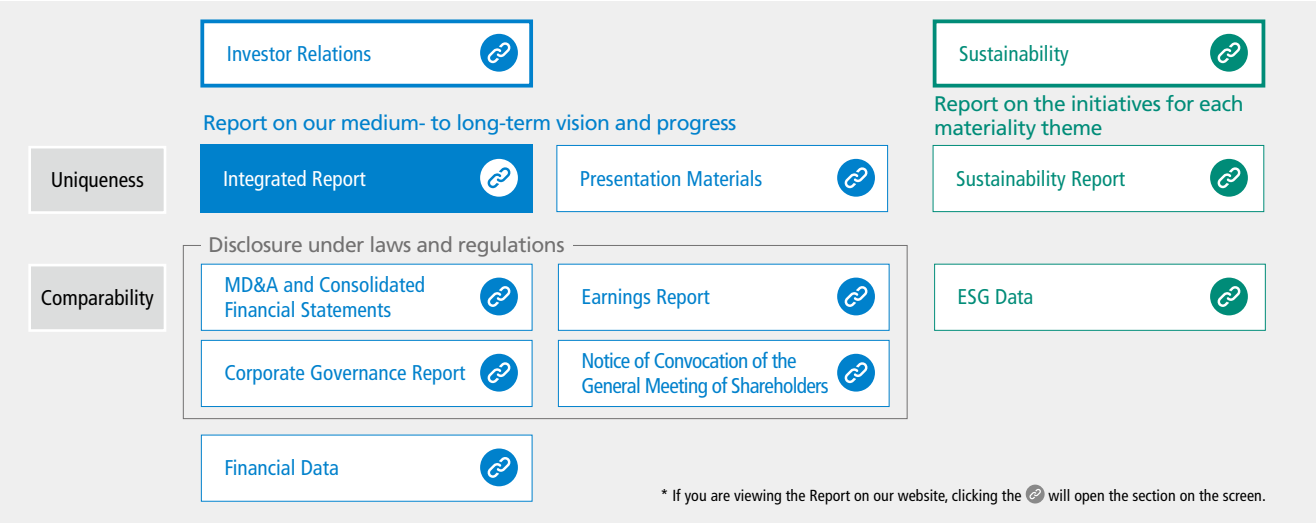
Period Covered

Fiscal 2025 (April 1, 2024 to March 31, 2025)
* Some content includes initiatives that fall outside of this period.

Supplementary Information

- Unless otherwise specified, "the Company" mentioned in this Report refers to Kurita Water Industries, "the Group Company" refers to the financially consolidated subsidiaries of Kurita Water Industries, and "the Kurita Group" or "the Group" refer to Kurita Water Industries and its financially consolidated subsidiaries.
- This report is, in principle, published once a year and updated with the annual activity report. The information contained herein is current as of the date of publication.
- Any information quoted from a past report that needs to be modified or adjusted for consistency is so modified or adjusted in the notes provided in the page where the information is given.
- This report references guidelines such as the GRI Standards and SASB Standards.

Information Disclosure System on the Company’s Website



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Disclaimer

This report contains forward-looking statements from Kurita Water Industries Ltd. and its consolidated subsidiaries pertaining to plans and strategies. These forward-looking statements are based on currently available information, and actual results may vary significantly from the forward-looking statements contained in this report due to a range of variable factors.



Kurita Group Philosophy System and Materiality

Kurita Group Philosophy System

The missions that the Kurita Group will fulfill in society into the future, its medium- and long-term visions, and its ways of thinking and values as the foothold for achieving them are stipulated as the Kurita Group Philosophy System

Corporate Philosophy

Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony

1. Creating new functions and value for water through a deep and far-reaching exploration of the essential properties of water.
 2. Winning the trust of our customers and society with unique solutions that capitalize on our diverse technologies.
 3. Contributing to the realization of a sustainable society by leveraging our mastery of water to create shared value with society.
- *The corporate philosophy was set out in 1989 to mark the 40th founding anniversary of the Company.
*The Kurita Group Philosophy System clearly states that all of the Group's activities are aimed at achieving the Corporate Philosophy.

Vision

Pioneering "new value for water" to contribute to the realization of a sustainable society.

1. In seeking to realize its corporate philosophy, Kurita Group creates shared value with society through its business, addressing water resource issues, contributing to a decarbonized society and building a circular economy.
2. Kurita Group creates new value by leveraging knowledge accumulated from a broad array of frontline sites (Gemba) to address social issues.
3. Kurita Group elevates and refines its technology and human resources to be an indispensable partner to our customers, swiftly providing unprecedented technology and services.

Values

Deepen understanding of frontline sites (Gemba)

Our solutions are rooted in a deep understanding of frontline site (Gemba) issues and information. We maximize customer value while also seeking to further elevate our expertise in water.

Elevate and connect expertise

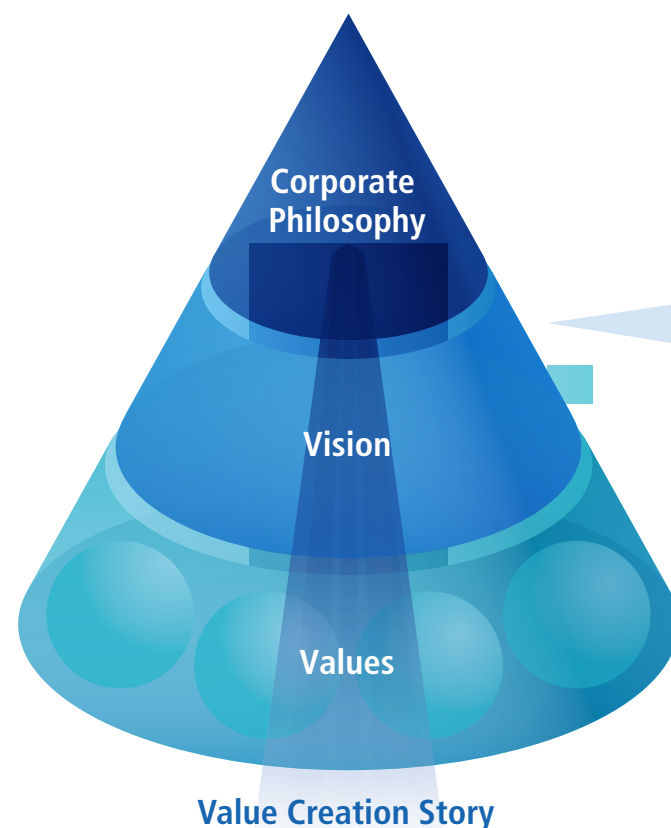
We strive to elevate our knowledge of water and the environment, which are precious. Innovation and the creation of new value are generated by connecting the diverse and ever more sophisticated knowledge accumulated by all.

Exceed expectations

Our desire to challenge ourselves is driven by our aspiration to serve humanity. We always push ourselves to deliver results that exceed expectations. We build trust with our customers through serial success.

Maintain unwavering integrity

We engage sincerely with all of our stakeholders*. We fulfil our responsibilities to the future through our single-minded pursuit of solutions to social issues.
* Our customers, business partners, shareholders and investors, society at large and our colleagues



The Kurita Group's Materiality

To achieve its corporate vision, the Kurita Group identifies key issues for each medium-term management plan based on global challenges related to sustainability, defines them as the "Kurita Group's Materiality," and sets metrics and targets to address them.

Materiality Identification Process



Kurita comprehensively selects sustainability issues across 37 themes as materiality candidates, referencing international rules^{*1}, laws and regulations, disclosure standards^{*2}, and issues identified through stakeholder engagement^{*3}.

*1 International rules: SDGs, Ten Principles of the UN Global Compact, OECD Guidelines for Multinational Enterprises, World Economic Forum's Global Risks Report

*2 Laws, regulations and disclosure standards: GRI Standards, GHG Protocol, SASB Standards, EU Taxonomy, SFDR, CSRD, TCFD, TNFD, etc.

*3 Stakeholder engagement: Responses to CSR procurement surveys, results of supplier surveys, results of employee engagement surveys, information meetings for shareholders and investors, responses to ESG surveys, social contribution activities, etc.

E&S Committee^{*4} members, External Directors, Audit & Supervisory Board members^{*5}, and the E&S Committee^{*4} Secretariat were surveyed to assess the degree of positive and negative impact (probability and scale of impact) from two perspectives:

- (1) Impact of sustainability issues on the Kurita Group's corporate value (financial materiality)
- (2) Social and environmental impact of the Kurita Group's initiatives in response to sustainability issues (impact materiality)

The results of the survey were organized in a matrix along two axes: (1) above on the X-axis/horizontal axis, and (2) above on the Y-axis/vertical axis. Themes with a significant impact in both the X and Y axes were selected as materiality candidates. The candidates were grouped into seven main themes and five sub-themes covering common issues in multiple areas of materiality.

Materiality candidates selected in Step 2 were submitted to the Executive Committee and then to the Board of Directors^{*5} for input. The committee responsible for reviewing the medium-term management plan, which is mainly comprised of members of the Executive Committee, then confirmed the adequacy of the materiality candidates in parallel with the formulation of the medium-term management plan, finalized the Group's eight material issues and categorized them into two: "basic themes" that should serve as the foundation for management and business activities, and "shared value themes" that lead to the creation of shared value with society. These material issues were then approved by the Board of Directors as the "Kurita Group's Materiality."

*4 E&S Committee is the former name of the current Sustainability Committee

*5 Title and institutional name prior to the amendment of the Articles of Incorporation. Refers to the titles and organizational structure before June 29, 2023, when the Articles of Incorporation were amended to redefine the role of the Board of Directors as a supervisory body.

For more information, please refer to the following page.

<https://www.kurita-water.com/en/sustainability/management/index.html>

Kurita Group's Materiality in the Medium-Term Management Plan, "Pioneering Shared Value 2027"

Shared value themes	Basic themes
● Solve issues related to water resources ● Contribute to the realization of a decarbonized society ● Contribute to building a circular economy society	● Develop and disseminate innovative products, technologies, and business models ● Strategic development and utilization of human resources ● Provide highly safe and quality products and services ● Conduct business activities respecting human rights ● Conduct fair business activities

For more information, please refer to the following page.

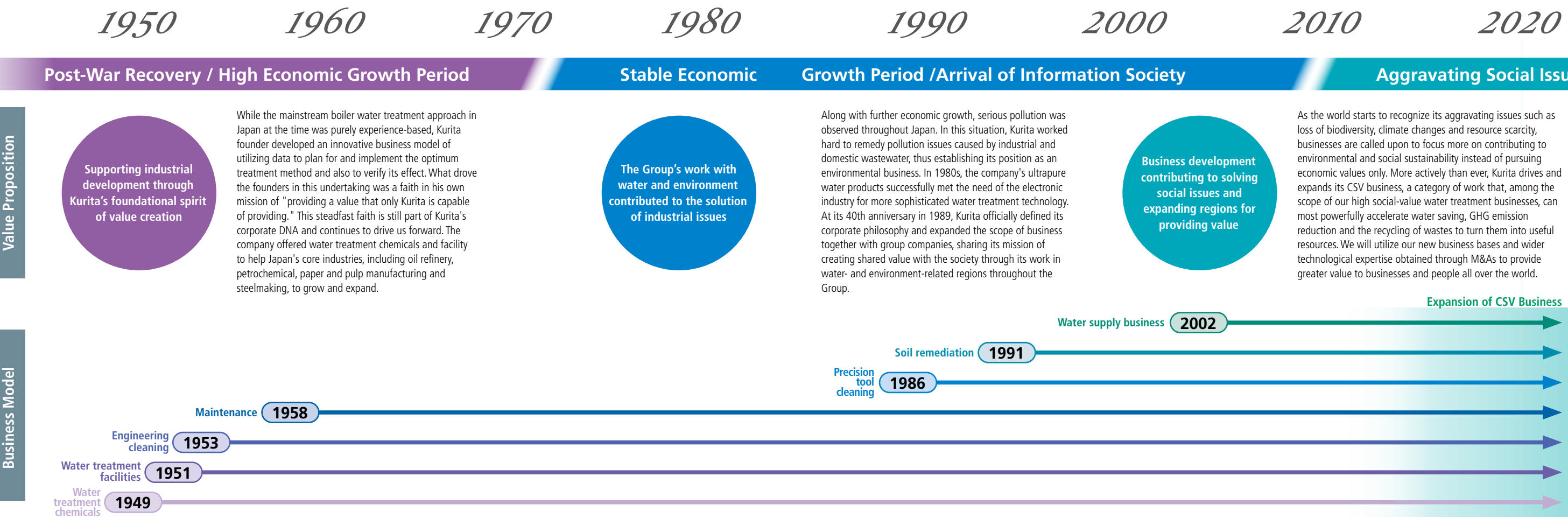
<https://www.kurita-water.com/en/ir/manage-policy/plan.html>

Kurita Group Philosophy System <https://www.kurita-water.com/en/company/philosophy.html>

History of Value Creation

Founded in 1949 to sell water treatment chemicals for boilers, the Kurita Group started out providing "value" to customers by supporting the safe and efficient operation of their facilities.

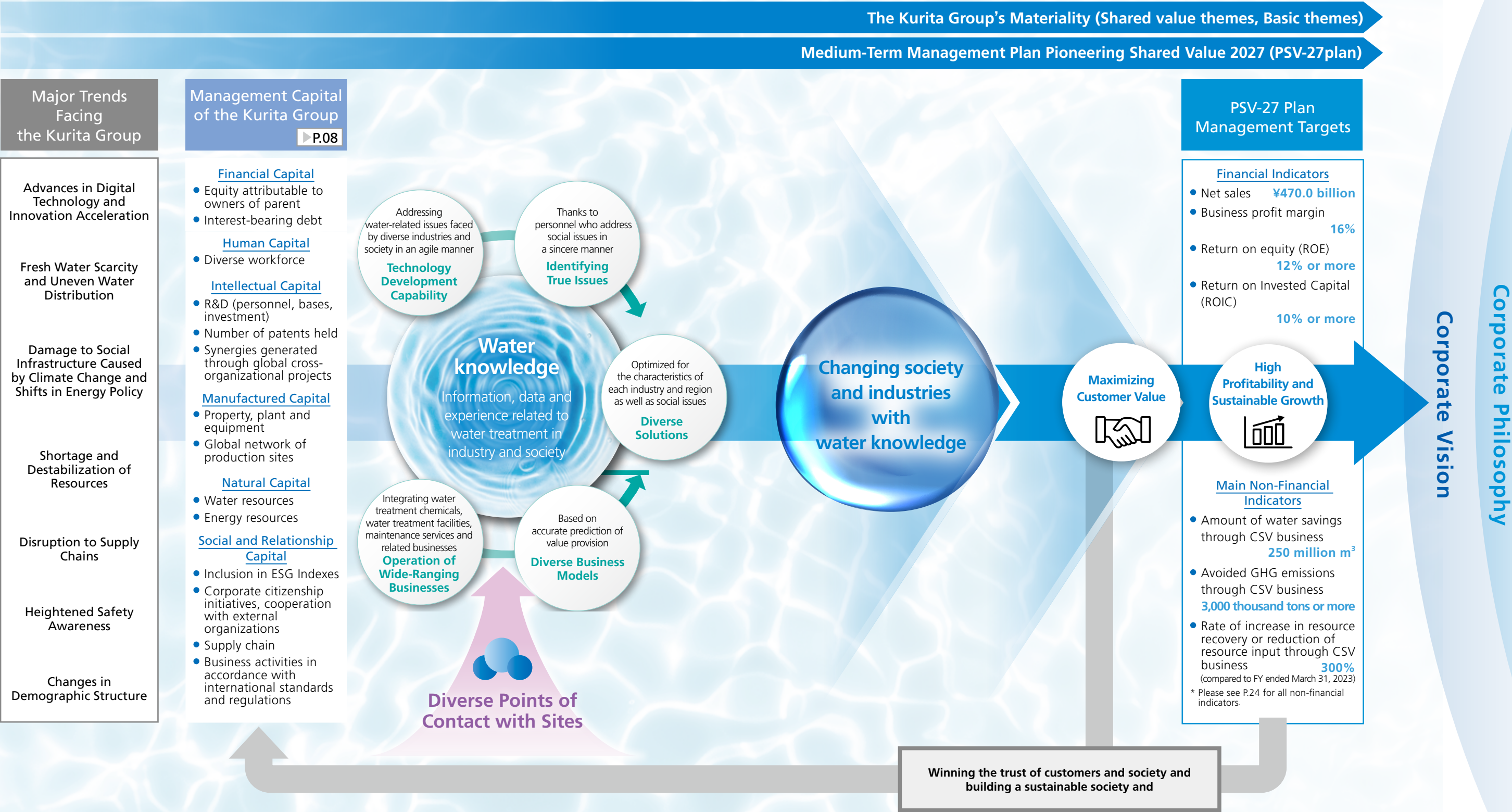
Since then, the Group has steadfastly focused on providing this value to customers, contributing to the development of industry and society by solving issues related to water and the environment. The Group will continue to build on this progress by providing stakeholders with new value, aiming to realize its corporate philosophy, "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony."



Value Creation Story

The Kurita Group's "value creation story" is a roadmap in order to realize our corporate philosophy and corporate vision - to grow sustainably with society. We have "diverse points of contact with sites," in a wide variety of industries. The Kurita Group aims to maximize customer value and realize a sustainable

society by creating and providing solutions to change society and industries through utilizing "water knowledge" that is formed by collecting and accumulating information obtained from this diverse points of contact with sites.



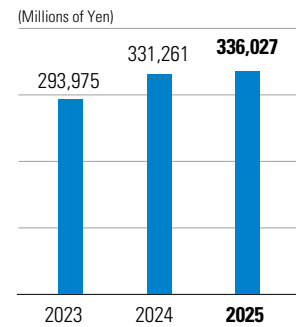
At a Glance

(Fiscal years ended March 31)

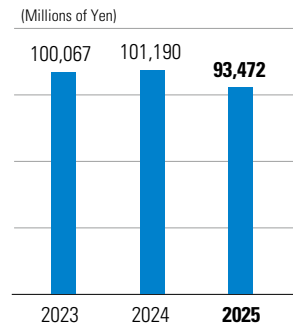
Management Capital of the Kurita Group

Financial Capital

Equity Attributable to Owners of Parent



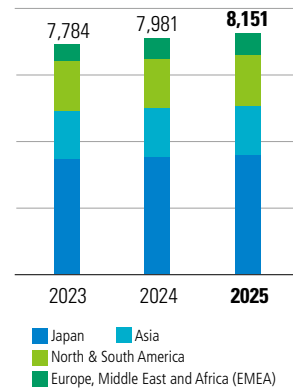
Interest-Bearing Debt



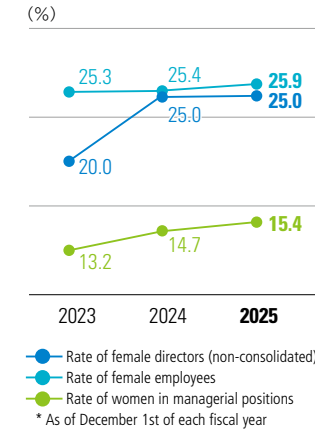
Interest-bearing debt = Bonds and borrowings + Lease liabilities

Human Capital

Number of Employees by Region

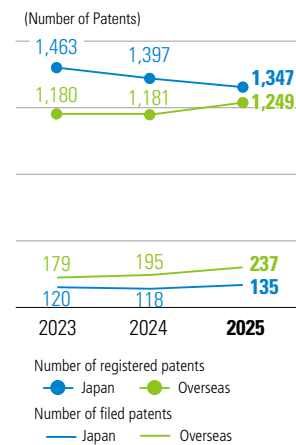


Ratio of Female Directors and Employees

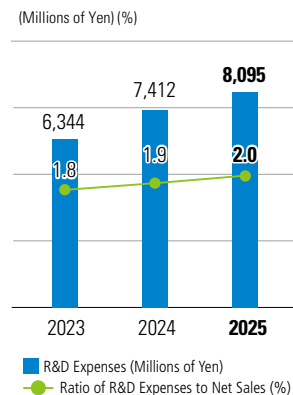


Intellectual Capital

Number of Patents

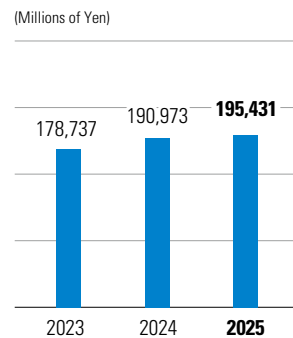


R&D Expenses and Ratio of R&D Expenses to Net Sales

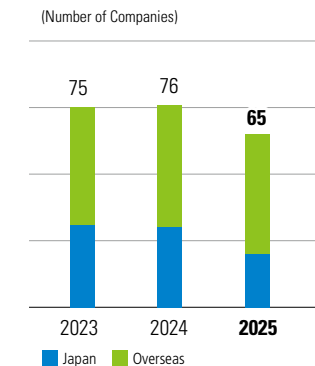


Manufactured Capital

Property, Plant and Equipment

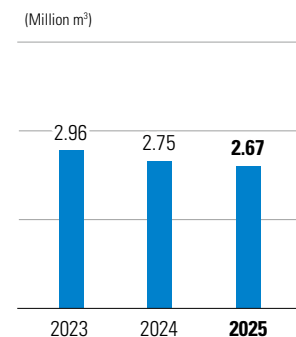


Group Network



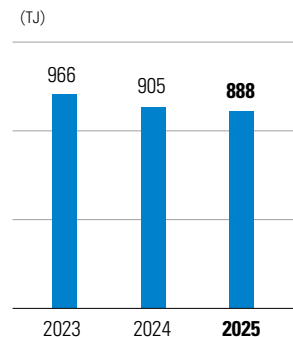
Natural Capital

Water withdrawal



* Water withdrawal excluding ultrapure water supply business sites

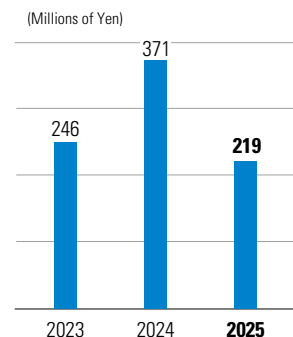
Energy Consumption



* The past performance figures are revised due to the inclusion of companies that have newly started environmental improvement activities, the reflection of the results of confirming the electricity contract status at each site, and errors in the aggregation method.

Social and Relationship Capital

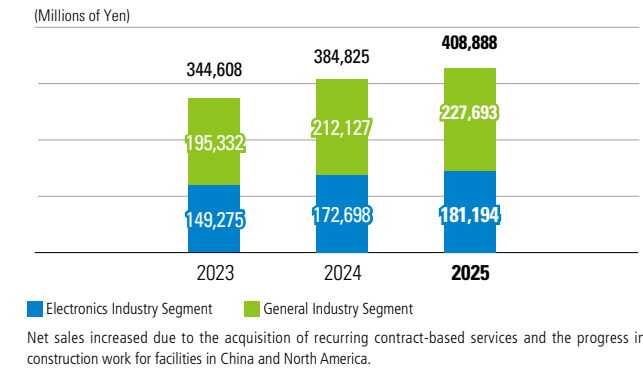
Expenditure on Corporate Citizenship Initiatives



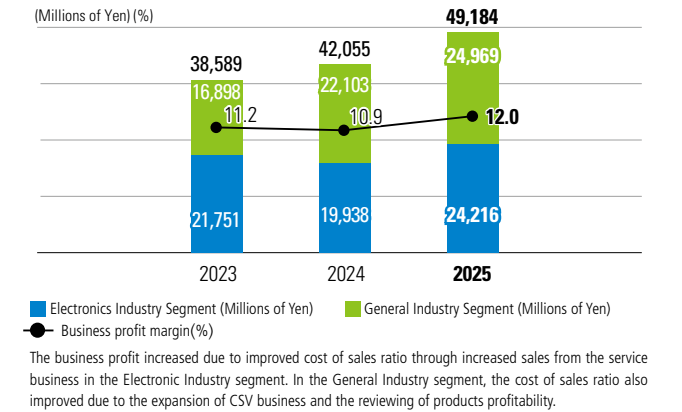
(Fiscal years ended March 31)

PSV-27 Plan Management Indicators

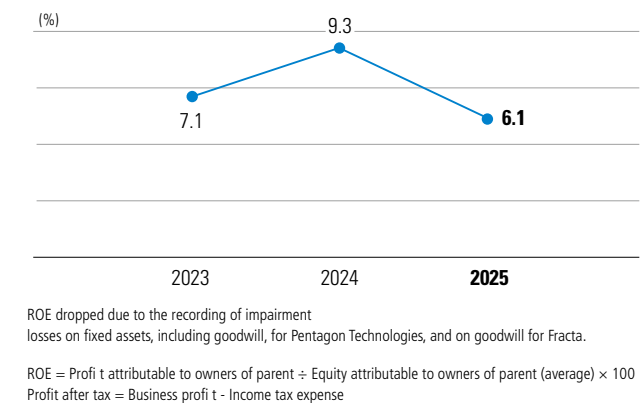
Net Sales



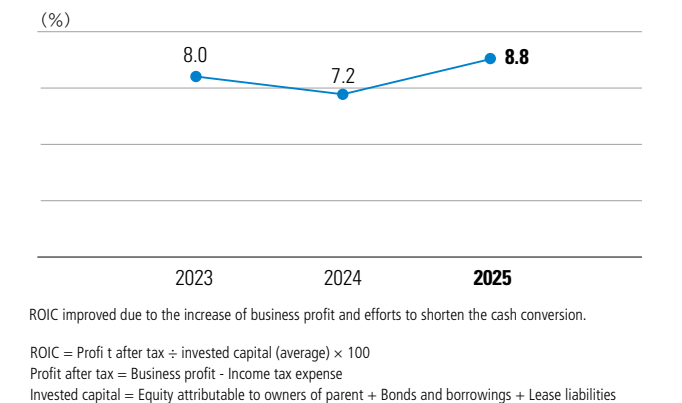
Business Profit and Business Profit Margin



Return on Equity (ROE)

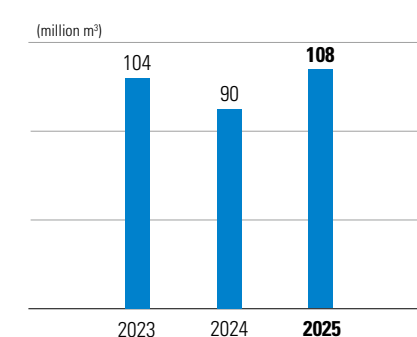


Return on Invested Capital (ROIC)

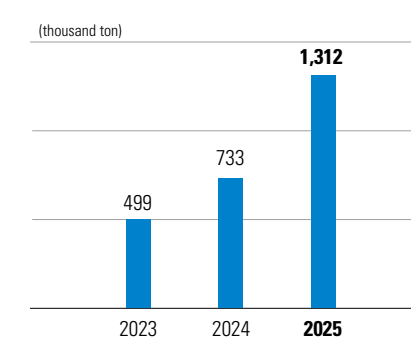


Main Non-Financial Indicators

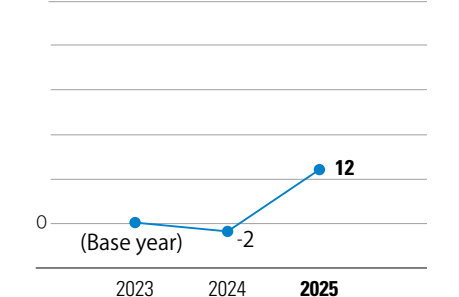
Amount of Water Savings through CSV Business



Avoided GHG Emissions through CSV Business

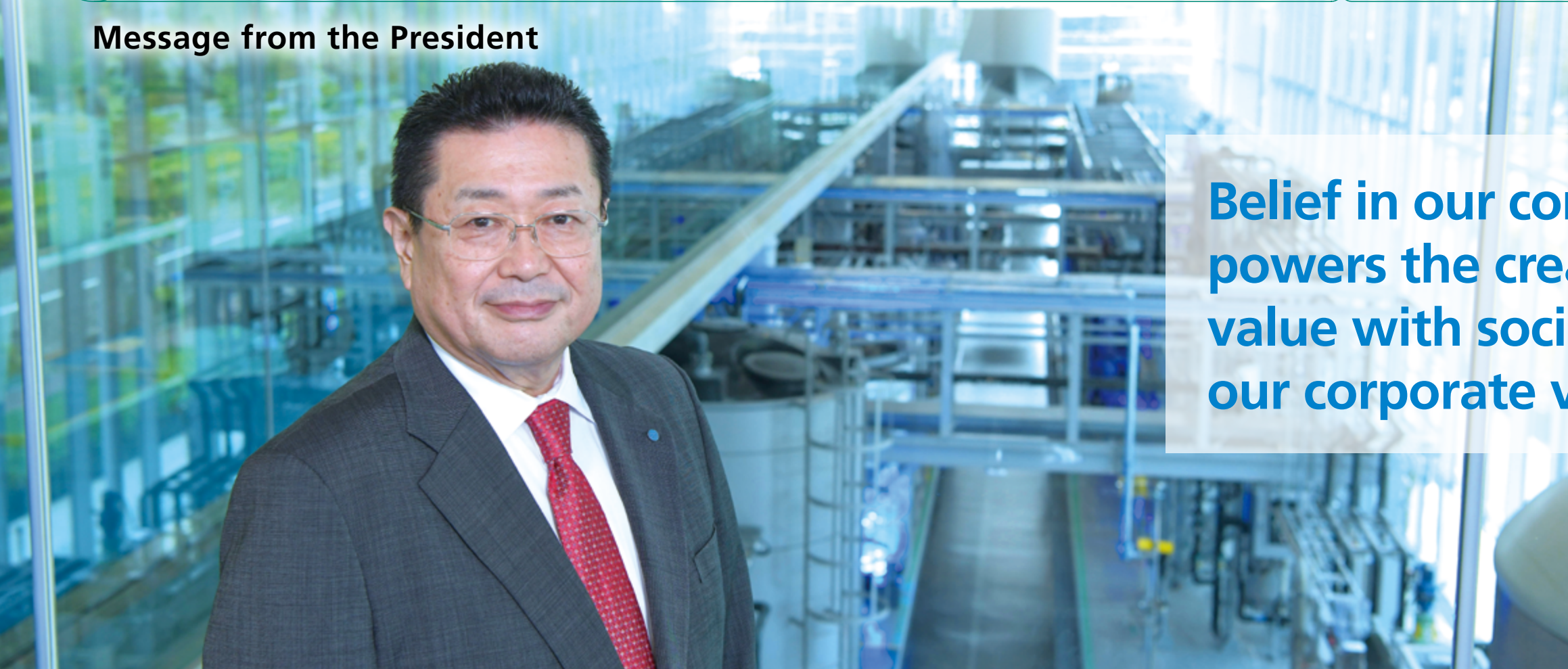


Rate of Increase in Resource Recovery or Reduction of Resource Input through CSV Business





Message from the President



Belief in our corporate philosophy powers the creation of shared value with society and enhances our corporate value

July 2025

Hirohiko Ejiri

President and
Representative Executive Officer

In uncertain times, we anchor ourselves in our corporate philosophy to pursue sustainable growth

For over 75 years since the founding of our company, the Kurita Group has tackled the issues facing its customers, pursuing the full range of property and possibilities of water. By creating and providing optimal solutions, we have continued to grow together with industry and society. These efforts have enabled us to expand our points of contact with sites in a broad range of industries and societies, and accumulate "water knowledge"—the information, data, and experience of water treatment in industry and society—to establish a competitive advantage as a water treatment company. These steps have been guided by the actions and thoughts of each and every one of our employees, based on a deep resonance with our corporate philosophy to: "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony." I think that this is the driving force behind the Kurita Group.

As president, I believe that my mission is "to provide more customers around the world with a higher level of value to help achieve a better world, and thereby increase the corporate value of the Kurita Group as it grows over the next five to ten years." To achieve this, it is essential to actively visit the frontline to identify changes and other developments through dialogue

with stakeholders. This will enable me to identify the issues that we must tackle from a medium to long-term perspective.

Our business environment is rapidly changing due to various factors. These include the tariff policy and relaxation of environmental regulations introduced by the new administration in the United States, as well as geopolitical risks. However, despite this increased uncertainty, our mission remains unchanged. The "water" of our business is essential for human life and economic activity. It is becoming even more important for society to effectively utilize this limited resource. This means that our customers must also earnestly work to solve the social issues we face, rather than solely pursuing economic value. Although water treatment has always been a business that provides a high level of social value, we are not content to remain in the current state. "Water" may be able to help address a broader range of social issues, including climate change and the biodiversity. I hope that we can expand our focus from water resource problems to energy and resource recycling. By leveraging our "water knowledge" to create new value, we will strive to generate both social value and sustainable growth for the Kurita Group.

The PSV-27 Plan with sustainability at the core of our management

Our vision for the year 2030 is "pioneering 'new value for water' to contribute to the realization of a sustainable society." The Kurita Group's Materiality refers to the priority issues for realizing the corporate vision. It consists of three shared value themes and five basic themes, identified sustainability-related global issues. In April 2023, with the beginning of our medium-term management plan called Pioneering Shared Value 2027 (the "PSV-27 Plan"), we defined sustainability as conducting business within natural and social systems, striving for sustainable growth while accounting for their mutual impacts. By positioning sustainability at the core of management, we declared our intent to pursue sustainable management in earnest. We also incorporated materiality efforts into the strategies of the PSV-27 Plan in an organic manner and established the Value Pioneering Path as a roadmap guiding our efforts to create and provide economic and social value in support of our vision. We encourage our employees to follow the Value Pioneering Path because it enables them to provide a higher level of value to a broader range of customers. I myself also strive to build relationships with our customers to help achieve this goal.

The PSV-27 Plan features two strategies for achieving competitive advantage. The first is achieving transformation with the issues faced by our customers,

which is a pre-existing strength of the Kurita Group. The second is creating innovations with social issues, which is a new endeavor for achieving long-term growth. We aim to enhance our corporate value by developing and delivering innovative solutions that generate increased value for our customers and society as a whole. In order to accurately identify the issues and needs of our customers, we have divided our organization into two business segments: the Electronics Industry segment and the General Industry segment.

The Electronics Industry segment targets customers in the electronics industry, which is forecasted for global growth, particularly in the field of semiconductors. Earnings in the electronics industry are greatly affected by the timing of production start-up and post-start-up yield. This means that the speed and quality from considering to executing capital investments are crucial to profitability. To deliver this speed and quality, we have consolidated our sales, production, and development functions for the electronics industry into a single organization across the entire Kurita Group. This gives us a foundation to deliver value globally and respond effectively to the diverse issues and needs of our customers. We also aim to become an essential partner for our customers by fostering ongoing relationships and expanding our service business, which is key to providing a higher level of value.

Message from the President

In the General Industry segment, we target customers across a wide range of industries other than the electronics industry. In response to geopolitical risks and the impact of tariffs, there is a growing awareness of cost efficiency. At the same time, companies are increasingly focusing on management practices that emphasize their environmental and social impact, particularly in addressing societal challenges such as climate change. As a result, customer needs vary widely across industries and regions. That is why we build organizational systems specializing to different regions and industries, which enable us to

deliver optimal solutions. The key to doing so is our Creating Shared Value (CSV) businesses. The CSV business of the high-social value water treatment business is defined as products, technologies and business models that contribute significantly to water saving, greenhouse gas (GHG) emissions reduction, and resource recovery or reduction of resource inputs compared to conventional efforts. CSV business do not merely create a high level of social value. They also provide our customers with a high level of economic value by contributing to lower costs and improving production efficiency.

Progress in the PSV-27 Plan and three winning strategies for achieving the plan

The PSV-27 Plan sets management indicator targets, such as net sales of 470 billion yen, a business profit margin of 16%, an ROE of 12% or higher, and an ROIC of 10% or higher. It also sets non-financial metrics, including the amount of water saving and greenhouse gas emissions reduction, and resource recovery or reduction of resource inputs at our customers through our CSV businesses. Two years have passed since the start of the PSV-27 Plan, and we have achieved steady growth toward achieving it.

However, two issues have become apparent due to unexpected changes in the business environment.

The first issue is the timing of when recurring contract-based services—the primary driver of expansion in our service businesses—contribute to earnings. Our recurring contract-based services involve installing Kurita-owned water treatment facilities at customer factories to ensure a stable supply of water in the quantity and quality required by the customer. By diversifying these services, such as introducing business models that contribute to reducing environmental

impact, we have achieved business growth and expanded our customer base. However, although these services are expected to contribute to earnings, their rollout has been delayed due to postponed government subsidies for semiconductor manufacturers and customer investment delays caused by construction labor shortages. Although we forecast medium to long-term growth with the projects we have already undertaken for existing customers, earnings are expected to expand at a rate slower than anticipated over the remaining three years of the PSV-27 Plan.

The second issue is a delay in the recovery of the precision tool cleaning business. We had been investing in new cleaning site in North America in accordance with the factory expansion plans of our major customer. However, we no longer expect to recover our investment due to the business of a particular customer. Therefore, we have decided to reduce the size of and restructure this business. This led to us recording impairment losses on goodwill and fixed assets, but streamlining has enabled us to reallocate the corresponding resources.

We are also building connections with new customers through projects for water treatment facilities. We will focus on restoring our high profitability while also strengthening our management.

Despite experiencing some issues, we have also achieved something to be proud of: we identified three winning strategies for achieving the PSV-27 Plan.

Winning strategy 1 Build a business foundation for the electronics industry by utilizing the strengths of the Kurita Group

Although the semiconductor market is constantly changing due to fluctuating product demand and geopolitical risks, global accounts who are top semiconductor manufactures by sales continue to actively pursue investment opportunities.

In response to the global expansion of our customers, we bolstered our operations in Europe and North America, where we previously had a limited presence. We also introduced the "EP+ module" business model to enhance our engineering capability. By dividing water treatment facilities into modules that can be delivered as skids, we have helped our customers save space, reduce costs, and shorten construction times. As a result, we have secured projects from global accounts

and expanded our business in the electronics industry into a truly global operation.

I also believe that changes in the semiconductor manufacturing process will boost our business. As our customers strive to achieve multi-layer or 3D structures for semiconductors in order to improve performance, the ratio of wastewater treatment and wastewater reclamation is expected to become relatively larger in the field of water treatment. We have advanced technology in this field, based on a wide range of knowledge and experience. This have enabled us to gain recent orders, and I hope this will also lead to further business expansion in the future.

Winning strategy 2 Expand CSV businesses

Through our previous efforts, I believe our CSV businesses not only create social value but are also highly capable of generating economic value for our customers by addressing a wide range of issues. Rising energy costs are driving demand for business models that contribute to reduced GHG emissions. Our solutions for improving heat efficiency and optimizing operation via AI and sensing technologies have been particularly well received. Now our target for reducing

GHG emissions via CSV businesses is on track to be achieved earlier than expected. Our customers recognize the value of our CSV businesses across various regions and industries. In emerging markets and regions like India and Africa, they serve as door-openers to other opportunities. Because CSV business have higher profitability than existing businesses, we expect them to significantly help improve our business profit margin, which is a metric in the PSV-27 Plan.

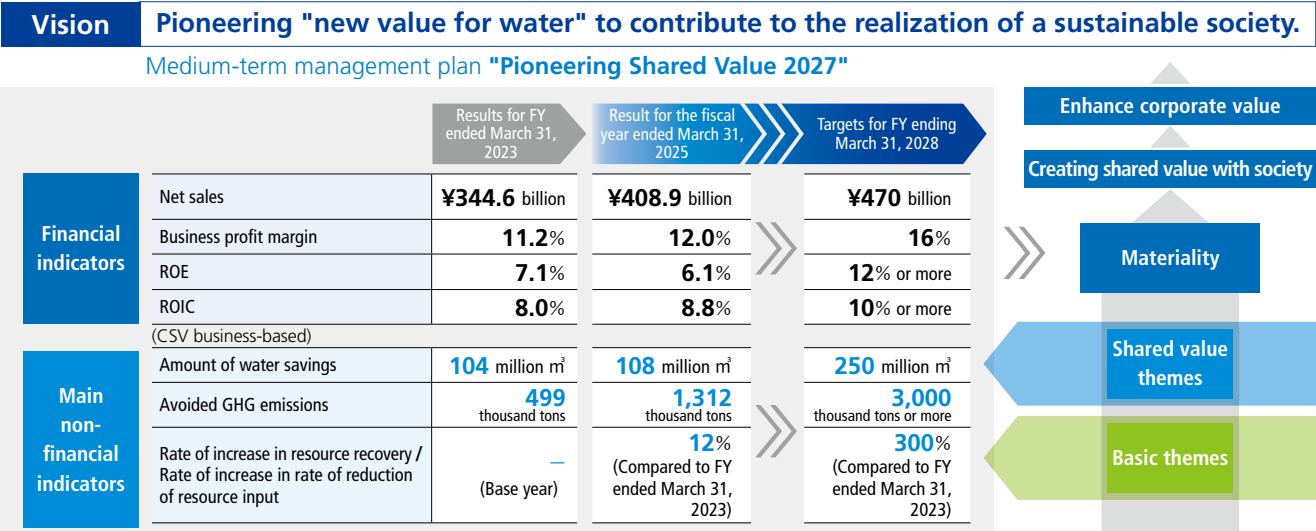
Winning strategy 3 Create and deploy new businesses with social value as starting point

Although continuous improvements to existing businesses with customer value as starting point are required for growth, there is a limit to how much growth is possible with such improvements alone. Examining the history of the Kurita Group, we found that ventures into new fields have led to growth, such as our adoption of ultrapure water production technologies and entry into the market for soil remediation. We are now endeavoring to create new businesses as innovations with social value as starting point. We hope this will enable us to take further strides ahead. One example of this is our efforts in the field of PFAS (per- and polyfluoroalkyl substances). Due to concerns about the

impact of PFAS on the human body and their high marketability, we identified PFAS as a key theme to address in order to achieve our corporate philosophy. That is why we launched the PFAS Mitigation Office in 2023. We have developed a track record with analysis, consulting, and the provision of PFAS removal facilities in Europe, the United States, and Japan. It seems that customers with a high level of interest in the environment and health are leading the way in PFAS. However, in the future, the field is likely to spread throughout society as a whole. We anticipate it will become one of our main sources of earnings.

In pursuing these winning strategies, we will consider not only leveraging resources inside the Kurita Group but also utilizing M&A. We have previously used M&A to expand our global business foundation and obtain technology and other expertise. This has led to achievements such as the global expansion of CSV business, the building of a foundation for the electronics industry in Europe and North America, and the advancement of digital transformations (DX). However, one issue with M&A is that it takes a long time for

results to be reflected in our business performance. In order to achieve management that emphasizes capital efficiency, I believe it is important to increase the quality of our investments. This can be done by comparing the effect of investment with shareholder return, conducting a pre-analysis of the FCF conversion rate, and other such efforts. Furthermore, enhancing our ability to execute Post-Merger Integration (PMI) is helping us to achieve more effective M&A.





Message from the President

Global expansion of customer connections as the foundation of our services in the Electronics Industry segment

Based on changes in the business environment and the winning strategies I have identified, we are redefining the strategies we must focus on to achieve the PSV-27 Plan while revising our targets for each segment.

In the Electronics Industry segment, we will continue to promote a strategy of expanding a wide range of service businesses. Over the next three years, we will focus on establishing customer connections around the world, which will serve as the foundation for our service businesses. Our engineering and technical capabilities can be leveraged to further strengthen connections with global accounts. By continuing to secure projects for water treatment facilities and using these projects as a springboard to provide wide range of services, we aim to achieve net sales of 230 billion yen and a business profit margin of 18%.

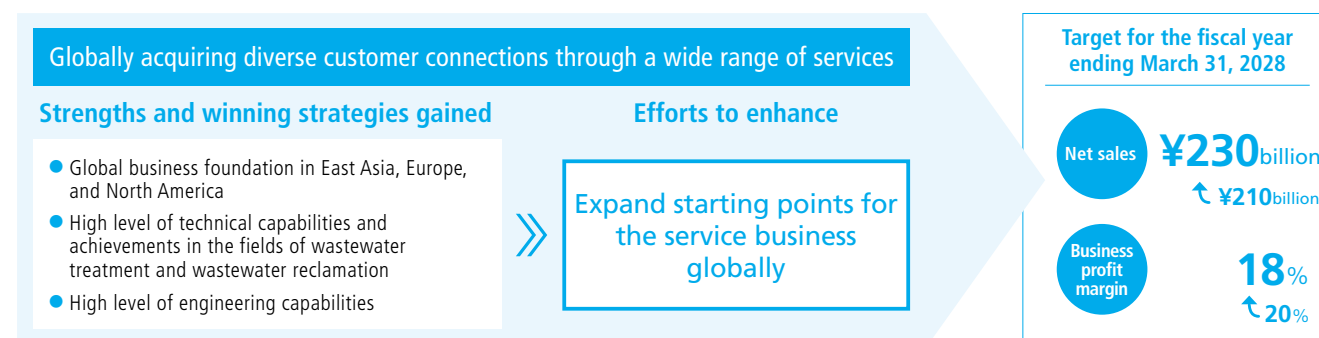
Engineering capabilities that can provide both quality and quantity are required to secure a wide range of projects from customers. In Europe and North America, we will steadily complete the large-scale facility projects for which we received orders, utilizing the EP+ module approach. After that, we will establish a backup system

for the service. We aim to expand our service business by securing additional projects from existing customers and establishing connections with new customers. We will also consider utilizing our experience in applying the EP+ module approach in Europe and North America to enter the Indian market, which is expected to grow in the future. In Asia, including Japan, we will implement production process reforms that utilize AI to automate the design process and shorten procurement times based on demand prediction. By adopting the concept of front-loading, we aim to shorten production lead time.

As I mentioned earlier, we possess competitive advantages in the fields of wastewater treatment and wastewater reclamation. The semiconductor industry, including global accounts, is aiming to achieve green manufacturing*. By utilizing our strengths to provide solutions that both improve economic value and reduce environmental impact, we will be able to contribute to the development of industry and society.

* Green manufacturing refers to manufacturing products while minimizing environmental impact. In recent years, it has been growing concern in many industries, including the semiconductor industry, as interest regarding climate change and resource depletion grows.

The Electronics Industry segment



CSV business driving improved profitability in the General Industry segment

The General Industry segment has been steadily growing, and we have raised our initial target for the business profit margin to 14%, while maintaining our net sales target of 240 billion yen.

We will strive to expand our CSV business, the primary growth driver, in terms of "quantity", "quality", and "marketing" efforts. Regarding "quantity", we will expand the number of CSV business models we have, thereby increasing our Serviceable Obtainable Market (SOM), which serves as the basis for growing sales. Next, there is "quality." Even though a business model is certified as a CSV business, its value can still deteriorate due to changes in the business environment. That is why

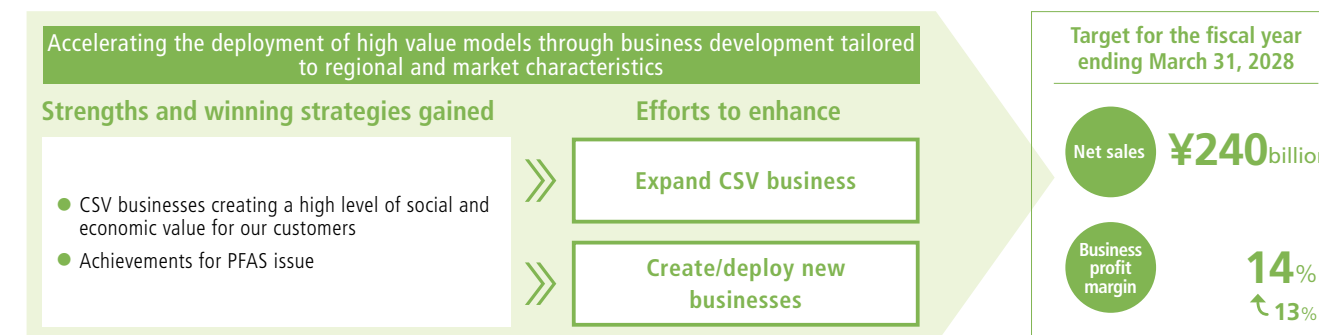
we strive to maintain and improve quality by reviewing whether each business model is creating the expected social value and profitability. We also work to improve the quality of CSV business using digital technologies that leverage sensing and IoT. Finally, there is "marketing." We take advantage of the information infrastructure utilized by the Kurita Group to share successful examples and promote the appropriate approach to customer contact points. This allows us to propose optimal solutions to customer issues in various regions and industries, and expand sales by raising our SOM acquisition rate. In April 2025, we established the Value Providing Strategy Division as an organization to

comprehensively manage and promote these three approaches.

Our efforts regarding the creation and deployment of new businesses, we will evolve our approach to PFAS from focusing on analysis and removal of wastewater to providing a one-stop solution that includes detoxification. I hope that we can expand this to a level

where it contributes to our business performance, as described in the PSV-27 Plan, and thereby build a position as the leading company in the field. We will also create new business models that will be at the core of the Kurita Group from a medium to long-term perspective.

The General Industry segment



A pathway to increased corporate value, to travel along together with our stakeholders

It is "people" who generate the value we provide to customers and society. Through interactions with our employees, I feel that our corporate philosophy is reflected in the words and actions of all the employees. The greatest strength of the Kurita Group is our human resources, who have a strong desire to contribute to society and personally grow in the process. I believe that my role as president is to help realize this desire and turn it into results which are recognized by society. This will involve efforts to promote understanding of the Value Pioneering Path and our Values. We will increase engagement by actively communicating with our employees and fostering a workplace environment that encourages them to make proud contributions to society and the company.

Since assuming my position as president, I have engaged in dialogues with our customers, business partners, shareholders, investors, employees, and various other stakeholders. In doing so, I discovered that our corporate philosophy resonates with many people other than our employees. On the other hand, I believe that our corporate values, as reflected in the expectations for our efforts to achieve the corporate philosophy, are not rated as highly as they deserve.

If we consider corporate value as the market capitalization of the stock, I believe that the Kurita Group has the potential to exceed one trillion yen. Although this goal is still some distance away, I am certain that it is realistically achievable, based on the high level of value we provide to society. Of course, we

will not make it there in a single leap. We will head there one step at a time.

First of all, it is important for us to build trust in the future growth of the Kurita Group among all our stakeholders, including the capital market. I recognize that our current stock price reflects skepticism toward whether we can achieve the PSV-27 Plan. My confidence is based on the "three winning strategies" I just described. By verbalizing this and clarifying our efforts and their results, we will reflect the opinions and evaluation received in dialogues with our stakeholders, and thereby enact more advanced management. The next step is to promote recognition of the competitive advantage that Kurita Group businesses provide for the electronics industry. I hope that by clearly providing evidence-based explanations of how our technologies contribute to the future visions of our customers, we will be able to gain trust.

Of the management indicators in the PSV-27 Plan, I place the most importance on ROE. By strongly emphasizing profitability and EPS growth rate, as well as achieving both growth investment and shareholder return, we will increase our corporate value through improving to the Total Shareholder Return (TSR).

Our path to the future will by no means be an easy one. However, I believe that the Kurita Group has the power to make the world a better place. I sincerely hope for the continued understanding and support of all our stakeholders as we continue to strive to achieve our corporate vision and philosophy.

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Financial Strategy

Message from the CFO



Realizing sustainable Group growth by balancing financial strength and capital efficiency to help enhance corporate value

Shuji Shirode

Representative
Senior Managing Executive Officer
Executive General Manager
of Corporate Control and Administration Division
and Chief Financial Officer (CFO)

Steady progress toward achieving the PSV-27 Plan during the fiscal year ended March 31, 2025

The fiscal year ended March 31, 2025 was the second year of the PSV-27 Plan. The Kurita Group successfully increased its year-on-year orders received, net sales, and business profit as well as its business profit margin (10.9% to 12.0%). Our American and European businesses in the Electronics Industry segment secured large-scale facilities orders after working to put in place new infrastructure. Moreover, I would like to celebrate the success of CSV business in steadily driving forward initiatives to not only expand globally, but also foster sustainable Kurita Group growth.

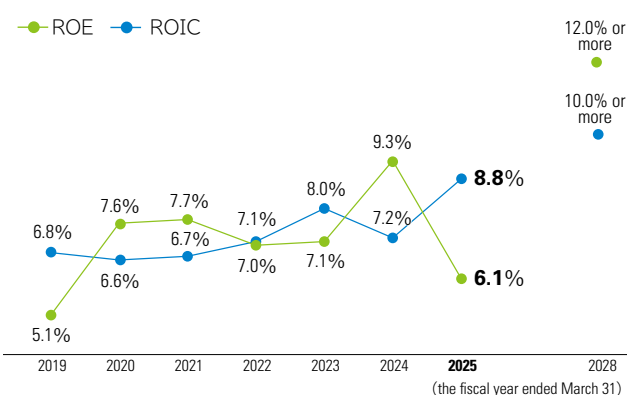
Looking at each segment separately, the Electronics Industry segment saw an increase in revenue generated through higher earnings from new recurring contract-based

service projects as well as higher sales in the precision tool cleaning business. In addition to impact of increased sales, the business profit also rose driven by a rise in the ratio of service sales and a better mix of facilities business projects. This performance improved our business profit margin as well (11.5% to 13.4%). The General Industry segment successfully increased both sales and profit despite facing declining confidence in the economic conditions of China, Europe, and some ASEAN regions. In addition to CSV business expansion, Kurita America—which had been struggling to generate profit—achieved revenue and profit growth through progress in shifting its facilities business toward public-sector demand, and an higher cost efficiency are responsible for this success. This led business profit margin increase (10.4% to 11.0%).

However, our operating profit did fall. The decline is mostly due to Pentagon Technologies Group, Inc., a Group Company primarily expanding our precision tool cleaning business in the United States. We made the decision to execute structural reforms to address stagnating profitability. The closure of some plants resulted in impairment losses (16.5 billion yen) on fixed assets, including goodwill. Kurita Fracta Holdings Inc., a company providing software services to predict water main degradations, also recording of impairment losses on goodwill (2.5 billion yen), which resulted in lower operating profitability.

In terms of capital efficiency, our Return on Equity (ROE) declined year-on-year due to the impact of these impairment

Trends in ROE/ROIC



losses. However, excluding these impairment losses, we are seeing an upward trend. Our Return on Invested Capital

(ROIC) improved due to higher profit after tax.

Revisions to strategies to ramp up future growth

We revised its strategies to ramp up future growth after reviewing the progress of past initiatives. We raised our net sales target for the PSV-27 Plan from 450 billion yen to 470 billion yen. We also revised targets for each segment while aiming to sustain a 16% business profit margin.

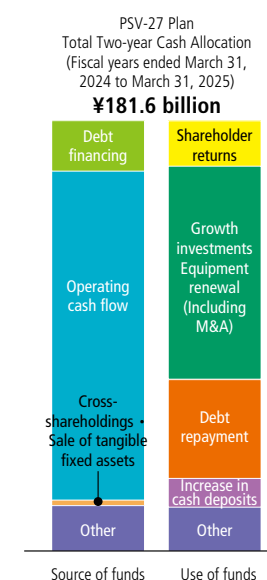
The Electronics Industry segment expects facilities projects and aftercare services to exceed those in the PSV-27 Plan due to the growing demand for generative AI. In light of this demand, we have increased the net sales target for the Electronics Industry segment to 230 billion yen. However, delays in the recovery of the North American precision tool cleaning business and changes in the time to revenue for recurring contract-based services forced us to lower the business profit margin by 2% from the original target to 18%.

The General Industry segment is set to exceed the earnings laid out in our plan through profit generated by CSV business that are driving growth. Kurita America, Inc. has steadily improved profitability as well. We will continue to aim for 240 billion yen in net sales, but have increased our business profit margin by 1% from the original target to 14%. Present concerns about the economic recovery are leading heightened cost consciousness. Alongside cost awareness, we are also seeing greater customer awareness about the social issues that they face, from climate change to biodiversity and PFAS. That is why the Kurita Group will further expand its CSV and other businesses that address these needs using value as a starting point.

Vision and cash allocation in finance and capital management policies

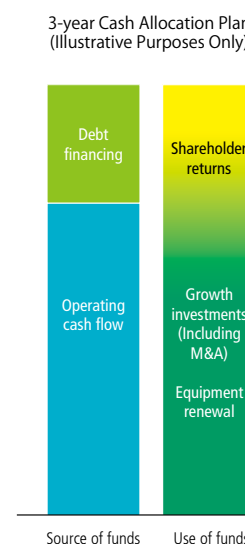
Our finance policy does several things. First, it aims to promote business management that recognizes a capital structure ideal for securing a stable financial footing. Second, it aim to strengthen service businesses that foster long-term relationships with customers, while also pursuing growth investments such as M&A and enhancing shareholder returns. The two-pronged approach aims to enhance Kurita Group corporate value. We focus on the ratio of equity attributable to owners of the parent and net debt-to-equity ratio as indicators of financial stability, business profit ratio for profitability, and ROE and ROIC for capital efficiency. This is how we will engage in management supported by financial strategies to achieve the PSV-27 Plan.

As for the cumulative cash allocation over the first two years of the PSV-27 Plan, we have primarily used operating cash flow for use as one main source of funding. Thus far, we have made capital investments into recurring contract-based services and the precision tool cleaning business, as well as growth investments into the M&A of Arcade Engineering, a European company involved with water treatment facilities. Our



shareholder returns provided a dividend payout ratio of 51% in the fiscal year ended March 31, 2025, which equates to 41% over the last five years and an increase in dividends for 21 consecutive fiscal years. However, the timing of investments in recurring contract-based services fell behind the initial PSV-27 Plan. That is why the capital expenditures are lower than expected.

Our cash allocation policy going forward earmarks about 75 billion yen for capital investments. We will invest in both maintaining and renewing equipment, as well as making other investments considered necessary over the long term for recurring contract-based services and other businesses. M&As are one strategic measure that is important to foster growth. M&As open channels for our water treatment facilities businesses to enter new markets in electronics industry. We will go as far as to incur debt when necessary to execute bolt-on M&As that strive to establish footholds for expanding CSV business and acquire technologies for deploying new PFAS solutions and other new businesses. The Company will always work to provide shareholder returns that continually increase dividends. We will actively consider agile ways to acquire treasury stock based on higher capital efficiency, future operating



Financial Strategy

Message from the CFO

cash flow, funding needs, and share price. The Company acquired 15 billion yen in treasury stock from May through July 2025. The ideal capital structure should maintain an appropriate equity ratio attributable to owners of the parent within a range that sustains an A-grade credit rating. As of June 30, 2025, however, this equity ratio is over 60%. I am highly aware of the need to improve our capital efficiency sooner rather than later.

The Investment Committee reviews every investment before it is made. ROIC, NPV, and other such metrics act as criteria to assess capital investments to select ventures that can generate returns that exceed the capital costs. Past

Promotion of efforts to improve ROIC tailored to unique business traits

As CFO, I do not simply view capital costs as a financial indicator; I also emphasize their promotion as a criterion for management decisions throughout the Group. We are working to solidify ROIC and Weighted Average Cost of Capital (WACC) as key internal metrics while improving and monitoring the ROIC of each business. Evaluations of business portfolios directly help enhance corporate value by securing profitability that exceeds the WACC. Each business division is working to make these evaluations commonplace. The Executive Committee discusses capital allocation and structural reforms for any businesses with room to improve. The Investment Committee requires evaluations for potential investments based on the ROIC. Every organization in the Kurita Group recognizes the need to always consider capital efficiency.

The recurring contract-based services and precision tool cleaning business have the largest amount of assets in the Electronics Industry segment. Recurring contract-based services contribute to greater profitability but also require a large up-front investment. Businesses like this take on significant debt for a while after the initial investment. However, I believe these investments are essential to help secure stable earnings and continually build networks with customers in the volatile electronics market. Thereafter, we have to utilize efficient capital investments through initiatives

Greater capital efficiency and lower risk through Group cash management

The Kurita Group is strengthening global financial controls under the leadership of the Company's accounting and finance department. We also promote initiatives around the "visualization" and "regional optimization of capital." The Company has been raising awareness about its finance and capital management policies while strengthening communication with accounting and finance managers in each region at overseas Group Companies, including those who joined the Group through M&As. Our Global Cash

experience suggests that a comprehensive evaluation considering everything from the harmony and synergy of the businesses to the profitability and capital efficiency strengthens M&As. That is why we are extremely strict when making decisions about M&As. We set ROIC and operating cash flow targets looking about three years out while also comparing the impact on shareholder returns. We have even established teams dedicated to Post Merger Integration (PMI) and implemented appropriate management systems. The sophisticated design and management of these systems ensure a good balance between business and governance.

to innovate production processes as well as use technologies to simulate operations that optimize management costs. The adoption of EP+ modules and other highly profitable models is expected to improve capital efficiency. Our North American and European precision tool cleaning business had been making investments in precision cleaning plants according to customer investment plans. Lower operation rates at some customer plants and changes and delays in plant construction plans resulted in the decision to review business structures and close some plants. The impairment losses resulting from this situation are unfortunate, but I know it is necessary to make decisions at this time to help generate earnings quickly and improve capital efficiency.

The General Industry segment aims to improve ROIC by enhancing profitability in asset-light businesses such as chemicals and maintenance. In this segment, CSV business that creates high social and economic value has profitability levels more than 10% points higher than conventional businesses. Every year, the business continue to show better and better performance. The business is expanding both the quantity and quality of its lineup and will continue to ramp up its efforts.

Our materiality initiatives go beyond reducing business risk to enhance informational disclosure and utilize low-interest green financing to mitigate capital costs and widen the spread.

leverage its technical capabilities and strengths, including those aimed at preventing marine pollution. It is also vital to strengthen our ability to generate cash. In the fiscal year ended March 31, 2025, our operating cash flow increased significantly due to higher business profits and improved working capital following the completion of a major facilities project. Going forward, we expect even further cash

flow growth through higher earnings driven by greater sales and the expansion of CSV business backed by robust demand for capital investments in the semiconductor industry. To improve the Cash Conversion Cycle (CCC), we will expand Group-wide efforts that include negotiating payments according to the progress of construction on water treatment facilities projects, which tend to have long payback periods.

Constructive dialogues with shareholders and other investors toward more sophisticated management

I see dialogues with our shareholders, investors, and other capital markets as extremely important opportunities to engage in management that is mindful of capital costs and share price. The president and I, as well as our external directors, executive officers, and corporate officers, actively participate in constructive dialogues to discuss Kurita Group management and businesses from a medium to long-term perspective. We regularly report the discussions had during these dialogues to the Board of Directors to reflect what we learn in management decision-making and enhance governance. Themes of particular interest during these dialogues include market trends in the semiconductor market and the electronics industry as a whole, the state of the business, strategies to expand CSV business, our response to PFAS, and capital management policy. As CFO, I pay close attention to how effectively we communicate Kurita Group growth strategies in a precise and persuasive manner during these dialogues. We are broadening diverse businesses targeting customers in a wide range of industries, especially when it comes to chemicals and facilities for water treatment. These businesses do not

operate in parallel to one another, however. The integration of the technologies and knowledge amassed by each business synergizes and enables us to provide even higher value. Essentially, we want everyone to recognize our businesses as one unified source of premium value. I believe it is vital for the entire Kurita Group to engage in dialogues that ensure our corporate value is appropriately assessed. In the fiscal year ended March 31, 2025, the Company had Total Shareholder Returns (TSR) below 100% and was an underperformer on the TOPIX Net Total Return Index. Our share price reflects the future expectations for the Company. A low TSR presents a challenge to our growth, capital efficiency, and ability to engage in dialogues. As CFO, I take this situation very seriously. Broader incorporation and solidification of ROIC management should improve capital efficiency, deepen dialogues with capital markets, and improve the feasibility of the PSV-27 Plan. I will take care to clearly communicate the equity story for the Kurita Group Vision and strategies to enhance corporate value over the medium to long term through these measures.

Dialogues with Capital Markets in the Fiscal Year Ended March 31, 2025

Opportunity for dialogues	A total of 474 opportunities (390 opportunities in the fiscal year ended March 31, 2024) that included financial result briefings, sustainability briefings, overseas roadshows, conferences held by securities companies, small group meetings, one-on-one meetings, and Kurita Innovation Hub tours			
Overview	Attendees Institutional investors (shareholders) 36% Institutional investors (non-shareholders) 53% Analysts from securities companies 11% (Total: 474)			
	Point person for discussions with Company based on the number of dialogues (Total: 474) Management team* 30% full-time IR and SR sections 70%			
	Discussions with institutional investors by region based on number of dialogues (Total: 474) Japan 46% Asia(excluding Japan) 21% North America 12% Europe 21%			
Main themes of dialogues	Strategies and measures to achieve the PSV-27 plan Business risks and opportunities brought by PFAS and other social issues Kurita Group growth investment trends and capital management policy			
Feedback to Board of Directors	Policy on engagement initiatives with capital markets and reports twice per year on progress of those initiatives Monthly reports about discussions during dialogues with shareholders, investors, and other stakeholders			



Promotion of Sustainability Management

Message from the Officer in Charge

Organically linking materiality with the PSV-27 Plan to promote sustainability management that creates shared value with society

Hisashi Tanabe

Corporate Officer
Executive General Manager of Sustainability
Corporate Strategy Division
Chairperson of Sustainability Committee



Indicating the path to achieving our corporate vision and accelerating efforts for materiality together with the PSV-27 Plan

With the start of the PSV-27 Plan, we defined sustainability as conducting business within natural and social systems, striving for sustainable growth while accounting for their mutual impacts. We also declared our intent to position sustainability at the core of management. Our corporate vision outlines where we should be in the year 2030. The materiality of the Kurita Group refers to the important issues we must tackle in order to achieve this vision.

Our materiality focuses on both the impact of global sustainability issues on our corporate value and the impact our corporate activities have on society and the environment. It consists of three shared value themes and five basic themes. Shared value themes are directly related to the creation of shared value with society, and basic themes support that value creation. Because the Kurita Group aims for sustainability management, our materiality

efforts are closely aligned with the business and functional strategies outlined in the PSV-27 Plan. Therefore, we have incorporated materiality efforts into the strategies of the PSV-27 Plan and established the Value Pioneering Path as a roadmap guiding our efforts for achieving our corporate vision and the relationships between our materiality efforts. In the fiscal year ended March 31, 2025, we focused on promoting understanding, after formulating and disseminating the Value Pioneering Path in the year before that. We encouraged discussions and workplace dialogues between management and employees to enable everyone to think about the relationship between their work and contribution to society, as well as the growth of the Kurita Group. This will allow us to implement the Value Pioneering Path in the business activities across the entire Kurita Group.

Creating a high level of social value and enhancing corporate value through materiality efforts

The mission of the Sustainability Corporate Strategy Division is to increase the effectiveness of sustainability management. To achieve this, I believe it is essential to raise awareness of materiality in our business activities, strengthen our foundation for creating a high level of social value, and accelerate the provision of value.

Corporate duties such as fair business activities and respect for human rights are basic themes of materiality. Making sure we carry out these duties enables us to obtain stakeholder rapport, reduce capital costs, and prevent damage to our corporate value. We also enhance our competitive edge by achieving

transformations with customer as starting point and bring about innovation with social value as starting point, via actions for basic themes regarding functional strategy and human resource strategy. CSV business embodies this competitive edge. Expanding the business

is essential for shared value themes. By providing social value unique to the Kurita Group, we aim to obtain a high level of economic value and continue to grow as a high-revenue company.

Expanding CSV business that create shared value with society

Although the water treatment business inherently creates social value, we aim to achieve an even higher level of value. We therefore define CSV business as products or services that contribute significantly to water saving, greenhouse gas (GHG) emissions reduction, and resource recovery or reduction of resource inputs, compared to existing technologies or competitor technologies. Although CSV business provides a high level of social value, they also contribute to improving customer income by reducing water and energy use. That

value has been recognized and has led to CSV business evolving into a high-profitability business model. As of late June 2025, we have 114 CSV business models, which is an increase of over 50 models since the start of the PSV-27 Plan. The Sustainability Committee periodically evaluates CSV business models based on their contributions to social value and economic value. This enables us to confirm the validity of CSV business and thereby maintain and improve the competitive edge of our business models.

Status of materiality efforts and future approach

We have steadily expanded the scope of CSV business and have secured profitability exceeding expectations. In terms of social value, rising energy prices have led to increased demand for solutions that contribute to fuel reduction. This has enabled us to help reduce GHG emissions faster than initially planned, and we therefore revised our target for the fiscal year ending March 31, 2028, upward. On the other hand, we need to accelerate our efforts for achieving targets regarding the amount of water saving and the increase in resource recovery or reduction of resource input. The Sustainability Committee has also established specialized subcommittees for each shared value theme and coordinates with the Value Providing Strategy Division to further expand CSV business that creates significant value and enhance efforts to develop new business models.

In addition to CSV business, we also strive to reduce the environmental impact of our business activities. As part of these efforts, we follow recommendations of the TCFD and TNFD to appropriately identify risks and opportunities regarding climate change and natural capital. We also participate in water-related initiatives, including collaboration with the Alliance for Water Stewardship, an international

organization promoting water stewardship. As part of these efforts, we launched the Japan Water Stewardship to raise awareness of water resource conservation in Japan. Through these initiatives, we aim to maximize the positive impact on the natural environment, society, and the Kurita Group, while enhancing our corporate value. One concrete example of this is our reduction of Scope 3 emissions. Scope 3 emissions account for the majority of the Kurita Group GHG emissions, and reducing them is a key step in mitigating climate change. A majority of Scope 3 emissions are caused by powering rotary machinery such as pumps used for water treatment facilities. Due to the boom in capital investment for the semiconductor industry and the high level of orders for facilities projects, we will steadily promote the reduction of Scope 3 emissions by proposing optimized design and more efficient operation of water treatment facilities, while also investigating the adoption of technologies that can contribute to decarbonization. We acquired the SBT certification in April 2025 and will leverage this achievement to gain trust from stakeholders and create business opportunities with customers who are highly interested in sustainability.

Becoming a company that grows with society based on a corporate philosophy

The new Sustainability Corporate Strategy Division was established in April 2025 to consolidate functions regarding company-wide management strategy and management plans, as well as intellectual property functions and intelligence functions for creating new CSV business and conceptualizing other new businesses. Contributing to the resolution of social issues by creating significant social value

through our materiality efforts represents the very purpose of the Kurita Group, as embodied in our corporate philosophy. By reflecting societal trends and sustainability trends in the long-term strategy of the Kurita Group, we will aim to create shared value with society, as a corporate group that grows together with society.

Promotion of Sustainability Management

Kurita Group's Materiality

Kurita Group's Materiality

The Kurita Group views sustainability defines sustainability as conducting business within natural and social systems, striving for sustainable growth while accounting for their mutual impacts. The PSV-27 Plan positions sustainability at the core of business management. Priority issues for

realizing the corporate vision are designated in the Kurita Group's Materiality, which identifies sustainability-related global issues and sets materiality metrics and targets as indicated in the table below.

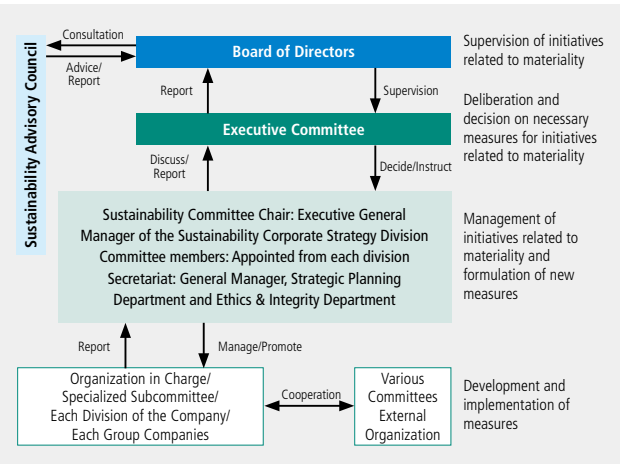
Shared Value Themes (Fiscal year ending March 31, 2028)	
Solve issues related to water resources	
Total number of basins where collective actions are implemented (and total population in the basins)*1	5 basins
(FY ending March 31, 2031, target: 7 basins)	
Amount of water savings through CSV business	250 million m³ *2
Rate of reduction in the ratio of GHG emissions to water savings (compared to FY ended March 31, 2023)	50%
Rate of reduction of water withdrawal intensity (compared to FY ended March 31, 2023, excluding the ultrapure water supply business)	Meet or exceed 30%*2
Number of individuals, organizations and groups we engage with to raise awareness on water resources	Meet or exceed the previous fiscal year
Contribute to the realization of a decarbonized society	
Rate of reduction in Scope 1+2 emissions (compared to FY ended March 31, 2020)	73%
(FY ending March 31, 2031, target: 80%, FY ending March 31, 2051, target: Net-Zero)	
Rate of reduction in Scope 3 emissions (compared to FY ended March 31, 2020)	22%
(FY ending March 31, 2031, target: 30%, FY ending March 31, 2051, target: Net-Zero)	
Avoided GHG emissions through CSV business	Meet or exceed 3,000 thousand tons *2
Contribute to building a circular economy society	
Rate of increase in resource recovery or reduction of resource input through CSV business (compared to FY ended March 31, 2023)	300%
In-house waste recycling rate	Meet or exceed the previous fiscal year

*1 The Board of Directors approved at its meeting removing total populations from basin where collective actions are implemented to target only the basins beginning the fiscal year ending March 31, 2026. The goal of this change is to isolate the achievements that the Kurita Group makes through collective action.
*2 The targets were revised based on the progress in the fiscal year ended March 2025 and latest estimated results and approved.

Promotion System

The Kurita Group appoints departments to take action to address each material issue. The Sustainability Committee, chaired by Corporate Officer and the Executive General Manager of the Sustainability Corporate Strategy Division, discusses the initiatives undertaken by each department while overseeing and promoting Group-wide initiatives to tackle our material issues. Moreover, the Sustainability Committee has put in place various subcommittees dedicated to our shared value themes: solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society. Each subcommittee fortifies our initiatives to accomplish the metrics and targets set for each material issue. The Executive Committee generally receives reports twice a year on the progress of materiality initiatives to discuss and approve any necessary measures. These progress reports are then escalated to the Board of Directors from the

Basic Themes (Fiscal year ending March 31, 2028)	
Develop and disseminate innovative products, technologies, and business models	
Investment rate in innovation areas	Meet or exceed 30%
Rate of the number of themes in innovation areas	Meet or exceed 30%
Number of stakeholder engagements related to innovation areas	Meet or exceed the previous fiscal year
Strategic development and utilization of human resources	
Engagement Score (a. Rate of companies above the average of all industries, b. Score of each company surveyed)	a: 75% b: Meet or exceed the previous survey
Rate of women, foreigners, and experienced personnel among executives of the Company	40%
Fill rate of human resources for development, digital, and intellectual property	80%
Provide highly safe and quality products and services	
Reduction rate in the recurrence rate of accidents that affect customers and society (compared to the previous year)	20%
Conduct business activities respecting human rights	
Conducting human rights due diligence on suppliers	Continuous implementation
Accident severity rate (the Company and the Group Companies in Japan)	0.005 or less
Rate of participation in human rights-related training	100%
Establishment of a liaison for remedies from human rights violations (grievance mechanism)	Completed
Conduct fair business activities	
Rate of participation in whistle-blowing system related training	100%
Rate of participation in training related to laws and internal rules for anti-bribery and antitrust, etc.	100%
Number of violations of anti-bribery and antitrust laws	0



Executive Committee so that the Board of Directors can fulfill its duty to oversee every materiality initiative. The Sustainability Advisory Council serves as an advisory body to the Board of Directors. It investigates how the Kurita Group should

approach sustainability management from a multi-stakeholder perspective in the medium to long-term, based on sustainability trends both in Japan and around the world. It then reports its findings to the Board of Directors and provides related advice.

PDCA

The Kurita Group sets Groupwide medium-term targets and fiscal-year targets for each activity related to the Kurita Group's Materiality and its metrics and targets. Revisions to action plans for each fiscal year and to metrics and targets, where necessary,

are prepared by the organizations in charge, discussed by the Sustainability Committee, and finalized by the Executive Committee. The Sustainability Committee and the Executive Committee evaluate the outcomes of the activities

	Plan	Do	Check	Action
Board of Directors of the Company	• Establish a medium-term management plan that includes materiality and initiatives related to materiality.		• Receive reports from the Executive Committee on metrics, targets, and activity results of materiality, and review and evaluate them. • Receive and review reports from the Executive Committee regarding stakeholder expectations, concerns, and evaluations.	• Receive reports from the Executive Committee on the review of materiality and make decisions.
Executive Committee of the Company	• Deliberate on the medium-term management plan, including materiality and initiatives related to materiality, and decide the business plans for each fiscal year.		• Receive reports from the Sustainability Committee on the metrics, targets, and activity results of materiality, in principle twice a year, and review and evaluate them. • Receive reports from the Sustainability Committee on stakeholders' expectations, concerns, and evaluations, in principle twice a year, and review them	• Receive reports from the Sustainability Committee on the review of materiality and deliberate on them.
Sustainability Committee	• Formulate sustainability issues, draft materiality, and submit them to the Executive Committee for discussion. • Consider the metrics and targets of materiality, as well as the activity plans for each fiscal year, and submit the results to the Executive Committee for discussion.	• Review the progress of the metrics and targets of materiality.	• Review and evaluate the metrics, targets, and activity results of materiality. • Utilize stakeholders' expectations, concerns, and evaluations to validate the appropriateness of materiality and its metrics and targets, and to improve activities.	• Review the necessity of revising materiality and its metrics and targets, and submit the results to the Executive Committee for discussion.
Organizations in Charge Various Committees Each Division of the Company Each Group Companies	• Formulate activity plans based on the metrics and targets of materiality, as well as the medium-term management plan and business plan.	• Promote activities related to the metrics and targets of materiality, and report the status of activities to the Sustainability Committee. • Disclose information regarding sustainability. • Conduct stakeholder engagement.	• Review the metrics, targets, and activity results of materiality. • Review stakeholders' expectations, concerns, and evaluations.	• Review the metrics, targets, and related activities of materiality, and report the results to the Sustainability Committee.
External Organizations we belong to or collaborate with	• Actively participate in the planning processes of external organizations.	• Conduct activities in collaboration with external organizations. • Disclose information about activities in a format aligned with external organizations.	• Ensure alignment between the activities of external organizations and the direction of Kurita Group's materiality.	• Reevaluate the continuation of activities with the relevant external organizations as necessary.

For more information, please refer to the following page.
<https://www.kurita-water.com/en/sustainability/management/index.html>



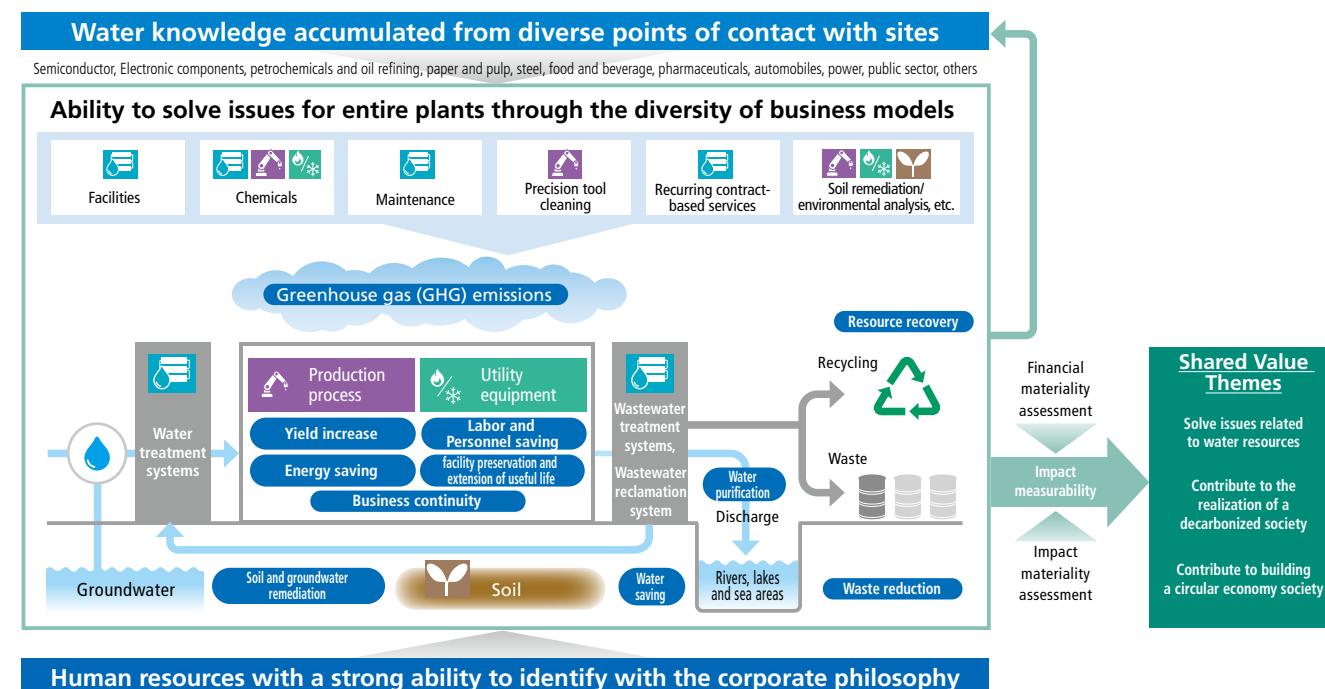
Promotion of Sustainability Management

Kurita Group's Materiality

Selection of Shared Value Themes

In selecting the shared value themes, the Kurita Group has taken into account its track record of providing solutions that apply overall at manufacturing plants for diverse industries, with its business domain, water. Through these business activities, the Kurita Group has accumulated water knowledge across diverse points of contact at sites, which serves as the source of its competitive edge. In addition, driven by human resources who strongly embrace our corporate philosophy, the Kurita Group creates positive impact on society. By receiving

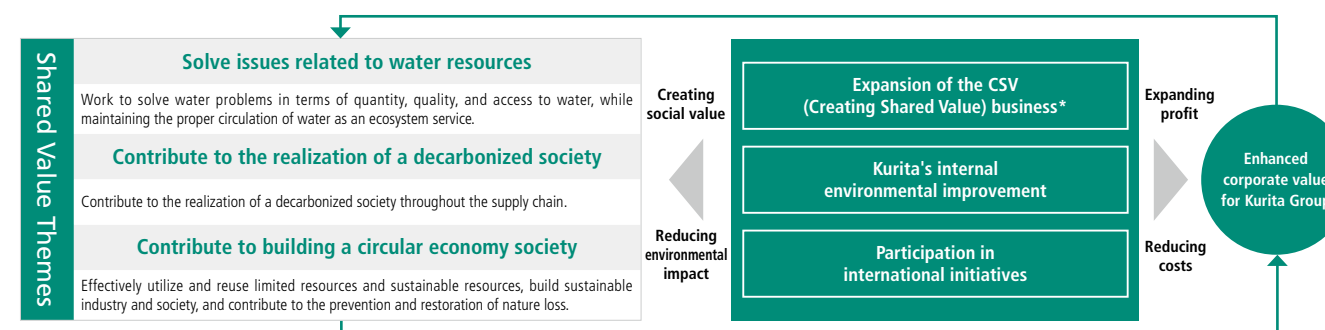
appropriate value in return for this impact, the Kurita Group also realizes sustainable impact for itself. This value creation for both society and the company are regarded as a spiral-up mechanism, where mutual reinforcement leads to continuous growth. Our shared value themes were selected as the themes that currently create the greatest social impact, solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society.



Promoting Shared Value Themes

The Kurita Group promotes the shared value themes through initiatives that expanding the CSV business which creates social value through the provision of products and services, reducing the environmental impact resulting from our business activity, and participating in international initiatives related to water. Through these initiatives, we will maximize the positive impact on both society and Kurita, which will lead to an enhancement

of corporate value. The Kurita Group's growth through its business activities contributes to the realization of a better society by addressing the material issues it has identified, and serves as an essential element in achieving its corporate philosophy: "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony."



* Products, technologies, or business models that contribute significantly to water-saving, GHG emissions reduction, and resource recovery or reduction of resource inputs compared to previous levels

Promotion of Sustainability Management

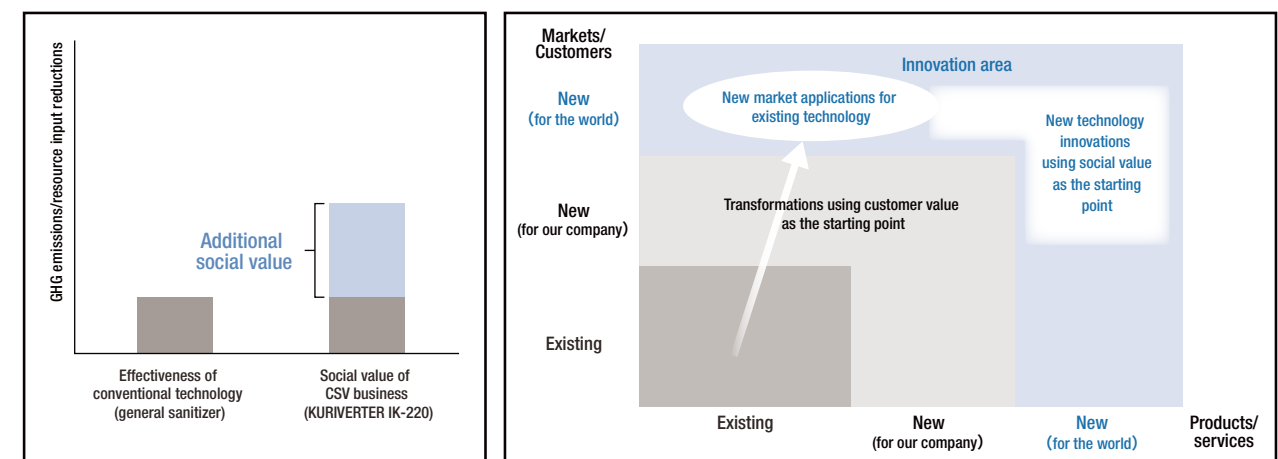
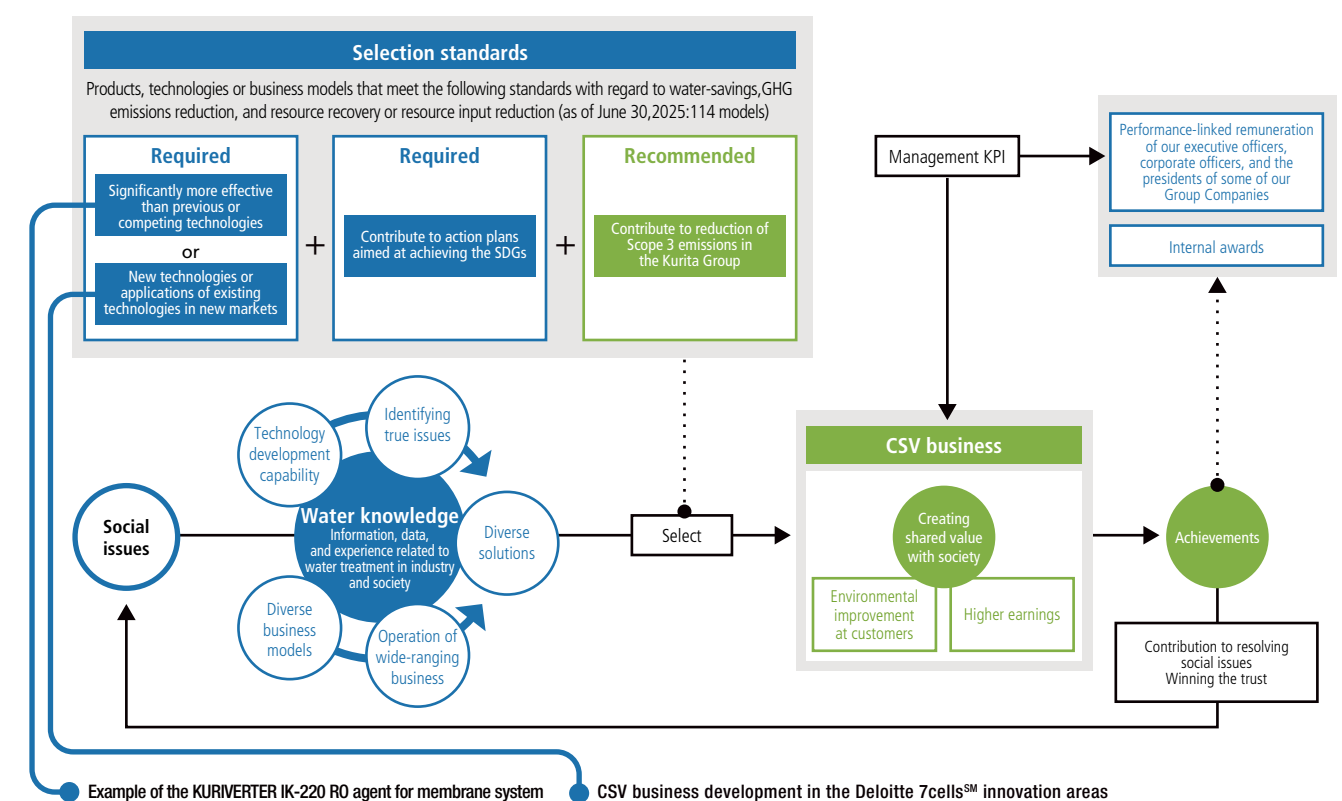
CSV Business

Overview of CSV Business

The Kurita Group defines CSV business as those pertaining to products, technologies, or business models that can achieve a greater environmental contribution in terms of saving water, reducing greenhouse gas emissions, and recycling waste into resources or reducing resource inputs. The environmental contribution of each of our CSV business is quantified with metrics such as the contribution to saving water. These metrics are then combined with performance regarding adoption by our customers to calculate the specific contribution to reducing environmental impacts.

The Kurita Group continuously reviews its CSV business based on the status of developing more competitive products, technologies,

and business models. We do so linked with the financial targets in the PSV-27 plan, as well as our shared value themes, which are to solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society. Our metrics for CSV business include the amount of water saved, the amount of greenhouse gas emissions reduced, and the increase in resource recovery or reduction of resource inputs. These metrics and achievement rate of planned sales for CSV business are utilized in the evaluations for performance-linked remuneration provided to our executive officers, corporate officers, and the presidents of some of our Group Companies.



Promotion of Sustainability Management

CSV Business

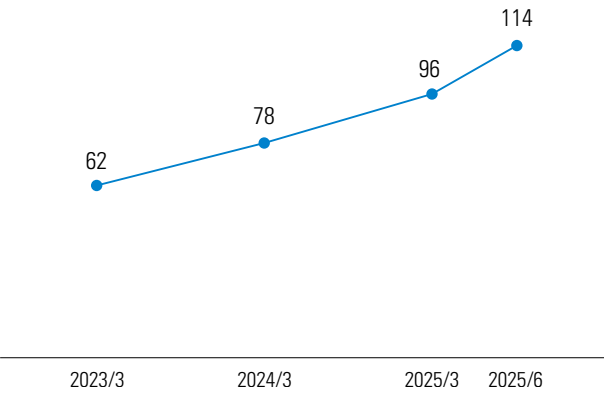
Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results for FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Solve issues related to water resources				
Amount of water savings through CSV business	135 million m³	Not achieved (108 million m³)	150 million m³	250 million m³
Rate of reduction in the ratio of GHG emissions to water savings* (compared to FY ended March 31, 2023)	20%	Not achieved (-2.1%)	35%	50%
Contribute to the realization of a decarbonized society				
Avoided GHG emissions through CSV business	900 thousand tons	Achieved (1,312 thousand tons)	2,500 thousand tons	Meet or exceed 3,000 thousand tons
Contribute to building a circular economy society				
Rate of increase in resource recovery or reduction of resource input through CSV business (compared to FY ended March 31, 2023)	65%	Not achieved (12%)	100%	300%

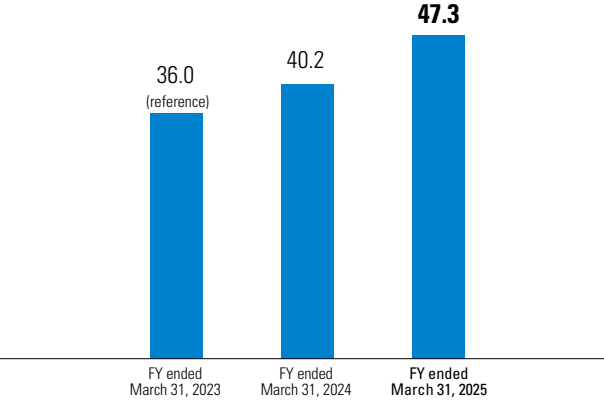
* This figure represents Kurita Group's Scope 3 categories 11 and 13, divided by the amount of water conservation achieved through CSV businesses involving water treatment equipment (which generate Scope 3 categories 11 and 13 emissions).

Changes in the Number of CSV Business Models and Net Sales

The number of CSV business models



Net sales (Billions of Yen)



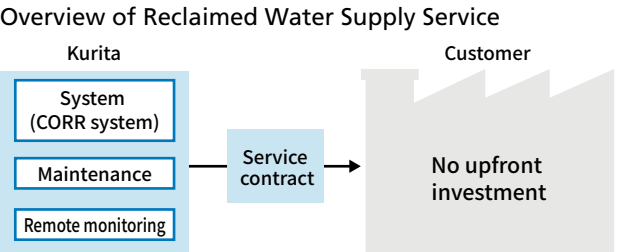
Representative Example

Water Saving	CORR system, Standardized Wastewater Reclamation System/Reclaimed Water Supply Service	Water supply reduced 40%, wastewater reduced 30%, and water costs reduced 8.4%
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Industrial wastewater is typically purified through treatment facilities to minimize its impact on the surrounding environment before being released into a sewer or river. By reclaiming this wastewater, water use can be dramatically reduced. However, industrial wastewater normally contains a high level of impurities and exhibits significant fluctuations in water quality, which means that stable wastewater recovery requires advanced technology.

The CORR system provided by the Kurita Group is a standardized water reclamation system. It combines water treatment chemicals and water treatment facility technologies in a simple manner. The use of unique water treatment chemicals achieves stable wastewater recovery and contributes to saving water. We also install CORR systems

owned by the Kurita Group at customer factories, which enables us to provide a reclaimed water service that covers everything from operation management to maintenance. This allows our customers to receive reclaimed water of the desired quantity and quality. The service contributes to reducing both total costs and the burden of work.



Reduction of GHG Emissions	Novel Biodegradable Corrosion Control	Reduction of GHG emissions across the entire supply chain
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Cooling water is used in cooling processes at factories and in air conditioning systems in office buildings. However, measures are required to address issues such as corrosion, scale, and slime, which can hinder stable equipment operation.

This chemical developed by the Kurita Group minimizes dependency on phosphorus and nitrogen, which are commonly used as raw materials, while delivering corrosion inhibition and fouling prevention performance equal to or better than conventional products. This contributes not only to stable equipment operation but also to water conservation and energy savings.

In addition, this chemical is made from carbon-negative raw materials, enabling a significant reduction in greenhouse gas emissions across the entire supply chain compared to conventional products.



Image of cooling tower

Reduction of Resource Inputs	RoClean Series	Extension of RO film life and reduction of environmental impact
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Reverse osmosis (RO) membranes are important functional materials that play an important role in removing substances dissolved in water. They are used for various water treatment applications, such as the production of ultrapure water and wastewater reclamation. The performance of RO membranes degrades over time, and membranes that have reached the end of their life are typically disposed of as waste.

The RoClean series offered by the Kurita Group demonstrates superior cleaning performance against fouling and scale on RO membranes compared to conventional cleaning agents. This enables efficient removal of contaminants, reduces cleaning frequency, and resolves differential pressure issues.

Through these benefits, the RoClean series helps maintain RO membrane performance and extend membrane life, contributing to the reduction of both waste generation and resource input.



Image of RO membranes

For more information, please refer to the following page.
https://www.kurita-water.com/en/sustainability/assets/pdf/csv_business_E_2025.pdf

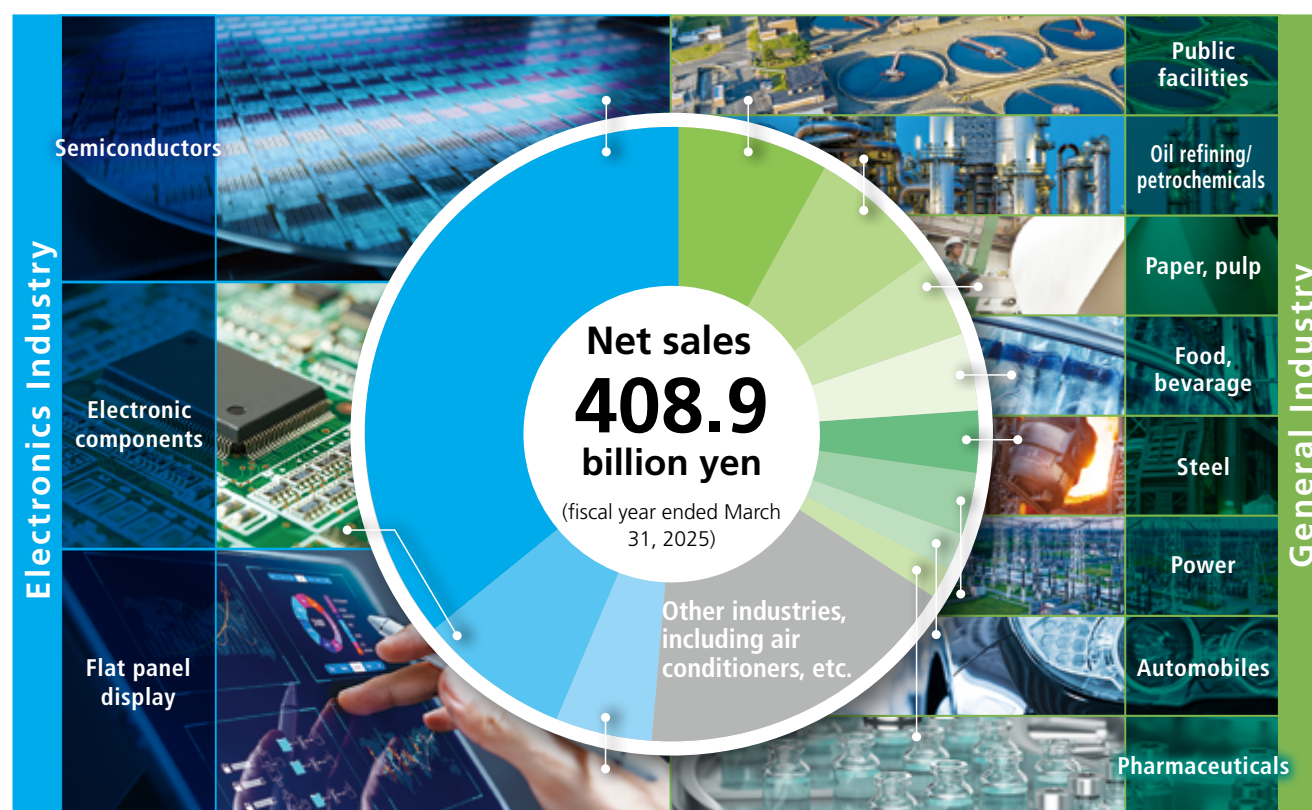


Business Fields and Solutions

The Kurita Group has connections with customers in a wide range of industries around the world. The Kurita Group also employs a wide range of business models related to water and environment to help its customers solve issues across all areas of their factory operations and office buildings involving water use.

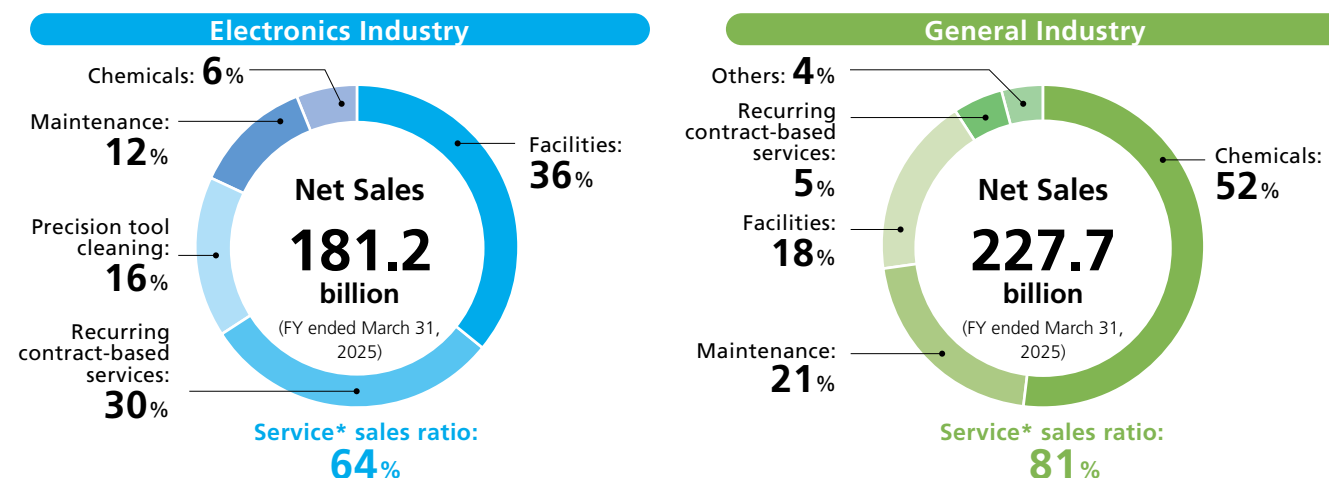
Customer Diversity and Business Segments

The Kurita Group has points of contact with various industries such as the electronics industry, which includes manufacturers of semiconductors, flat panel displays, and electronic components, as well as the general industry, which includes companies engaged in oil refining, petrochemicals, paper and pulp, and steel.



Breakdown of Net Sales by Business

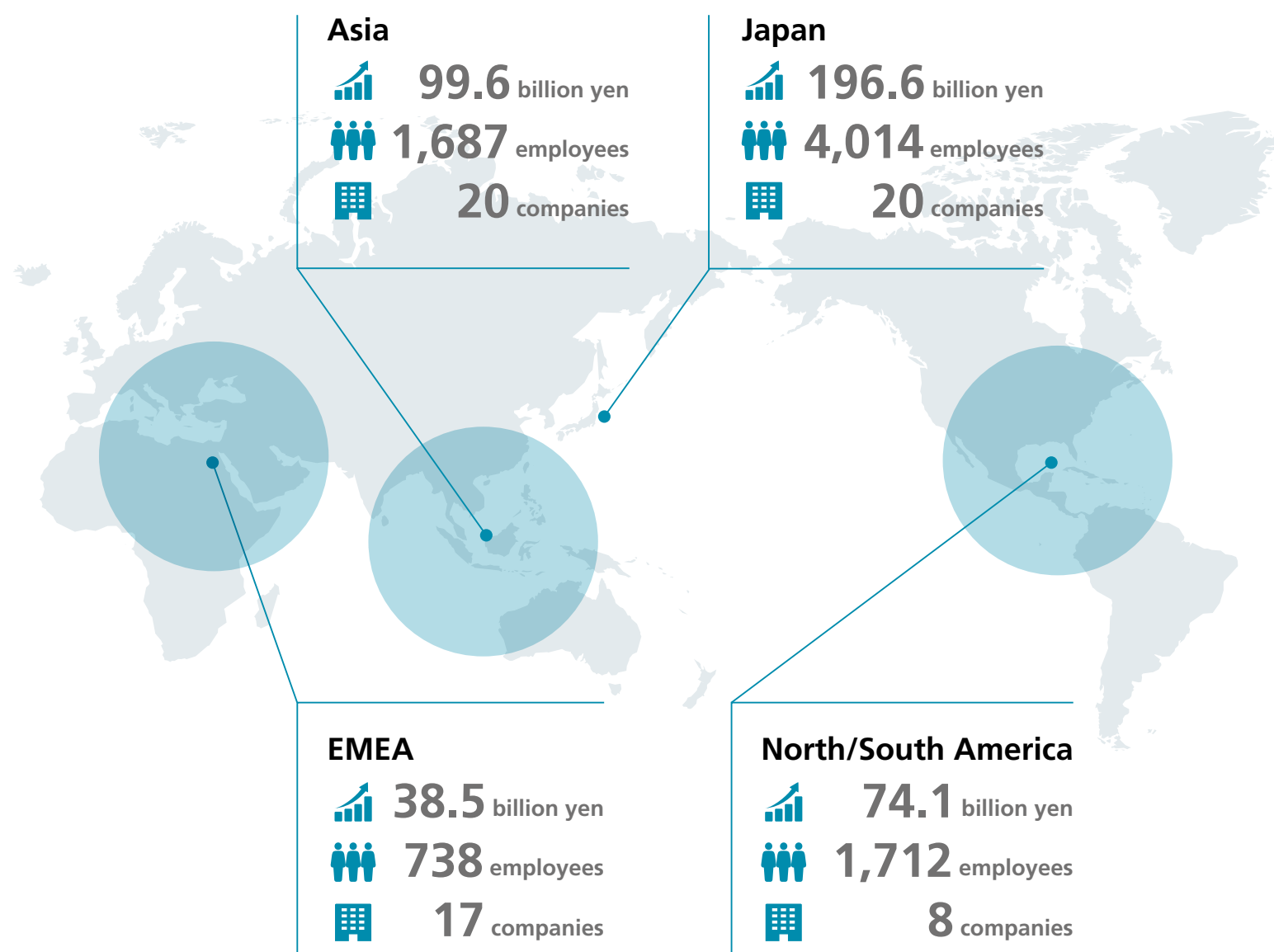
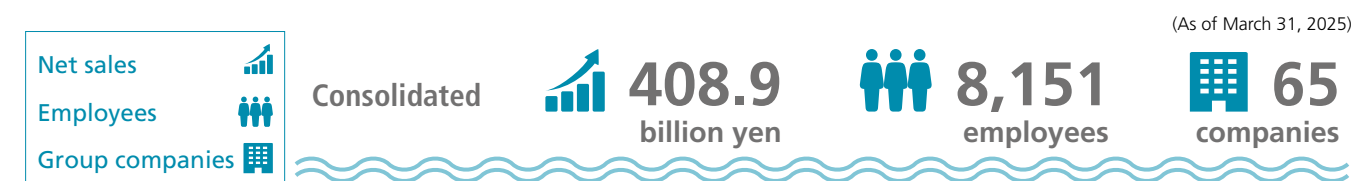
By engaging with a diverse range of industries, the Kurita Group has built a stable business foundation that is less susceptible to fluctuations in specific market trends. Our operations are divided into two segments—Electronics and General Industry—based on the characteristics of each industry, enabling us to deliver optimal solutions tailored to each field.



* It refers to businesses other than the facilities business.

Diversity of Business Regions

The Kurita Group has been accelerating the globalization of its business through M&A since 2015. Now, the Group Companies outside Japan account for half of our total net sales and employees.



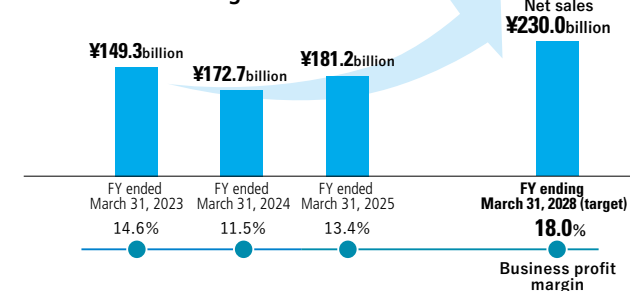
Electronics Industry Segment

Business Strategy

The Electronics Industry segment targets customers in the electronics industry, which is forecasted for global growth, particularly in the field of semiconductors. Semiconductors are becoming an indispensable part of social infrastructure worldwide. This not only fosters tremendous growth potential for the electronics industry but also quickens the pace of technological innovation. To become an essential partner for customers in the electronics industry we have centralized sales, production, and development functions specific to the electronics industry into one organization of the Kurita Group. This has established a foundation for delivering value on a global scale. In addition, we are expanding a wide range of service businesses as part of our strategic approach. We are also strengthening customer connection with global accounts who are top semiconductor manufacturers by sales. Through

this effort, we aim to secure consistently water treatment projects that solidify a strong base to further expand our service businesses. Our aim is to reach 230 billion yen in net sales and an 18% business profit margin with these initiatives.

Performance and targets



Original Initiatives

- Evolving the water supply business
- Strengthening the foundation of the precision tool cleaning business
- Building new business foundations in Europe and North America
- Reforming production processes and strengthening the supply chain

Progress

- Secured two new customer projects
- Achieved a leaner structure through structural business reform
- Established business foundations and deployment strategies in both Europe and the United States, successfully securing orders for large-scale projects in each region
- Made steady progress reducing production lead times by 7%

Enhancing Strategy

Expand starting points for the service business globally

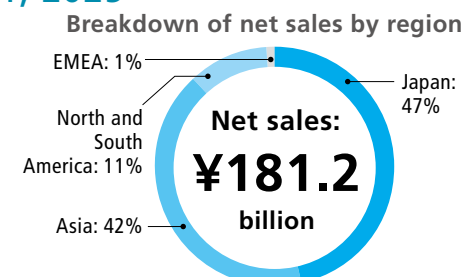
Performance in the Fiscal Year Ended March 31, 2025

Orders :
¥195.0 billion **+17.6%** YOY

Net sales:
¥181.2 billion **+4.9%** YOY

Business profit:
¥24.2 billion **+21.5%** YOY

Operating profit:
¥8.9 billion **-55.7%** YOY



Orders /Net sales

Orders increased due to the acquisition of a large-scale European project, as well as growth in recurring contract-based service and precision tool cleaning businesses. Net sales are also increased by 4.9% compared to the previous fiscal year. By business segment, net sales from the facilities business decreased due to the absence of sales coming from a Japanese large-scale facility project posted in the previous fiscal year. However, net sales from recurring contract-based services increased due to the start of new services as well as the recognition of one-time sales. The precision tool cleaning business also showed growth in Japan and overseas.

Business profit / Operating profit

Business profit increased, as the positive impact of increased sales and an improvement in the cost of sales ratio due to a shift in the business mix, including a higher proportion of service business and changes in the product mix within the facilities business. This positive impact outweighed the negative impact of higher labor and other administrative expenses. However, operating profit decreased due to reflecting impairment losses on fixed assets and goodwill for Pentagon Technologies Group, Inc., which is expanding precision tool cleaning business in North America.

Electronics Industry Segment

Message from the Officer in Charge

Executive Officer
Executive General
Manager of
Electronics Industry
Division
and Chief Business
Officer for Electronics
Industry

Katsuya
Amano



As an essential partner in the electronics industry, we continue to provide optimal solutions to customer issues and needs

The electronics industry, and the semiconductor business in particular, is expected to see high growth in the medium to long term, due to digitalization, including AI and IoT. The mission of the Electronics Industry Division is to become an essential partner required for contributing to continued customer growth in the electronics industry, via water treatment. We have been building a global business foundation and expanding our service business since the start of the PSV-27 Plan in order to accurately determine customer issues and needs and swiftly provide optimal solutions.

The service business is important for us in terms of enabling stable growth in a rapidly changing environment, deepening our understanding of our customers via continuous contact, and thereby providing a high level of value. As part of our recurring contract-based services, we install Kurita-owned water treatment facilities at customer factories to enable the stable supply of water of the quantity and quality required by the customer. We gained a contract from new customer due to growth in the semiconductor market and the adoption of model for reducing environmental impact at customer factory. Although the speed of expansion has been slower than expected due to delays caused by subsidies for the capital investment of semiconductor manufacturers and construction personnel shortages, we forecast medium to long-term growth via further investment in projects we have already taken on. Due to these changes, we will work to enhance engagement with global accounts, who are top semiconductor manufacturers by sales, as they are expected to have robust capital investment. We plan to strengthen relationships with our customers through water treatment facilities projects, which are the basis of our service business. We will then be able to expand into other services such as ongoing maintenance.

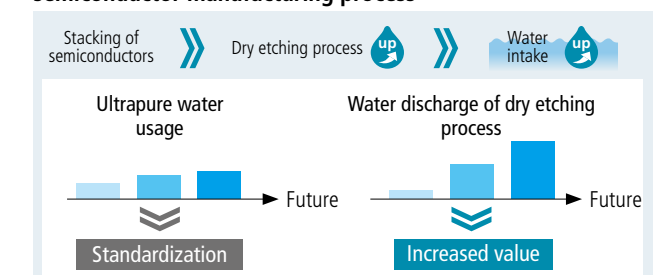
Due to geopolitical risks, global accounts are considering or implementing new investments in factories in East Asia, Europe, North America, and Southeast Asia. Although we have focused our business on East Asia up until now, we are now establishing new business infrastructure in Europe and North America with

enhancing our engineering capability, including the adoption of the EP+ module model. The simplification of the construction process for water treatment facilities makes us secure projects that facilitate our business expansion. We achieved this by providing advantages for our customers, such as reducing costs, saving space, and shortening construction times. We aim to build on this achievement by entering the Indian market, which is expected to see rapid growth.

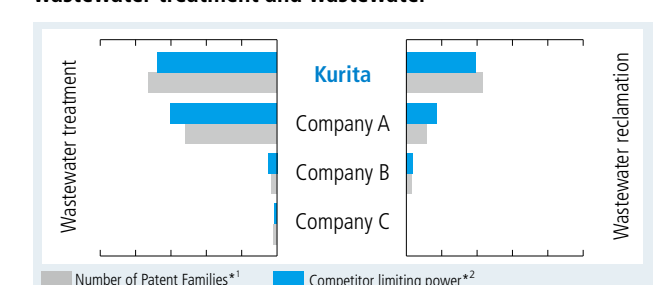
We are also focusing on the importance of wastewater treatment and wastewater reclamation. More complex semiconductor structures are expected to lead to increased manufacturing processes and more wastewater. Wastewater from new manufacturing processes will also require advanced water treatment technologies. I believe the value of this field will increase in the future. We boast the best track record in the world in terms of delivering water treatment facilities in this field. We own diverse range of technologies and knowledge to support this. I plan to leverage these advantages to further enhance engagement with our customers.

The expansion of the service business will lead to opportunities for precision tool cleaning business, in addition to the maintenance and operation management of water treatment facilities. Projects for water treatment facilities have enabled us to receive orders from new customers and spread out to other factories. We will build on this to swiftly improve the profitability of our precision tool cleaning business. Our strength lies in our ability to provide everything from water treatment equipment to services. By responding needs of customers in the electronics industry, we will help the industry and society at large develop toward a sustainable future.

Changes in water treatment and semiconductor manufacturing process



Patent comparison in the fields of wastewater treatment and wastewater



^{*1} A patent family refers to a group of patent applications filed in multiple countries or regions based on the same invention. For a meaningful comparison of technological capabilities, each invention is counted as a single patent family.

^{*2} This refers to the "Technology Relevance" metric adopted by LexisNexis in the United States. It is measured based on the number of citations a patent family receives from subsequent patent families. A higher number of citations indicates stronger influence over other companies' technological development.

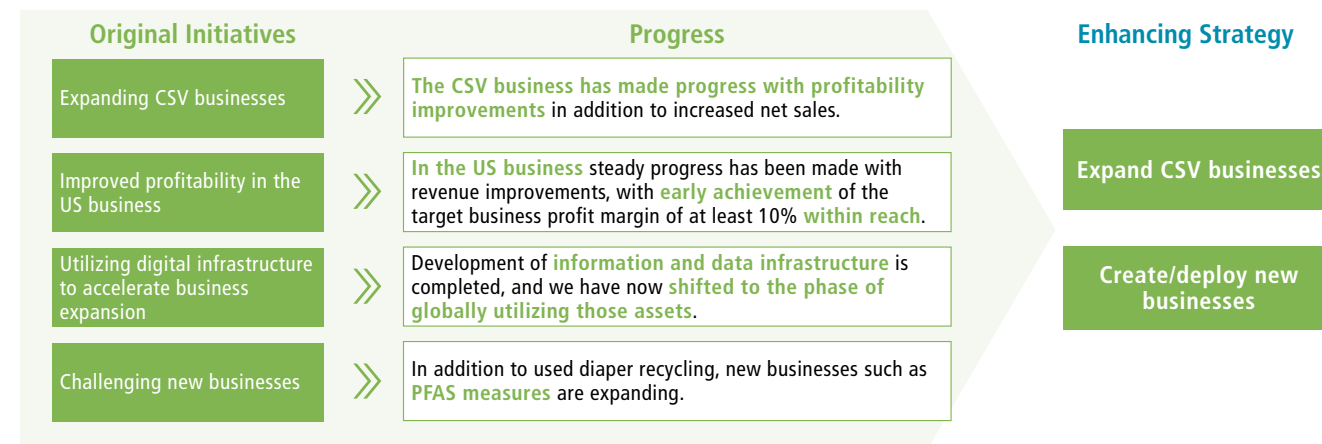
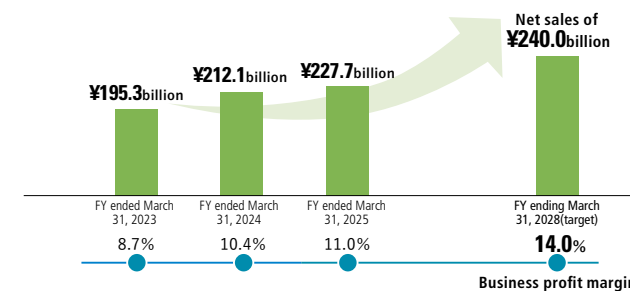
General Industry Segment

Business Strategy

In the General Industry segment, we target customers in a wide range of industries, including oil refining/petrochemicals, steel, paper/pulp, food/beverage, and public sector. Amid heightened cost awareness resulting from geopolitical risks and the resolution of social issues like, companies are increasingly focusing on management that emphasizes their impact on the environment and society. As a result, customer needs are diversifying across industries and regions. To respond to these evolving needs, we have established organizational structures specialized by region and industry, enabling us to deliver optimal solutions tailored to each market. We aim to reach net sales of 240 billion yen and a business profit margin of 14% by expanding CSV business, which creates higher levels of social value compared to conventional efforts, and

by creating and deploying new businesses with social value as a starting point.

Performance and targets



Performance in the Fiscal Year Ended March 31, 2025

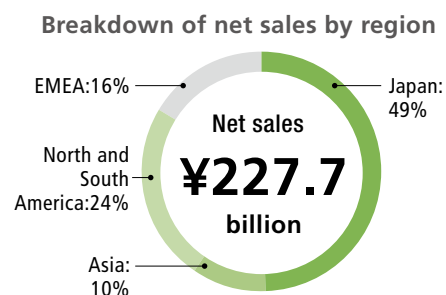
Orders:
¥238.0 billion **+6.1%** YoY

Net sales:
¥227.7 billion **+7.3%** YoY

Share of CSV business net sales **+24.7%** YoY
¥35.0 billion

Business profit:
¥25.0 billion **+13.0%** YoY

Operating profit:
¥22.3 billion **+6.2%** YoY



Orders/Net sales

Orders mainly increased due to water treatment facility projects in North America. Net sales increased due to higher sales of maintenance services in Japan and progress in facility construction projects already ordered in North America. The chemicals business was affected by the economic downturn in Europe and parts of Asia. However, CSV business steadily expanded despite many being included in the chemicals business, because customers appreciated their high level of social value.

Business profit/Operating profit

Business profit increased. In addition to the effect of improved net sales, profitability was further enhanced by the expansion of the highly profitable CSV business and the review of low-profit products and services in the chemicals business, which led to an improvement in the cost of sales ratio. As a result, the increase in business profit exceeded the rise in general and administrative expenses. Operating profit increased despite reflecting impairment losses on goodwill for Fracta, Inc., which develops software for predicting water pipe deterioration.

General Industry Segment

Message from the Officer in Charge

Executive Officer
Executive General
Manager of the West
Division,
Chief Business
Officer for General
Industries

Jordi Verdés
Prieto



Promoting the provision of social and economic value with CSV business as the key driver of growth

The General Industry segment targets customers in a wide range of regions and industries. The Kurita Group has three divisions in the segment: the West Division, the Asian Regional Management Division, and the Industrial & Social Infrastructure Division. This enables us to address the specific characteristics of various regions and industries. Our three divisions operate efficiently through constant cooperation to provide value globally. We share experiences and successful cases and jointly assess market and customer needs.

Because it targets such a wide range of customers, the General Industry segment can expect stable growth comparable to the economic growth in each region. However, the Kurita Group aims to drive further growth by transitioning to high value business models. Key drivers for achieving this goal is CSV businesses that create a higher level of social and economic value.

As we reach the midpoint of the PSV-27 Plan, we have had two major achievements. Our first achievement is successfully improving the sales and profitability of CSV business. Although many Kurita Group's businesses inherently contribute to the creation of social value, CSV business delivers proven and measurable water-saving, greenhouse gas (GHG) emissions reduction, and resource recovery. This enables us to create higher levels of social and economic value. For example, our business model for reducing GHG emissions provides a high level of social value and can also offer financial advantages, such as reductions in energy costs. This means that it is easy to assess the value of the business model. We have also been able to increase sales and have successfully generated higher profit margins than other traditional businesses.

Our second achievement is improving the profitability of our business in North America. After consolidating several companies, including those that joined the Kurita Group through mergers and acquisitions, the integration process was delayed due to the COVID-19 pandemic. Thereafter, we have now been able to generate stable profits by executing a diverse range of measures. These measures include optimizing the

entire supply chain, business restructuring with a focus on profitability, cost control, and entering new markets where we can leverage the value of the Kurita Group. We are now hoping to be able to achieve the profitability targets outlined in the PSV-27 Plan earlier than expected.

However, the market is experiencing significant uncertainty in the business environment due to ongoing conflicts in Ukraine and the Middle East, as well as changes to global trade introduced by the new administration in the United States. While these circumstances present risks, they also present opportunities for us to leverage our strengths, as there is a growing need for supply chain resilience and the ability to respond flexibly across regions. The Kurita Group has a supply chain that enables us to provide chemicals and facilities in various countries around the world. This means that we are resilient to the impact of increased costs for importing and exporting. We also offer a diverse range of solutions that can address customer challenges regarding business continuity and growth in a complex business environment.

We plan to focus on three main initiatives to pursue further growth. The first is strengthening interregional cooperation. We have already accumulated several successful case examples of our CSV business in diverse industries around the world. By sharing these case studies with the other regions, we will be able to accelerate the deployment of our CSV business globally. The second is the creation of new CSV business models. We are continuously developing new CSV business models that create high social value and thereby establish a unique position. The third and final initiative is the deployment of new businesses that focus on solving social issues. We develop new solutions to address socially significant issues and build a new profit base. By providing unique services to customers facing new challenges on a daily basis, we will create a future that is both thriving and sustainable.

General Industry Segment

Message from the Officer in Charge

Leveraging CSV business as a breakthrough to expand into emerging markets

The West Division consists of Group Companies in North America and Europe and in emerging economies, such as the Middle East, Africa, Central and South America, and India. The companies are highly diverse with employees who have various backgrounds and experiences.

We established the business development department last year to focus on the emerging economies. The new department immediately achieved remarkable results, expanding sales with a high profit margin. The growth has been driven by CSV business that is allowing us to increase our references in customers in these markets. Our highly competitive CSV business have enabled us to gain a foothold in the new regions we have entered, and this has led to successful business expansion. Emerging economies represent a very appealing market for the Kurita Group due to their rapid economic growth and limited access to water and energy. In addition to Europe and North America, we aim to expand our business in these regions as a source of growth for the Kurita Group, while further reinforcing our position in existing markets.

Executive Officer
Executive General Manager of the West Division,
Chief Business Officer for General Industries

Jordi Verdés Prieto

Promoting a shift to a customer-focused high value model with a deep understanding of diverse countries and industries

This division is in charge of Japan, China, and ASEAN countries. We have a long history of providing solutions to the issues of various customers in a wide range of industries. We leverage this customer intimacy to focus on providing higher value and thereby bolster our presence in these area.

Asia is a diverse region where each country has a unique industry structure and focuses on different values. However, the region as a whole has become more interested in creating social value through water saving, GHG emissions reduction, and resource recovery. We offer CSV business as solutions to meet these needs. For example, in China, which faces water resource issues, CSV business that helps save water is being positively recognized. By expanding such highly competitive businesses, I believe that we can achieve growth even in times of economic slowdown.

In addition to CSV business, we also expect maintenance services based on facility analysis to be a key driver of growth. We can provide such services because the Kurita Group has a wide range of businesses and experience solving customer issues in diverse industries. By starting with facility analysis, we can provide optimal maintenance services that can also cover other potential issues that the customer may be unaware of. We can also handle facilities delivered by other companies. The service is already expanding in Japan and ASEAN countries.

I believe that people are the source of creating a higher level of value. This division brings together diverse countries and cultures. I aim to enhance engagement through organizational management that increases engagement while also enabling different members to influence one another for achieving the corporate vision based on our corporate philosophy, and by leveraging customer intimacy, we will continue to expand our business.



Corporate Officer
Executive General Manager
of Asian Regional
Management Division

Takehiro Nozue

Creating an environment in which nature and humanity are in harmony through businesses that provide social value



Corporate Officer
Executive General Manager of
Industrial & Social Infrastructure
Division

Hiroyoshi Tamai

At this division, we provide customers with solutions for mainly the raw material industry and the energy/infrastructure industry. These solutions include CSV business that addresses the unique issues facing each industry. We also work to create new businesses with social value as starting point.

In recent times, one of the problems that society has been focusing on is PFAS (per- and polyfluoroalkyl substances). Europe, North America, and Japan are expected to tighten regulations regarding PFAS, and this may increase the global market related PFAS to exceed 3.8 billion USD in 2033. Some PFAS chemicals are feared to adversely affect human health. As the Kurita Group aims to create an environment in which nature and humanity are in harmony, PFAS is an important issue that we should address. We have already established water quality analysis and PFAS removal technologies. These technologies have enabled us to provide products and services in the global market, and are now starting to generate profit. The Kurita Group is working on jointly developing materials for PFAS-free water treatment facilities together with partner company. In the future, we hope to help reduce the use of PFAS entirely. We are developing and assessing technology for managing water quality after removal. We are also developing and assessing detoxification technology for economically neutralizing PFAS in an environmentally-friendly manner and establishing a business model for PFAS removal. This is how we aim to become the leading company addressing PFAS.

Corporate Officer
Executive General
Manager of Value
Providing Strategy
Division

Hiroyuki
Suzuki



Strengthening CSV business based on three key points

CSV business not only provides a high level of social value to our customers, but also creates economic value by reducing costs and improving the efficiency of production. We position CSV business as a key driver of growth because they provide such a high level of value and can achieve high profitability compared to our existing products and services.

We increase the number of CSV businesses until 114 models. Our employees are increasingly aware of promoting CSV businesses, and we are close to establishing the foundation for achieving the targets set out in the PSV-27 Plan. Achieving further growth will require strategic marketing for each business model, along with a group-wide system that enables seamless utilization of the technologies needed to solve customer issues. That is why this division was established in April 2025. This division consolidates sales promotion functions for deploying CSV business, such as strategy planning, technical assistance, and sales assistance. It also works to accelerate the expansion of CSV business.

We have set KPIs for "quantity", "quality", and "marketing" in order to expand CSV business, and are working on enhancing related efforts.

Three key points for expanding CSV businesses



The KPI for "quantity" is Serviceable Obtainable Market (SOM). We strive to create new business models and expand the applicable markets for existing business models. For existing business models, we will develop new markets and deploy to new industries. This will enable us to expand the SOM scope of each business model. For example, it is necessary to expand the scope of our business and our SOM by entering into emerging markets such as the Middle East, India, South America, and Africa. We will also expand SOM by creating new business models. For example, at mines in South America and the ASEAN region, increasing excavation has led to reduced ore quality. As a result, it has become necessary to crush the ore into finer particles to separate valuable minerals,

leading to increased mineral micronization. As a result, the ore becomes muddy during the rainy season, making it more challenging at each stage of mining, refining, and transport. Previously, separate departments in charge of individual technologies would handle such customer problems, but now this division can utilize its technical assistance and sales assistance functions to provide comprehensive solutions, which enables the creation of new CSV business models.

The KPI for "quality" is the maintenance and improvement of CSV business profitability. This division utilizes sales tech to analyze sales activities and thereby understand customer needs, industry trends, and market topics. This enables us to maintain and manage profitability by providing a high level of social value through CSV business. More specifically, we have developed a solutions map that organizes models by industry and created a tool that can calculate the value provided. We also provide customer hearing sheets to use as a sales tool. These sheets are based on the customer characteristics, manufacturing processes, and water treatment issues in each industry. They help us maintain the value provided by CSV business and improve profitability. This division also helps ensure appropriate profitability in business model reviews conducted by the Sustainability Committee, as well as to promote the acquisition of intellectual property rights.

The KPI for "marketing" is the acquisition rate within SOM. Here, the role of this division is to increase the quality of our sales pitches to customers. We provide training to sales representatives on conducting customer hearings and how to make proposals, based on successful prior examples. We provide support on practical approaches to target markets in each region, in collaboration with operating divisions, and thereby improve our acquisition rate within SOM. We also leverage sales tech to pinpoint trends in market needs and analyze information on competitors, so that we can identify potential targets.

Overseas sales now account for more than 50% of sales at the Kurita Group, and we have become a global company. However, we still tend to be biased toward particular regions, and I feel that we are only halfway to achieving true globalization and we have to increase the value we provide to our customers worldwide. This division will foster a sense of unity within the Kurita Group via activities for strengthening CSV business. This will enable us to become the owner of initiatives across the Group and help us further drive growth.

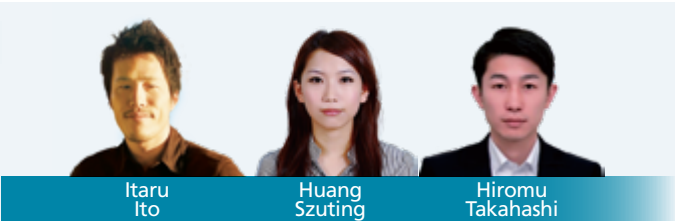
Examples of Value Creation

Case 1 Electronics Industry Division

[Kurita (Taiwan) Co., Ltd.]

Endeavoring to solve issues related water resources of the electronics industry

Due to Taiwan's chronic water shortages resulting from geographical factors, water reclamation and recycling are crucial for customers in the electronics industry, which need a vast amount of water in its production activities. One of our customers is a major semiconductor company that had already adopted advanced wastewater treatment and reclamation. The customer was considering adopting water treatment facilities at a new factory, and hoped to help reduce the use of chemicals and increase the recovery of resources in wastewater. They aimed to achieve Green Manufacturing* to help realize a sustainable society, with targets that were extremely difficult and far exceeded the relevant environmental regulations. We decided to work together with the customer to achieve their goal, as doing so would not only increase our presence in the semiconductor industry but also count as a socially meaningful initiative in line with the corporate vision of the Kurita Group. To meet the customer's needs required applying new technologies, in addition to existing ones. That led us to coordinate with the development department of Kurita Water



Industries from the proposal stage. We developed new technologies based on the issues identified in technological exchanges with the customer. After evaluating the viability of solutions through simulations and various tests, we were able to propose one that none of our competitors offered. The customer was very pleased and ordered the water treatment facility project. Up until this point, we had focused on providing maintenance services in Taiwan. By securing our first large-scale water treatment facility project, we aim to expand our business via subsequent projects and horizontal deployment to other factories. We were also able to share our vision for technology with the customer based on this achievement. We hope to continually enhance our technical capabilities to become an essential partner for our customers. This will enable us to provide more services to the world and contribute to the development of the electronics industry and society at large.

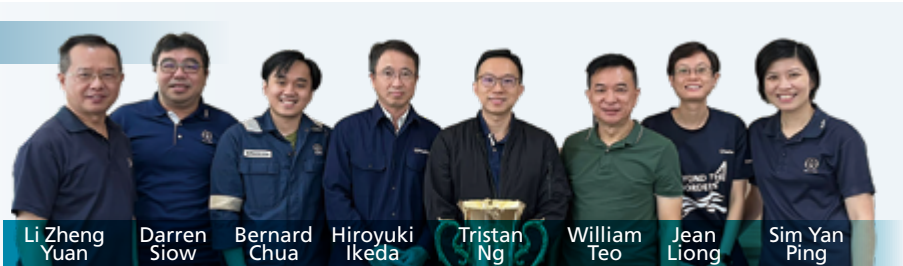
*Green manufacturing refers to efforts to manufacture products while minimizing environmental impact. In recent years, this type of manufacturing has been growing concern in many industries, including the semiconductor industry, as interest regarding climate change and depletion of resource grows.

Case 3 Asian Regional Division

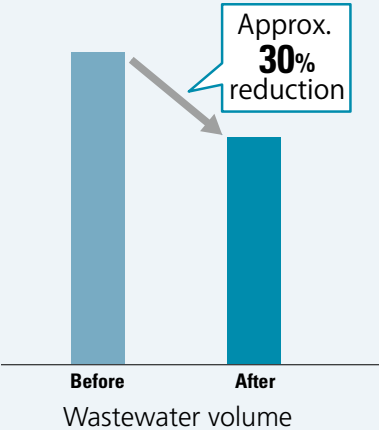
[Kurita (Singapore) Pte. Ltd.]

In search of solutions only the Kurita Group can provide

In Singapore, water resources are extremely important due to a lack of rivers and lakes, as well as the almost complete absence of groundwater. A Singaporean customer in the electronics business inquired about the feasibility of achieving water reclamation and recycling at a factory without investing in water treatment facilities. Despite the difficulty of the request, we conducted a detailed analysis of the water treatment workflow at the factory, and identified problems and key points for improvement. We also involved our Group companies in Malaysia and Japan in a debate to determine the optimal solution for facilities and chemicals. Our proposal for solving the customer's problem required the adoption of a wastewater reclamation facility. We proposed a recurring contract-based service including operation management, where we would install facilities owned by the Kurita Group. The customer accepted our proposal. By increasing the rate of wastewater reclamation and using the recycled water in cooling towers, the factory was able to save water and reduce costs. We believe that



we were only able to provide this solution because the Kurita Group has diverse technologies and business models related to water treatment. The project also led to a new field trial with the same customer. Going forward, we would like to deploy this solution globally.

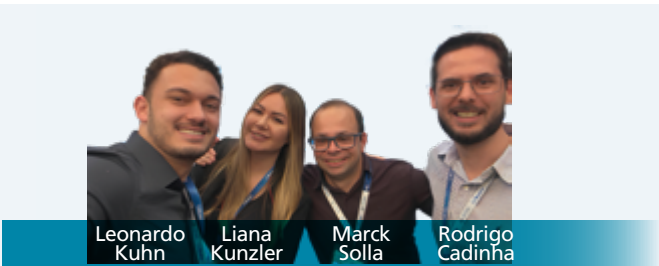


Case 2 West Division

[Kurita do Brasil LTDA.]

Utilizing the knowledge of the Group to solve customer issues

At the customer's water treatment facility delivered by another company, reverse osmosis (RO) membrane fouling and excessive chemical consumption were causing declining performance of the facility. To solve the program, we launched an initiative aimed at reducing the frequency of RO membrane cleaning and replacement and enhance facility efficiency. We attempted to solve the problem in conjunction with Kurita America, which is well-versed in solutions related to RO membranes. We began by conducting detailed water quality analysis, and advanced monitoring to accurately assess the system's condition. Based on these insights, we developed and applied an optimized treatment approach tailored to the customer's operating environment, including adjustments to chemical types and dosing volumes. As a result, we successfully achieved our goals of reducing membrane maintenance frequency and optimizing system performance. During a two-year, the initiative led to water savings equivalent to 24 Olympic pools, 34 million liters of wastewater avoided, and notable reductions in solid



waste and GHG emissions. We also helped the customer reduce over \$1 million running costs by increasing membranes lifespan, reducing cartridge filter use and chemical consumption, saving energy and water. Beyond tangible results, the project deepened technical expertise. The initiative exemplifies how Kurita Group leverages water knowledge and contributes to global sustainability efforts and providing new value for water. We continue creating shared value through similar initiative with the entire Kurita Group.



Image of RO membrane

Case 4 Industrial & Social Infrastructure Division

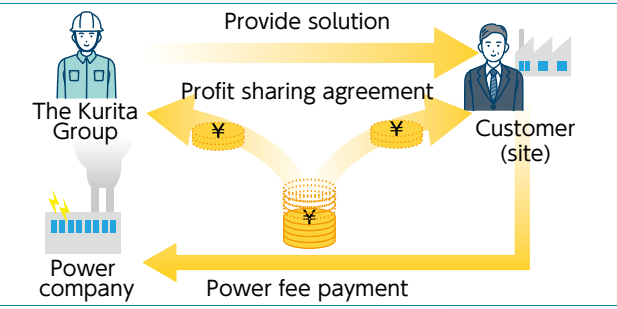
[Kuritz Co., Ltd.]

Reducing greenhouse gas emissions and achieving profit sharing

We have been in charge of operations management at urine treatment facilities that have been in operation for over 30 years. The customer set a climate change mitigation target for reducing their GHG emissions, and asked us about solutions via water treatment. As a result of our investigation, we learned that the operation rate of the facility had dropped due to the popularization of flush toilets and population decline. This led to a significant discrepancy between the initial design of



the facility and its current state, which resulted in excess energy consumption. We assessed the health of the entire facility by analyzing past operation data and each treatment process. We then discussed our proposal and the future policy to adopt. It was found that the facility operated continuously, 24 hours a day, every day of the year, with surplus capacity built into the system. We proposed switching to an operation method that utilizes patented Kurita Group technology. This would reduce power consumption and GHG emissions, and by visualizing the provided value, the customer agreed to the proposal. This exceeded customer expectations for reducing GHG emissions. We also achieved profit sharing of the reduced power fees. In the future, we plan to create further value by reducing costs at the facility through providing water treatment chemicals and remote monitoring services. We would also like to apply the experience gained in this project to other facilities.



*The companies indicated in this report were current at the time of the corresponding initiatives but may have changed.



Message from the CTO

Solving the issues of society and industry by refining the competitive advantages of our technologies with an eye on the future

Executive Officer
Executive General Manager of Engineering Division
and Chief Technology Officer (CTO)

Kunihiro Kuse



Establish competitive advantages based on social value and customer value

To provide customers and society with unique and high value solutions on an ongoing basis rests on innovating our existing business models and creating new models with competitive advantages. "Technology" is the key to doing so. At the Kurita Group, technology refers not only to research and development, but to the entire technology value chain, including the on-site implementation of design, production, installation, and maintenance. Therefore, we need a technology strategy that covers the entire flow of value provision, rather than simply enhancing our expertise in individual technologies. As CTO, I believe my role is to outline this technology strategy and utilize it effectively and efficiently to achieve competitive advantage for technologies via business strategy, human resource strategy, and cooperation both inside and outside the Kurita Group.

In the past, the Kurita Group has developed technologies

by responding to changes in society and industry. We began in the field of water treatment chemicals for boilers, then expanded into wastewater treatment to solve pollution issues, ultrapure water production to help the development of the electronics industry, and the development of CSV businesses in response to heightened environmental awareness. We have a history of constantly confronting the issues faced by our customers.

In the PSV-27 Plan, we aim to establish competitive advantages through transformations with customer value as one starting point and innovations with social value as another point. We will then leverage these advantages to create value and deliver to our customers and society to heighten our corporate value. In addition to enhancing our existing technologies, we will endeavor to develop technologies for creating new values that meet latent needs in society as a whole.

Three pillars of technology strategy: innovation, intellectual property, and production

We aim to establish competitive advantages based on three strategies, "innovation", "intellectual property", and "production."

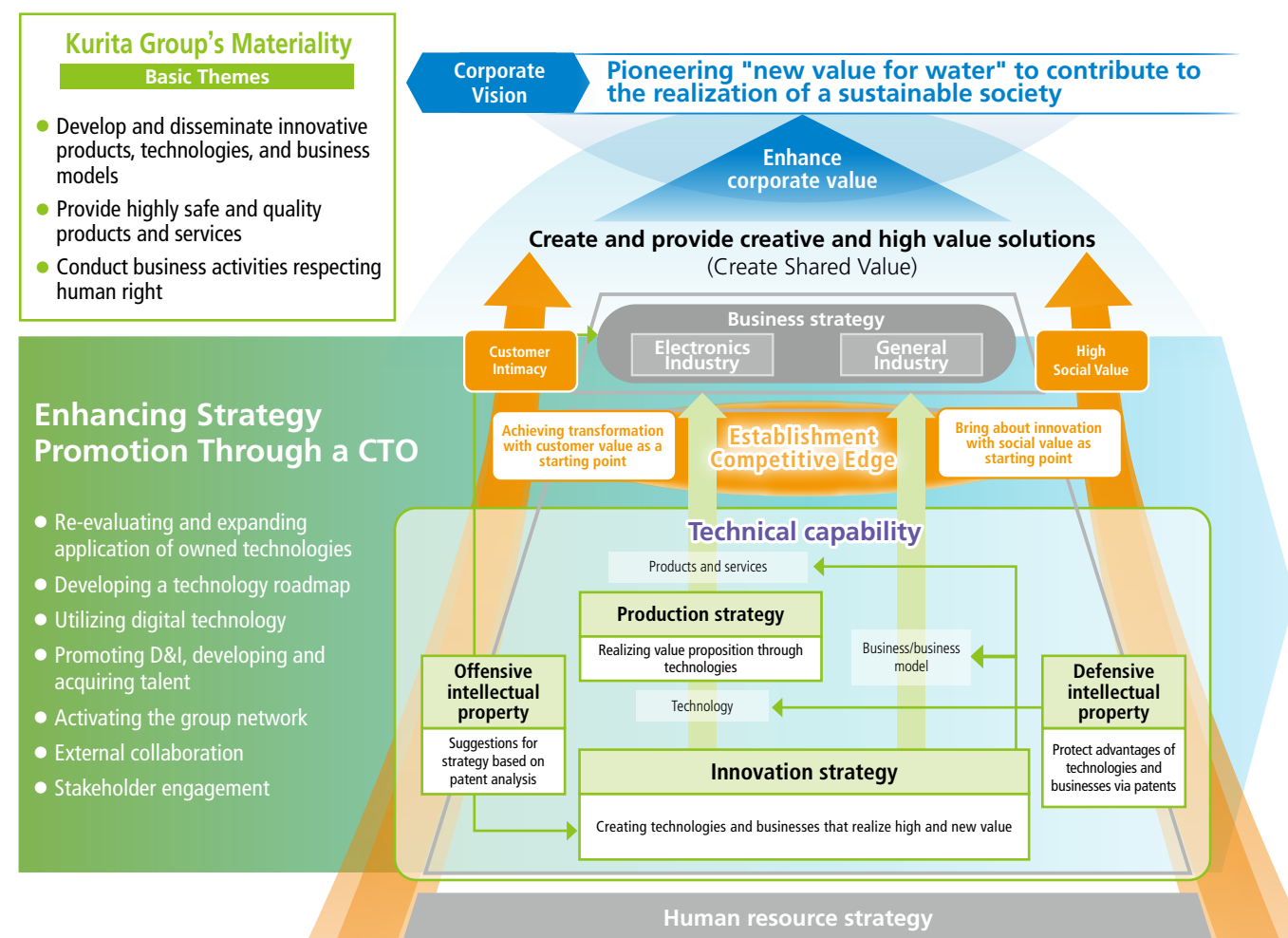
Our innovation strategy involves enhancing our existing businesses in the field of water, energy, and resource circulation, while also promoting the creation of new businesses beyond these domains. We have already initiated endeavors in unprecedented fields to create social value, such as upcycling food production byproducts and extracting valuable resources from water. In order to further accelerate these efforts, we will need to shift our employees' mindset, optimally allocate resources, clarify the method for determining progress, and sometimes even have the "courage to quit." We aim to achieve highly effective innovations via a good balance of advance and retreat.

Our intellectual property strategy involves "defensive" initiatives such as the acquisition of patents and the prevention of intellectual property infringement to ensure the competitive advantages of Kurita Group technologies. It also involves "offensive" initiatives, such as utilizing intellectual property in

conjunction with our business strategy, via an IP landscape analysis of the market and our competition. In April 2025, we transferred the intellectual property strategy department to the Sustainability Corporate Strategy Division, which is in charge of management strategy for the entire Kurita Group. This enables us to conduct more wide-ranging and strategic intellectual property activities.

Our production strategy involves strengthening our approach according to the characteristics of the industry. In the electronics industry, including the semiconductor business, we aim to meet the requirements of global factory investment. This involves promoting production process reforms that incorporate the concept of front-loading. Examples include the adoption of the EP+ module approach that utilizes modular technology for water treatment facilities, AI-based design automation, and the shortening of procurement times based on demand prediction. This will allow us to improve the speed with which we can provide value and enhance our cost competitiveness. For the general industry, we are reviewing

Contribute to increased corporate value with technologies



our products and distribution network to achieve a stable supply and reduced costs for water treatment chemicals. We

are also switching our raw materials to reduce the environmental impact and help improve safety.

Envision the future of technology and human resources

Human growth is essential for the evolution of technology. We position the promotion and development of our engineers as one of our most important issues to tackle, and are therefore establishing systems for education and learning in technical fields. In the fiscal year ended March 31, 2025, we reorganized the technologies of the Kurita Group. Then, we reviewed our technology categories based on social and customer value and rebuilt our technology roadmap according to our business strategy, through collaboration between operating divisions and technical divisions. This makes it possible for our engineers to clarify not only "what they want to do", but also "what technologies could contribute to our business." We will further develop our technologies and expand their scope of application based on this information.

In our efforts to cultivate engineering successors, we have begun human resource mapping. This initiative not only

passes on existing skills but also develops the human resources we will need in the future. Going forward, we will establish career paths that indicate the human resource vision to aim for in each technical field, as we promote the creation of an environment where our engineers can flourish more than before.

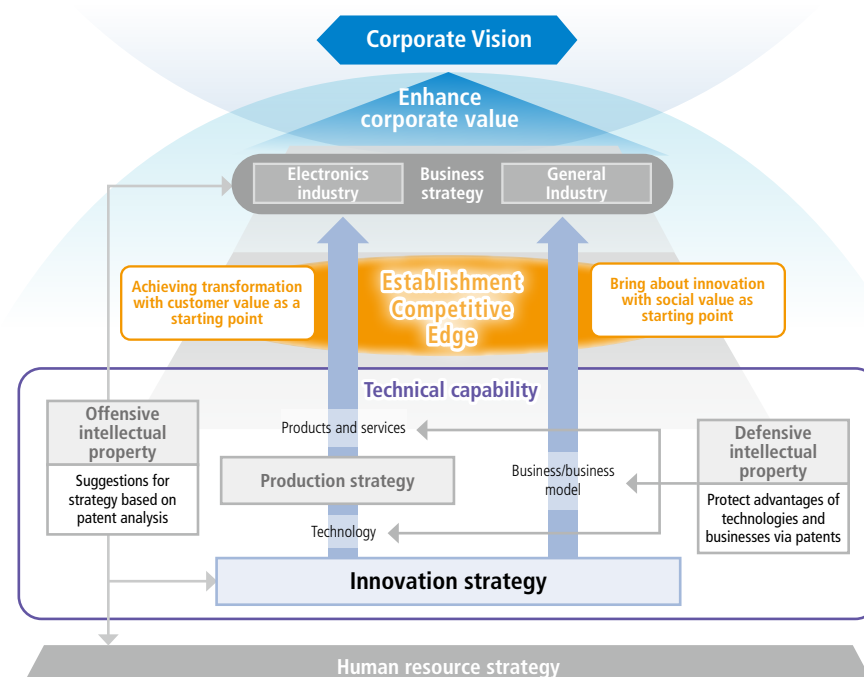
In the past, the Kurita Group has refined and developed technologies by responding to customer issues. In the future, we will need to identify latent needs and thereby respond to the future needs of society and industry. This will require our frontline employees to work together with management to strengthen our mechanisms for transforming technology into value. As CTO, I will promote coordination between different technologies and departments, acting as a hub that connects engineers' ideas with management's, to further increase the technical capability of the entire Kurita Group.



Innovation Strategy

Strategic Priorities

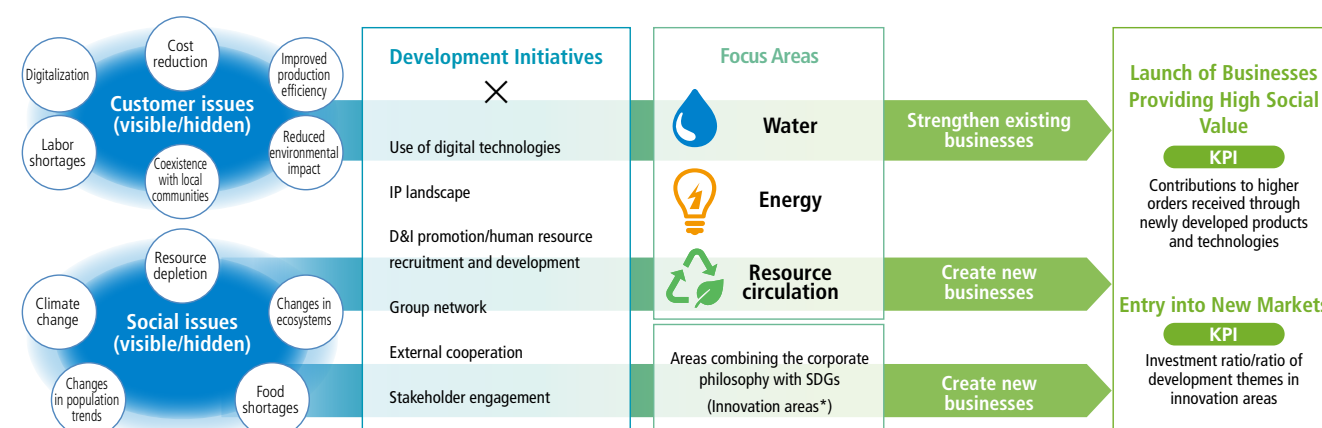
The Kurita Group aims to continue providing highly valuable solutions to meet the long-term requirements of society. To achieve this goal, we must improve our existing technologies and identify potential issues related to social value. This will enable us to create new technologies and businesses that open up markets, thereby driving innovation. We have defined "develop and disseminate innovative products, technologies, and business models" as one of our materiality themes. Our innovation strategy aims to help us achieve this by expanding the scope of our research from technology development to the creation of business models. Broader research will allow us to develop businesses that help create shared value with society.



Our Approach

We have identified water, energy, and resource circulation as key areas for focus in our pursuit of innovation. This will enable us to create a high level of social value and enhance our existing businesses based on the unique strengths of the Kurita Group and mega-trends affecting

society at large. We also aim to create new businesses by promoting efforts in innovation areas compatible with the SDGs and our corporate philosophy. These businesses will become the future foundation of our revenue and help create value shared with society.



*This corresponds to the "innovation areas" in the Deloitte 7cellsSM (the Deloitte concept of growth strategy formulation).

Materiality Targets and Achievements

Metrics	Target for FY ended March 31, 2025	Result for FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Develop and disseminate innovative products, technologies, and business models				
Investment rate in innovation areas	Meet or exceed 20%	Achieved (22%)	Meet or exceed 25%	Meet or exceed 30%
Rate of the number of themes in innovation areas	Meet or exceed 23%	Achieved (25%)	Meet or exceed 30%	Meet or exceed 30%
Number of stakeholder engagements related to innovation areas	Increase YoY	Achieved	Increase YoY	Increase YoY

Diverse Connections for Accelerating Innovation

To achieve innovation, the Kurita Group must explore entirely new approaches. We must focus our efforts on promoting diverse initiatives like human resources, fostering collaboration both inside and outside the Kurita

Group, and open innovation at the Kurita Innovation Hub. These initiatives will enable us to achieve breakthroughs and further accelerate our efforts.

Promote innovations with a diverse workplace

STAR Program

Social Transformation Accelerator Regimen (STAR) aims to learn the ways of thinking and business skills required for launching new businesses from external entrepreneurs, including the creation and formulation of concrete business ideas.



Utilization of the Kurita Innovation Hub

- Open innovation
- Field trials of new technologies
- Engineer education and training
- Stakeholder engagement



R&D network



Courtesy to JTC

External collaboration

Exploratory activities in Silicon Valley

- Collaboration with startups
- Cultivation of human resources and organizations to achieve innovation

Human resources dispatched to the Interuniversity Microelectronics Centre (imec), one of the largest semiconductor research institutions in the world

TOPICS Space water project to develop new markets based on social issues

The Company participated in a field trial for an outer space water recycling system for use on the International Space Station (ISS), in conjunction with the Japan Aerospace Exploration Agency (JAXA). We were able to apply our water treatment technologies and knowledge cultivated on Earth to the field of outer space. In

November 2024, our proposal for the Elemental Prototype Testing of Water Purification and Electrolysis Processes for the Realization of a Lunar Surface Propellant Production Plant was accepted. We are now also developing a compact ultrapure water production facility, envisioned to be used in outer space environments.



For more information about our materiality initiatives, please refer to the following page.
<https://www.kurita-water.com/en/sustainability/materiality/innovation.html>



Intellectual Property Strategy

Defensive Intellectual Property Initiatives



Defensive

- Maintain and expand competitive advantages of the Kurita Group by acquiring intellectual property rights
- Reduce business risk by preventing infringement of IP rights of other

In addition to applying for patents based on our research and development results, we also actively seek patents to maintain and enhance our competitive edge from entering our current and future business fields. This enables us to maximize the use of and increase the profitability of our intellectual property. The Kurita Group also comprehensively and systematically identifies the technologies, businesses, and business models we should protect in our value chain, and promotes initiatives that will lead to applications for new patents.

Technical and business decisions regarding patents are made by "patent committees", which operate across the organization and are led by our operating divisions. We have a patent committee for each market and technology we are involved in. The committees consist of members from departments responsible for technology, development, design, sales, and intellectual property. These members work to review our patent portfolio and reduce intellectual property risks from a global perspective. We promote the global acquisition and protection of trademark rights and implement measures

to reduce risks. This helps us ensure that our customers and society at large are not adversely affected by improper handling or unauthorized usage of trademarks.

The Company ranked second in the Engineering Patent Asset Scale Ranking 2024 and first in its 2024 Competitor Limiting Power Ranking released by Patent Result Co., Ltd. Each ranking covers patents registered in Japan by companies in the engineering industry during the evaluation period. These rankings show that the Company holds high-value patent assets both qualitative and quantitative assessment, as well as patents for leading-edge technologies that indicate ownership of prior technologies which may restrict competitors.

Top Five in the Engineering Patent Asset Scale Ranking 2024 (Patent Result)

Rank	Company name	Patent Asset Index (pt)	Number of patents
1	Nippon Steel Engineering	4,894.9	91
2	Kurita Water Industries	3,072.1	98
3	Hitachi Power Solutions	2,506.0	41
4	JFE Engineering	2,380.5	63
5	Organo	1,990.6	78

Patent Result Co., Ltd. (Engineering Industry) Ranking of Patent Asset Scale 2024 (Japanese only)
<https://www.patentresult.co.jp/ranking/scale/2024/engineer.html>

Top Five in the 2024 Competitor Limiting Power Ranking

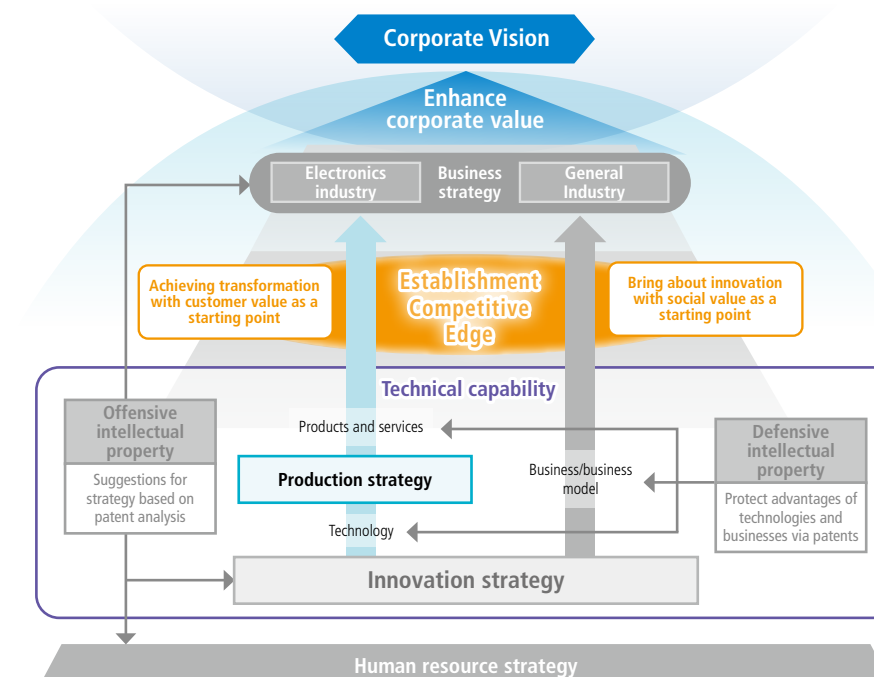
Rank	Company name	Number of patents
1	Kurita Water Industries	214
2	JFE Engineering	203
3	Organo	101
4	Nippon Steel Engineering	79
5	Toray Engineering	76

Patent Result Co., Ltd. (Engineering Industry) Ranking of Competitor Limiting Power 2024 (Japanese only)
<https://www.patentresult.co.jp/ranking/fciti/2024/fcitenegi.html>

Production Strategy

Strategic Priorities

Production activities play an important role in realizing value by transforming our technical capability into highly competitive products and services. This enables the Kurita Group to provide highly valuable solutions to our customers. However, the value that our customers and society demand is diversifying. In addition to quality, safety, and reasonable cost, we need to provide speed and environmental considerations. The Kurita Group has defined "provide highly safe and quality products and services" as one of our materiality themes. Leveraging the production capabilities we have cultivated over our long history through value creation for customers across diverse industries worldwide, we aim to deliver higher value that exceeds the expectations of both our customers and society.



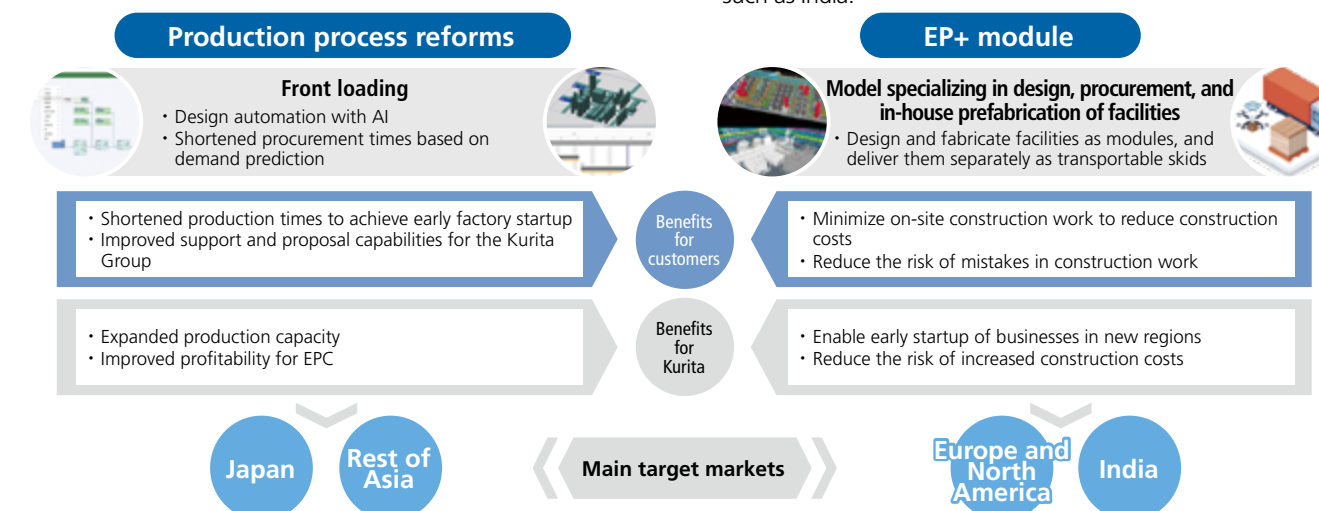
Production Process Reforms and EP + Module Initiatives

In the electronics industry, the top worldwide semiconductor manufacturers are continuing to actively invest on a global scale. Responding to this trend will require us to enhance our global production capability. Production process reforms and EP+ module initiatives will be useful, providing both quality and quantity.

Production process reforms involve the use of AI to automate the design process and the shortening of procurement times based on demand prediction. By adopting the concept of front loading, we aim to shorten production lead time. These ideas have been adopted in our Engineering, Procurement and Construction (EPC) business for water treatment facilities. By the fiscal year ended March 31, 2025, we achieved a 7% reduction in production lead time. We aim

to increase this to 30% by the fiscal year ending March 31, 2028. These efforts have been effective in improving production in Japan and the rest of Asia, where we have a robust foundation for EPC. Looking forward, we will apply these ideas in projects for providing facilities to customers.

Our EP+ module business is a business model specializing in design, procurement, and in-house prefabrication of facility. By modularizing large-scale water treatment facility into units suitable for in-house fabrication at our own factory and delivery as transportable skids, we reduce the required on-site construction space and lower customer construction costs. Although it takes time to build systems for ensuring the safety and quality of construction work in new regions, the adoption of this model has been effective in developing new regions such as India.



Production Strategy

Materiality Targets and Achievements

The Kurita Group has defined materiality theme related to quality and safety. We have also set the "reduction rate in

Quality The Kurita Group will always earn unshakable trust by continuously providing safe and secure products and services that contribute to the solutions of social and customer issues in accordance with the Kurita Group Product Quality Policy. We incorporate quality improvement initiatives into a quality management system, which aims to ensure quality across the entire Kurita Group. One such initiative uses a model to prevent and reduce the occurrence and recurrence of quality noncompliance. This model structurally identifies the mechanisms causing quality nonconformities occurring during the process to deliver products and services to our customers and transforms those findings into highly useful technical knowledge. This in turn reduces recurrence of quality issues that affect customers and society. In the fiscal year ended March 31, 2025, we did not achieve our recurrence rate target due to a year-on-year rise quality issues caused by insufficient risk evaluations to prevent recurrence. Going forward, we will implement even more effective measures by reviewing those to prevent recurrence and revising any shown to be ineffective.

*1 The accident severity rate refers to the average number of lost workdays per 1,000 total hours worked by employees. The number of lost workdays is reflected in the fiscal year in which they occur.
*2 4M refers to four factors of occupational accidents and incidents: Man, Machine, Media, and Management.

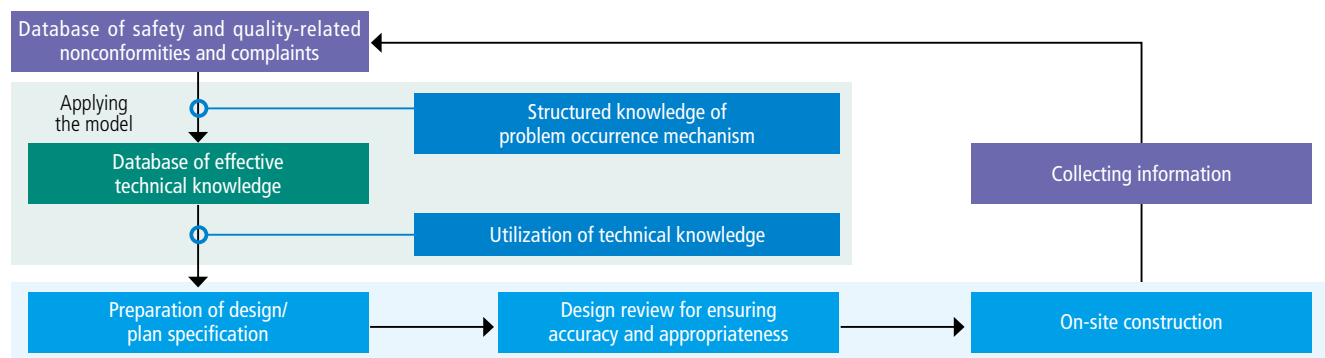
the recurrence rate of accidents that affect customers" and society and the "accident severity rate^{*1}" as targets.

Safety The Kurita Group prioritizes health and safety above all else in its business activities. We believe ensuring the health and safety of our employees directly coincides with respecting the human rights of our employees and their families. That is why we strive to maintain a specific accident severity rate by precisely identifying and reducing serious occupational accidents on construction and manufacturing sites in Japan contracted or supervised by the Kurita Group. Our safety initiatives adopt a similar model to prevent recurrence as that for quality noncompliance. The Kurita Safety Approach creates a database of highly useful information about occupational accidents and near-misses that have occurred in the past to help reduce the accident severity rate. In the fiscal year ended March 31, 2025, we did not achieve our accident severity rate target due to occupational accidents, including those without time lost, at sites of Group companies in Japan. A 4M^{*2} analysis into the factors behind these occupational accidents found that 70% happened due to media (work environments) or management. That is why we will continually identify hazards in the workplace, put in place proper measures to reduce those risks, and evaluate any residual risks. These types of efforts to effectively assess risks in addition to raising employee awareness about hazards will strive to reduce the accident severity rate.

Metrics	Target for FY ended March 31, 2025	Result for FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Provide highly safe and quality products and services				
Reduction rate in the recurrence rate of accidents that affect customers and society (compared to the previous year) ^{*3}	30% The Company	Not achieved (-6%)	20% The Company, Group Companies in Japan	20% The Kurita Group
Conduct business activities respecting human rights				
Accident severity rate ^{*4}	0.005 or less	Not achieved (0.013)	0.005 or less	0.005 or less

*3 Non-consolidated until the fiscal year ended March 31, 2025. The scope will be expanded to include domestic group companies from the fiscal year ending March 31, 2026, and overseas group companies from the fiscal year ending March 31, 2027.
*4 The scope covers the Company, the domestic Group Companies in Japan, and their subcontractors. Regarding metrics and targets outside Japan, we will set them separately in fiscal year ending March 31, 2026, taking into account local laws and regulations, and will start working on them from fiscal year ending March 31, 2027.

Recurrence Prevention Cycle for Nonconformity



For more information about our materiality initiatives, please refer to the following pages.
<https://www.kurita-water.com/en/sustainability/materiality/safety.html>
<https://www.kurita-water.com/en/sustainability/materiality/human-right.html>

Digital Strategy

Message from the Officer in Charge

Corporate Officer
Executive General
Manager of Digital
Strategy Division

Yushi
Maeda



Utilizing the power of digital technologies to accelerate reforms for creating new value

Digital technologies have the power to energize the activities of a company, from decision-making to value creation. They are the so-called "lifeblood that supports continuous growth." In this regard, the digital strategy of the Kurita Group is not to simply make work more efficient. It is positioned as an important initiative for achieving the PSV-27 Plan by accelerating reforms for increasing corporate value. The various strategies of the PSV-27 Plan for creating new value incorporate the power of digital technologies to accelerate digital transformations (DX).

The digital strategy of the Kurita Group is to promote both business transformations (BX) and operational transformations (OX). With BX, we aim to maximize customer value. More specifically, we create solutions for plant design automation and plant operation control optimization via the Meta-Aqua Project—a joint project of the Company and Fracta Leap, a company that engages in DX for water treatment. We also provide solutions for visualizing customer issues and optimizing operation, via the remote management and automatic control of water treatment facilities using IoT and other sensing technologies.

With OX, we utilize digital technologies for improving the speed and accuracy of management decisions and promoting efforts for streamlining and driving operational efficiency. We also consolidate and oversee management indicators including non-financial indicators, such as the amount of water saving and greenhouse gas emissions reduction in addition to information on the business performance and financial performance of the Kurita Group. By analyzing and utilizing those indicators, we are building a platform for unifying management information, which will enable us to pioneer indicators leading the business environment. Because our digital strategy is strongly correlated with the strategies outlined in the PSV-27 Plan, we require

human resources that can drive DX across the entire group, not just this division. We provide learning opportunities to employees selected according to our organizational needs, as well as other applicants. This allows our employees to develop necessary skills for data analysis and management, as well as for driving projects forward, and ensures they can acquire skills by implementing DX through solutions to actual problems.

We also place emphasis on the utilization of external resources. In order to flexibly and accurately respond to a rapidly changing external environment, we combine the strengths of the Kurita Group with external knowledge and technologies, rather than doing everything in-house. When the Kurita Group is particularly lacking in the required knowledge or when short-term results are needed, we collaborate with external partners to supplement these efforts.

In recent times, increasingly severe security incidents have been occurring within corporate activities. The ability to ensure information security is a critical issue directly related to the business continuity of the Kurita Group. It also helps ensure that we are trusted by society. The fact that customers entrust information and data to us is a sign of trust. We regard the prevention of security incidents as not simply a matter of risk management, but also a managerial responsibility for building trust. That is why we are strengthening our information security. [\(See page 71 for more details.\)](#)

This division wields the power of digital technologies in our quest to elevate tacit knowledge—the source of information and data—into explicit knowledge. I believe that "lifeblood that supports continuous growth." That is why I encourage employees in this division to experience things at the frontline, rather than simply sitting at their desks and thinking about them. Experiencing and discussing things at the frontline where digital technologies are adopted can lead to realizations and build rapport, which can then be verbalized and structured as information and data. Our entire organization will gain a deeper understanding of the frontline as we repeat this process, and the power of transformation will naturally arise as a result. My mission is to establish this virtuous cycle of knowledge creation in our organization. I plan to promote understanding of the goals and overall meaning of work through active dialogues with our employees, so that everyone can take initiative in their work. We will also connect frontline ideas with top management to transform our organization into one that continues to take on challenging endeavors.

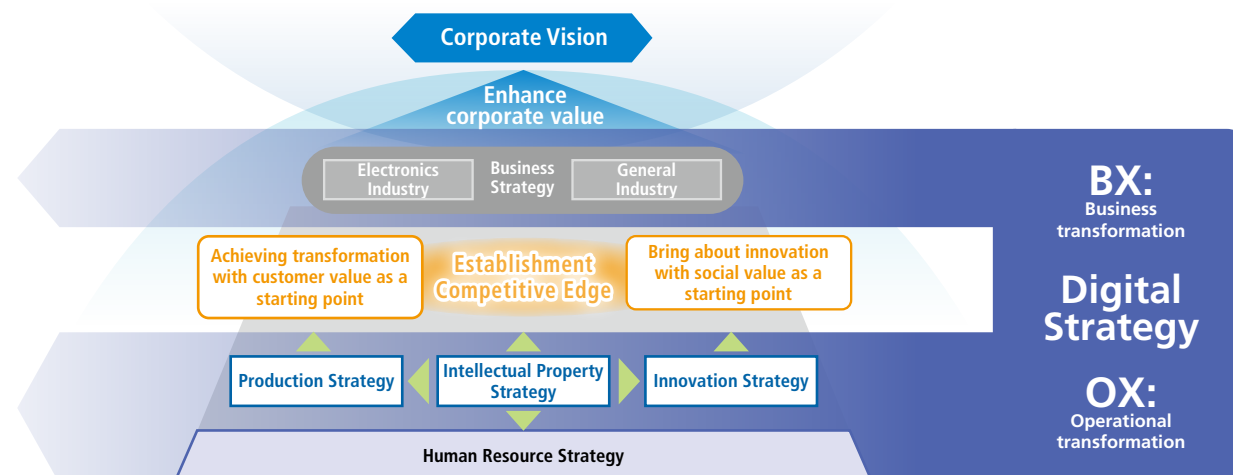


Digital Strategy

Strategic Priority

To provide value that meets the expectations of customers and society, the Kurita Group leverages the power of digital technologies to create and provide business models that create both economic and social value as well as transform business to deepen customer intimacy. Our strategy advocates business transformations (BX) to enhance our ability to create value and operational transformations (OX) to strengthen the

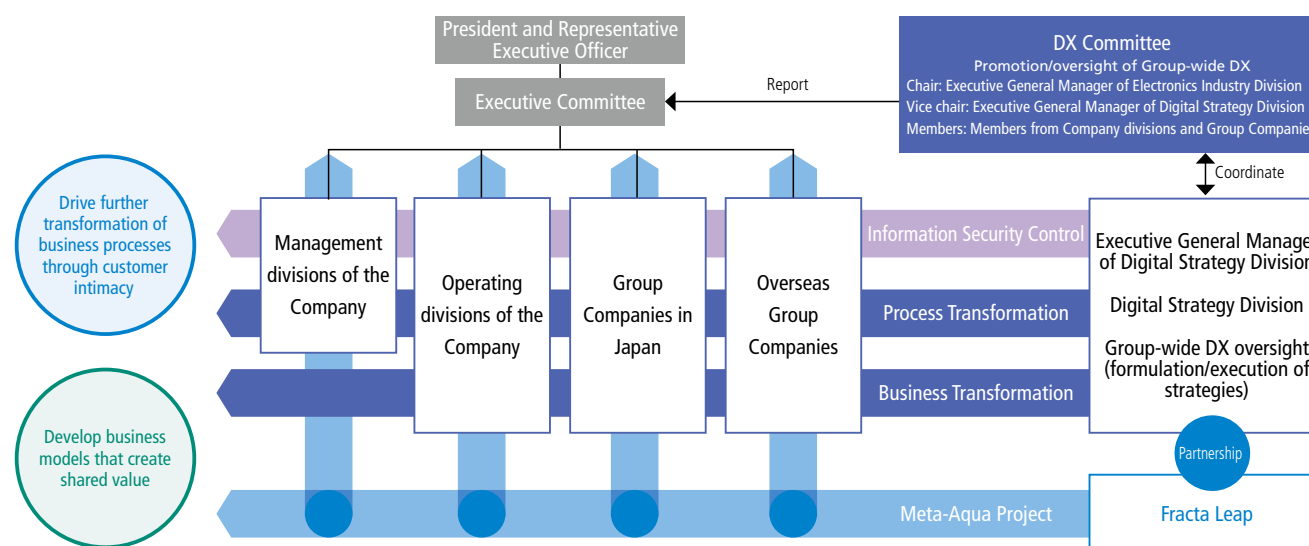
organizational power of the Kurita Group. We integrate information and data obtained directly from water treatment facilities used in many industrial fields into digital technologies to increase the quality, quantity, and speed with which our businesses can provide value. These efforts are transforming businesses throughout the entire Group.



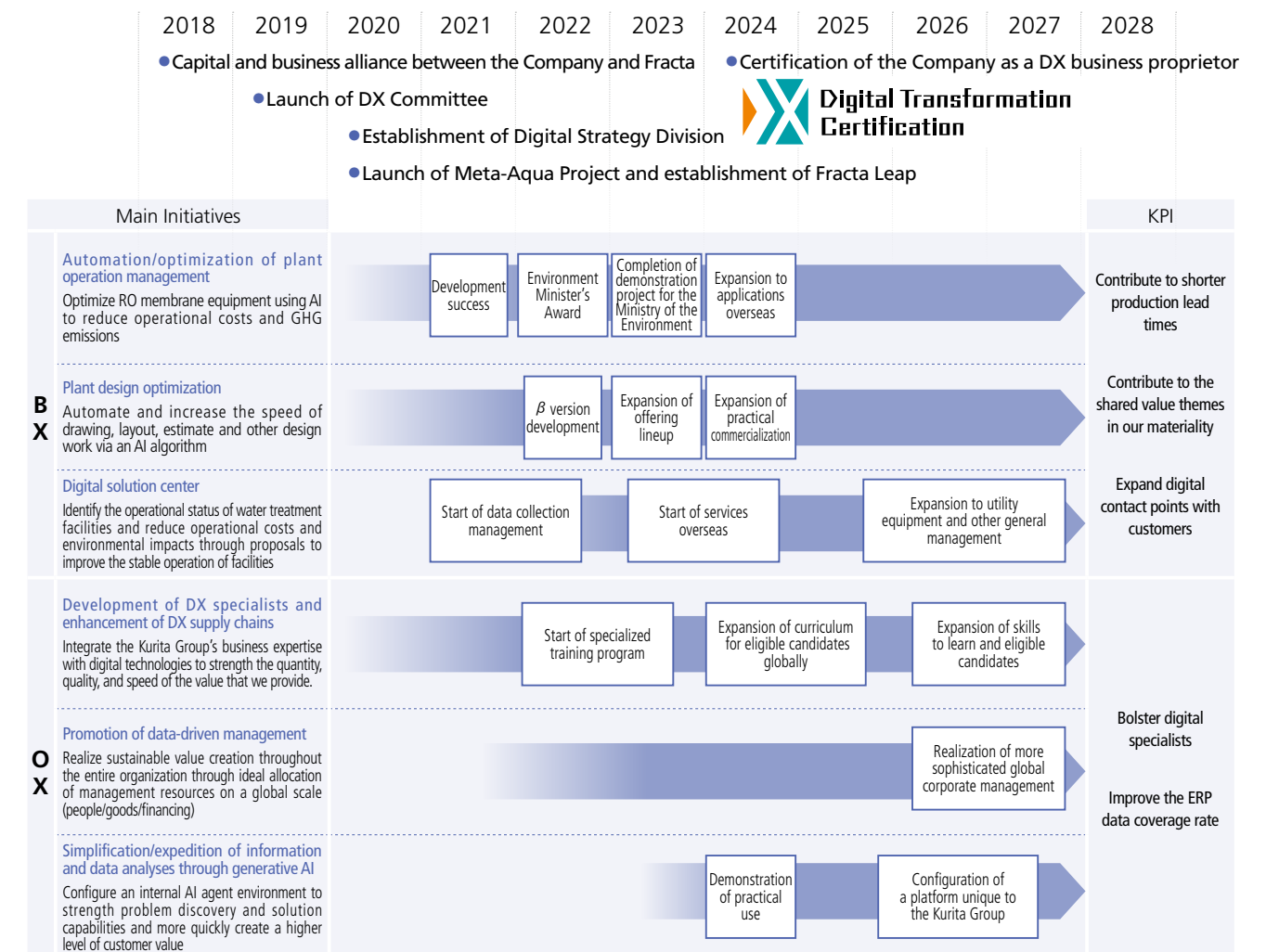
Promotion System

Digital transformation (DX) initiatives require management to make sophisticated decisions. The DX Committee, led by Executive Committee members, takes charge of making decisions regarding the overall direction and strategies of the Group. The Digital Strategy Division integrates the decisions made by the DX

Committee into measures for specific action. The Company is capitalizing on expert skills in data science and AI in the joint Meta-Aqua Project with Fracta Leap, which is striving to digitally transform water treatment processes. We are also driving forward various BX and OX initiatives.



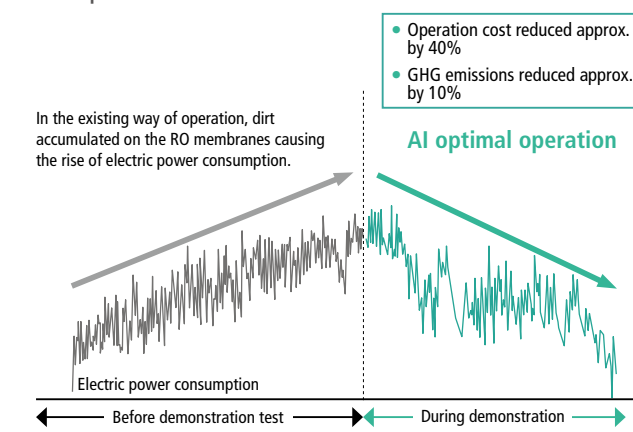
Past Digital Transformations and Future Prospects



Example of Initiatives Automation/Optimization of Plant Operation Management

In the area of operation management in the recurring contract-based service and other businesses, we are developing an AI-enabled solution for optimizing the operation of facilities, leveraging technologies and data that we have accumulated for many years concerning facility and operation management. We will reduce the operation cost and GHG emissions by using AI for the optimization of the operation of RO membrane system, which accounts for a large portion of cost and electric power consumption in water treatment. We have completed the verification test of this solution in a project promoted by the Ministry of the Environment—"demonstration project for the acceleration of practical implementation of innovative infection control technology with reduced CO₂ emissions." The solution is now being implemented in facility projects not only in Japan but also in China, Singapore, and other regions.

Result overview of the RO membrane system in real plants



For more information about initiatives, please refer to the following page.

<https://www.kurita-water.com/en/digital/dx-action/index.html>



Human Resources Strategy

Message from the Officer in Charge

Representative Senior
Managing
Executive Officer
Executive General Manager
of Corporate Control and
Administration Division

Shuji
Shirode



Strengthening human capital to become a corporate group always in pursuit of new value for water

The Kurita Group is driven by a corporate philosophy expressing a strong desire to create rich environments through the power of water. I know the Kurita Group is a corporate conglomerate bringing together human resources who resonate with our corporate philosophy. Human resources who have a strong desire to contribute to customers and society through water are our driving force. Our work to directly tackle the problems our customers face and solve the social issues ahead has continued to foster Kurita Group growth. The PSV-27 Plan aims to promote even further growth through several business strategies. We will deliver value by achieving transformations with customer value as a starting point. In addition to this common strategy to gain a competitive edge founded in customer intimacy, the Kurita Group will also deliver value by bringing about innovation using social value as a starting point. These two approaches should give us a competitive advantage founded in the high social value only the Kurita Group can provide. This type of innovation is only possible through diverse human resources with diverse backgrounds, expertise, and experiences who value and share our corporate philosophy. The Kurita Group has laid out a Diversity and Inclusion (D&I) Vision in line with these principles. To pioneer new value through cooperation between diverse human resources who embody our corporate philosophy, our human resource strategies define the best way to utilize human capital in line with the direction of each organization.

Our human resource strategies secure and leverage personnel who can provide the strength required by our management strategies. We make sure to identify the unique skills and experiences of each employee and invest in human resource development to ensure the right person is assigned to the right place at the right time throughout the Kurita Group. The Kurita Group has also put in place mechanisms to evaluate and treat human resources who

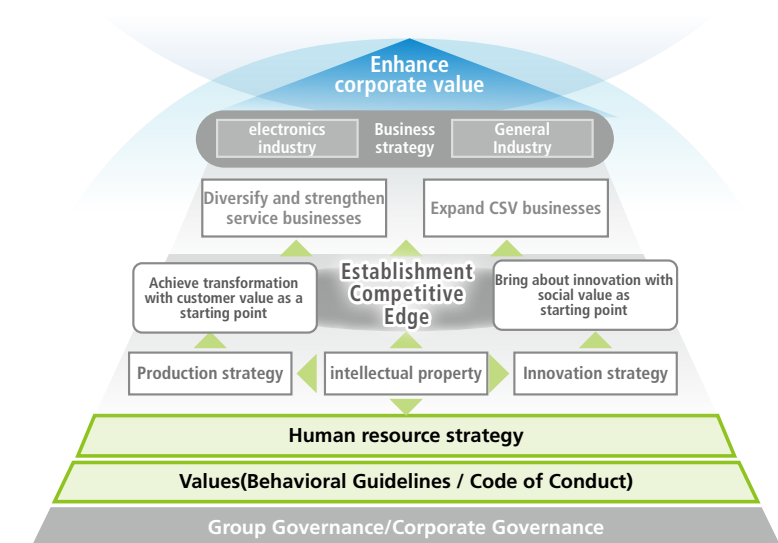
embody its values appropriately. The Kurita Group Behavioral Guidelines guide our decisions and actions based on these values, which also provide a blueprint for evaluating each Group Company. I hope these guidelines will not only encourage our employees to take initiative but also incite change in behavior.

As the direction of the organization, the Kurita Group will always strive to strengthen its bonds by taking full advantage of our diversity and cultivating an organizational culture embodying our shared values. In 2024, the Kurita Global Award commemorated employees throughout the entire Kurita Group. At this award event, employees from around the world came together to celebrate the achievements and challenges of initiatives that demonstrated our corporate philosophy and vision. It also served as an opportunity to collectively reflect on the future of the Kurita Group, exchange ideas and perspectives on current issues, and foster ongoing dialogue and collaboration. In terms of direction of the organization, I believe everyone needs to feel free to share their ideas and opinions. Measures that cultivate an atmosphere with a strong desire to contribute and initiatives to ensure the health and safety of employees are crucial. Health and safety are the top priority of the Kurita Group. We support the physical and mental health of our employees and their families, as well as enhance the workplace environment through Group-wide initiatives.

Continuous improvements to our engagement score are a key goal indicator (KGI) in our overall human resource strategies. I believe employee engagement gives us insight into the level of passion employees have for continuing their careers with the Kurita Group. Our aim is to consistently raise our score on engagement surveys. But beyond that, we will analyze the survey results across multiple dimensions, including age, region, position, and a variety of other factors. It is vital for management and employees to work together in devising and rolling out the reforms necessary to become a corporate group where all employees want to continue working. We will support career development. We will review personnel policies. We will promote work-style reforms. These are only some of the many Group-wide initiatives and organization-specific measures currently in the works. Work-style reforms in particular are key. The Kurita Group must shift to more flexible and highly productive work styles that adapt to the external environment. This is illustrated by the extremely fierce competition in recruiting candidates due to the dwindling working-age population. To realize these kinds of work styles, I know that we must more fully capitalize on the strengths of human resources throughout the Kurita Group. We will utilize diverse human resources and cultivate an organizational culture that enhances corporate value by fostering better engagement and the higher productivity that follows. My hope is that these efforts will enable every single employee to thrive in their work and become a corporate group continuously pioneering new value for water.

Strategic Priority

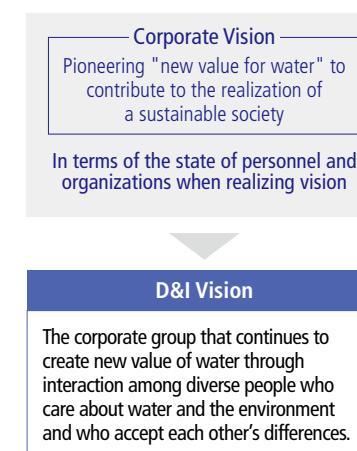
The Kurita Group is working to realize our corporate vision by achieving "transformation with customer as starting point" and "bring about innovation with social value as starting point." Believing that human resources are the driving force behind establishing customer intimacy, delivering a high level of social value, and building the competitive advantages necessary to achieve these goals. We actively promote our human capital strategy, positioning it as a vital foundation of the "Value Pioneering Path."



Target of Our Human Resources Strategy (D&I Vision)

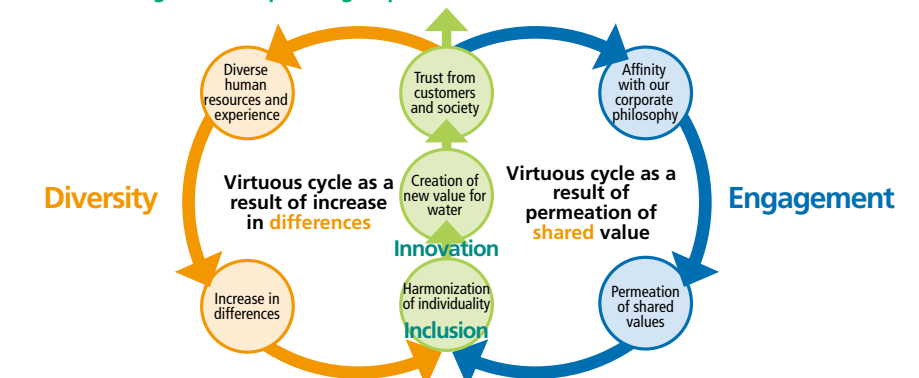
Our Group has defined the situation of the human resources and the organization under the corporate vision as a "corporate group that continues to create

new value of water through interaction among diverse people who care about water and the environment and who accept each other's differences" for our D&I Vision.



Schematic Flywheel Representation of D&I Vision

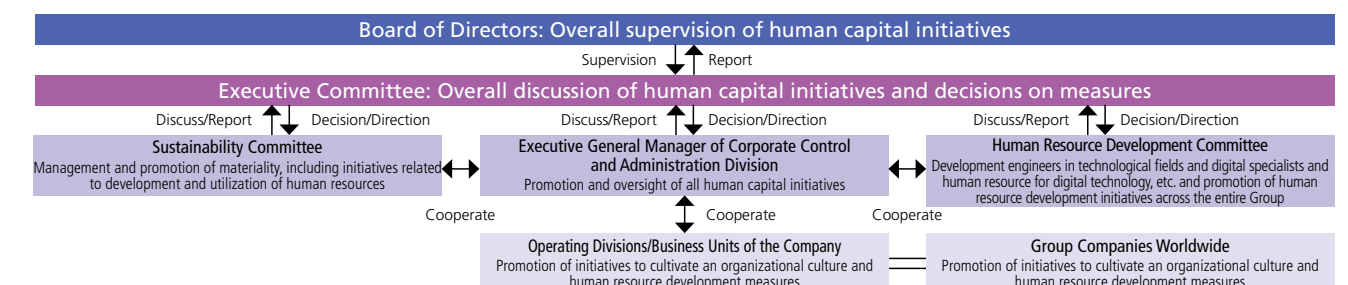
Transforming into a corporate group that continues to create new value for water



Promotion System

All initiatives related to the Kurita Group's human capital are carried out under the supervision of the Executive General Manager of Corporate Control and Administration Division, who is also an executive officer. Measures aimed at fostering corporate culture and initiatives for human resource development are implemented in cooperation with each division, business unit and Group Company. In addition, measures to develop and utilize human resources are overseen and deployed by the Sustainability Committee in collaboration

with the Human Resources Development Committee. The Executive General Manager of Corporate Control and Administration Division, Sustainability Committee and Human Resources Development Committee report on the status of human capital initiatives submitted to the Executive Committee, which discusses their content and makes decisions on necessary measures. The Executive Committee also reports the status of human capital initiatives to the Board of Directors.



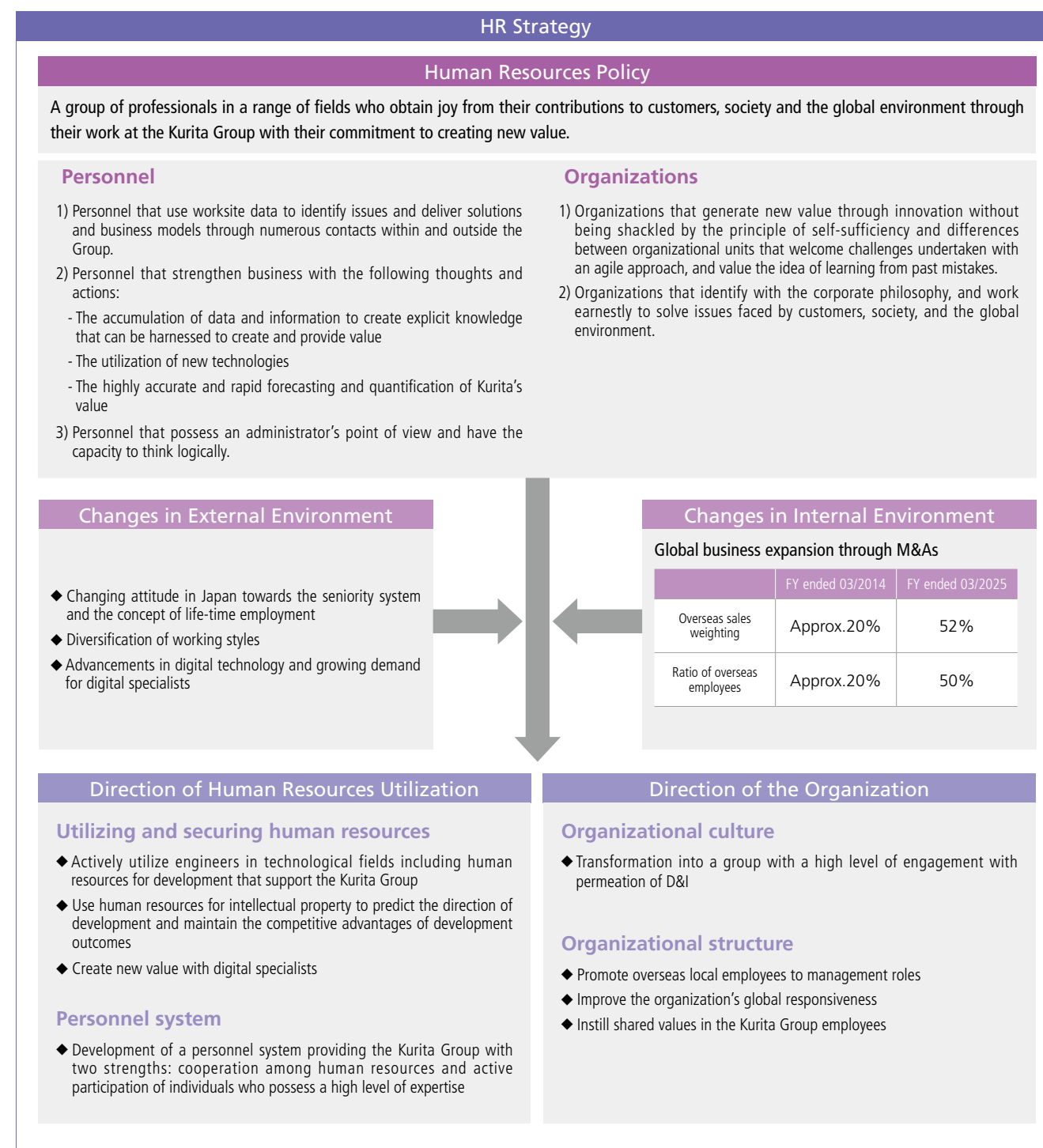


Human Resources Strategy

Human Resources Strategy (HR Strategy)

We are formulating an HR strategy with which our organizations and personnel can give shape to our value creation story by realizing our D&I Vision. The HR strategy comprises a human resources policy and an underlying course of action. The former is arranged around the kinds of organizations and personnel described in "our strategic story"—which is the basis of our value creation story—and

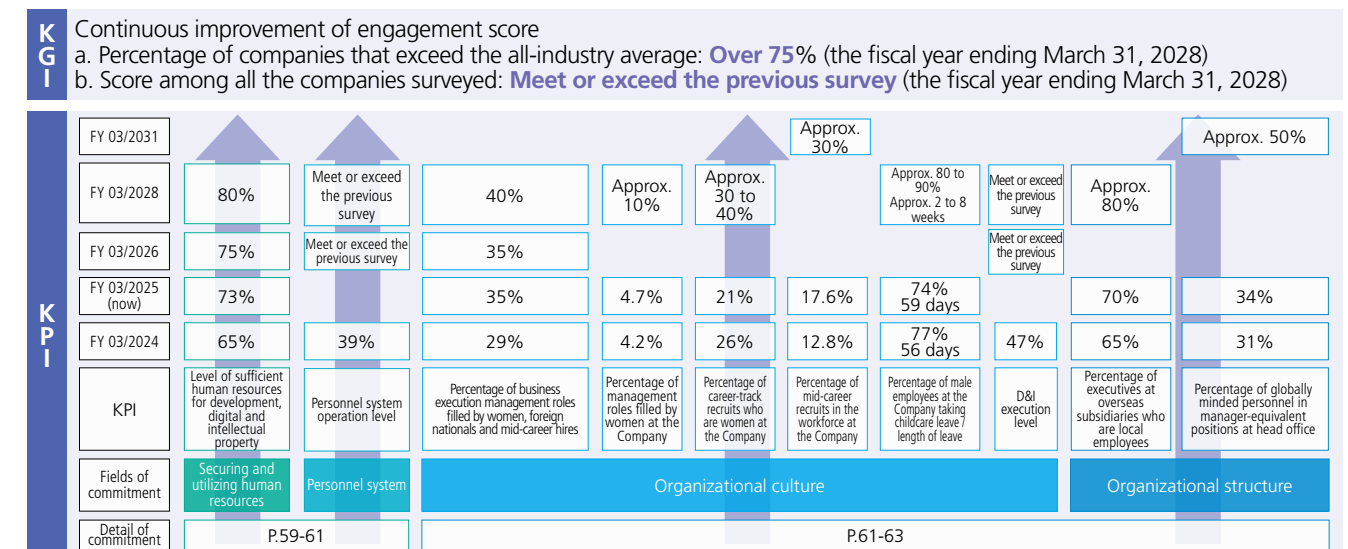
represents "our basic policy on the values, thoughts and actions required of the Kurita Group employees." To this we add the changes in the Group's internal and external environments, while our approach to initiatives is organized into a course of action for both "human resources" and "organizations" utilization.



HR Strategy KGIs and KPIs

In order to implement measures while quantitatively monitoring progress with HR strategy, the Kurita Group has established the following HR strategy KGIs and KPIs. The KGIs and KPIs consist of "Kurita Group's Materiality," "quantitative targets," and "indicators for monitoring medium-term trends," and by measuring these areas, we are improving the effectiveness of HR strategy. The indicators include "D&I

execution level" that "measures the extent to which recommended D&I actions are being taken to realize the D&I Vision," and "personnel system operation level" that "measures the effectiveness of the personnel system," which are unique Kurita indicators derived from the employee engagement survey (conducted every two years).



Employee Engagement

The Company utilizes engagement surveys to improve employee engagement. These surveys help us understand the current state of engagement and serve as a basis for identifying potential issues and implementing appropriate measures. Moreover, our engagement surveys not only evaluate the short-term daily motivation but also act as a platform to identify, analyze, and measure medium- to long-term problems. The Company conducts these surveys once every two years to consistently verify the progress and effectiveness of our current efforts. The survey results provide the basis for us to take action across the board, from visualizing the current state of each organization to identifying specific problems and devising and rolling out measures. Our aim is to foster a work-friendly environment that better motivates our employees. The Company conducted its second and most recent survey in the fiscal year

ended March 31, 2024. This second survey also expanded the scope of the first survey from 4 to 44 companies. The 44 companies that took the survey scored an average of 41%, while 51% of those companies exceeded the average for all industries. These metrics surpassed our target for the fiscal year ended March 31, 2024. We recognize that each company has traits unique to its country and region. To improve employee engagement across the entire Group, the Company is working to identify problems related to understanding the unique background of each organization and analyzing the root causes of those problems in order to plan and take the appropriate steps to promote engagement. In the final year of the PSV-27 plan, we are aiming to have at least 75% of our Group companies exceed the average engagement score across all industries in each country in the fiscal year ending March 31, 2028.

Engagement score situation

Engagement score	Survey result for FY ended March 31, 2022	Target for FY ended March 31, 2024	Survey result for FY ended March 31, 2024	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
a. Rate of companies above the average of all industries	50%	50% or more	51%	65% or more	75% or more
b. Score of each company surveyed	38%	38% or more	41%	Meet or exceed the previous survey	Meet or exceed the previous survey

• The second survey, conducted in July and August 2023, expanded the scope to 44 Group companies in the fiscal year ended March 31, 2024 (the first survey targeted 4 companies).

• 5,799 out of 6,785 employees asked to take the survey responded in the fiscal year ended March 31, 2024 (85% response rate).



Human Resources Strategy

Initiatives to Improve Engagement

Region	Examples of effort to work on corporate and organizational issues
Japan	• Provide channels and opportunities, such as messages from the executive team members and "town hall" meetings, that help our employees understand and embrace the corporate policy and see its direct connection to his or her role in the company • Provide channels and opportunities for greater cross-departmental and cross-organizational collaborations to encourage new value creation • Heighten work efficiency and productivity through new value proposals by promoting DX as a starting point • Discuss the corporate vision and future of the Kurita Group with executive general managers and senior general managers
Asia	• Examine revisions to the personnel system, including the salary structure. • Enhance educational and training opportunities, including reviewing training programs based on skills and abilities • Set up and operate consultation hotlines to improve physiological safety • Create opportunities for administrative and on-site employees to show appreciation for one another in order to build mutual understanding and trust between divisions • Provide opportunities for employees to have one-on-one meetings with company presidents as an opportunity for employees to share their thoughts with the management team
EMEA	• Enhance training programs and establish visibility into human resource situation and training status so as to optimally train and utilize available human resources • Conduct training to build an organizational culture where diversity is embraced, audacious action-taking is encouraged and eagerness to learn from mistakes is valued and respected
North & South America	• Promote mentorship support and other forms of employee assistance, in the form of leadership training programs or through personal interactions with more experienced employees, to improve employee retention and performance • Provide workshops to support team building • Provide tools to promote better health and to support work-life balance • Discuss ways to improve engagement at workshops and regular ceremonies to develop the next generation of leaders

• Initiatives to strengthen cooperation after merging group companies

The Company established Kurita West Japan through a merger of six Group companies in west Japan in 2024. Each of these six companies had distinct cultures and histories. Kurita West Japan needed to strengthen bonds and build unity among these organizations after the merger. That is why the President of Kurita West Japan rolled out various initiatives to communicate directly with all employees. This includes not only hosting town hall meetings at every branch but also sharing a weekly message with everyone on our internal online portal.

In the same year, Kurita West Japan held a "management discussion on the future of Kurita West Japan." By sharing daily concerns and realizations, the discussion encouraged a change in behavior. This enabled us to backcast and incorporate action toward this future vision into various policies. The general managers taking part hailed this meeting as a chance to strengthen cooperation between each division and business site. Many expressed the discussion among members from each of the companies merged into one organization gave them a better understanding of the various

policies, while helping them realize many new things. Kurita West Japan also conducted training programs primarily for younger employees. These sessions provided opportunities for participants to communicate. It also provided an opportunity to not only think about the future of the company by analyzing the business environment around Kurita West Japan as well as its strengths and weaknesses but also cultivated bonds between everyone. In the survey conducted after the training event, some participants expressed that this meeting was extremely beneficial for the ability to get to know and share concerns with other young up-and-comers from other sites. Others felt empowered to think about how to create the future of Kurita West Japan. Greater awareness about colleagues similar in age and a vision for the future truly clarified the direction to take going forward.



Management discussion

• Workshop for building teams that lead to high performance

As one initiative to improve engagement, Kurita do Brasil LTDA. held a workshop for management and employees on the topic of "building teams that lead to high performance." Management and employees debated the way in which their role impacts not only the team but also society through discussions and group work. Participants expressed how the workshop brought management and employees closer together, nurtured a cooperative approach to achieve goals as a team, strengthened relationships throughout the organization, and improved psychological safety in the workplace. We plan to continue to utilize

initiatives that encourage this kind of bilateral communication because it enhances cooperation throughout the entire organization.



After the event at Kurita do Brasil LTDA.

Utilizing and Securing Human Resources

Initiatives for utilizing human resources

We are working to promote group common actions and leverage the extensive knowledge and experience available within the Group.

To encourage unified action throughout the Group, the Company established the Kurita Group Behavioral Guidelines in April 2024. This code of ethics shapes the specific actions necessary to put the Values outlined by the Kurita Group Philosophy System into practice. The purpose of the Kurita Group Behavioral Guidelines is to encourage employees to take initiative and incite other behavioral change. This work strives to heighten understanding and awareness about our Values and the Kurita Group Behavioral Guidelines. The guideline provides consistent standards to evaluate the actions of employees throughout the Group.

• Kurita Executive Development Program

The Kurita Group strives to provide value to customers and society that is tailored to the specific needs of each country and region. To continually develop leaders who can drive the businesses of each Group Company, we have put in place programs under the supervision of the Nominating Committee to nurture the next generation of management at our foreign affiliates. One is the Kurita Executive Development Program. Participants in this program learn the fundamentals of management. Each person comes to understand their unique traits to clarify their own unique management style. The program also emphasizes building networks with the organizations responsible for head office functions as well as providing guidance on work processes and the Kurita Group philosophy. The Kurita Executive Development Program took place in March 2025. Several participants were selected for the program from Group companies

The diverse knowledge and experience that the Group has made Group-wide projects and other initiatives more effective. We encourage everyone to interact with colleagues who have different experiences and backgrounds because it furthers the transformation of the entire Group. The Company and all of our Group Companies are also implementing a variety of initiatives related to management appointments. The Kurita Group uses standard evaluation criteria to assess management team candidates at each subsidiary. We not only identify but also develop and promote potential successors for the CEO at each company based on the results of these evaluations. The Company utilizes information about the management candidates at each Group Company to select potential executive and corporate officers.

worldwide. Each person took on assignments to complete before the program began. Over three days, the trainees did everything from engaging in group discussions and taking classes from external instructors to making presentations to officers from their own headquarters division. Upon completion of this program, each candidate had not only gotten to network with the management team at the Company, but also enjoyed the mutual stimulation of working with the other participants. This program successfully heightened the motivation to contribute as management of each Group Company. The Company plans to continue to offer this as a regular program going forward. We will always continue our work to improve the ratio of foreign nationals in executive management as one materiality issue of the Company.

Human resource development effort

Based on findings from employee engagement surveys that systematic career development assistance is hoped for, we review and redefine our human resource development efforts from a focus on greater experience, advice and training, and implement career development programs accordingly.

The Kurita Group, with a focus on providing broader experience as part of the employee development path, conducts personalized career preference surveys and actively utilizes insights from the human resource information management system to support wider experience opportunities for the employees and to implement promotions and relocations to best assist the individual employees' career development. In addition,

we will provide advice (cultivate managers who help subordinates take on new challenges) and training (offer practical learning opportunities and an environment for self-learning) to deepen their experience.

The Kurita Innovation Hub, located in Akishima City in Tokyo, is the Kurita Group's center for enhancing core knowledge and skills among the Kurita Group employees. Equipped with a wide range of water treatment facilities, the center hosts training programs that improve the specialist skills of our employees.

The center also has its studio that has produced more than 900 human resource training videos and other content, which is available to employees across the Group via a portal site.



Human Resources Strategy

Human Resource Training System (Kurita Water Industries)

	New hires		Core employees		Team leaders	Managers		Senior managers	
Gradebased programs	New hires training	Foundational training (first 2-3 years)	Core employee training		Management training	New manager training	Leadership training	Corporate officer candidate program	Grade-based training programs take advantage of an external learning platform that provides over 2,000 courses and more than 10,000 e-learning materials. This creates an environment where anyone can access content that they feel they need. These programs support employees to learn while they forge their own unique path forward.
Role-based programs	Specialist skills training (Sales & marketing, technology & development, engineering & supply chains, digital skills, business support)								
Themebased programs	Mind Career Program / cultivating the Group's shared values								Career mindfulness programs are provided as part of our level-based training to ensure the sharing of corporate missions and visions among employees and also to encourage each employee to attain a deeper self-understanding and to define their personal aspirations in order enable them to plan the most effective personal career path for themselves.
	D&I, employee engagement								
	Career development support for female employee								
	Support for mid-career hires								
	International skills improvement								
	Training for future overseas Group company executives								
	Other (information security, compliance, human rights, etc.)								To identify and train next executive candidates and to develop managerial resources for overseas entities, we will organize overseas-focused group-wide programs to provide personal networking opportunities and to promote greater adoption of our corporate missions from the fiscal year ended March 31, 2024 onward, including inviting overseas members to training programs at our Japan headquarters and providing opportunities to work in other companies within the Kurita Group.
Self-development	Support for self-development and obtaining national qualifications, etc.								
For grade-based training, we use an external learning platform with more than 2,000 courses and 10,000 e-learning modules, providing an environment where each employee can access content relevant to their grade. The platform helps our employees develop their own career paths and initiate their own learning.									

Utilizing and retraining development, digital and intellectual property specialists

A wide range of expertise is essential to realize creative solutions through water knowledge brought together by the Kurita Group. That is why utilize and retrain professionals specializing in water treatment technologies (development specialists), professionals

specializing in digital technologies to promote digital transformations (digital specialists), and professionals specializing in intellectual property who can support technological development (intellectual property specialists).

• Development specialists

The Kurita Group systematically maps human resources in technical fields to visualize the fill rate of professionals in each field. We also strive to strategically develop and appropriately assign these human resources. In the fiscal year ended March 31, 2025, we revised the classification of technical fields from the perspectives of our customers and society. While the Kurita Group aims to solidify an even stronger competitive edge, the revised groupings accelerate the deployment of professionals into new business fields. We are also reinforcing our medium to long-term human capital and

strategically developing potential successors through the Kurita-Technical Education Program. The Kurita Group capitalizes on the skills, knowledge, and experience of its human resources to develop and innovate water treatment technologies. The Company had 111 development specialists in the fiscal year ended March 31, 2025. We aim to have about 130 specialists by the fiscal year ending March 31, 2028.

• Digital specialists

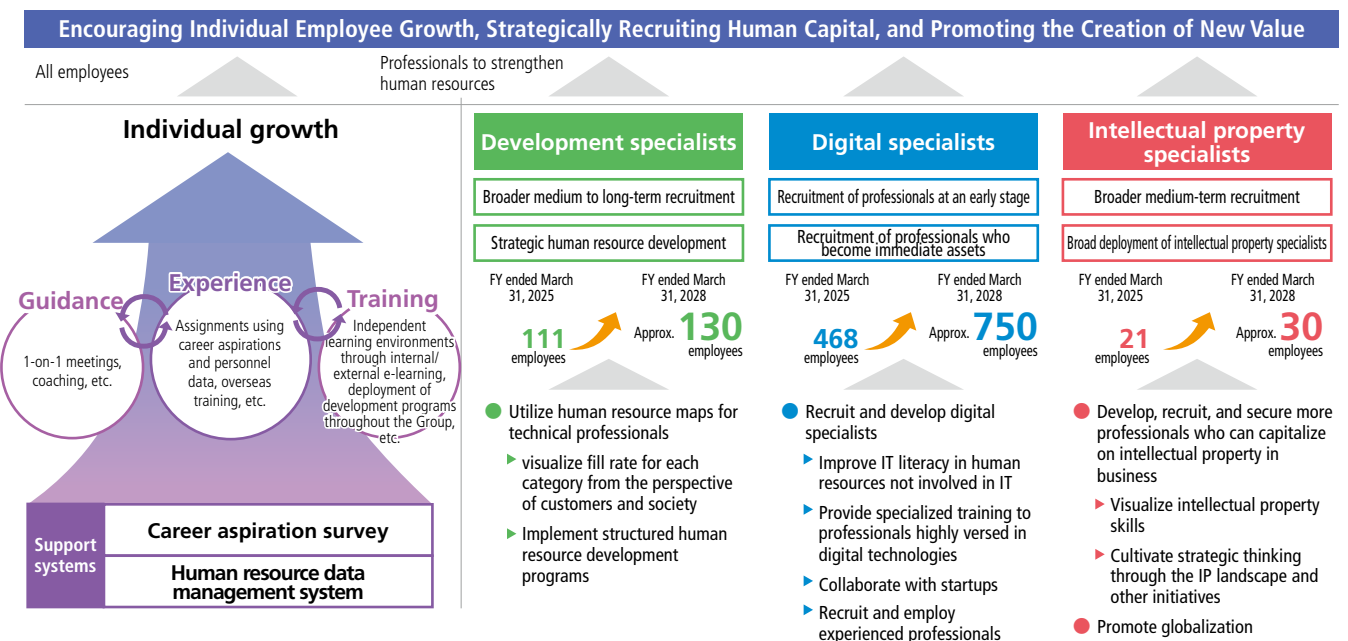
Human resources capable of devising and promoting strategies around digital transformations, developing business models, building infrastructure, and providing IT services are essential to incite digital transformations (DX). We must not only recruit and develop digital specialists who can create businesses that integrate digital technologies and diverse points of contact with sites, but also heighten the IT literacy of all our human capital. The Company assesses, selects, and provides training to human resources who

are highly versed in digital technologies. Digital specialists chosen from among these human resources work to propose ventures that fully utilize digital technologies. We do not simply stick to our own frameworks but also work with startups and recruit experienced professionals from outside the Company. The Company had 468 digital specialists in the fiscal year ended March 31, 2025. We aim to have about 750 specialists by the fiscal year ending March 31, 2028.

• Intellectual property specialists

In addition to intellectual property (IP) protection and risk reduction activities (defensive IP), we launched IP information analysis (offensive IP), including IP landscape analysis. The aim is to use IP information to support management, business, and innovation strategies. The Kurita Group is improving the quality and ramping up its global intellectual property activities. To achieve this, we require human capital with highly specialized intellectual property professionals, including patent attorneys

and IP analysts, and who can also step outside conventional intellectual property activities to coordinate with individuals involved in various aspects of our businesses. The Company had 21 intellectual property specialists in the fiscal year ended March 31, 2025. We aim to have about 30 specialists by the fiscal year ending March 31, 2028.



Personnel Systems

A company's competitive edge comes from the uniformity of its human resources when economic growth remains stable, but with the unpredictable and drastic changes occurring throughout the global business environment today, the source of that homogeneity of human resources who cared about water and the environment is now shifting from just uniformity to leveraging expertise and diversity. Our personnel system has not undergone any significant changes for a long time, and the results of the engagement survey reveal growing feedback seeking revisions to the personnel system. In light of this, we determined that revising the personnel system to be an urgent matter, and our first step

was revising the personnel system for managers under the annual salary scheme in April 2024. Before revising the personnel system, we held interviews with officers and around 50 employees of various positions and at various grades to gain a better insight. In addition to revising personnel systems, we will boost our competitive edge through the creation of a workplace environment where a diverse workforce is able to play an active role and leverage their expertise and abilities, all while maintaining the uniformity that had been our traditional core strength, with a personnel system that supports efforts to achieving our corporate philosophy and corporate vision.

Fostering Organizational Culture

Initiatives for instilling the D&I Vision

We are implementing initiatives suited to the circumstances of each division and Group Company as a way of becoming a "group with a high level of engagement and instilled with D&I." Action principles to enable the Kurita Group to

transform itself to a group of highly engaged people with a deeply ingrained sense of D&I are represented by nine icons. These icons are utilized in D&I promotion activities by individual Kurita Group companies.

Nine recommended action principles

- 1 Recognition:** Understand the D&I Vision
 - 2 Awareness:** Organize workplace chat sessions and other activities to encourage the employees to embrace D&I as their personal theme.
 - 3 Action:** Practice the nine recommended action principles to realize the D&I Vision
 - 4 Positive changes in business practice:** Create value through practicing the recommended action principles
- Example: Promote cross-organizational projects throughout the Group involving various functions such as development, sales and procurement across the value chain





Human Resources Strategy

Organizational Structure

Ensuring diversity

The Kurita Group aims to achieve its corporate philosophy and vision by leveraging the diversity of experiences, knowledge, and skills of people from various backgrounds to drive innovation. The management and executive levels are also actively working to ensure diversity. In addition to commitments at general employee levels, we also actively

embrace diversity at managerial and executive levels. We focus our D&I promotion efforts on areas of Group business where diversity is more difficult to achieve than in other areas. Our dedicated D&I promotion team collaborates with the Company and Group Companies to implement D&I promotion measures.

Supporting globally minded personnel

The Kurita Group aims to provide global value tailored to the characteristics of each region. To maximize this value, we have to not only encourage local employees to play an active role in our businesses worldwide, but also improve operational levels across the Group by ensuring the company and its Group companies interact under common principles. To achieve this, Group companies must collaborate better than ever before. That is why we conduct an overseas training program to develop human resources who possess the mindset and skills for success in a global business environment. In the fiscal year ended March 31, 2025, approximately 10 trainees took part in the program. We have already chosen the next round of trainees for the fiscal year

ending March 31, 2026, and look forward to continuing the program for the foreseeable future. Moreover, we are not only developing and promoting executive staff from subsidiaries overseas into the Company's management team, but also striving to develop human resources at the Company who can adapt to the global business environment. As a result of these efforts, the proportion of locally hired employees, in either the CEO or the next highest officer position, at overseas Group companies is now 5%, illustrating how personnel hailing from different countries and regions hold management positions throughout the Group.

Participant voice in overseas trainee program



Supply Management Group,
Engineering Division
Kaori Miura
(Dispatched to Germany)

I am responsible for purchasing raw materials and products for the chemical and strengthening the global supply chain in cooperation with our colleagues all over the world. This trainee program provides the participants not only the opportunity to learning languages but also the OJT. That's why I decided to apply for this program.

I believe that people should trust each other when working together. Before joining the program, I thought the sincerity such as listening to the others or keeping promises was one of the most important things to build a trusted relationship. However, through this program, I found two other factors for building a confidential relationship, especially with the people who have a different culture. The first point is to express actively one's

own thoughts or feelings and let others understand oneself. In Germany, people constantly asked for my opinion and sharing each thoughts deepened our understandings. The second point is to respect different culture and to try to understand it. Every time I tried to adapt myself to the local customs, people came to have a sense of camaraderie, and it became a good basis to build a trust.

I was also greatly stimulated by the differences in the business structure compared to Japan. In many European group companies, procurement members/teams not only handle the direct and indirect materials but also take on a wide range of responsibilities, from production planning to customer correspondence, for example. I was impressed by the breadth of their roles and perspectives. Before, I wanted to become a specialist in procurement. And now, this experience gave me a new goal, which is to become a professional with wider expertise, not limited to chemical procurement.

I would like to grow as a person with broader perspectives and expertise, utilizing English and German along with my trust building style which I developed through the trainee program.

Creating a comfortable working environment for a diverse workforce

We provide various programs and benefits to support our employees to balance their work with life events such as child care and nursing care for the elderly and to promote diverse work styles including at-home and remote work. We also actively assist SOGIE* minorities in the workforce, for example by applying benefits designed for married employees to legally unmarried couples and same-sex partners. We

make effort to make these programs and benefits better known to our officers and employees to promote greater utilization. We also provide online training and periodic education sessions to provide an environment where a diverse group of people can work together without friction.

*Sexual orientation, gender identity, and gender expression

Empowering female employees

We have set targets to increase the proportion of women in management roles related to business execution and in other key roles and we are implementing measures to achieve the targets. As of December 2023, the percentage of female managers at the parent company was 4.2%, and we are continuing to work towards our goal of lifting the percentage to 10% by the fiscal year ending March 31, 2028. During the fiscal year ended March 31, 2025, we held career development support workshops to assist team leader or specialist team leader candidates, comprised mostly of women, clarify their "image of becoming such managers" and "what to accomplish at your own department," thereby helping them come up with a more specific vision for their future. Executive general managers and specialists took part to provide support in this back-and-forth dialogue between participants at the workshop. Going forward, we will continue to provide opportunities for up-and-comers to think

about their career earlier on in an effort to cultivate the best female candidates for managerial positions.

We have also been awarded a three-star "Eruboshi" certification by the Japanese Minister of Health, Labour and Welfare as a recognition of being an outstanding company for implementing initiatives for empowering women.



Encouraging male employees to take childcare leave

The Company encourages male employees to take childcare leave as part of its efforts to build a secure and work-friendly environment for all employees. Regular networking meetings are one such initiative that began in the fiscal year ended March 31, 2023. These meetings provide an opportunity for men to connect with colleagues who can offer advice on managing life events and career development concerns. In the fiscal year ended March 31, 2025, our regular networking meeting discussed how to encourage male employees to take childcare leave. The theme highlighted the importance of fathers taking part in raising their children and the expectations that their partners will have. Female employees

shared women's perspectives on raising children. Other employees who are raising or expecting children expressed their views as well. This provided a great opportunity for male employees to see the importance of a present father figure when raising children. The ratio of male employees taking childcare leave rose to 74.5% in the fiscal year ended March 31, 2025. The average number of days taken was 59 days. External organizations have recognized the Company for its initiative to foster a better work-life balance for male employees raising children. In February 2024, we received the Platinum Kurumin certification from the Ministry of Health, Labour, and Welfare in Japan.

Supporting mid-Career Hires

With the aim of acquiring human resources who are ready to actively contribute to our business from day one with the ability to flexibly adapt to the changing business environment, we actively employ people with previous work experience instead of hiring new graduates only. The number of new hired people in the fiscal year ended March 31, 2025 with previous work experience increased approximately four times compared to the previous fiscal year. As of December 2023, the percentage of people with previous work experience in our managerial workforce was 15.2%. We aim at increasing the percentage of people with previous work

experience in the workforce to approximately 30% by April 2031, focusing on acquiring technical and intellectual property specialists who are expected to play greater roles in future CSV business. We actively train and grow these midcareer resources to help them develop into core parts of our workforce, by educating them on our unique knowledge and technologies, monitoring their progress through periodic follow-up interviews by our human resource team and providing opportunities to assist their networking efforts in the company to provide the best possible environment to develop their career path at the Kurita Group.

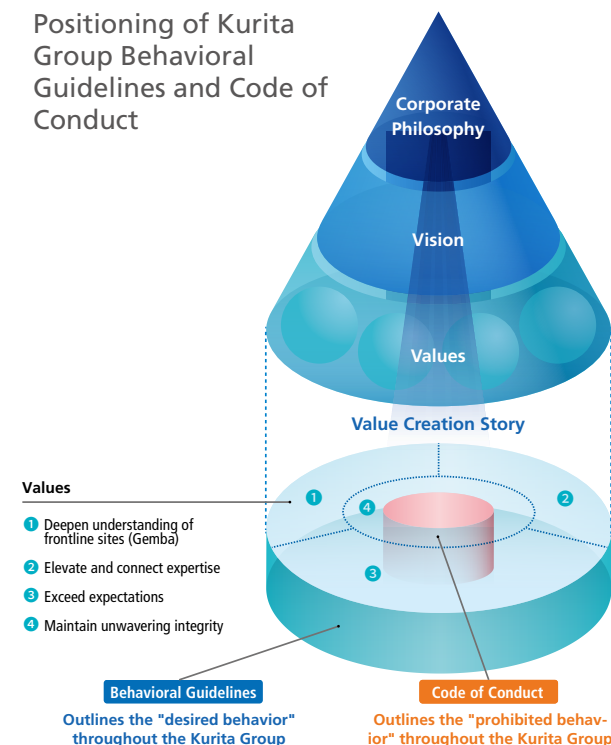


Values

The Kurita Group has forged a history as a global company that has won the trust of its stakeholders, by long creating and delivering value for resolving social and industrial issues with water toward achieving its corporate philosophy. The achievements that we achieved subconsciously along the way, and that we will do so into the future—the very DNA of Kurita—is exemplified in our "Values." The Kurita Group Behavioral Guidelines and the Kurita Group Code of Conduct embody the actions set forth in our Values, and sharing these values by promoting integrity activities* throughout the Kurita Group manifests these values with each and every Kurita Group employee, thereby facilitating the attainment of our corporate vision and corporate philosophy.

*Activities fostering an autonomous approach to work based on doing what is right and good in our conscience."

Positioning of Kurita Group Behavioral Guidelines and Code of Conduct



Kurita Group Behavioral Guidelines

The Kurita Group Behavioral Guidelines outline the direction of behavior that is common across the Kurita Group to embody our Values. These guidelines were developed through workplace discussions based on aspects of common behaviors identified from positive experiences like gratitude, enjoyment and sense of pride, as well as from interviews with employees about their vision of the work they seek in the future.

We are also focusing efforts on disseminating these guidelines throughout the Group. More specifically, disseminating the stories, actions, ideas, and visions that

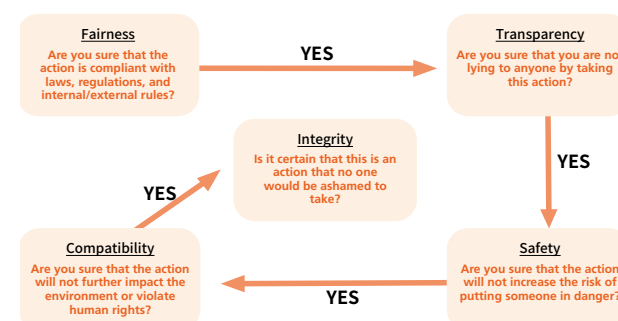
Kurita Group employees have at their work through workplace communications reminds readers of their specific actions and increases their level of empathy—this fosters each employee to take proactive steps toward achieving the corporate vision and philosophy. In the fiscal year ending March, 2025, we will be holding events to commemorate our 75th anniversary that will serve as opportunities for employees to recognize the achievements and challenges faced through the initiatives that embody our corporate vision and philosophy, which encourage employees of the Kurita Group to bring about further behavioral change.

Kurita Group Code of Conduct

This Code of Conduct primarily lists actions that should NOT be taken as part of the commitments to the Group stakeholders. This Code defines fundamental action principles from the five perspectives of "fairness, transparency, safety, compatibility and integrity." Whenever there is uncertainty about what decision to make or what action to take as part of performing duties, ask yourself the following five questions should be asked to determine if the action or decision being considered is appropriate. These questions should be practiced at all times to ensure actions are in line with this Code of Conduct.

Five questions to ask

Ask yourself the following five questions about the action you are considering to take,



For more information about Behavioral Guidelines and Code of Conduct, please refer to the following pages.

Behavioral Guidelines <https://www.kurita-water.com/en/company/philosophy.html>

Code of Conduct <https://www.kurita-water.com/en/policy/basic/coc.html>

Initiatives to Instill Our Shared Values

In 2024, the Kurita Group celebrated its 75th anniversary since its founding in 1949. The 75th anniversary event gave us an opportunity to offer a variety of programs. The concept behind these programs emphasized "cultivating unity by getting to know employees from around the world." The

events included internal commendations, workshops, and social gatherings. Employees engaged directly with one another through these anniversary events, which strengthened the Group bonds regardless of any cultural and language differences.

Kurita Global Award



The Kurita Group is expanding businesses worldwide. This means a majority of all employees are working at overseas Group Companies. The Kurita Group holds the Kurita Global Award to celebrate initiatives that embody our corporate philosophy and vision. These commemorations help the multilingual and multicultural employee

base grow through a common set of principles. The event aims to cultivate a corporate culture that encourages everyone to take on challenges, while instilling our philosophy and vision, and strengthening the Kurita Group unity. The Kurita Global Award received numerous entries from around

the world. The winners were not only celebrated at the venue but also through a live stream with simultaneous interpretation in English and Japanese, as well as an archived stream that is accessible to all employees. The event became an opportunity to share our values with the entire Kurita Group.

More than 80% of the respondents to our survey said that the Kurita Global Award not only deepened their understanding of our corporate philosophy and vision but also helped them get to know new people and learn about Group initiatives. Such a response demonstrates that the Kurita Global Award achieved everything it set out to do.



Kurita Global Workshop

The Kurita Global Workshop is one part of the Kurita Global Award that aims to enhance Group cooperation and cultivate stronger organizational bonds. This year, the workshop brought together the winners of the Kurita Global Award to discuss the future of the Kurita Group. The workshop facilitated a borderless exchange of ideas and discussions among employees about the current challenges they face. The theme of the workshop was identifying the challenges and actions to be taken by the Kurita Group in pursuit of realizing the corporate vision. The lively discussion really delved into not only issues seen globally but also those unique to each region. Based on these discussions, we plan to make a joint proposal to senior management.



Integrity Surveys

The Kurita Group conducts integrity surveys once a year for all employees and dispatch staff. These integrity surveys mainly review the level of awareness about the Kurita Group Code of Conduct and Behavioral Guidelines, success of integrity activities, and the inclusion of risks in basic and business policies. We also reflect survey results in our risk response and initiatives. Moreover, every integrity survey ensures the anonymity of respondents.

Integrity Survey Response Rate in the Fiscal Year Ended March 31, 2025

Candidates	Respondents	Response rate
8,268	8,079	97.7%



Values

Conduct Business Activities Respecting Human Rights

☉ Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results in FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Conduct business activities respecting human rights				
Conducting human rights due diligence on suppliers	Continuous implementation	Achieved (Continuous implementation)	Continuous implementation	Continuous implementation
Rate of participation in human rights-related training	100%	Achieved (100%)	100%	100%
Establishment of a liaison for remedies from human rights violations (grievance mechanism)	—*	—*	—*	Completed

* Conduct surveys, etc. from the fiscal years ended March 31, 2024 to March 31, 2026 would be prepared for establishment by the fiscal year ending March 31, 2028. After establishment, we will set targets related to raising awareness.

☉ Conducting Human Rights Due Diligence on Suppliers

The Kurita Group aims to accurately identify human rights risks across its entire supply chain and reduce risks to business activities. We also conduct human rights due diligence for our suppliers.

In the fiscal year ended March 31, 2025, we conducted a survey using CMRT and EMRT* to discover if there are any concerns related to conflict minerals. This survey investigated the history of raw materials at our suppliers from which we procure a large volume of electronic components. Our assessment also looks into the procurement volume and volume of minerals originating from high-risk areas that our products contain. We also conducted online interviews with five of our suppliers that accept foreign technical intern trainees, who are thought to be at particularly high risk. We then had external experts conduct on-site audits for two of those companies deemed to require further investigation. The investigation also included a review of examples of good practices. Feedback from the employer, document reviews, on-site visits, and interviews with

the foreign technical intern trainees fully grasped the actual situation at each company. Our findings reveal that some of the suppliers had used agencies that may have collected fees from foreign technical intern trainees before they came to Japan that exceeded those provided for by the foreign technical intern trainee policy. In light of this discovery, we not only conducted online interviews to follow up with suppliers but also requested each to verify the collection status of these fees before bringing in any new foreign technical intern trainees.

Going forward, we will expand the scope of investigation to the business partners of our domestic Group Companies in Japan. The surveys will continue to investigate the history of raw materials at our suppliers from which we procure a large volume of electronic components and examine the workplace conditions of foreign technical intern trainees. This will enable us to more accurately check for concerns related to conflict minerals and the acceptance status of foreign workers.

* This refers to the Conflict Minerals Reporting Template (CMRT) of the industry-standard Responsible Minerals Initiative (RMI) and the Extended Minerals Reporting Template (EMRT).

☉ Human Rights-related Training Sessions

The Kurita Group believes that heightening the awareness and recognition of human rights in our officers and employees will lead to reduced human rights risks in our business activities. That is why we continuously conduct human rights training each year. In the fiscal year ended March 31, 2025, we conducted training for officers, employees, and dispatch workers at the Company and domestic Group companies. The theme of the training was Eliminating Harassment in the

Workplace. We achieved our target of a 100% rate of participation, with all officers, employees, and dispatch workers undergoing the training.

Content of the education and training program

	Results of FY ended March 31, 2025
Theme	Eliminating Harassment in the Workplace
Number of participants	4,916

☉ Establishment of a Liaison for Remedies From Human Rights Violations (grievance mechanism)

The Kurita Group believes in the importance of maintaining a mechanism that enables individuals and groups to share concerns or grievances regarding the negative impacts of corporate activities on human rights and request relief or remediation. We aim to complete the establishment of a grievance mechanism regarding human rights violations in accordance with Principle 31 of the Guiding Principles on Business and Human Rights by the fiscal year ending March 31,

2028. In the fiscal year ended March 31, 2025, we conducted hearings on candidate business partners to investigate the primary targets for relief, languages to support, and corrective measures to take. We will strive to launch the grievance mechanism as soon as possible, so that we can establish a system that enables a wider range of stakeholders to report and seek relief for grievances than the current Kurita Group internal reporting desk and human rights due diligence efforts can.

Conduct Fair Business Activities

☉ Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results in FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Conduct fair business activities				
Rate of participation in whistle-blowing system related training	100%	Achieved (100%)	100%	100%
Rate of participation in training related to laws and internal rules for the compliance of anti-bribery and antitrust laws, etc.	100%	Achieved (100%)	100%	100%
Number of violations of anti-bribery and antitrust laws	0 cases	Achieved (0 cases)	0 cases	0 cases

☉ Internal Whistle-blowing and Consultation Desk

The Kurita Group seeks to provide an environment where everyone can work with peace of mind. To this end, we have established the Kurita Group Code of Conduct or other policies or internal rules related to compliance. Rules for operating internal reporting hotlines where Kurita Group directors, employees, dispatch staff, and employees of our suppliers (whistle-blowers) can directly provide information if they observe behavior that violates or is suspected to violate the laws and regulations. We have established a whistle-blowing and consultation desk comprised of internal and external whistle-blowing and consultations hotlines directly under the department in charge and handled by third-party agencies and law firms specializing in these matters (compliance, public interest whistle-blowing, and harassment hotlines) based on these rules. To make the whistle-blowing and consultation desk as accessible as possible, these hotlines are available 24/7 all-year-round for reporting via e-mail and through various other contact points. Our hotlines for employees at Group companies overseas are also available in 18 languages. The internal and external whistle-blowing and consultation hotlines forward every report they receive to the

department in charge. We investigate all reports, except in cases where there is a valid reason not to do so. If an investigation finds corrective actions necessary, the department in charge works with all relevant departments to respond appropriately. The whistle-blowing and consultation desks share the results of our response with the whistle-blower. Users of these hotlines can also choose to remain anonymous, and we implement measures to protect those who use the services from reprisal. Throughout the entire process and our response, we make sure there are no conflicts of interest and ensure the independence of the head of each organization.

The Executive General Manager of Sustainability Corporate Strategy Division, a Corporate Officer of the Company, reports on the operational status of the internal whistle-blowing and consultation desk to the Board of Directors once a year. We make sure that Kurita Group employees are aware of how these systems can be used by posting information on the Company intranet and hosting workplace dialogues. The Kurita Group aims to use these systems to protect whistle-blowers and swiftly detect malfeasance in order to ensure a fair and comfortable workplace environment.

☉ Rate of Participation in Whistle-blowing System Related Training

The Kurita Group provides annual training to all directors, employees, and dispatch staff to promote understanding and motivation regarding the use of the available hotlines. In the fiscal year ended March 31, 2025, we conducted training for all new employees including dispatch staff, and achieved our target rate of 100% attendance. Our integrity survey also found

that efforts such as posting information on the Company intranet and workplace dialogues have succeeded in improving recognition of the whistle-blowing and consultation desk.

We will continue to provide training to raise awareness about the hotlines and further heighten motivation regarding their use through integrity activities.

☉ Rate of Participation in Training Related to Laws and Internal Rules for the Compliance of Anti-bribery and Antitrust Laws, etc.

The Kurita Group conducts training on laws and internal rules regarding the prevention of bribery and compliance with antitrust laws. This training is provided to all directors, employees, and dispatch workers once a year to reduce the

risk of legal violations by our employees. In the fiscal year ended March 31, 2025, we conducted e-learning on antitrust laws and achieved our target rate of 100% attendance.

For more information about "conduct business activities respecting human rights" and "conduct fair business activities", please refer to the following pages.
<https://www.kurita-water.com/en/sustainability/materiality/human-right.html>
<https://www.kurita-water.com/en/sustainability/materiality/fair-business.html>



Risk Management

Basic Concept

The Kurita Group defines risk as any event that makes its sustainable growth and enhancement of the Group's corporate value uncertain. To ensure that opportunities for business growth are not missed due to decision-making that favors risk avoidance, we work to clarify which risks should be accepted for the sake of sustainable growth and corporate value increase while implementing appropriate measures to reduce losses. In addition, as a globally active enterprise, the Kurita Group's business is closely related to our relationship with its many

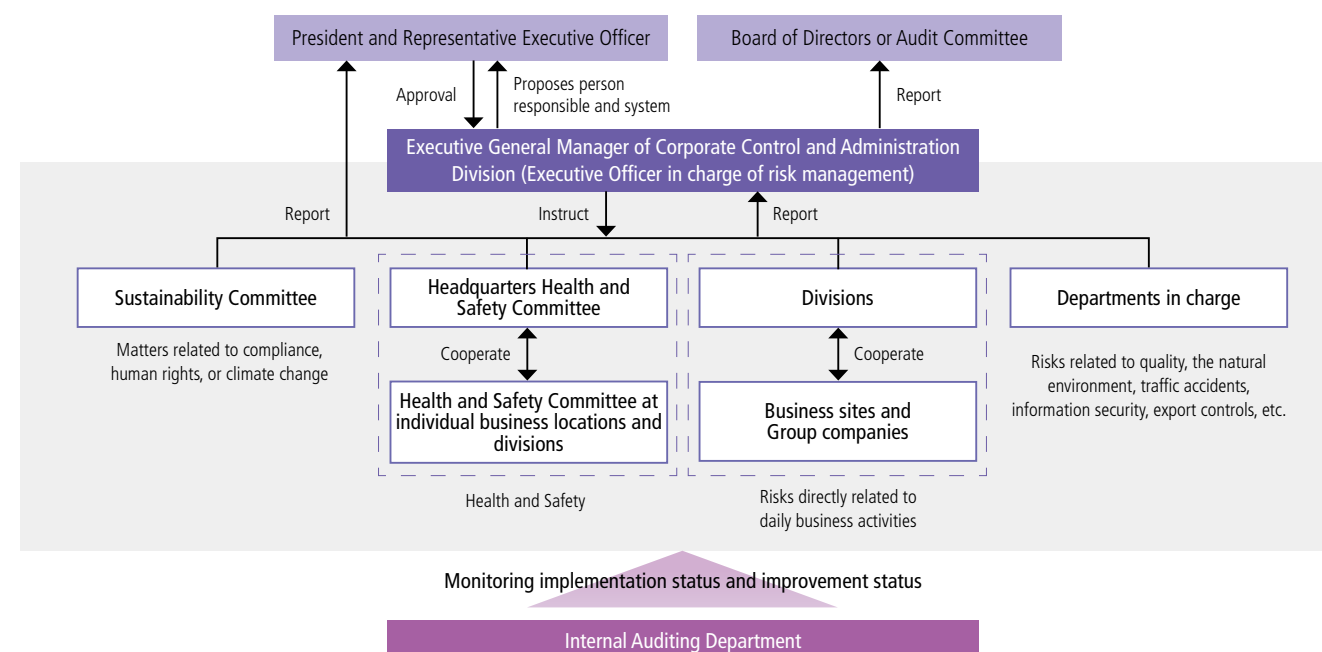
stakeholders. It is defined as one of our corporate materialities that we respect and protect the rights of all the people and continue to practice our principles of fairness, transparency and integrity. Based on the globally accepted norms concerning human rights and the Kurita Group Human Right Policy, we respect the human rights of all stakeholders involved in our business activities and promote fair business practices in accordance with relevant policies to maintain and enhance trust from society.

Risk Management System

The executive general manager of the Corporate Control and Administration Division is responsible for monitoring risks and implementing risk management in the Kurita Group. The executive general manager of Sustainability Corporate Strategy Division regularly analyzes and evaluates the Group's risks and conducts ongoing monitoring based on the Group-wide risk map, and also takes steps to prevent risks from occurring. In the event of a risk materializing that could have a serious impact on group's business, the executive general manager formulates systems with the person in charge, obtains approval from the president and representative executive officer, and immediately issues instructions. The person in charge promptly takes action and reports to the president and representative executive officer and the executive general manager of the Corporate Control and Administration Division, as well as the Board of Directors or the Audit Committee, regarding the impact of the risk, progress with mitigation and measures to prevent reoccurrence. The chairperson of the Sustainability

Committee is responsible for tackling material risks related to compliance and climate change, while the chairperson of the Headquarters Health and Safety Committee is responsible for material risks related to health, and safety. The executive general manager of each division is responsible for responding to risks directly associated with day-to-day business operations, and each division identifies and evaluates risks related to the operations and group companies it is in charge of. Also, responding to risks relating to quality, the natural environment, traffic accidents, information security, export controls, and so on are handled by the respective departments responsible. The executive general manager of the Corporate Control and Administration Division, the chairperson of each committee and the executive general manager of each division report periodically to the Board of Directors on the status of risk management implementation. Furthermore, the Internal Auditing Department monitors the execution status and improvement status of risk management measures.

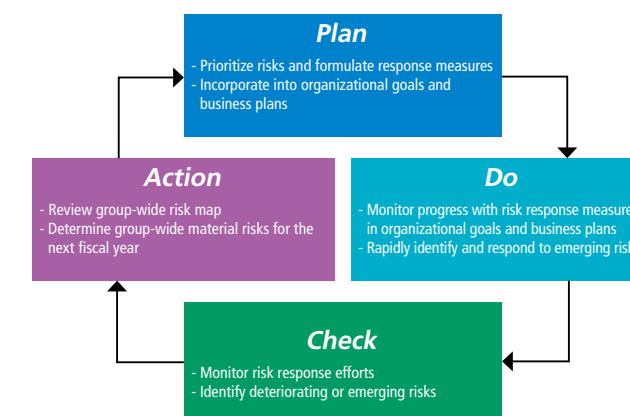
Risk Management System



Identification of Risks and Preparation of Countermeasures

The Kurita Group uses a group-wide risk map to identify potential risks in its business activities and assess risks against monitoring benchmarks. The Kurita Group also determines material risks for the Group based on the expected impact of those risks and the likelihood of them occurring. For the designated material risks, countermeasures are prepared and included in the business plan, and their implementation statuses in the Group including group companies are monitored. The implementation statuses of countermeasures are reported regularly to the Board of Directors, which deliberates major risks and their countermeasures for the next period including new risks that have arisen due to environment changes.

PDCA of risk management



Company-wide risk map

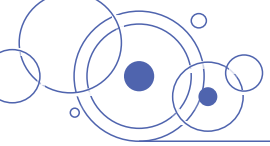
Risk category	Main risks	Report section/information related to response measures
Operating environmental risk	- Contraction in existing markets due to customers reducing factory operating rates and reining in capital investment - Decline in prices for products and services due to intensifying competition - Decline in profitability and slowdown in business growth due to spikes in prices for raw materials and energy costs as well as supply chain disruptions - Decline in yen translation amounts due to changes in exchange rates and other factors - Decline in profits following the introduction and increase of carbon tax on CO₂ emitted by the Kurita Group's facilities and products, etc.	- The Kurita Group's Vision and Sustainability P.10-29 - The Kurita Group's Businesses P.30-41
Country risk	Risk of loss of business opportunities and inability to recover investments due to changes in regulatory frameworks and abrupt political and economic changes in Kurita's markets	The Kurita Group's Businesses P.30-41
Disaster risk	- Human losses and loss of business opportunities caused by pandemics - Human losses and loss of business opportunities caused by natural disasters including those caused by climate change	- BCM P.70,71 - Contribute to the Realization of a Decarbonized Society P.74-76
Strategic risk	- Failure to attain goals in medium-term management plan due to delays with organizational reforms, business restructuring - Slow pace of business expansion caused by delays with launching new businesses, executing growth strategy - Delays with developing businesses matched to customer needs and characteristics of each country/region - Failure to remain competitive in water treatment market due to delays with introducing IT and building digital businesses	- The Kurita Group's Vision and Sustainability P.10-29 - The Kurita Group's Businesses P.30-41
Business risk	- Failure to provide competitive products, services or business models in a timely manner - Accidents/injuries in the Kurita Group's businesses - Claims for damages and additional costs due to defects or deficiencies in products or services - Loss of competitiveness due to outflow of technical expertise - Slowdown or lack of progress with improving the profitability of overseas businesses driving the Kurita Group's growth - Suspension of business operation due to cyber-attacks and security accidents - Degradation of operation quality due to delay in securing and fostering human resources - Degradation of ability to respond to changes in the business environment due to insufficient effort for diversity - Decrease in productivity and loss of business opportunities due to decline in employee engagement	- The Kurita Group's Businesses P.30-41 - Information Security Control P.71 - Human Resource Strategy P.54-63
Financial risk	- Loss of public trust caused by inadequate internal controls related to financial reporting - Deterioration in profitability or cash flow due to poor management of Group Companies - Impact of interest rate fluctuations on fundraising	- Financial Strategy P.18-21 - Basic Policies for Constructing an Internal Control System —
Labor, legal, and compliance risk	- Health issues caused by harassment and long working hours - Loss of public trust due to legal, human right violation or compliance violations and information breaches	- Conduct Business Activities Respecting Human Rights P.66 - Conduct Fair Business Activities P.67 - Information Security Control P.71

* The above table is not an exhaustive list of the Kurita Group's risks.

* Please click on the link below for more details about risk factors related to the Group's business conditions, financial accounts and other items in the Annual Securities Report that could have a material impact on investor decisions.

For more information about company-wide risk map, please refer to the following page.

<https://www.kurita-water.com/en/ir/cg/risk-factors.html>



Risk Management

BCM(Business Continuity Management)

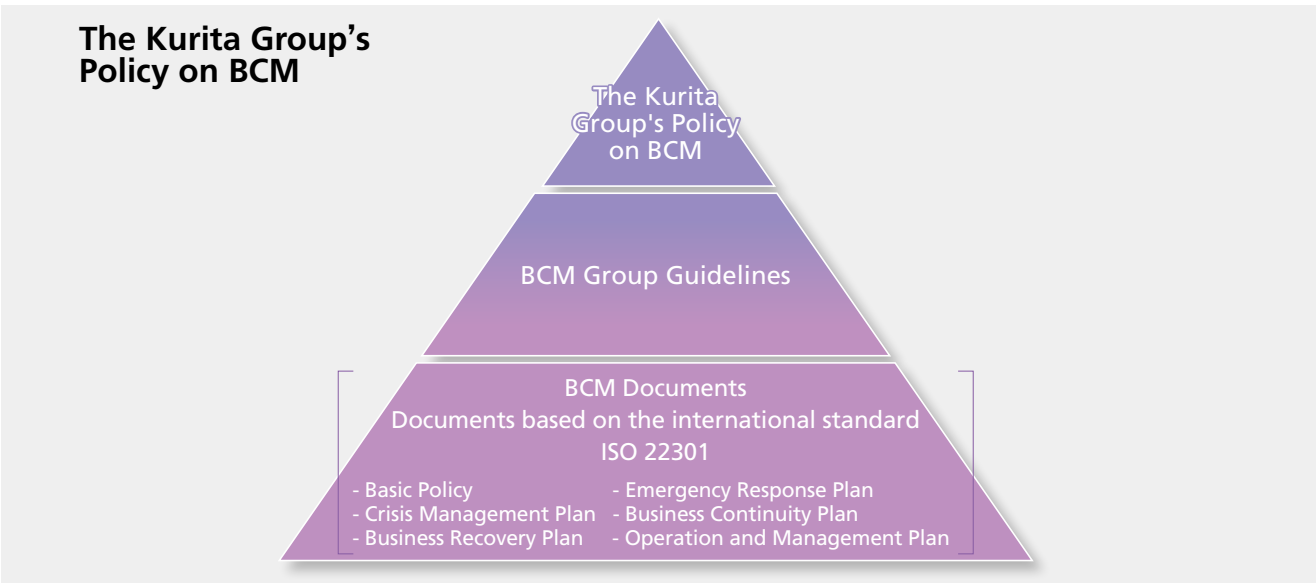
🕒 Approach for BCM Activities

The Kurita Group has taken steps to prepare for sudden unexpected events such as a major earthquake or natural disaster, a pandemic, geopolitical risks, or security incidents, with the focus on "ensuring safety of employees" and "business continuity". This includes establishing an order of operational priorities and criteria for decision making and action for when such an event occurs, and putting in place response policies, procedures, systems, and other measures. During normal times, meanwhile, we engage in management activities such as formulating and updating emergency plans, securing budgets and resources, implementing countermeasures, conducting education and training, and carrying out inspections.

The Kurita Group formulated the Kurita Group's Policy on BCM as the basic approach of this effort, and gives first priority in an emergency to ensuring safety of directors/officers, employees and their family members and only then directs efforts to speedy recovery of business operations and assistance for local communities. To support executive officers and employees to take appropriate decisions and actions in such a situation, the Group has also prepared a system of documentation consisting of the BCM Group Guideline, which supplements the Kurita Group's Policy on BCM, as well as BCM Documents prepared based on the framework of the international standard for BCM, ISO 22301.

BCM basic policy

Highest Priority on Ensuring Human Safety	Rapid Recovery of Business Operations	Community Support
We will place the highest priority on ensuring the peace of mind and safety of directors/officers, employees and their family members.	We will endeavor to quickly restore operations at the company's own facilities, completed projects, construction projects, etc. This will facilitate stable delivery of products and services and allow us to support customers' recovery efforts.	At the same time as working to prevent secondary disaster damage at our own sites, we will support reconstruction in the local community.



🕒 BCM Promotion System

We have established an organization that integrates the Kurita Group's business continuity functions within the Corporate Control and Administrative Division, whose executive general manager has been appointed as officer in charge of BCM. The

new organization will roll out BCM activities based on an ISO22301 compliant management system to Group companies globally, progressively strengthening initiatives designed to ensure both employee safety and business continuity.

🕒 Initiatives to Strengthen BCM Activities

Operation of the Group management system

The Kurita Group formulates and implements initiatives in light of business characteristics and risks unique to the countries

and regions of group companies based on the Group-wide BCM system, and the company governs and provides support

for these initiatives conducted by group companies, aiming for the steady practice of the PDCA cycle of BCM initiatives and the steady use of the report line in the event of incidents throughout the Group. With these efforts, the Kurita Group as a whole operates the management system effectively based

on the BCM Documents, in order to ensure the safety of employees, elevate the effectiveness of measures against business continuity risks, and strengthen measures against incidents that have major impact on the Kurita Group.

Strengthening of the ability to respond to large-scale earthquakes

With half of the Group employees working in Japan, which is under the threat of the high probability of the occurrence of an inland earthquake in the Tokyo metropolitan area and the Nankai Trough earthquake, it is important to check that the measures against large-scale earthquakes are functioning effectively, while also elevating their effectiveness. For that purpose, we will first estimate the magnitude of damage on business locations of the Kurita Group based on publicly available information from the Cabinet Office and other sources and then identify and prioritize issues to be strengthened from both the perspective of "ensuring safety of

employees" and "business continuity", and implement the necessary actions. In the fiscal year ended March 2025, following the government's issuance of a tsunami advisory for the Nankai Trough megathrust earthquake, we established tsunami evacuation guidelines at each locations and conducted evacuation drills. Additionally, overseas as well, we are also aiming to strengthen our response capabilities to the risks in each country and region, such as natural disasters and geopolitical risks.

Information Security Control

🕒 Basic Concept

Information security control is a basic practice for the Kurita Group, which uses digital technologies for the transformation of its business models and business processes. Recent years, information security accidents including cyber-attacks are increasing and their methods are getting more sophisticated. In these circumstances, risks of attacks on the Kurita Group should also be getting high, posing an increased need for conducting proper information security control. In addition to

the development, maintenance, and operation of risk systems, the Kurita Group has defined "Kurita Group Digital Management Policy"—the policy of information security control necessary for driving DX initiatives. The Kurita Group also engages in the global implementation of security measures to prevent security accidents and minimize the opportunity loss caused by security accidents.

🕒 Efforts in Ordinary Times

The Kurita Group works in normal times to strengthen information security control for the prevention of information security accidents. The Kurita Group evaluates its IT risks periodically, implements measures with the security assurance organization established and a budget secured, and has established the reporting system used in the event of a security accident. Also, the Kurita Group provides information security training for its employees to raise the information security awareness and reduce security risks. In addition to these efforts, the Kurita Group has established a global, multi-

language, round-the-clock security monitoring system. The Kurita Group also works to improve the security of the OT (Operational Technology) environment, which is used for monitoring and control of water treatment facility, etc. of the Kurita Group. From now on, we will promote the establishment of a system that effectively implements an improvement cycle (PDCA) with the aim of visualizing the security measures status across the entire Kurita Group and continuously strengthening the security measures.

🕒 Organizing and Operating CSIRT (Computer Security Incident Response Team)

Although the Kurita Group endeavors to prevent security accidents, it considers that it is impossible to implement perfect measures. Thus, the Kurita Group has organized CSIRT, an organization for taking prompt and appropriate actions in the event of a security accident as well as enhancing the organization's capability to respond and recover. CSIRT is considered to pertain to business continuity, so it is positioned as a part of BCM system. CSIRT consists of a wide range of members including those from departments in charge of information security, as well as public relations, sales, management planning, accounting, and legal affairs. This organization prepares an operation manual that describes ramifications of security accidents and actions to be taken for

them, provides training based on the manual, and works to enhance such activities through information sharing with CSIRTs of other companies. In the event of a security accident, we will take necessary actions across the Group, which will not be limited to finding the cause and implementing measures, but depending on the condition, will include reporting to customers and announcing facts to stakeholders. In the fiscal year ended March 2025, our overseas group companies also established CSIRT frameworks and conducted training exercises. Moving forward, we will continue the training and conduct security risk assessments, measures, and implementations throughout the entire Kurita Group.



Efforts to Sustainability

Solve Issues Related to Water Resources

Basic Concept

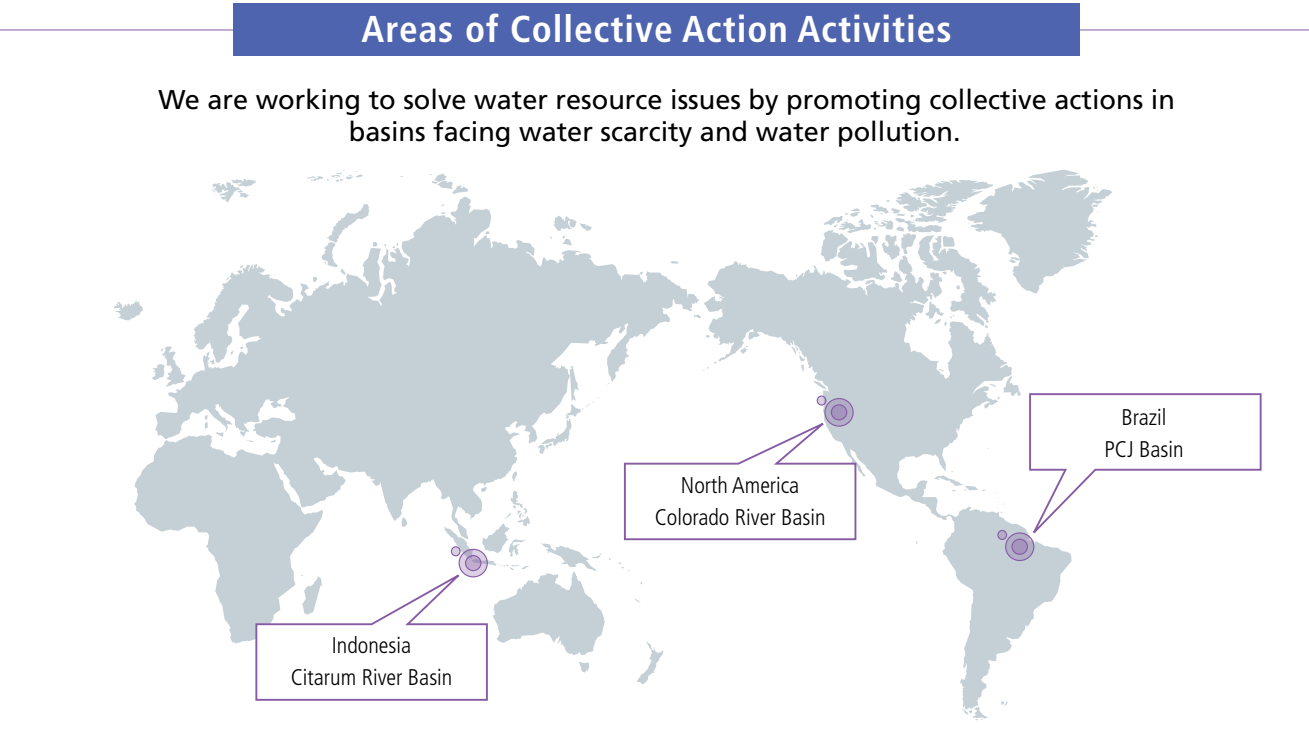
Since its founding in 1949, the Kurita Group has been broadly involved in water processes across many industries founded in its corporate philosophy to: "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony." Over those 75 years, we have tapped into these diverse points of contact to gain extensive water knowledge. We aim to solve these water resource issues by tackling problems related to the quantity, quality, and accessibility of water by providing solutions that harness the knowledge of water. These efforts done in cooperation with various organizations address problems from shortages caused by water bias and pollution brought on by industrial development to various public health issues. The Kurita Group will always strive to ensure a proper water cycle as an ecosystem service.

Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results in FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Solve issues related to water resources				
Total number of basins where collective actions are implemented (and total population in the basins)*	3 basins, 93 million people	Achieved (3 basins, 93 million people)	4 basins	5 basins
Rate of reduction of water withdrawal intensity (compared to FY 03/2023, excluding the ultrapure water supply business)	21%	Achieved (21%)	27%	Meet or exceed 30%
Number of individuals, organizations and groups we engage with to raise awareness on water resources	Meet or exceed the previous year	Achieved (Meet or exceed the previous year)	Meet or exceed the previous year	Meet or exceed the previous year

* The Board of Directors approved at its meeting removing total populations from collective basin actions to target only the basins beginning the fiscal year ending March 31, 2026. The goal of this change is to more properly reflect the impact that the Kurita Group has through collective action.

Total Number of Basins Where Collective Actions are Implemented and Total Population in the Basins



The Kurita Group engages in collective actions through cooperation with various international initiatives. This includes our participation in the Water Resilience Coalition (WRC)*¹ since the fiscal year ended March 31, 2021 and the Alliance for Water Stewardship (AWS)*² since July 2024. In the fiscal year ended March 31, 2025, collective actions continued to tackle issues at three basins: the Colorado River Basin in the United States, the PCJ Basin in Brazil, and the Citarum River Basin in Indonesia. These initiatives achieved our target to participate in collective actions at a total of three basins. We took on problems in the Colorado River Basin in the United States, the PCJ Basin in Brazil, and the Citarum River Basin in Indonesia during this fiscal year. Our initiatives to help solve water resource issues in the Colorado River and PCJ Basins

*¹ The CEO Water Mandate launched the WRC as one initiative of the United Nations Global Compact. The WRC is an international industry-driven initiative striving to recover water-stressed basins worldwide to preserve as freshwater resources. (<https://ceowatermandate.org/resilience/>)
*² The AWS is an international initiative that encourages companies to properly use and manage water from basins in order to achieve a water cycle that ensures sustainable water resources. (<https://a4ws.org/>)

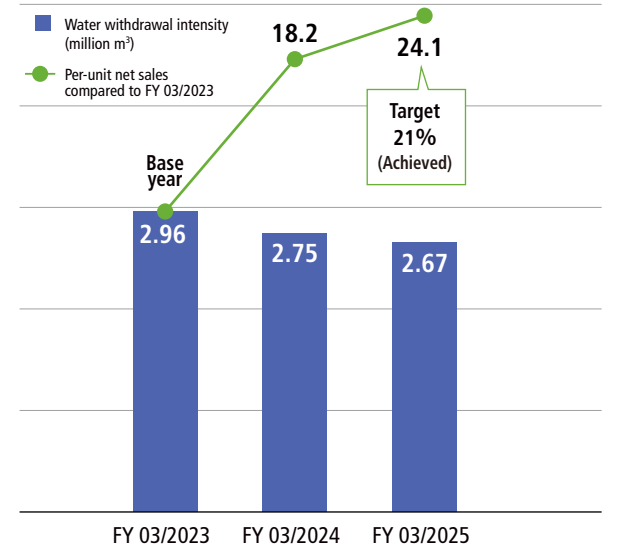
Rate of Reduction of Water Withdrawal Intensity

The Kurita Group strives to reduce the water withdrawal intensity of its business activities in order to improve our water-use efficiency, reduce our environmental impact, and lower costs. To promote strategic initiatives that are effective, we evaluated nature-related risks according to the geographical location of our operating bases. A quantitative evaluation does just that by assessing the impacts on and risk to natural capital. These results helped us select 43 sites for initiatives to reduce our environmental impact. The selection process considers the production volume, net sales, total floor space, and the other unique traits of each site. Aspects highly relevant to water use gave us the basic parameters to set specific annual targets in efforts to reduce our water withdrawal intensity. The Kurita Group achieved its water use efficiency target, achieving a result of 24.1% in the fiscal year ended March 31, 2025. This is due to higher net sales versus our water withdrawal intensity, and the Kurita Group Innovation Hub increased its water recycling rate as a research and development center. Moreover, our Group companies with manufacturing capabilities also used water much more efficiently.

*The calculation to obtain our water withdrawal intensity is (Group-wide water withdrawal – water supply intake) ÷ (net sales of consolidated Group companies – net water supply sales).

broadened these collective actions. These initiatives were done through the Impact Together campaign, which launched in the fiscal year ended March 31, 2023. This campaign takes a two-pronged approach as a total conservation initiative for water basins. The first helps lower water consumption by offering customers with sites in these basins more effective solutions to save water. The second subsidizes initiatives to preserve the water resources in these basins by allocating funds equivalent to the expected water savings. Our collective action in the Citarum River Basin constructed a water treatment facility for residential use. The new system is helping to eliminate pollution in the basins as a solution to water and sanitation issues.

Changes in water withdrawal intensity and per-unit net sales compared to the fiscal year ended March 31, 2023, excluding the ultrapure water supply business

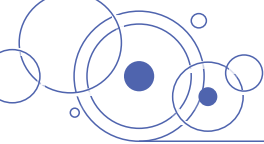


Number of Individuals, Organizations and Groups We Engage with to Raise Awareness on Water Resources

The Kurita Group aims to engage in effective and sustainable initiatives to solve water resource issues. For this reason, our stakeholder engagement efforts focus on cultivating greater interest in water resources. Throughout the fiscal year ended March 31, 2025, we have introduced our customers, business partners, and all other stakeholders to our water initiatives. Sustainability briefings focused on shareholders and other investors. Corporate citizenship activities got employees involved in action. Field trips and other outings provided

community outreach. These efforts helped us successfully reach our target to meet or exceed year-on-year stakeholder engagement. The Company will not only continue these engagement initiatives but has also become a member of the Japan Water Stewardship (JWS) to help promote the AWS throughout Japan. We hope this opens up avenues for new opportunities to raise awareness about water resource conservation.

For more information, please refer to the following page.
<https://www.kurita-water.com/en/sustainability/materiality/water.html>



Efforts to Sustainability

Contribute to the Realization of a Decarbonized Society

Basic Concept

The Kurita Group views climate change issues, including extreme weather events and natural disasters caused by global warming, as a major global social challenge, and will contribute to the realization of a decarbonized society throughout the entire supply chain by developing and providing solutions that contribute to the reduction of GHG

emissions in the industry and society, and by implementing low-carbon business activities.
Regarding our efforts to address climate change issues, we disclose information on our response to climate change based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)*.

*Task force on climate-related financial disclosures established to examine how climate-related information should be disclosed, and how financial institutions should respond. The task force recommends companies disclose items related to climate change-related risks and opportunities. The task force dissolved in October 2023, and its supervisory function for the corporate climate change-related disclosure was taken over by the International Sustainability Standards Board (ISSB).

Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results in FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028	Target for FY ending March 31, 2031	Target for FY ending March 31, 2051
Contribute to the Realization of a Decarbonized Society						
Rate of reduction in Scope 1+2 emissions (compared to FY 03/2020)	50%	Achieved (50.2%)	52%	73%	80%	Net-Zero
Rate of reduction Scope 3 emissions (compared to FY 03/2020)	14%	Achieved (5.3%)	17%	22%	30%	Net-Zero

The Kurita Group strives to reduce its Scope 1, 2, and 3 greenhouse gas emissions in line with the Paris Agreement, based on our long-term goal of achieving "net-zero" greenhouse gas emissions. This target was set according to the methodology of the SBTi* and certified by the SBTi in April 2025 as a science-based target. In the baseline fiscal year

ended March 31, 2020, Scope 1 + 2 emissions accounted for approximately 1.4% of Kurita Group greenhouse gas emissions, while Scope 3 emissions accounted for approximately 98.6%. This means that reducing our Scope 3 emissions is key to tackling climate change for the Kurita Group.

*An initiative that encourages companies to set greenhouse gas emission reduction targets in line with scientific knowledge, with the goal of limiting global average temperature rises due to climate change to 1.5°C compared to pre-industrial levels.

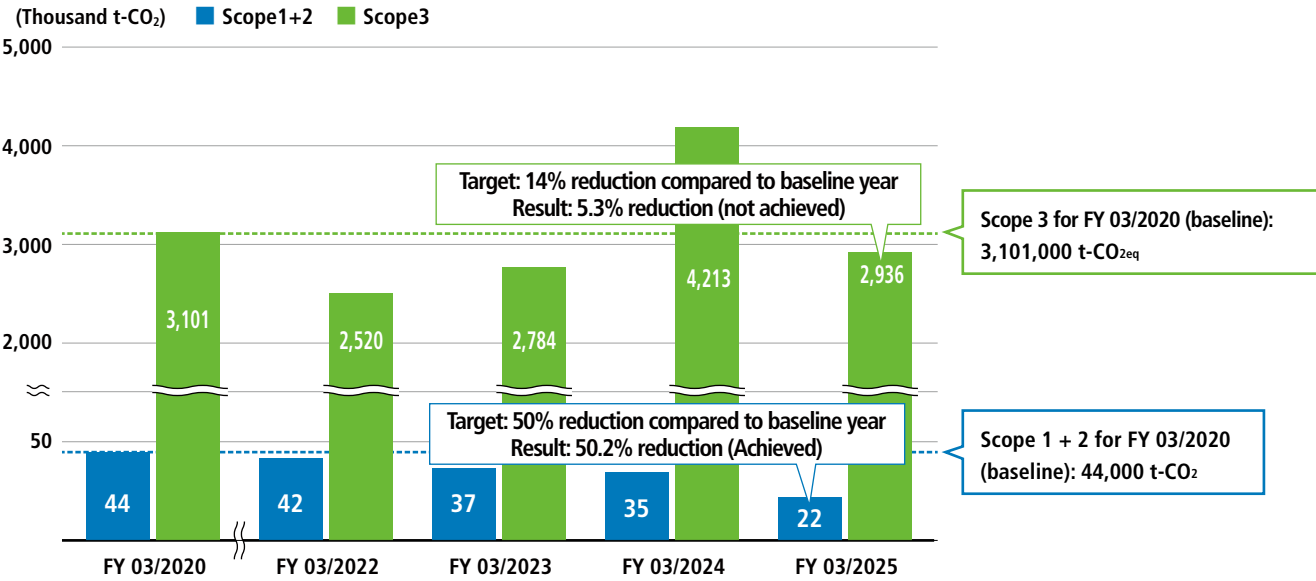
Type	Scope of calculation areas
Scope1	- Fossil fuel combustion for energy use - Fuels used by company-owned vehicles Activities included: Fuels used in company-owned vehicles on public roads and company-owned vehicles used exclusively on premises Activities not included: Fuels used for personal cars, rental cars used temporarily, and loaner cars used for car inspections, etc.
Scope2	Use of externally purchased electricity, heat, etc
Scope3	- Applicable categories: 1, 2, 3, 4, 5, 6, 7, 9, 11, 12, and 13 *It should be noted that 1, 4, and 9 are calculated collectively, not individually. - Non-applicable categories: 8 (Not calculated as it has been included in Scope 1 and 2) 10 (Not applicable as there is no processing of sold products) 14 (Not applicable as there are no franchises) 15 (Not applicable as there are no applicable investments.)

Rate of Reduction in Scope 1+2 and Scope 3 Emissions

The Kurita Group actively promotes the adoption of renewable energy in order to reduce Scope 2 emissions (those caused by power generation), which account for the majority of our Scope 1 + 2 greenhouse gas emissions. Our primary effort for reducing Scope 1 emissions is switching our company cars from gasoline-powered vehicles to hybrid and electric vehicles. In the fiscal year ended March 31, 2025, we successfully reduced our Scope 1 + 2 emissions to 50.2% of the baseline fiscal year ended March 31, 2020. This was achieved with the renewable energy we adopted during the previous fiscal year and renewable energy certificates.
58.5% of our Scope 3 emissions are Category 11 greenhouse gas emissions caused by the use of products that we sell (mostly rotary machinery such as pumps used for transporting water). In the fiscal year ended March 31, 2025, we worked to reduce our Category 11 and 13 greenhouse gas emissions. We did so by improving the design efficiency of water treatment facilities and the development and adoption of low-carbon technology for water treatment membranes, which account for about 60% of our power consumption.

These efforts were promoted in conjunction with stakeholders in Japan and overseas, and have led to technical innovations for promoting low-carbon products.
We also reviewed the actual operation data of water treatment facilities and the adoption of renewable energy by our customers. This enabled us to reflect actual power consumption and greenhouse gas emissions in our performance data.
On the other hand, our Category 11 greenhouse gas emissions caused by the use of products that we sell increased. This was due to the extra procurement of pumps in order to deliver more water treatment facilities. Therefore, our Scope 3 rate of reduction stagnated at 5.3% compared to the fiscal year ended March 31, 2020. Moving ahead, we will continue to promote the adoption of low-carbon technologies in order to reduce Scope 3 emissions. We will also strive to improve our emission calculation methods by utilizing actual operation data and information on the renewable energy adopted by our customers.

Changes in Scope 1 + 2 and Scope 3 GHG emissions*



* The actual figures were revised as of September 2025, primarily due to the inclusion of companies that newly began environmental improvement activities, as well as changes in calculation methods and errors in aggregation.

For more information, please refer to the following page.
<https://www.kurita-water.com/en/sustainability/materiality/decarbonized-society.html>

Efforts to Sustainability

Contribute to the Realization of a Decarbonized Society

Initiatives Based on Opportunities and Risks

Based on the two scenarios (1.5°C and 4°C)^{*1} described in IPCC RCP1.9 and IPCC RCP8.5, etc. the Kurita Group, and it is evaluating the risks and opportunities by two axes of "probability" and "impact" for short-term, medium-term and long-term^{*2}, and has formulated the measures of the Kurita Group. We are also evaluating the financial impacts on our business for some of them

Type	Risks and Opportunities		Time horizon	Financial Impact/Measures
Policy and Legal	Risk	Introduction or increase of carbon tax.	Med to long term	<Financial Impact (As FY 03/2051)> 1.5°C : 2.2 billion yen^{*3}. 4°C : None. <Measures> - Scope 1+2 : By the fiscal year ending March 31, 2031, an estimated cost of approximately 0.8 billion yen will be invested, and reduce emissions by 80% compared to the base year through the adoption of renewable energy, purchase of renewable energy certificates, introduction of electric and hybrid vehicles, etc. - Scope 3: Reduce emissions by 30% compared the baseline year by the fiscal year ending March 31, 2031 through the promotion of CSV business^{*4}, procurement of low-carbon raw materials, etc.
	Risk	Regulations for products and services with high GHG emissions.	Med to long term	
	Opportunity	Dissemination of supportive policy incentives to the conversion to energy with low GHG emissions.	Med to long term	
Technology	Risk / Opportunity	Substitution of existing products and services with lower emissions options.	Short to long term	<Measures> - Decarbonize products and services through the use of digital technologies, design reforms, etc. - Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric hybrid vehicles, etc. - Develop and expand CSV busines that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture and utilization, battery-related technologies, etc.
Market	Risk	Decreased demand from fossil fuel-related sector.	Med to long term	<Measures> Shift business toward developing and expanding CSV business that contribute to the decarbonization of products and services through digital technologies as well as design and other reforms, in addition to energy and resource recovery, exhaust gas processing, CO₂ capture and utilization, battery-related technologies, etc.
	Risk	Soaring costs of material and energy. .	Med to long term	
	Opportunity	Increased demand in the electronic industry due to the acceleration of DX.	Med to long term	
Physical Risks	Risk	Increased factory shutdowns and construction delays due to extreme weather events such as cyclones and floods.	Short to long term	<Financial Impact> 1.5°C and 4°C : About 15.7 billion yen/year at domestic production bases where risks are identified. <Measures> - About 14 million yen has been invested to install waterstops at one site. - Continuous strengthening of business continuity in preparation for natural disasters such as flood control.
	Opportunity	Increased operating rate of cooling equipment.	Short to long term	
Resource Efficiency	Opportunity	Dissemination of efficient production and distribution processes.	Short to long term	<Measures> - Decarbonize products and services through the use of digital technologies, design reforms, etc. - Develop and expand CSV business that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture, battery related technologies, etc. - Purchase renewable energy certificates for sites that have relatively low GHG emissions.
	Opportunity	Reduction of water usage.	Short to long term	
Energy Source	Opportunity	Dissemination of energy with low GHG emissions.	Short to long term	
	Opportunity	Conversion to distributed energy resources.	Short to long term	
Products and Services	Opportunity	Increased demand for products and services with low GHG emissions.	Short to long term	<Financial Impact After FY ending March 31,2028)> 1.5°C : About 630 billion yen/year^{*5}. 4°C : None. <Measures> - Decarbonize products and services through the use of digital technologies, design reforms, etc. - Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric and hybrid vehicles, etc. - Develop and expand CSV business that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture, battery-related technologies, etc.
	Opportunity	Increasing diverse technical needs for reducing GHG emissions.	Short to long term	
Resilience	Risk/ Opportunity	Substitution and diversification of fuel and water resources.	Short to long term	<Measures> - Decarbonize products and services through the use of digital technologies, design reforms, etc. - Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric and hybrid vehicles, etc. - Develop and expand CSV business that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture, batteryrelated technologies, etc.

^{*1} One scenario has a 1.5°C temperature rise from the pre-industrial level, and the other scenario has the highest temperature rise predicted by the Intergovernmental Panel on Climate Change.

^{*2} The short term is 1-3 years, the medium term is 3-5 years, and the long term is 5-25 years.

^{*3} (Scope 1 and 2 + Scope 3 category 1 in the business operation area) x (Carbon price in the business operation area) estimated based on the FY 03/2051 forecast.

^{*4} This estimate calculates the Serviceable Available Market (SAM) for new CSV business that contribute to GHG emission reductions.

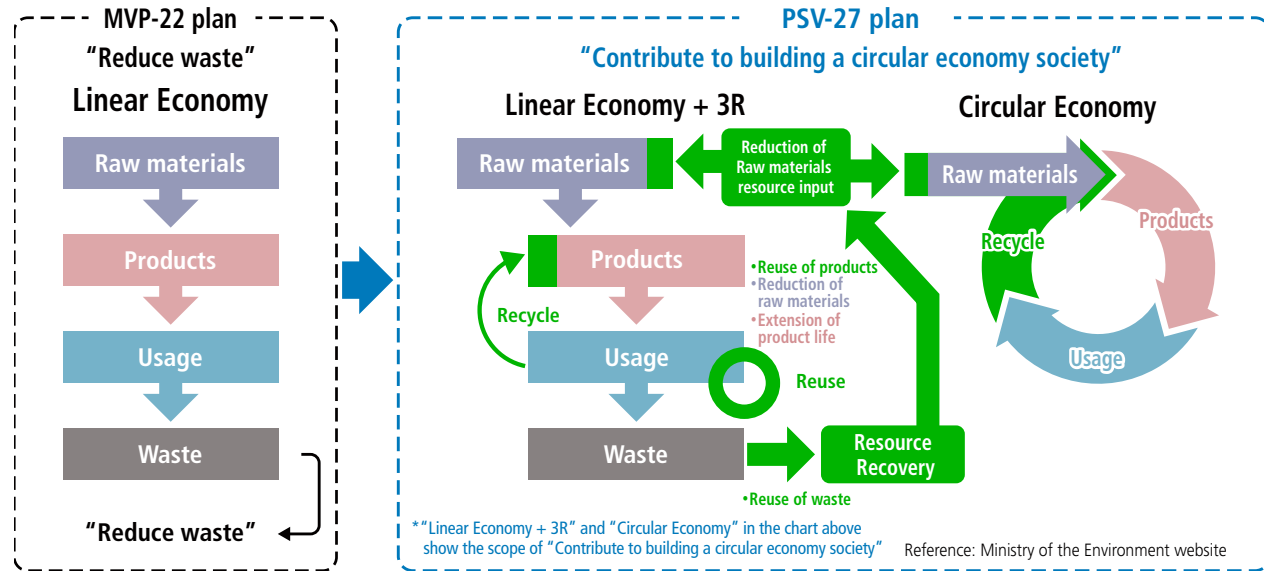
Efforts to Sustainability

Contribute to Building a Circular Economy Society

Basic Concept

Faced with global environmental problems, such as the depletion of resources and environmental pollution caused by waste, the Kurita Group develops and provides products and services that optimize the effective use and reuse of limited resources and renewable resources. This enables us to contribute to building sustainable industries and society. These efforts also allow us to prevent the loss of nature and help restore ecosystems.

In our previous medium-term management plan (MVP-22), we set the reduction of waste in a linear economy as one of our materiality targets. However, in our current medium-term management plan (PSV-27), we aim for a circular economy. This involves resource recovery and the reduction of resource inputs by utilizing water-related technologies and other expertise, such as technologies for reducing or recycling the waste that occurs in water treatment.



Materiality Initiative Targets and Achievement

Metrics	Target for FY ended March 31, 2025	Results in FY ended March 31, 2025	Target for FY ending March 31, 2026	Target for FY ending March 31, 2028
Contribute to building a circular economy society				
In-house waste recycling rate	Meet or exceed the previous year	Achieved	Meet or exceed the previous year	Meet or exceed the previous year

In-house Waste Recycling Rate

The Kurita Group continually strives to improve the waste recycling rate at our business sites in order to reduce the environmental impact of our business activities. We conducted a nature-related risk assessment based on the geographical location of our operation sites, as well as a quantitative assessment of our impacts and risks regarding natural capital. This enabled us to identify 43 priority sites for reducing our environmental impact in order to effectively and strategically promote such efforts. We are always working to reduce waste and improve recycling rates according to intensity targets based on the unique characteristics of each site. These targets are based on indicators that are highly correlated with waste volume, such as production amounts, net sales, and total floor area. In the fiscal year ended March 31, 2025, we were able to achieve our targets, outperforming our results of the previous year. This was due to business expansion at our sites with high rates of recycling, which did lead to more waste but also a higher rate of recycling. We were also able to reduce waste at Kurita Group companies that produce a large amount of waste.

For more information, please refer to the following page.
<https://www.kurita-water.com/en/sustainability/materiality/circular-economy.html>



Efforts to Sustainability **Nature Positive**

Basic Concept

The Kurita Group aims to achieve a nature-positive impact by striving to conserve natural capital and maintain appropriate water environments as ecosystem services. Natural capital provides us with the ecosystem services that make our corporate business activities possible. From a sustainability standpoint, natural capital, such as the atmosphere, land, fresh water, and oceans, is critical to maintaining these ecosystem services. However, corporate business activities have a give-and-take relationship with nature. While corporate businesses are supported by ecosystem services, these business activities have a certain adverse impact on natural capital. The Kurita Group is highly aware of this relationship. That is why we conducted an assessment of our dependencies and impacts on natural capital as well as nature-related risks in the fiscal year ended March 31, 2025 using the LEAP (Locate, Evaluate, Assess,

Prepare) approach recommended by the TNFD*. We then selected priority sites that are particularly important from the perspective of environmental conservation. In addition, the Kurita Group has strengthened its cooperation with the Water Resilience Coalition (WRC), the Alliance for Water Stewardship (AWS), and other international initiatives that it takes part in. We are also engaging in on-site activities and taking collective action based on the Net Positive Water Impact (NPWI) guidance and AWS standard. The Kurita Group leverages the knowledge and practical capabilities accumulated through these activities to further strengthen initiatives at its own sites related to natural capital, as well as to support customer companies in reducing their environmental impact. Through these efforts, we aim to contribute to the realization of sustainability and a nature-positive outcome across the entire value chain.

*The Taskforce on Nature-related Financial Disclosures (TNFD) was established to explore how to disclose nature-related information and how financial institutions should respond. It recommends that companies disclose information on risks and opportunities related to biodiversity and natural capital.



Initiatives Based on the LEAP Approach

In the fiscal year ended March 31, 2025, we conducted assessments based on the LEAP approach in order to identify nature-related dependencies, impacts, risks, and opportunities. We discovered that our business significantly impacts water use and water quality in certain basins. This analysis reaffirmed the importance of our stance on providing products and services to our customers, as well as our efforts to conserve water resources at our business sites, our collaboration with

international initiatives, and our corporate citizenship activities. We plan to continue and enhance these activities in a strategic manner. Although we do not currently plan on rebuilding our business strategy based on the results of these assessments, we will reflect the results in our strategy formulation and decision-making. We hope that this will allow us to have a greater focus on our relationship with natural capital in our business activities.

Risk and Impact Management

This process involves qualitative and quantitative analysis, combining multiple external tools and original methodologies

tailored to the features of each business and business site, the natural capital used, and local ecological risks.

Identify the dependencies and impacts of each business category and customer industries

We divided the business activities of the Kurita Group into four sectors*: facility business, chemical business, recurring contract-based services in the Electronics Industry segment, and other environment-related businesses. We then assessed the nature-related dependencies and impacts of each sector.

The assessment of our ecosystem service dependencies found that the level of dependency in all items of all sectors were limited to a low to medium level. The assessment of our impact on nature found that our facility business, chemical business, recurring contract-based services in the Electronics

Industry segment, and other environment-related businesses have a high to very high impact on the natural environment in terms of water use, use of land-based ecosystems, greenhouse gas emissions, water pollutants, and soil pollutants, as indicated in the table below. We assessed the nature-related dependencies and impacts of the sectors our customers are involved in that have relatively high water use. These include

electronics, paper/pulp, oil refining/petrochemicals, steel, automobiles, and food/drink. We found that many of these sectors are highly dependent on nature, or highly impact it, in terms of water use, water pollution, greenhouse gas emissions, and waste.

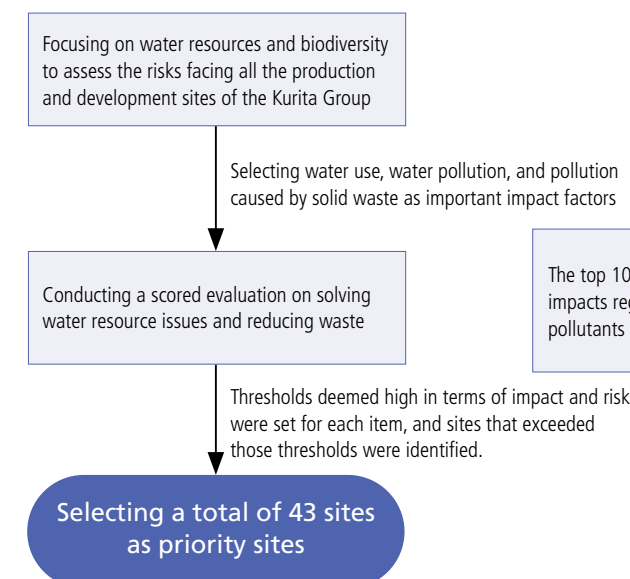
* These sector categories are based on the Global Industry Classification Standard (GICS) formulated by MSCI and S&P Dow Jones Indices.

Identification of priority sites and basins

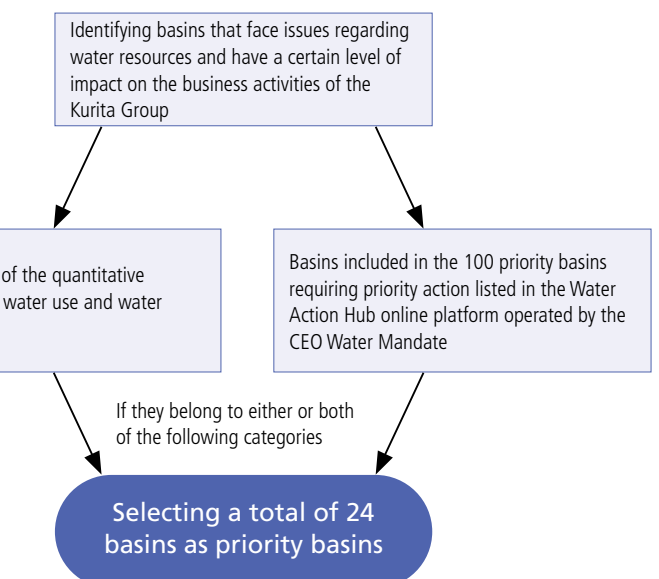
Based on the results of identifying the dependencies and impacts of each business category and customer industries, we select a total of 43 sites as priority sites on which to focus our efforts. Solve issues related to water resources is one shared value theme of the materiality at the Kurita Group. In order to

promote environmental conservation activities in basins related to our business sites, we have selected 24 priority basins. These basins have been designated as candidates for collective action.

Identification of Priority Sites



Identification of Priority Basins



Contribution to natural capital via CSV business

The Kurita Group actively promotes CSV business, which it defines as those pertaining to products, technologies, or business models that can achieve a greater environmental contribution in terms of saving water, reducing greenhouse

gas emissions, and recycling waste into resources or reducing resource inputs. We contribute to the reduction of the environmental impact of our customers by actively promoting our CSV business.

Reduction of environmental impact at the Kurita Group

At the Kurita Innovation Hub, the Kurita Group research and development center, we promote activities for achieving a Zero Water Building, which involves returning to the groundwater an amount of water equal to that which we intake. The hub has adopted an advanced wastewater recovery system, which minimizes water intake by promoting the recovery and reuse

of water. The system also collects rainwater in louvers on the outside of the building to replenish groundwater via infiltration storage tanks, which ensures that the water intake intensity is less than or equal to the amount of groundwater that is replenished.

For more information, please refer to the following page.

https://www.kurita-water.com/en/sustainability/assets/pdf/tnfd_E_2025.pdf

Round Table Discussion between the Chairperson of the Board of Directors and External Directors

Basic Concept

The Kurita Group corporate philosophy of "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony" means that we aim to widely contribute to society via business activities in the field of water and the environment. We respect the rights and positions of various stakeholders, including our customers, business

partners, employees, shareholders, and local communities. We also aim to meet their expectations while ensuring continuous growth and improving our corporate value in the medium to long term. That is why we strive to establish corporate governance, enabling transparent, fair, swift, and decisive decision-making, as well as the supervision of highly effective management.

Round Table Discussion between the Chairperson of the Board of Directors and External Directors



Michiya Kadota

Chairperson of the
Board of Directors

Masahiro Miyazaki

External Director and
Chairperson of
Compensation Committee

Mie Matsuo

External Director and
Chairperson of Audit
Committee

Yoshiko Takayama

External Director and
Chairperson of Sustainability
Advisory Council

Kenjiro Kobayashi

External Director and
Chairperson of
Nominating Committee

The Company has built a system for the integrated promotion of management strategy and sustainability by accelerating efforts for corporate governance reforms, including the changes to our organizational design implemented in June 2023. The Board of Directors not only provides systematic supervisory functions, but also functions as a core driver of long-term vision co-creation and strategic investment in intangible assets such as human capital. This discussion focused on business reforms and corporate value creation. The chairperson of the Board of Directors and External Directors discussed relationships with top management and our stance on responsible, future-oriented supervision.

Two-year review of the changes to our organizational design to improve the effectiveness of the board of directors

Prioritization of agenda topics and enhancement of debate

Kadota With the changes to our organizational design and delegation of authority to the executive side, the items to be decided by the Board of Directors have been dramatically narrowed down. As a result, Board of Directors meetings now focus on reports regarding our medium to long-term strategy and progress in the PSV-27 Plan, which has enabled deeper discussion. In May for example, we discussed a share buyback. Not only did we debate whether to go ahead with the acquisition, but we also debated our medium to long-term growth strategy and overall cash allocation.

Miyazaki Most items that do not require a Board of Directors decision by law have been delegated to the executive side. By enhancing the content of preliminary materials distributed before executive reports, we have been able to simplify the main reports and narrow down the agenda for Board of Directors meetings to items that really need to be discussed.



Kobayashi Compared to the time when we were a Company with the Audit & Supervisory Board, the agenda topics are now clearly organized, and we are focused on more essential themes. Although the reduction in agenda topics has led to shorter Board of Directors meetings, we now have more discussion regarding the improvement of our corporate value in the medium to long-term, and the effectiveness of our meetings has dramatically improved.

Takayama In addition to discussions at Board of Directors meetings, our external directors are in charge of meetings for exchanging director opinions, Sustainability Advisory Council meetings, and the administration of the various committees. One of the main characteristics of the Kurita

Group is the wide range of oversight that External Directors have on management, including activities outside the scope of the Board of Directors.

Contribution of external directors to setting the agenda

Kobayashi External Directors contribute to setting the agenda via three main routes. The first is feedback provided in the evaluation of the Board of Directors' effectiveness. The topics that External Directors deem insufficiently discussed are incorporated in the agenda for the next fiscal year. The second is proposals that raised from director's opinion exchange meeting. Issues brought up at these meetings sometimes become official agenda topics. The third is when the chairperson of the Audit Committee attends Executive Committee on the executive side and sets topics upon consulting with the chairperson of the Board of Directors.

Takayama Of the processes for setting the agenda, the prior consultation between the chairperson of the Audit Committee and the chairperson of the Board of Directors is particularly important. We have also established a Board of Directors culture where External Directors can take the lead to raise medium to long-term non-financial topics, such as sustainability, at Board of Directors meetings.



Matsuo As the chairperson of the Audit Committee, I contribute to actively setting the agenda by monitoring the status of Executive Committee on the executive side. I believe that this mechanism enables us to increase the effectiveness of our supervisory function. Going forward, I will make the most of the knowledge I have gained thus far to maximize this function.

Long-term steering and management supervision

Reduction of Information Asymmetry

Kadota We require business execution reports to be more than simple progress reports. They must also describe future scenarios and recognize issues. Reports from a business-wide perspective that transcend the boundary of individual fields are also important for deepening External Director's understanding and raising the quality of our decision-

making. To reduce the asymmetry of information between External Directors and the executive side, I strive to ask relevant questions based on my experience on the executive side, thereby bridging the gap in discussions.

Miyazaki Business execution reports are the foundation of the supervision and advice provided by External Directors. Where necessary, we also receive explanations outside the

Discussion between the Chairperson of the Board of Directors and External Directors

Board of Directors meeting to gain insight into situations. The fact that the chairperson of the Board of Directors is originally from within the company and serves on the non-executive side means that he can provide constructive dialogue, which is a significant advantage.

Search for future vision regarding a pioneering "New Value for Water"

Kadota One of the functions of our Board of Directors is steering the company according to the basic policies determined by management. We are now considering the future of the Kurita Group in the year 2050. In addition to Board of Directors meetings, we provide various other opportunities for ongoing debate with the executive side about our future vision, such as Sustainability Advisory Council meetings and meetings for exchanging director opinions. I would particularly like to have a candid, two-way dialogue on how we can improve our current business structure, so that we can develop a more specific and executable vision.

Kobayashi External Directors are discussing our future vision for the PSV-27 Plan and beyond, specifically whether we should continue to focus on the "water" business domain or expand into other related domains. The ideas gained there have been presented to the executive side, and I understand that a two-way investigation is underway.



Takayama In terms of progress in the PSV-27 Plan, we are focusing on further growth in CSV business across the General Industry segment and the EP+ module business in the Electronics Industry segment. We are currently in discussions with the executive side on where to seek growth in the fields of existing and new business, in the PSV-27 Plan and beyond.

Miyazaki Personally, I do not feel that there is a large discrepancy between our current business model and our future vision. Instead, I believe we need continuous advancement and enhancement, particularly for our recurring water supply business.

Promotion of long-term strategy debate and enhancement of monitoring

Takayama Sustainability Advisory Council meetings, which are attended by External Directors, the chairperson, and the president, are for discussing the future direction of the Kurita Group. Meetings for exchanging director opinions are also an opportunity for external and internal directors to debate the future of our businesses from a long-term

perspective. In sessions attended only by External Directors, we exchange opinions regarding the supervisory function of the executive side and the topics debated at Board of Directors meetings. When necessary, we also invite Secretariats and the top management of overseas subsidiaries, which enables us to strive to reduce the asymmetry of information.

Kobayashi At meetings for exchanging opinions, we have deep discussions regarding the future business environment and other prerequisites, based on talks by external experts in the field of sustainability and materials provided by Secretariats.

Matsuo A diverse range of perspectives is essential for building a future vision. It would be good if we could enhance our system to enable the opinions of on-site employees to also be collected, in addition to the knowledge of external directors.

Miyazaki I believe it is important to consider whether a short to medium-term strategy has been built via backcasting from our future vision. We take care to ensure long-term monitoring, so that the executive side is not overly focused on short-term results.

Matsuo As far as monitoring goes, I believe it is important for the Audit Committee to play its role effectively. As the chairperson of the Audit Committee, I primarily serve in two roles. The first is to audit from the perspective of efficiency, the performance evaluation of management. Given that the Board of Directors is composed of external directors with diverse backgrounds, it is important that the Board of Directors appropriately monitors management to enhance corporate value. The Audit Committee also audits the quality of discussions at Board of Director and the operation of the Nominating and Compensation Committees. The second is auditing to ensure the legality corporate operations. The Internal Auditing Department and the Risk Management Department coordinate to confirm that there are no issues with internal controls. Strengthening our global governance, including that at overseas subsidiaries, will be a particularly important topic going forward.



Board of directors' perspective on growth investment and cash allocation

Kobayashi We engaged in lively discussion regarding a share buyback, including debate on the balance between growth investment and shareholder return, as well as our choices regarding M&A and capital investment. We decided on a share buyback due to limited investment

opportunities with short-term promise. However, we will continue to consider growth investments, such as M&A, in parallel with this.

Takayama The use of cash is an important topic at Board of Directors meetings. We made the decision regarding the share buyback upon debating how the capital market would react. I believe that the decision was appropriate in such an environment, given the limited opportunities for short-term

Consolidation of sustainability strategy and management strategy

Promotion of sustainability and investment in human capital to support business reforms

Takayama Because the business of the Kurita Group is creating value by solving environmental and social issues, promoting sustainable management directly aligns with our growth strategy. Investment in human capital is essential. We have an urgent need to hire diverse human resources around the world and cultivate global human resources in Japan. We need to create a system for sharing our values and fostering a sense of unity across the Kurita Group.

Kobayashi Inside the Kurita Group, we are becoming aware that our environmentally-focused business models, such as CSV business, are contributing both financially and non-financially. Our employees are also realizing that their work contributes to promoting sustainability, which is helping to encourage management reforms.

Matsuo As companies with diverse backgrounds join the Kurita Group via M&A, it is more important than ever that we share our philosophy and values. As chairperson of the Audit Committee, I focus on striking a good balance between group-wide unification and on-site autonomy, based on the belief that "we have no business without integrity."

Miyazaki The development of human resources requires the establishment of systems, but reforms to our corporate culture itself are also essential. I hope that we can promote a transition to the next stage of growth by fostering an environment where diverse human resources can take on challenges and by supporting both "prudence" and "boldness" at the same time.

Sustainability measures and future cash flow

Takayama At the Company, External Directors monitor the process for building and implementing a management strategy, but also actively contribute to creating a framework for our long-term direction. I believe this is an advantage of our Board of Directors. To identify whether sustainability measures contribute to our future cash flow, we need to confirm that they are compatible with our long-term strategy.

Miyazaki We are quantitatively and qualitatively monitoring whether our sustainability measures are compatible with our corporate philosophy and whether our investments in human capital and intellectual capital will lead to future returns. This allows us to link non-financial measures with our future financial performance.

Kadota Initiatives regarding sustainability are not

investment, all things considered.

Miyazaki In terms of growth investment, we still tend to prioritize cost-consciousness in the fields at the foundation of business transformation, such as human resources and DX. We need proactive decision-making on the investments we require with a focus on improving our corporate value in the medium to long-term, rather than short-term performance.

immediately reflected in our performance. I hope that we can place importance on continuing these efforts with a belief in value creation in the medium to long term.

How we support, evaluate, and compensate management for taking risks

Miyazaki We are actively discussing the risk-taking required for the next stage of growth at Board of Directors meetings. Investment in human resources and DX is directly related to transforming our corporate culture, but it will take time for results to be seen. I believe that we have room to review our evaluation and remuneration methods to reward steady efforts that are not well reflected in numeric targets.

Kobayashi We have delegated authority to the executive side for investments below a certain amount, and encourage risk-taking in new fields. As globalization proceeds, more of our top management will be citizens of other countries. We will therefore need to create a unified evaluation and remuneration system to apply across the Kurita Group.

Matsuo I believe that clarifying KPIs and evaluation systems has the power to change behavior. Establishing a common global evaluation system that includes non-financial KPIs will surely help transform our corporate culture.

Kadota I think it is important that we foster a culture of correctly evaluating risks. For example, establishing an evaluation system that rewards efforts for future growth, even at the cost of short-term profit, will be essential for creating corporate value in the long term. The Board of Directors will continue to support risk-taking with a long-term perspective.



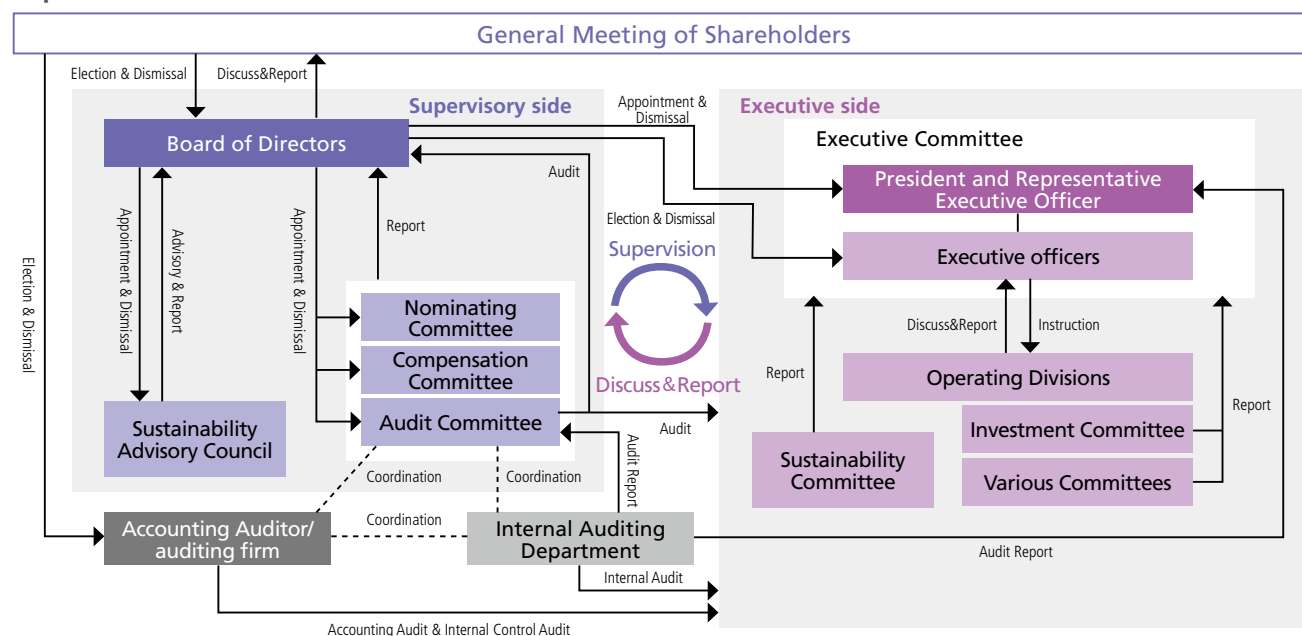
Corporate Governance Structure

Corporate Governance Structure

Kurita Water Industries has recently transitioned to an organization with a nominating committee for the purpose of establishing a more effective and transparent corporate governance system by strengthening management supervision and business execution functions in order to further enhance the Group's sustainable growth and corporate value. Through a system that clearly separates management supervision and execution, the company focuses on supervision based on the perspectives of various stakeholders in management supervision, while in

management execution, the company utilizes the knowledge and appropriate monitoring functions of the supervisory side to make decisions on business execution. In addition, to enhance and strengthen the review process for investments and loans within our group, we have established an investment committee that conducts evaluations of proposals for investments and loans submitted to the Board of Directors or the Executive Committee.

Corporate Governance Structure

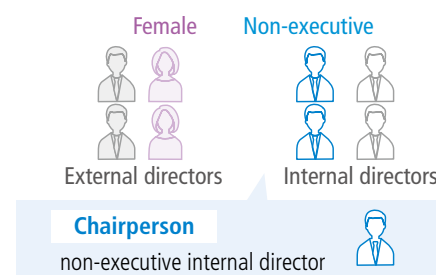
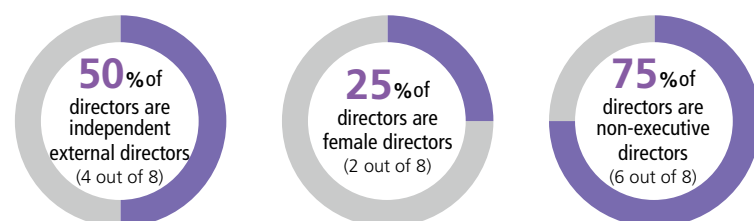


Structure of the Board of Directors

To fulfill the highly effective supervisory function over operational execution, the Board of Directors will consist of personnel with the necessary knowledge, experience and competence, taking into consideration gender and diversity. With regard to this knowledge, experience and competence, the Company will identify skills regarding corporate management, management planning and other aspects of corporate governance and management, skills required to realize the direction sought by the Kurita Group of leveraging diversity to deepen water knowledge and using water knowledge to create social value, and necessary skills, etc., for realizing the Corporate Philosophy. The Board of Directors as a whole will be organized in a way that complements the above.

With respect to the number of independent external directors, the Company, as a company listed on the Prime Market, will continue to consider appointing a sufficient number of such directors by taking a comprehensive perspective based on the operating environment and the skills matrix. The Directors and the Executive Officers shall mutually exchange information with independent External Directors and promote the shared understanding of the execution of operations, using opportunities such as the Board of Directors and other individual meetings. The exchange of information and shared understanding will enable independent External Directors to fulfill their roles and responsibilities.

Board of Directors(8)



Skills Matrix

Skills are defined as the knowledge, experience, and ability required to achieve our corporate philosophy, based on the Value Creation Story of the Kurita Group and the management strategies outlined in our medium-term management plan. Skills can be broadly divided into two categories: basic skills required for governance and skills required for achieving the Kurita Group management vision.

The Kurita Group refers to our idea of leveraging diversity*, including that of our human resources, to cultivate water knowledge that can be used to provide solutions in order to create shared value with society. In addition, skills have been revised, including a change from "Environment" to "Sustainability" in June 2025.

Skills and Reason for Selection

High-level concepts	Skills	Reason for Selection
Corporate governance and management	Corporate management/ Corporate planning Finance and accounting Legal and HR management	These are regarded as the skills, knowledge, and experience that provide a foundation for conducting management oversight.
Leveraging diversity ▼ Making full use of water knowledge ▼ Creating social value	Human rights	In developing its business globally, the Kurita Group encounters diverse working environments, business customs, and trading practices, and there is a need to engage in business activities while respecting the human rights of stakeholders. To this end, the Group has defined a basic materiality theme as "Conduct business activities respecting human rights." The Group is promoting initiatives to ensure respect for the human rights of employees, suppliers and other stakeholders in the countries and regions where it conducts business. The Group also recognizes the importance of leveraging diversity in human resources as a foundation for innovation and as a source of value creation leading to sustainable growth. "Human rights" has thus been selected as a skill category for Board oversight of management due to its importance as a management issue.
	Global management	To accelerate global business development, the Kurita Group is working to speed up the development of products and services tailored to local and regional market characteristics. The category "Global" represents a level of international experience and understanding of these regions and countries. We see it as one of the essential elements in cultivating the "diverse points of contact with sites" that constitute a source of the Group's competitive advantage. "Nominating Committee" has been selected as a skill category for Board oversight of management because we consider a deep knowledge of global markets as essential for developing business globally and increasing corporate value.
	Understanding and solving issues on site	The Kurita Group delivers solutions addressing water-related issues at the sites of various customers worldwide. At "diverse points of contact with sites," we engage seriously with customers' issues, utilizing our "water knowledge" in the form of accumulated information and data to create proprietary and innovative solutions. We see this as the source of shared value creation with customers and society. This area has been selected as a skill category for Board oversight of management because we value having a deep understanding of the points of contact with customer sites as a source of value creation, alongside extensive experience of addressing such issues.
	R&D, technology, and engineering	The Kurita Group combines technology and expertise acquired from various business domains to create new products, services, and technologies. Amid significant recent changes in the external environment, we consider ensuring customer business continuity to be one area where we can provide added value. Accordingly, we have reviewed our methods of product, service, and technology delivery and the procurement and production set-up to improve our cost competitiveness and production capacity. Because we see strengthening of development, technology, and production as a key platform for creating and providing solutions, this area has been selected as a skill category for Board oversight of management.
	Digital transformation	The Kurita Group aims to achieve DX by utilizing digital technology to change business processes and to transform business models. "DX" has been selected as a skill category for Board oversight of management since we consider it a priority for the deployment of digital tools, AI, and IoT, and for the utilization of information and data collected from diverse customer sites as "water knowledge," resulting in creation of innovative shared value with customers and society.
	Sustainability	The Kurita Group's corporate vision for 2030 is "Pioneering 'new value for water' to contribute to the realization of a sustainable society." We consider that corporate activities are positioned in the natural environment and social system, and we are aiming to achieve sustainable growth based on the interaction of them, with sustainability underpinning our management. The key issues for achieving this vision are set forth in the "Kurita Group's Materiality," which comprises three shared value themes chosen from global issues related to sustainability: "Solve issues related to water resources," "Contribute to the realization of a decarbonized society" and "Contribute to building a circular economy society," and five basic themes that support efforts to achieve them: "Develop and disseminate innovative products, technologies, and business models," "Strategic development and utilization of human resources," "Provide highly safe and quality products and services," "Conduct business activities respecting human rights" and "Conduct fair business activities." With indices and targets set, we are working on these themes. "Sustainability" is a core of the Group's management and has been selected as a skill category for Board oversight of management.

* The "diversity" means the variety of elements that form "diverse points of contact with sites" that are the source of the Kurita Group's competitiveness, such as contact points with customers, business fields, business development areas / countries, and technology fields, in addition to human resources.

Corporate Governance Structure

Skills Matrix of Directors

Name	Corporate governance and management			Leveraging diversity ▶ Making full use of water knowledge ▶ Creating social value					
	Corporate management Corporate planning	Finance and accounting	Legal and HR management	Human rights	Global management	Understanding and solving issues on site	R&D, technology, and engineering	Digital transformation	Sustainability
Michiya Kadota	●	●	●	●	●	●			●
Hirohiko Ejiri	●			●	●	●	●	●	●
Shuji Shirode	●	●			●				●
Norikazu Kachi	●	●			●				
Kenjiro Kobayashi (external)	●	●			●				
Masahiro Miyazaki (external)	●	●	●		●	●		●	
Yoshiko Takayama (external)	●	●		●	●				●
Mie Matsuo (external)	●	●			●			●	

Skills that a director is particularly proficient in are indicated with a ●.

Timeline of Corporate Governance Improvements

Kurita Water Industries has sought to develop its governance structure to ensure that it fulfills its social obligations as a global enterprise while continuing to grow. Going forward, to ensure the Board of Directors can maintain the highest

level of functionality, the Group will seek to build an optimized corporate governance set-up by reinforcing governance through appropriate review and adjustment.

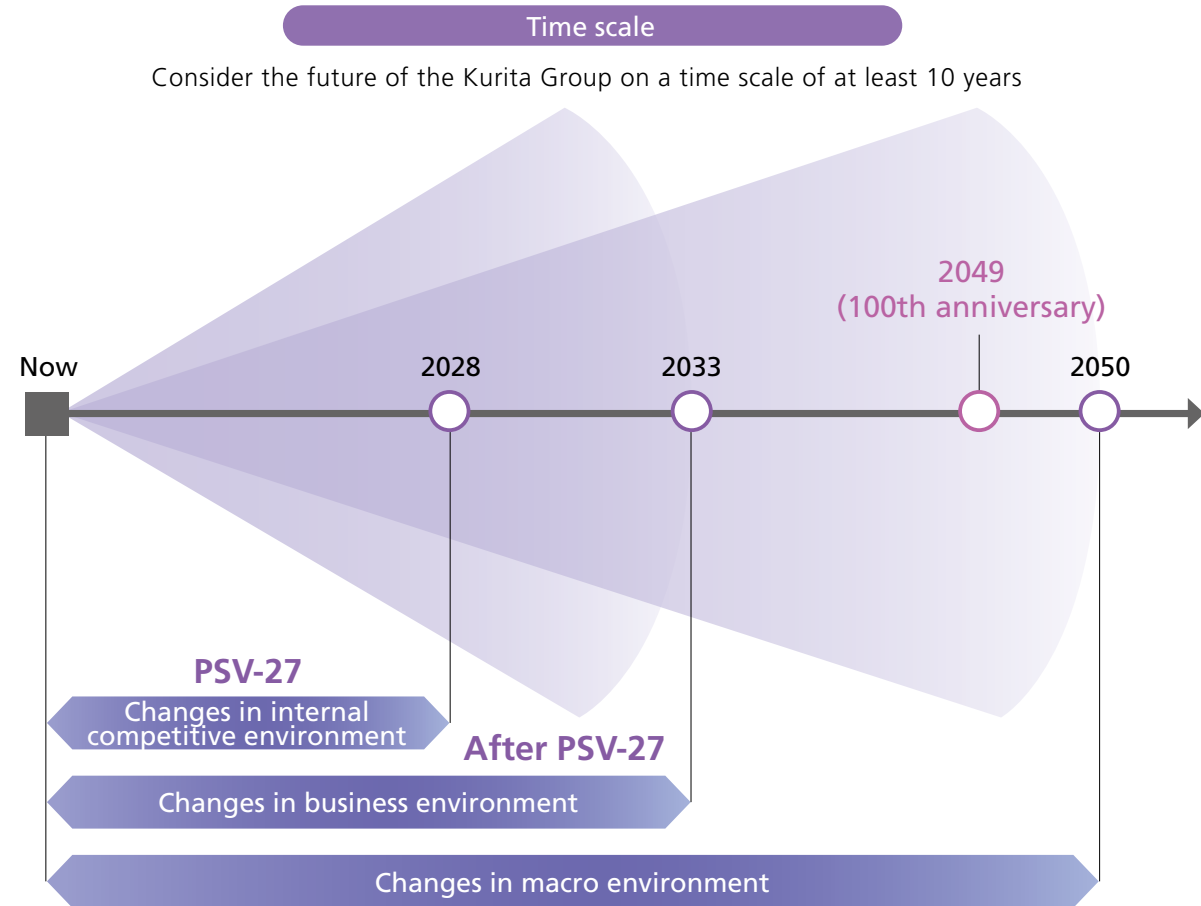
	To March 2018	MVP-22 April 2018 — March 2023	PSV-27 From April 2023
Organizational design			● Transition in June 2023 Company with a Nominating Committee, etc., system
Corporate governance structure	● 2006 Introduced the corporate officer system	● 2019 Established the Successor Planning Committee ● 2014 Appointed an independent external director ● 2014 Reduced the term of office of directors from two years to one year ● 2016 Established Nomination & Remuneration Advisory Council ● 2016 Started evaluating the effectiveness of the Board of Directors ● 2018 Appointed a female external director ● 2018 Established the Investment Committee	Nominating Committee Establishment of the Audit Committee Establishment of the Sustainability Advisory Council
Remuneration system	● 2009 Abolished the retirement benefit system for directors	● 2017 Increased the proportion of remuneration linked to consolidated results performance and introduced a performance-linked stock compensation program ● 2019 Revised the remuneration system for corporate officers ● 2022 Tried reflecting non-financial indicators in performance evaluation standards	Establishment of the Compensation Committee ● From April 2023 Inclusion of non-financial indicators and TSR outcomes in performance evaluation standards for executive officers and corporate officers ● From June 2025 Added the plan achievement rate of CSV business sales as a evaluation indicator for executive officers and corporate officers

* Fiscal years ended March 31

The Board of Directors

Discussion at Board of Directors Meetings

The role of the Board of Directors is to consider the future of the Kurita Group from a medium to long-term perspective. It does so by deciding on the major direction of the Company, with a focus on deciding basic execution policy. It also provides objective supervision via the nomination of Executive Officers including the President, and allows top management to assist appropriate risk-taking.



Main topics discussed in the fiscal year ended March 31, 2025

- Matters reserved for decision by the Board of Directors according to internal rules and the law, including the nomination of the management team
- Discussion and deliberation on the long-term direction of the Kurita Group
- Monitoring of progress in key measures for achieving the PSV-27 Plan
- Evaluation of the effectiveness of the Board of Directors and follow-up discussion
- Confirmation of decisions/reports made at Nomination Committee, Audit Committee, Compensation Committee, and Sustainability Advisory Council
- Revisions to basic policy for internal control system architecture and corporate governance policy

Status of Board of Directors Meetings in the Fiscal Year Ended March 31, 2025

Number of meetings	16 times per year (including regular meetings held every month except August, extra quarterly meetings, and meetings held in written form)
Comparison of regular Board of Directors operations with previous fiscal year	
Number of topics discussed	105 (15 less than the previous fiscal year)
Total deliberation hours	25 hours and 31 minutes (3 hours and 57 minutes longer than the previous fiscal year)
Deliberation hours per meeting	Approx. 1 hour and 42 minutes (15 minutes shorter than the previous fiscal year)
Deliberation hours per topic	Approx. 15 minutes (1 minute longer than the previous fiscal year)

The Board of Directors

Evaluation method

The Board of Directors analyzes and evaluates its effectiveness every year in order to ful~fill its expected roles and functions more effectively.

The evaluation is carried out via a written survey with each of the respondents identified. Following a discussion using

the aggregated results, the Board of Directors evaluates its effectiveness, identifies problems, and establishes future policies and measures. These matters are then adopted by a resolution of the Board. The survey is revised each fiscal year based on the results of the previous year's survey.

Method	Self-evaluation. First a signed questionnaire is completed by each respondent, followed by a personal hearing to complement the questionnaire response. The Board of Directors examines and discusses the findings to assess their own effectiveness and identify potential issues, in order to determine the tasks and actions to be undertaken in the future.	
Evaluation items	1) Roles and responsibilities of the Board of Directors 2) Size and composition of the Board of Directors 3) Operation of the Board of Directors 4) Compositions, roles, and statuses of operation of committees	5) Framework to assist external directors to perform their duties 6) Relationship and interactions with stakeholders 7) Overall evaluation
Evaluation period	12 months from April 2024 to March 2025	

Status of initiatives in the fiscal year ended march 31, 2025

We implemented the following initiatives in response to the issues brought up in the evaluation result for the fiscal year ended March 31, 2024, which stated "The Kurita Group's long-term direction needs to be more clearly defined from the perspectives of diverse stakeholders, so as to ensure an appropriate supervision of growth strategies taken by the executive team."

- We held workshops with external experts to deepen our understanding of global trends in the water business, and discussed business opportunities for the Kurita Group at Board of Directors meetings.
- We incorporated opinions from customers, employees, business partners, and local communities, as well as expectations for the Kurita Group in periodic reports from the executive side. This enabled us to better understand our diverse stakeholders.

- We had our external directors participate in opportunities for direct dialogue with our shareholders and other investors, such as discussions with institutional investors and sustainability briefings. This helped our shareholders and other investors to better understand the Kurita Group.
- The Kurita Group held meetings for directors to exchange opinions in addition to convening Sustainability Committee meetings. These forums gave everyone the chance to discuss the current Kurita Group Philosophy and the business domains in which we aim to provide value in the future. These kinds of meetings will help us achieve our long-term vision.

Evaluation result for the fiscal year ended march 31, 2025

The evaluation results submitted by all the directors were positive, indicating that the Board of Directors remained effective in performing its duties. Discussion on the long-term direction of the Kurita Group and monitoring of the medium-term management plan both proceeded steadily and were found to contribute to improving the effectiveness of the Board of Directors. There was a shared understanding of the need to further strengthen how the Board of Directors oversees individual issues regarding business

transformation. These issues include assistance for risk-taking, business portfolio reviews, and the creation of new businesses via innovation. We also conducted a separate survey to evaluate the supervisory function of the Board of Directors from multiple angles. The survey was given to Executive and Corporate Officers (at the level of Executive General Manager or higher), and the results agreed that the supervision of the Board of Directors is functioning effectively.

The Board of Directors / Other Initiatives

Policy for the fiscal year ending march 31, 2026

As we enter the latter half of the PSV-27 Plan, we must further focus on achieving the goals of the plan while also keeping an eye on our long-term vision, which is taking shape this fiscal year. We must also strongly encourage the reforms required to achieve our plans.

Measures for the fiscal year ending march 31, 2026

- 1) Define the long-term direction of the Kurita Group, including our value proposition and strengths.
- 2) Further enhance our growth strategies and the monitoring of management resource allocation to achieve those strategies, based on the expectations and concerns of our shareholders and investors. This will help us achieve the PSV-27 Plan, which is the foundation of our long-term vision.

☉ Efforts to Further Enhance Discussion at Board of Directors Meetings and Other Meetings

The Kurita Group strives to promote a richer dialogue to enhance discussion at meetings such as Board of Directors meetings by holding extra workshops and meetings for exchanging director opinions. In the fiscal year ended March 31, 2025, we held a workshop for understanding global

trends in the water business, as well as meetings for exchanging opinions on the long-term direction of the Kurita Group. These efforts increased the effectiveness of discussion at Board of Directors meetings.



☉ Strategic Shareholdings

The Kurita Group holds strategic shares of other listed companies in order to strengthen business relationships. We verify the economic rationale for these shareholdings and examine the relationships we have with the companies in

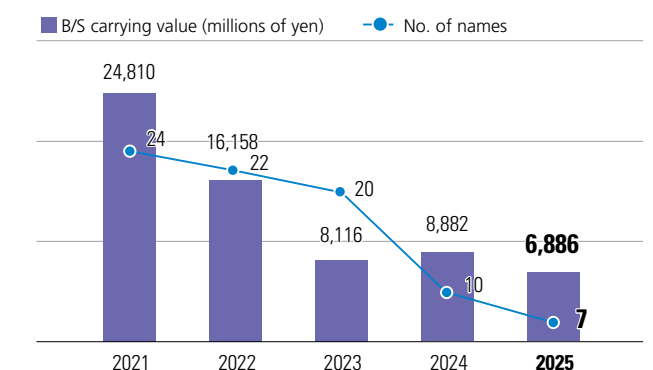
which we hold shares by reviewing our business records. The Board of Directors reviews the appropriateness of our shareholdings periodically, or when deemed suitable, and works to reduce these shareholdings in the future.

【Shareholding Policy】

- The Kurita Group may hold strategic shares of other listed companies in order to strengthen business relationships
- We aim to minimize the risk of shareholdings, review the suitability of individual strategic shareholdings at Board of Director meetings, and strive to reduce our shareholdings as a result of such reviews
- We exercise voting rights on each proposal in regard to how it contributes to the medium to long-term corporate value of the Kurita Group and the companies we hold shares in
- We do not impede the sale of Kurita Group shares if a strategic shareholder expresses their intent to sell

Size of Cross-Shareholdings* Portfolio

(As of March 31)



* Note: Investment equity securities held for purposes other than pure investment (excluding unlisted equity securities)

Nomination Committee



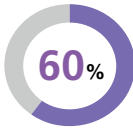
Highly transparent president and executive officer successor selection process and highly effective development plan

Report

Nominating Committee Chairperson

Kenjiro Kobayashi

In the fiscal year ended March 31, 2025, the Nominating Committee fulfilled its responsibilities via various efforts. These efforts include revising the director nomination policy and skill matrix, deliberating and deciding the suitability of the current presidents and executive officers, as well as the plan for the selection and development of executive officer successor candidates. The committee also worked on the initiative for developing up-and-coming human resources for management positions, which started during the last fiscal year. This involved checking the results of dispatching first cohort students to overseas business schools, as well as the selection of second cohort students and the destination business schools for those students. The committee also deliberated, approved, and provided assistance on the measures for the next fiscal year.

Members		Ratio of External Directors	Achievements
Chairperson	Kenjiro Kobayashi (External Director)		Number of meetings ----- 9 (from April 2024 to March 2025)
Committee Members	Masahiro Miyazaki (External Director)		
	Yoshiko Takayama (External Director)		
	Michiya Kadota (Director and Chairman)		
	Hirohiko Ejiri (Director)		

Role

- Decide proposals to be submitted to the General Meeting of Shareholders regarding the election and dismissal of directors
- Decide candidates and plans for president and executive officer succession
- Discuss and recommend nominations of candidates for president and executive officer succession

1)Policies and procedures for nominating directors

The process of selecting candidates for external and other directors is designed to give due consideration to diversity while creating a system of management oversight that enhances corporate value and reflects the perspectives of shareholders and other stakeholders. Nomination of

candidates for director is based on predetermined requirements. The Nominating Committee selects candidates for recommendation to the General Meeting of Shareholders, including a clear rationale for each.

2)Policies and procedures for nominating and appointing/dismissing the President and Executive Officer and other Executive Officer

In appointing the President and Executive Officer and other Executive Officers, the Board of Directors will review the management structure at least once a year so that the administrative structure will create shared value with stakeholders and contribute to the sustainable growth of the Kurita Group. The Board of Directors will nominate candidates for the President and Executive Officer and other Executive Officers, and decisions on the

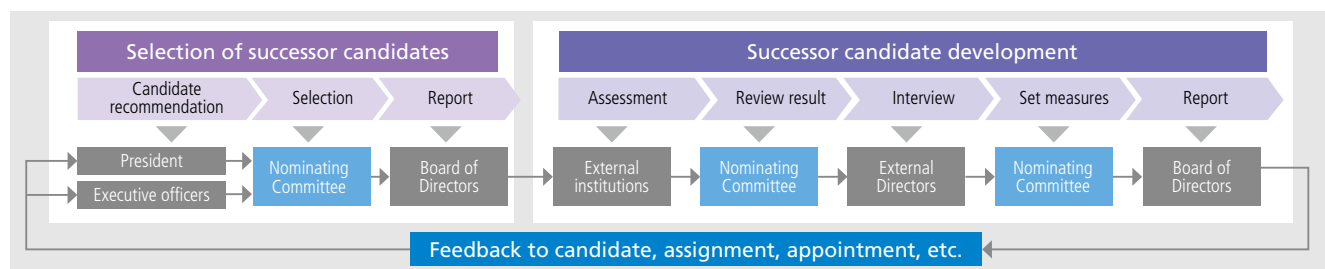
selection and dismissal of the President and Executive Officer and the appointment and removal of Executive Officers are made by the Board of Directors based on reports from the Nominating Committee. The Nominating Committee will also review the status of business execution twice a year, and deliberate on whether it is appropriate to continue with the position of President and CEO, and report the results to the Board of Directors.

3)Candidate selection and policy for President succession

The Nominating Committee will deliberate on requirements for the President and Executive Officer in light of the aims of the Company and specific management strategies and then report the results to the Board of Directors. The Nominating Committee will select multiple candidates for the successor to the President and Executive Officer and develop succession planning measures based on requirements set forth by the Board of Directors. The

Board of Directors will regularly confirm the selection of candidates for the successor to the President and Executive Officer, development of the succession planning measures, and its progress based on reports from the Nominating Committee. The successor candidates are selected and trained through an objective and transparent process complemented by inputs from an external body concerning assessment of each candidate.

Succession Planning Flowchart (President/Executive Officers)



Compensation Committee



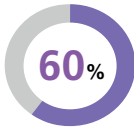
Remuneration to effectively boost motivation in order to improve corporate value

Report

Compensation Committee Chairperson

Masahiro Miyazaki

In the fiscal year ended March 31, 2025, the Compensation Committee determined the individual remuneration for directors and executive officers and verified and provided advice on the suitability of individual remuneration for executive officers. The committee also deliberated on the method for reviewing remuneration standards for executive officers, by obtaining and studying benchmark data and formulating guidelines for the fixed remuneration standards based on the positioning of the Kurita Group in financial data. Based on these efforts, the committee provided advice on revising internal rules for executive officer remuneration and internal rules on corporate officer remuneration.

Members		Ratio of External Directors	Achievements
Chairperson	Masahiro Miyazaki (External Director)		Number of meetings ----- 6 (March 2024 to March 2025)
Committee Members	Yoshiko Takayama (External Director)		
	Mie Matsuo (External Director)		
	Michiya Kadota (Director and Chairman)		
	Hirohiko Ejiri (Director)		

Role

- Decide individual remuneration for directors and executive officers
- Decide policies for deciding individual remuneration for directors and executive officers, as well as performance evaluations for individual executive officers

Basic policy on determining remuneration for Directors and Executive Officers

Basic Policy	Objectives of the basic policy
1. The remuneration paid to directors and executive officers is designed to attract and retain talented people with diverse skills, experience, etc., to help realize the corporate philosophy.	The basic policy is to establish a structure and level of remuneration that enables us to secure excellent personnel capable of supervising and executing the management of the Company in order to realize its corporate philosophy.
2. The Company intends that remuneration be linked to business performance and medium- to long-term corporate value in order to function as a sound incentive for sustainable growth.	The remuneration system shall function as a sound incentive for sustainable growth, taking into account the enhancement of corporate value from a long-term perspective and the accommodation of expectations and requests from shareholders and other stakeholders.
3. The decision-making process of remuneration shall be highly transparent so that the objectivity of remuneration decisions will be ensured.	In addition to establishing a periodic remuneration level check process that refers to external remuneration data, the remuneration determination process shall be highly objective and transparent in compliance with the companies act and other laws and regulations pertaining to remuneration for directors and executive officers.

The policies relating to remuneration amounts and calculation methods for directors and executive officers are determined for each position in line with the Group's relevant basic remuneration policy.

With the aim of increasing the objectivity and transparency of related decision-making processes, the structure and levels of remuneration for directors and executive officers as well as the performance evaluation of executive officers are determined by the Compensation Committee, with related status updates promptly reported to the Board of Directors.

1) Director remuneration system

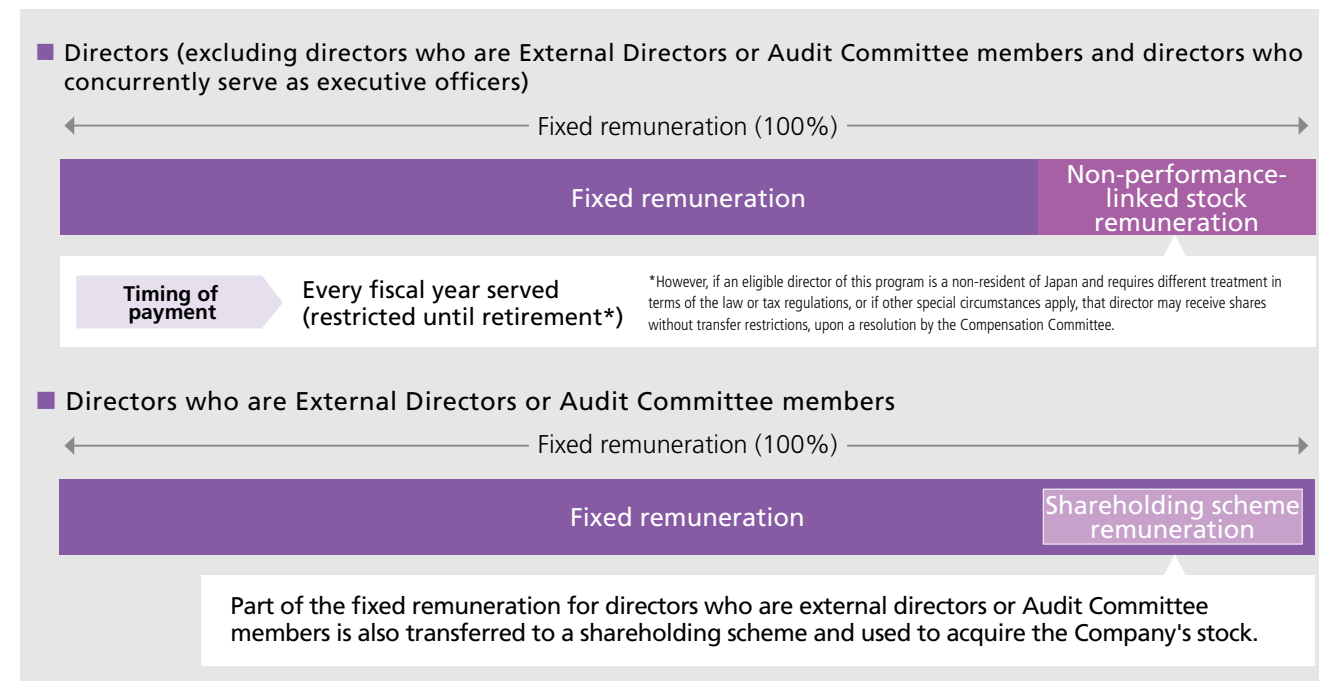
We have adopted a fixed remuneration system for all our directors, excluding those who concurrently serve as executive officers, to ensure that these directors can focus on supervision. The fixed remuneration for directors, excluding directors who are external directors or Audit Committee members, is a fixed sum based on the position of each director. Part of the fixed remuneration is non-performance-linked stock compensation, to ensure that directors share the risk of share price fluctuations with

shareholders. The non-performance-linked stock compensation system assigns points to directors, who are then provided with restricted stock equivalent to the number of points they have. Part of the fixed remuneration for directors who are external directors or Audit Committee members is also transferred to a shareholding scheme and used to acquire Kurita Group stock, ensuring that these directors share the risk of share price fluctuations with shareholders.

Compensation Committee

If a director resigns or is dismissed due to a violation of the law or damages to the Kurita Group, or a director is deemed by the Remuneration Committee to have committed a serious violation against the Kurita Group, that director will

lose all the points they have accumulated for non-performance-linked stock remuneration and the Kurita Group will take back the stock given to the director, without compensation.



2) Remuneration system for executive Officers

Remuneration of executive officers is composed of a base remuneration based on job position plus a performance-linked portion split into short-term and long-term incentive components.

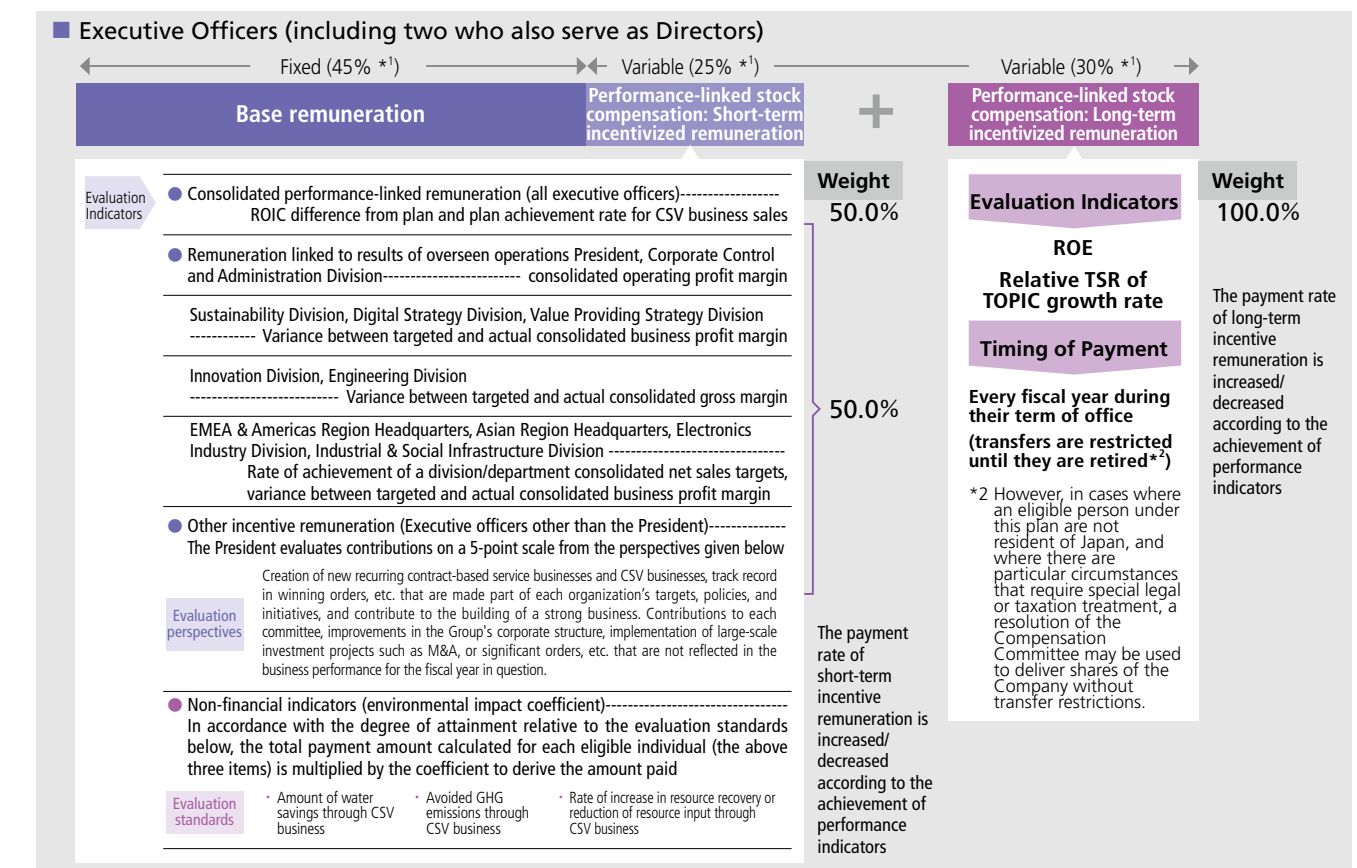
The performance-linked remuneration that forms short-term incentive is divided into multiple parts, where one part is linked to the overall consolidated performance of the Group, another is linked to the outcome of the business unit under the recipient officer's supervision, and the remaining parts are linked to other contributing factors including environmental impact coefficients. The performance indicator used for the remuneration linked to consolidated performance is the difference in return on invested capital (ROIC) to plan, as well as the rate of achieving plan for CSV business sales. To determine the amount of the remuneration part linked to the outcome of the business unit under the recipient officer's supervision, the applied performance indicators include the difference between the planned target of the consolidated overall operating profit margin and its actual result and also the difference between the planned target of the consolidated business profit of the business unit under his or her supervision and its actual result. For the remuneration parts related to other contributing factors, we apply the implementation record of large investment projects, e.g. strengthening the corporate structure, M&A, etc., which

may not be reflected in the performance for the relevant fiscal year, as the evaluation perspective. We set an environmental impact coefficient that assesses average value of degree of achievement in each indicator of water saving, avoided GHG emissions, and increase in resource recovery or reduction of resource input, through CSV business, with the aim of accelerating business operations with social value as the starting point and enhancing corporate value through the realization of social value. The amount of short-term incentivized remuneration is determined by calculating a variable payment rate from the level of achievement reflected in the performance indicators that are used for determining the remuneration parts linked to consolidated performance, the outcome of the business unit under that officer's supervision and other contributing factors. This calculated payment rate is then multiplied by a couple of coefficients, one of which corresponds to the level of achievement reflected in the environmental impact coefficient and another corresponds to the base amount for the officer's position relating to short-term incentive remuneration, to finally determine the short-term incentive remuneration amount.

The amount of long-term incentivized remuneration uses consolidated return on equity attributable to owners of parent (ROE), and total shareholder return (TSR) as the performance indicators, and is calculated by multiplying a

variable payment rate, that reflects the level of achievement of consolidated ROE, by a couple of coefficients, one of which corresponds to the level of achievement of TSR and another that corresponds to the base amount for that officer's position relating to long-term incentive remuneration, to finally determine the long-term incentivized remuneration amount.

If a director resigns or is dismissed due to a violation of the law or damages to the Kurita Group, or a director is deemed by the Remuneration Committee to have committed a serious violation against the Kurita Group, that director will lose all the points they have accumulated for non-performance-linked stock remuneration and the Kurita Group will take back the stock given to the director, without compensation.



*1 The payment rate is that when the plan by the president is achieved.

Remuneration for each officer category

The information below indicates the total remuneration for each officer category as of the fiscal year ended March 31,

2025 (April 2024 to March 2025), the total remuneration of each type, and the total remuneration of each target officer.

Classification	Total amount (millions of yen)	Total amount by type of remuneration, etc. (millions of yen)			Number of payees
		Base remunerations, etc.	Performance-linked remuneration, etc		
			Short-term incentive remuneration (monetary compensation)	Long-term incentive remuneration (stock compensation)	
Director (excluding external directors)	136	136	—	—	2
Executive officer	604	249	119	235	5
External officer	78	78	—	—	4

*1 The above directors do not include the two directors who concurrently serve as executive officers.

*2 The total remuneration for directors (excluding external directors) includes 78 million yen in fixed remuneration and 57 million yen in non-performance-linked stock remuneration.

Audit Committee Report



Audit on whether management is sufficiently fulfilling its responsibilities from a diverse stakeholder perspective

Report

For the fiscal year ended March 31, 2025, we discussed topics including the formulation of an audit policy and audit plan, the creation of an audit report, the reappointment and remuneration of the Accounting Auditor, and the content of the business report and draft proposals to submit to the General Meeting of Shareholders. We also defined the key items for the audit plan, which include the construction and operation of the internal control system, the Group governance system, and the status of priority measures in the business plan. We then coordinated with the Internal Auditing Department and the Accounting Auditor to conduct an audit. Fifteen meetings were held in the fiscal year ended March 31, 2025, and each meeting had a 100% attendance rate.

Audit Committee Chairperson

Mie Matsuo

Members		Ratio of External Directors	Achievements
Chairperson	Mie Matsuo (External Director)		Number of meetings ----- 15 (from March 2024 to March 2025)
Committee Members	Kenjiro Kobayashi (External Director)		
	Norikazu Kachi (Director)		
Role			
• Audit the execution of director and executive officer duties • Create audit reports • Decide proposals to be submitted to the General Meeting of Shareholders regarding the election, dismissal, and non-reelection of the Accounting Auditor			

1) Audit Committee system

The committee is composed of three members, two of whom are external directors and one of whom is a non-executive director that is well-versed in the businesses of the Kurita Group. At least one member must have sufficient expertise in finance and accounting, and we currently have three such members. The Audit Committee is also required to have a full-time member, and we do currently have one full-time member.

The full-time Audit Committee member attends important meetings such as Executive Committee and Sustainability Committee meetings to audit the execution of duties by executive officers. The full-time member also plays a central role in the auditing of major managing departments and the on-site auditing of offices and Group companies. This enables audits of the overall financial situation of the Kurita Group and the status of operating internal control systems.

The full-time member also shares information with other Audit Committee members at appropriate times. This information includes the status of the important meetings that the member attended, such as Executive Committee meetings, as well as the status and results of auditing and on-site auditing.

The Audit Committee Secretariat has been established to assist the duties of the Audit Committee, and is staffed by dedicated employees. These dedicated employees attend import meetings and on-site audits, as well as meetings for exchanging opinions with the president and representative executive officer and receiving audit results from the Accounting Auditor. When required, the Audit Committee can request staff at the Internal Auditing Department to assist the duties of the Audit Committee. Such staff assist the duties independently of the executive officers.

2) Coordination with the internal auditing department and the accounting auditor

The Audit Committee also receives reports from the Internal Auditing Department on the plans, progress, and results of internal audits, as well as assessments on financial report-related internal control and risk management, and exchanges opinions accordingly. The committee also coordinates with the Accounting Auditor to mutually check audit plans and periodically exchange opinions at meetings where key audit matters (KAM) and accounting audit reports are given.

The Audit Committee also receives reports on quality control systems and their status from the Accounting Auditor, and formulates standards for assessing the independence and professionalism of those reports. The committee then obtains information from executive officers and related internal departments to conduct an overall assessment in order to determine the necessity of the appointment, dismissal, or non-reappointment of the Accounting Auditor.

Sustainability Advisory Council



Supervise sustainability and encourage specific efforts on the executive side

Report

In the fiscal year ended March 31, 2025, the Sustainability Advisory Council discussed a request from the Board of Directors asking us to verify whether sustainability efforts of the Kurita Group are contributing to improving our corporate value via continuous growth from a multi-stakeholder viewpoint and medium to long-term perspective.

Throughout the year, the council aimed to present key topics and items for consideration regarding the long-term direction of the Kurita Group over a time period of at least 10 years, in much the same way as the Board of Directors. Specific efforts include understanding the expectations that the capital market has regarding the Kurita Group, identifying international sustainability trends via dialog with external experts, and discussion regarding the improvement of corporate value. Due to changes in the macro environment,

the council also investigated the value that the Kurita Group should provide in the year 2050, as well as the strengths required to do so, and provided the Board of Directors with two recommendations regarding the next fiscal year.

- Provide the executive side with a more in-depth look at the long-term direction of the Kurita Group as preparation for reconfirming and reviewing the Kurita Group Philosophy and formulating our long-term management strategy
- Request the executive side to provide the supervisory side with the required items to consider and points for debate before the investigation begins in order to ensure that the process for identifying our future materiality complies with international rules

In the fiscal year ending March 31, 2026, the Sustainability Advisory Council will provide the Board of Directors with materials for debate and perspectives to reinforce in order to ensure the continuous creation of both social value and economic value, as the Board of Directors looks to investigate and make decisions on the long-term direction of the Kurita Group. The council will also examine the key points of debate regarding our future materiality in terms of our long-term direction and a medium to long-term and multi-stakeholder perspective.

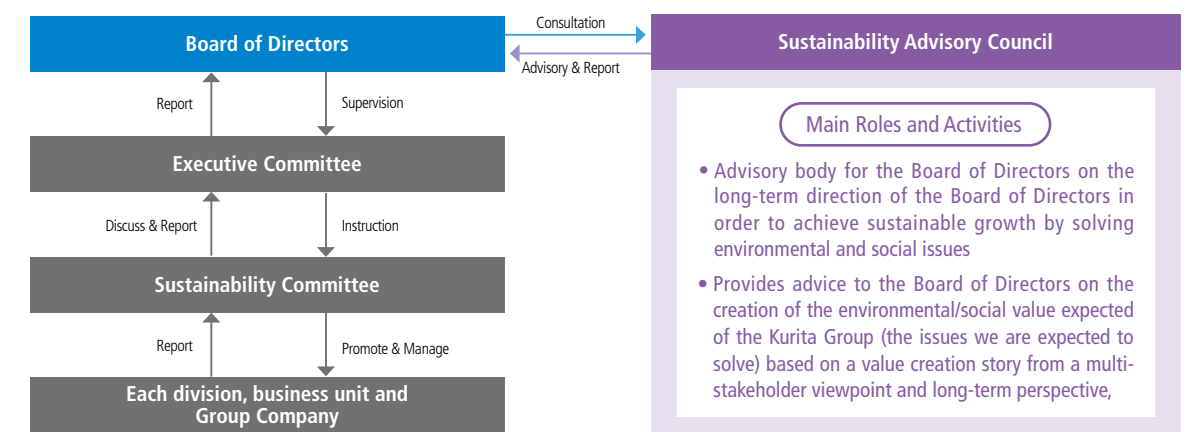
Members		Ratio of External Directors	Achievements
Chairperson	Yoshiko Takayama (External Director)	67%	Number of meetings -----4 (from March 2024 to March 2025)
Committee Members	Masahiro Miyazaki (External Director)		
	Mie Matsuo (External Director)		
	Michiya Kadota (Director and Chairman)		
	Hirohiko Ejiri (Director)		

Sustainability Committee

The Kurita Group promotes efforts regarding key themes of Materiality, and the status of these efforts are in principle reported to the Board of Directors twice a year, after discussion or reporting by the Executive Committee. The Board of Directors oversees the status of our Materiality and the direction of our initiatives from a medium to long-term perspective. It also assists management decisions that contribute to continuously improving our corporate value. We have established the Sustainability Advisory Council to provide advice to the Board of Directors and thereby

complement this supervisory function. The council predominantly consists of external directors. It discusses the vision of sustainable management at the Kurita Group and provides advice and reports to the Board of Directors, based on trends inside and outside Japan, from a multi-stakeholder viewpoint.

The Board of Directors utilizes the expertise of the council to help determine its long-term direction and enhance governance with sustainability at its core.



Directors



Executive Officers and Corporate Officers



3 Katsuya Amano

1 Hirohiko Ejiri

2 Shuji Shiode

4 Kunihiro Kuse

5 Jordi Verdés Prieto

Executive Officers

1 Hirohiko Ejiri

President and Representative Executive Officer

- 1985
Joined Kurita Water Industries Ltd.
- 2005
President of Kurita Europe GmbH
- 2011
General Manager of Sales Dept. for Heavy Industries, Group II, Chemicals Division
- 2013
General Manager of Business Management Dept., Chemicals Division
- 2014
Corporate Officer
Senior General Manager of Sales Group I, Chemicals Division
- 2016
Executive General Manager of Corporate Planning Division Director
- 2018
Executive General Manager of Engineering Division
- 2019
Managing Director
- 2020
Executive General Manager of Engineering Division and Chief Business Officer for Facilities Operation
- 2021
Executive Senior Managing Director and Representative Director
- 2022
Executive General Manager of Japan Sales Business Division and Chief Business Officer for Chemical Operation
- 2023
President and Representative Director
Director, President and Representative Executive Officer (to present)

2 Shuji Shiode

Representative Senior Managing Executive Officer

- 2016
Joined Kurita Water Industries Ltd.
Assistant to General Manager of Administrative Division
- 2018
Corporate Officer
Deputy Executive General Manager of Corporate Planning Division
- 2019
Deputy Executive General Manager of Corporate Control and Administration Division
- 2020
Chief Financial Officer (CFO) (to present)
- 2021
Director (to present)
Executive General Manager of Corporate Control and Administration Division (to present)
- 2023
Managing Executive Officer
- 2025
Representative Senior Managing Executive Officer (to present)

3 Katsuya Amano

Executive officer

- 1992
Joined Kurita Water Industries Ltd.
- 2014
General Manager of Sales Dept. II, Global Business Group, Facilities Division
- 2019
Senior General Manager of Electronics Industries Group, Japan Sales Business Division
- 2021
Corporate Officer
- 2022
Executive General Manager of Engineering Division and Chief Business Officer for Facility Operation Director
- 2023
Executive General Manager of Electronics Industry Division and Chief Business Officer for Electronics Industry (to present)
Executive Officer (to present)

5 Jordi Verdés Prieto

Executive officer

- 2015
Kurita Water Industries Ltd. implemented partial business acquisition of BK Giulini GmbH
Vice President & Business Director of Kurita Europe APW GmbH
- 2016
Integration of two German subsidiaries into Kurita Europe GmbH
Vice President Business of Kurita Europe GmbH
- 2017
Senior Vice President Business of Kurita Europe GmbH
- 2018
Chief Operating Officer (COO) of Kurita Europe GmbH
- 2019
Chief Executive Officer (CEO) of Kurita Europe GmbH
- 2023
Head of West Division, Regional Management Division of Kurita Water Industries Ltd.
Executive Officer of Kurita Water Industries Ltd. (to present)
- 2024
Executive General Manager of West Division of Kurita Water Industries Ltd. (to present)
- 2025
Chief Business Officer for General Industries(to present)

4 Kunihiro Kuse

Executive officer

- 1992
Joined Kurita Water Industries Ltd.
- 2013
General Manager of Engineering Dept. II, Engineering Group, Facilities Production Division
- 2014
General Manager of Engineering Dept. I, Engineering Group, Facilities Production Division
- 2015
Senior General Manager of Global Facilities Group, Facilities Division
- 2017
Senior General Manager of Engineering Group, Global Business Division
- 2018
Corporate Officer
Senior General Manager of Engineering Group, Engineering Division
- 2022
Senior General Manager of Engineering Group I, Engineering Division
- 2023
Executive General Manager of Engineering Division (to present)
Executive Officer (to present)
- 2024
Chief Technology Officer (CTO) (to present)
- 2025
Senior General Manager of Value Engineering Group (to present)

Corporate Officers

Hisashi Tanabe	Executive General Manager of Sustainability Corporate Strategy Division
Yasuko Tanaka	Governance Promotion Department, Sustainability Corporate Strategy Division
Yushi Maeda	Executive General Manager of Digital Strategy Division
Makoto Mizuno	Executive General Manager of Innovation Division
Seiji Ueda	Deputy Executive General Manager of Engineering Division
Hiroyuki Suzuki	Executive General Manager of Value Providing Strategy Division
Takehiro Nozue	Executive General Manager of Asian Regional Management

Eiji Yonese	Head of Japan Region, Asian Regional Management Division
Jiro Tanaka	Head of ASEAN Region, Asian Regional Management Division
Youichi Makise	Senior General Manager of Digital Industry Group, Electronics Industry Division
Chikamasa Ando	Senior General Manager of Global Advanced Group, Electronics Industry Division
Yuichiro Wada	Supervising the construction of production systems for the electronics business in Europe and the United States Executive Vice President of Microelectronics, Kurita America Inc.
Hiroyoshi Tamai	Executive General Manager of Industrial & Social Infrastructure Division



11-Year Data and Digest

(Fiscal years ended March 31)

(Millions of yen)

When two item names appear, the left represents Japanese GAAP and the right represents IFRS.	Japanese GAAP				IFRS						
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Medium-Term Management Plan	TA-14	CK-17			MVP-22					PSV-27	
Financial Data											
Net sales	189,398	214,372	214,187	236,815	257,331	264,807	267,749	288,207	344,608	384,825	408,888
Japan	150,291	150,495	149,988	158,232	161,212	161,699	161,371	159,365	178,488	198,367	196,627
Asia	32,061	37,778	39,899	48,911	66,520	52,509	48,535	58,032	76,669	85,927	99,637
North & South America	5,488	5,401	4,526	8,320	8,300	31,465	39,160	46,351	59,931	62,566	74,129
EMEA	1,557	20,698	19,774	21,350	21,297	19,132	18,681	24,457	29,517	37,965	38,494
Operating income/Business profit* ¹	19,435	19,833	19,452	22,475	25,667	26,654	29,470	32,944	38,589	42,055	49,184
Operating income margin/Business profit margin	10.3%	9.3%	9.1%	9.5%	10.0%	10.1%	11.0%	11.4%	11.2%	10.9%	12.0%
ROIC* ²	—	—	—	—	6.8%	6.6%	6.7%	7.1%	8.0%	7.2%	8.8%
Net income attributable to owners of parent / Profit attributable to owners of parent	10,434	12,577	14,506	17,897	12,050	18,287	19,088	18,471	20,134	29,189	20,305
ROE	4.7%	5.6%	6.4%	7.7%	5.1%	7.6%	7.7%	7.0%	7.1%	9.3%	6.1%
Capital expenditures (Property, plant and equipment* ³)	8,489	18,818	9,289	20,070	40,004	31,729	32,647	66,422	46,629	38,916	52,311
Depreciation (Property, plant and equipment* ³)	14,378	13,409	13,248	13,507	15,588	15,804	17,900	20,079	25,796	28,278	31,291
R&D expenses	4,397	5,269	5,038	5,258	5,490	5,693	5,317	5,386	6,344	7,412	8,095
Earnings per share	87.81	108.24	125.23	159.37	107.33	162.86	169.94	164.38	179.14	259.70	180.66
Dividend per share (yen)	46.00	48.00	50.00	52.00	54.00	62.00	66.00	72.00	78.00	84.00	92.00
Dividend payout ratio	52.4%	44.3%	39.9%	32.6%	50.3%	38.1%	38.8%	43.8%	43.5%	32.3%	50.9%
Fiscal year-end stock price (yen)	2,905	2,567	2,693	3,375	2,827	2,498	4,745	4,545	6,040	6,301	4,590
Market capitalization (adjusted for treasury shares)	338,543	298,277	307,740	378,926	317,414	280,516	533,060	510,771	678,902	708,096	514,836
Net cash provided by (used in) operating activities	23,314	26,582	33,941	21,408	41,143	37,376	40,002	28,737	48,631	50,874	87,760
Net cash provided by (used in) investing activities	4,746	(33,172)	(1,119)	(15,928)	(51,902)	(43,683)	(10,771)	(39,929)	(46,274)	(35,801)	(52,074)
Purchase of property, plant and equipment	(8,148)	(17,693)	(10,156)	(17,924)	(28,600)	(31,168)	(14,055)	(55,096)	(53,384)	(28,958)	(49,859)
Spending ratio for recurring contract-based services in the Electronics Industry segment	40-60%	40-60%	40-60%	60-80%	60-80%	60-80%	40-60%	40-60%	60-80%	60-80%	60-80%
Payments for M&A	(24,383)	(3,857)	(4,506)	(4,148)	(33,374)	(14,416)	(4,599)	(2,401)	0	(3,080)	0
Net cash provided by (used in) financing activities	(13,929)	(5,707)	(10,154)	(12,419)	(13,453)	21,981	(18,852)	(7,927)	1,101	(15,337)	(25,448)
Dividends paid	5,362	5,474	5,694	5,753	6,011	6,539	8,083	8,797	8,699	9,236	9,956
Payments for purchase of treasury stock, net	7,703	990	5,195	5,592	2	3	4	5	2	356	1,631
Free cash flow	28,060	(6,590)	32,822	5,480	(10,759)	(6,307)	29,231	(11,192)	2,357	15,073	35,686
Cash and cash equivalents at end of period	52,497	58,374	72,750	61,086	35,547	50,215	62,228	45,730	50,468	54,009	62,951
Interest-bearing debt	5,159	4,763	4,339	4,063	15,548	54,611	51,352	58,680	100,067	101,190	93,472
Total equity/Total equity attributable to owners of parent	223,478	228,964	228,758	240,853	237,282	242,442	253,089	271,914	293,975	331,261	336,027
Total net assets/Total assets	294,492	298,107	299,249	323,046	359,500	387,749	424,928	469,981	501,538	557,407	548,949
Equity ratio/Ratio of equity attributable to owners of parent	75.9%	76.8%	76.4%	74.6%	66.0%	62.5%	59.6%	57.9%	58.6%	59.4%	61.2%
Net Debt Equity Ratio (times)	(0.21)	(0.23)	(0.30)	(0.24)	(0.08)	0.02	(0.04)	0.05	0.17	0.14	0.09

[For more data, please refer to the 'Financial Data' of our IR site .](#)**ESG Data**[For more information, please refer to the 'ESG Data' our sustainability site.](#)

*1 Business profit = Net sales—Cost of sales—Selling, general and administrative expenses

*2 Return on invested capital = Profit after tax ÷ invested capital (Average) × 100

Profit after tax = Business profit - Income tax expense

Invested capital = Equity attributable to owners of parent + bonds and borrowings + lease liabilities

*3 Including right-of-use assets

**TOPICS 1:
Net sales and profit
growth**

While actively pursuing M&A activities primarily in Europe and North America, we have also expanded our business targeting the electronics industry in Asia, including Japan, driven by the growth of the semiconductor market. As a result, we have steadily increased our performance even under uncertain global economic conditions, such as the spread of COVID-19.

**TOPICS 2:
Strategic growth
investments**

Since the fiscal year ended March 2019, we have accelerated investments aimed at the sustainable growth of the Group. Priority has been given to areas such as recurring contract-based services that help secure stable earnings in the highly volatile semiconductor market, M&A activities designed to establish business foundations and acquire distinctive technologies, and the development of innovation hubs such as the Kurita Innovation Hub.

**TOPICS 3:
Establishing a stable
financial base for growth
investments**

To execute large-scale growth investments, we have promoted a leveraged financial strategy since the fiscal year ended March 2019, utilizing interest-bearing debt such as borrowings and bonds.

**TOPICS 4:
Planned dividend increases
and flexible share
buybacks**

Over the past five years, we have maintained a long-term, planned approach to dividend increases, targeting a dividend payout ratio in the range of 30% to 50%. As a result, we have achieved 21 consecutive years of dividend growth. Regarding buybacks, we will continue to consider flexible implementation based on factors such as stock price, capital investment needs, and capital structure.

Stock Information/Corporate Data

(As of March 31, 2025)

Corporate Data

Company Name	Kurita Water Industries Ltd.
Established	July 13, 1949
Paid-in Capital	¥13,450,751,434
Number of Employees	8,151 (on a consolidated basis) 1,661 (parent company)
Head Office	Nakano Central Park East (General Reception on 10F), 10-1, Nakano 4-chome, Nakano-ku, Tokyo 164-0001, Japan

Credit Rating

R&I	Issuer Rating	A+
	Short-term	a-1

Major Shareholders

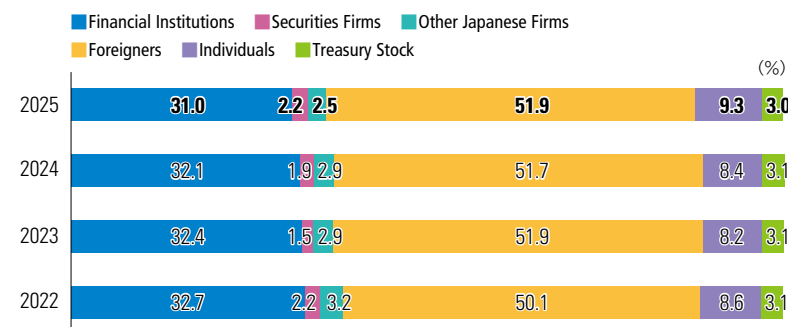
Name	Number of shares held	Share (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,029,000	14.22
Custody Bank of Japan, Ltd. (Trust Account)	6,791,067	6.02
Nippon Life Insurance Company	5,979,883	5.30
BANK PICTET AND CIE (EUROPE) AG, SUCCURSALE DE LUXEMBOURG REF UCITS	2,818,500	2.50
STATE STREET BANK AND TRUST COMPANY 505001	2,494,060	2.21
NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON TREATY ACCOUNT 15.315 PCT	2,036,874	1.80
CLEARSTREAM BANKING S.A.	1,877,949	1.66
FCP AMUNDI-KBI AQUA	1,693,300	1.50
BNP PARIBAS PARIS/2S/JASDEC FRENCH RES/UCITS ASSETS	1,640,800	1.45
JP MORGAN CHASE BANK 385781	1,557,008	1.38

*1 Treasury shares held by the Company are omitted from the above table. *2 Ratio of shareholding is calculated based on the number of shares after deduction of the number of treasury shares from the total number of issued shares.

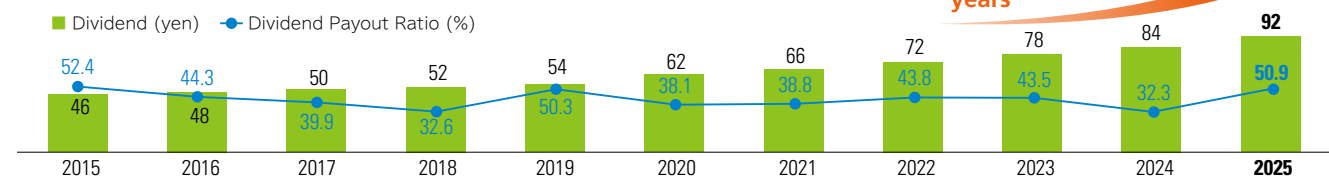
Distribution of Shares by Shareholder Type

	Number of shares held	Share (%)
Financial Institutions	36,015,847	31.0
Securities Firms	2,571,216	2.2
Other Japanese Firms	2,936,730	2.5
Foreigners	60,288,737	51.9
Individuals	10,851,331	9.3
Treasury Stock	3,536,833	3.0
Total	116,200,694	100.0

Changes in Shareholder Distribution (%)



Dividends and Dividend Payout Ratio (Fiscal years ended March 31)



External Evaluation

(As of September 30, 2025)

Inclusion in ESG Indexes



2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)



*1 The inclusion of Kurita Water Industries Ltd. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Kurita Water Industries Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

*2 Disclaimer: Morningstar, Inc. and/or one of its affiliate companies (individually and collectively, "Morningstar") have granted Kurita Water Industries, Ltd. permission to use the Morningstar Japan ex-REIT Gender Diversity Tilt logo (the "Logo") as evidence of its rank as Group 1, the highest scoring group of companies in the Morningstar Japan ex-REIT Gender Diversity Tilt index (the "Index") for workplace gender and diversity for the specific ranking year. Morningstar has only granted permission to Kurita Water Industries, Ltd. to use the Logo for informational purposes. The use of the Logo does not represent any recommendation of Kurita Water Industries, Ltd. by Morningstar or constitute an offer to buy, sell, or engage in any other securities transaction related to Kurita Water Industries, Ltd. The Index is designed to emphasize workplace gender and diversity in Japan. However, Morningstar acknowledges that it cannot guarantee the accuracy, completeness, or timeliness of the index or the data provided in the Index. Morningstar also makes no expressed or implied warranty through the Index or Logo, and expressly disclaims all warranties of the quality of commodities, fitness for particular purposes, or use with respect to the Index data provided in the Index or in the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third-party content providers be responsible for direct or indirect damages arising from the use or reliance on the Index or the Logo by any party, even if Morningstar, Inc. becomes aware of the potential of such damages. The names of Morningstar and the Index as well as the Logo are the trademarks or service marks of Morningstar, Inc. Past performance provides no guarantee of future results.

Evaluation by ESG Rating Organization



Evaluation by Supplier Evaluation Organization



Our Website



Daiwa Investor Relations Co., Ltd.
2024 Internet IR Commendation Award

Nikko Investor Relations Co., Ltd.
Fiscal 2024 All Japanese Listed Companies' Website Ranking
AAA Corporate Website (Overall Award)

BroadBand Security, Inc.
2024 Gomez IR Site Ranking Bronze Award

BroadBand Security, Inc.
2025 Gomez ESG Site Ranking outstanding company

Others



Platinum Kurumin



Eruboshi (3stars)

Kurita Water Industries has drafted an action plan based on Japan's Act on the Promotion of Female Participation and Career Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next- Generation Children. In recognition of initiatives implemented in line with this plan to support employees raising children and to promote the empowerment of women in the workplace, Kurita Water Industries has been accredited by the Ministry of Health, Labour and Welfare with the "Platinum Kurumin" and "Eruboshi" (3 stars) certification.