

[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 89th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Notice of Convocation of the 89th Ordinary General Meeting of Shareholders

Kurita Water Industries Ltd.

[Translation for Reference and Convenience Purposes Only]

Dear Shareholders,

We would like to express sincere thanks to all our shareholders for the support you provide.

The shareholders of Kurita Water Industries Ltd. are hereby notified of the 89th Ordinary General Meeting of Shareholders to be held on Wednesday, June 25, 2025.

This notice details the agenda proposals of the General Meeting of Shareholders and provides an overview of business operations of Kurita Group in the fiscal year ended March 31, 2025. We request that you read it.

We look forward to your continued understanding and support in the future.

June 2025

Sincerely yours,

Hirohiko Ejiri

Director, President and Representative
Executive Officer

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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.

Vision

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

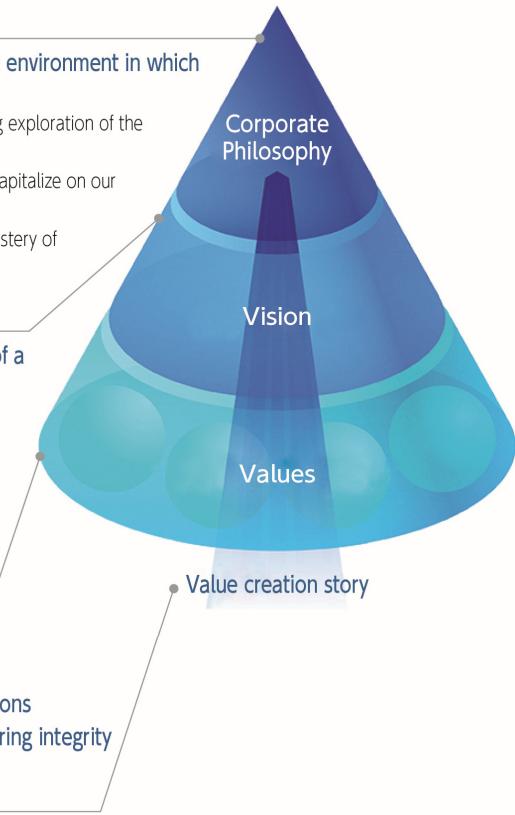
1. In seeking to realize its corporate philosophy, Kurita Group creates shared value with society through its business, addressing water resource issues, contributing to a decarbonized society and building a circular economy.
2. Kurita Group creates new value by leveraging knowledge accumulated from 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

① Deepen understanding of frontline sites (Gemba)	③ Exceed expectations
② Elevate and connect expertise	④ Maintain unwavering integrity

Value creation story

A roadmap in order to realize our corporate philosophy and corporate vision - to grow sustainably with society



June 5, 2025

(Electronic provision measures commencement date: May 29, 2025)

Dear Shareholders

Hirohiko Ejiri
Director, President and Representative
Executive Officer

Kurita Water Industries Ltd.
10-1, Nakano 4-chome, Nakano-ku, Tokyo

**NOTICE OF CONVOCATION OF
THE 89th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We hereby provide notice that the 89th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. (hereinafter the "Company") shall be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information that is the content of reference documents for the general meeting of shareholders, etc. (hereinafter the "Electronic Provision Measures Matters"), and such information is posted on the Company's website shown below as "Notice of Convocation of the 89th Ordinary General Meeting of Shareholders." Please access the Company's website below to confirm the information.

The Company's website (in Japanese):	https://www.kurita-water.com/ir/shareholder/meeting.html
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Electronic Provision Measures Matters are also posted on the website of Tokyo Stock Exchange (TSE), in addition to the Company's website.

Please access the TSE website (TSE Listed Company Search) below, enter the Issue name (Kurita Water Industries) or the Code (6370) to search, and confirm the information by selecting "Basic information" and then "Documents for public inspection/PR information" in this order.

TSE website (TSE Listed Company Search):	https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show
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If you do not attend the meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the attached Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights, no later than 5:15 p.m. on Tuesday, June 24, 2025 (JST).

- 1. Time and Date:** 10:00 a.m., Wednesday, June 25, 2025 (JST) (Reception starts at 9:00 a.m.)
- 2. Place:**
10F Conference Room
Kurita Water Industries Ltd.
Nakano Central Park East,
10-1, Nakano 4-chome, Nakano-ku, Tokyo
- 3. Objectives of the Meeting:**
Reports:
 1. Reports on Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee for the 89th Fiscal Year (From April 1, 2024, to March 31, 2025)
 2. Reports on Non-Consolidated Financial Statements for the 89th Fiscal Year (From April 1, 2024, to March 31, 2025)

Agenda:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of Eight (8) Directors

4. Other Matters Regarding the Convocation of the General Meeting of Shareholders:

(1) Of the Electronic Provision Measures Matters, the following matters are posted on the Company's website and the TSE website in accordance with laws and regulations as well as the Company's Articles of Incorporation. Therefore, they are not described in the physical documents provided to shareholders who made requests for provision of physical documents. The Audit Committee and the Accounting Auditor audited the documents subject to audit that include following matters.

- 1) "Principal offices" and "System to ensure appropriate operations and operational status" in the Business Report
- 2) "Consolidated Statement of Changes in Equity" and "Notes to consolidated financial statements"
- 3) "Non-consolidated Statement of Changes in Shareholders' Equity" and "Notes to non-consolidated financial statements"

(2) If your voting rights are exercised in duplicate in writing and via the Internet, etc., the exercise of your voting rights that reaches the Company last shall be deemed valid. Provided, however, that in the event your Voting Rights Exercise Form and your exercise via the Internet, etc. reach the Company on the same date, the exercise of your voting rights via the Internet, etc. shall be deemed valid.

(3) If there is no indication of a vote for or against a specific proposal on the returned Voting Rights Exercise Form, it shall be deemed as an indication of approval to that proposal.

- If you attend the meeting, we request that you submit the Voting Rights Exercise Form to the reception desk at the meeting. Any persons other than the shareholders who are entitled to exercise their voting rights are not allowed to enter the place of this meeting (excluding a person who accompanies a shareholder with physical disabilities).
- If there are any corrections to the Electronic Provision Measures Matters, such notice will be posted on the Company's website and the TSE website shown above, together with the matters before and after the corrections.
- The result of resolution will be posted on the Company's website and disclosed through an extraordinary report after the closing of the General Meeting of Shareholders.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

1. Year-end dividends

The Company's basic policy is to pay stable dividends on an ongoing basis. Assuming that a stable financial structure is maintained, the Company will strive to continuously increase dividends with a consolidated dividend payout ratio within the range of 30% to 50%, which the Company has maintained over the past five years.

The Company proposes that the year-end dividend for the current fiscal year be ¥46 per share, an increase of ¥4 per share from a year earlier.

The Company's annual dividend for the fiscal year under review would be ¥92 per share, including ¥46 per share distributed as an interim dividend, an increase of ¥4 per share from a year earlier, and the consolidated dividend payout ratio would be 50.9%.

(1)	Type of Property for Dividends	Cash	
(2)	Allotment of Property for Dividends and Total Amount Thereof	Dividend per common share of the Company	¥46
		Total amount of dividends	¥5,182,537,606
(3)	Effective Date of the Distribution of Surplus	June 26, 2025	

2. Other appropriation of surplus

For the fiscal year under review, we propose the reversal of general reserve as follows in order to eliminate the negative retained earnings brought forward arising from the recording of net loss and to pay stable dividends to our shareholders.

(1)	Item of surplus to be decreased and amount of decrease	General reserve	¥18,000,000,000
(2)	Item of surplus to be increased and amount of increase	Retained earnings brought forward	¥18,000,000,000

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Proposal No. 2: Election of Eight (8) Directors

The term of office of all eight (8) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors, including four (4) External Directors, in accordance with the determination of the Nominating Committee. The candidates for Directors are as follows:

No.	Name	Positions and Assignments in the Company	Record of attendances at the Board of Directors meetings	Record of attendances at the Nominating Committee meetings	Record of attendances at the Audit Committee meetings	Record of attendances at the Compensation Committee meetings	Number of years as Director (at the conclusion of this General Meeting of Shareholders)
1	Michiya Kadota	Chairperson of the Board of Directors Member of the Nominating Committee Member of the Compensation Committee Director and Chairman	Reappointment 100% (15/15)	100% (9/9)	—	100% (6/6)	11 years
2	Hirohiko Ejiri	Member of the Nominating Committee Director President and Representative Executive Officer	Reappointment 100% (15/15)	100% (9/9)	—	100% (6/6)	9 years
3	Shuji Shirode	Executive General Manager of Corporate Control and Administration Division Director Representative Senior Managing Executive Officer	Reappointment 100% (15/15)	—	—	—	4 years
4	Norikazu Kachi	Deputy Executive General Manager of Corporate Control and Administration Division Corporate Officer	New —	—	—	—	—
5	Kenjiro Kobayashi	Chairperson of the Audit Committee External Director	Reappointment External Independent 100% (15/15)	100% (9/9)	100% (15/15)	—	2 years
6	Masahiro Miyazaki	Chairperson of the Compensation Committee Member of the Nominating Committee External Director	Reappointment External Independent 100% (15/15)	100% (9/9)	—	100% (6/6)	3 years
7	Yoshiko Takayama	Member of the Audit Committee Member of the Compensation Committee External Director	Reappointment External Independent 100% (15/15)	—	100% (15/15)	100% (6/6)	2 years
8	Mie Matsuo	— — New External Independent	—	—	—	—	—

New

New candidates for Director

Reappointment

Candidates for reappointment as Director

External

Candidates for External Director

Independent

Independent Director as set forth under regulations of the Tokyo Stock Exchange, Inc.

Candidate No. 1	Michiya Kadota	Date of birth February 16, 1959 66 years old Male	Reappointment
 <p>Number of the shares of the Company held 36,900 shares</p> <p>Number of years as Director 11 years (at the conclusion of this General Meeting of Shareholders)</p> <p>Record of attendances at the Board of Directors meetings 100% (15/15)</p> <p>Record of attendances at the Nominating Committee meetings 100% (9/9)</p> <p>Record of attendances at the Compensation Committee meetings 100% (6/6)</p>	<p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1983 Joined Kurita Water Industries Ltd.</p> <p>Apr. 2006 General Manager of Business Process Reengineering Dept., Corporate Planning Division</p> <p>Apr. 2008 General Manager of Internal Auditing Dept.</p> <p>Apr. 2012 General Manager of Finance and Accounting Dept., Administrative Division</p> <p>Jun. 2013 Corporate Officer of the Company</p> <p>Jun. 2014 Director of the Company</p> <p>Jun. 2014 Executive General Manager of Administrative Division</p> <p>Apr. 2016 President and Representative Director of the Company</p> <p>Apr. 2023 Chairman and Representative Director of the Company</p> <p>Jun. 2023 Director and Chairman of the Company (Current position)</p> <p>Significant positions concurrently held</p> <p>None</p> <p>Reasons for deciding to make him a candidate for Director</p> <p>Mr. Michiya Kadota has a career mainly in the area of general affairs such as finance and accounting at the Company and assumed office as Representative Director in 2016. After the assumption of office, he engaged in a business process change and business model transformation through the provision of social value, establishment of a global business foundation, and promotion of corporate governance reforms. Based on his experience of leading the management of the Company, he strives to increase the effectiveness of the Board of Directors as Chairperson of the Board of Directors, through appropriate deliberations and discussions on the Company's direction over the medium- to long-term, support for risk-taking, progress of the management plan, etc. He has also fulfilled his responsibilities adequately as the member of the Nominating and Compensation Committees. He is well-versed in the Group, and the Company believes that he is an individual capable of continuously contributing to quality discussions at, and strengthening the supervisory function of, the Company's Board of Directors. The Company has therefore nominated him as a candidate for Director.</p>		

Candidate No. 2	Hirohiko Ejiri	Date of birth October 6, 1962 62 years old Male	Reappointment
 <p>Number of the shares of the Company held 25,500 shares</p> <p>Number of years as Director 9 years (at the conclusion of this General Meeting of Shareholders)</p> <p>Record of attendances at the Board of Directors meetings 100% (15/15)</p> <p>Record of attendances at the Nominating Committee meetings*¹ 100% (9/9)</p> <p>Record of attendances at the Compensation Committee meetings 100% (6/6)</p>	<p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1985 Joined Kurita Water Industries Ltd.</p> <p>Apr. 2005 President of Kurita Europe GmbH</p> <p>Apr. 2011 General Manager of Sales Dept. for Heavy Industries, Group II, Chemicals Division</p> <p>Jun. 2013 General Manager of Business Management Dept., Chemicals Division</p> <p>Apr. 2014 Corporate Officer of the Company</p> <p>Jun. 2014 Senior General Manager of Sales Group I, Chemicals Division</p> <p>Apr. 2016 Executive General Manager of Corporate Planning Division</p> <p>Jun. 2016 Director of the Company</p> <p>Apr. 2018 Executive General Manager of Engineering Division</p> <p>Apr. 2019 Managing Director of the Company</p> <p>Apr. 2020 Executive General Manager of Engineering Division and Chief Business Officer for Facilities Operation</p> <p>Jun. 2021 Executive Senior Managing Director and Representative Director of the Company</p> <p>Apr. 2022 Executive General Manager of Japan Sales Business Division and Chief Business Officer for Chemical Operation</p> <p>Apr. 2023 President and Representative Director of the Company</p> <p>Jun. 2023 Director, President and Representative Executive Officer of the Company (Current position)</p> <p>Significant positions concurrently held</p> <p>None</p> <p>Reasons for deciding to make him a candidate for Director</p> <p>Mr. Hirohiko Ejiri has considerable insight in the market and onsite operations accumulated through his years of experience at the sales departments of the Water Treatment Chemicals business. After his assumption of office of Director in 2016, he led the initiative for expansion of the Kurita Group's business fields and transformation of revenue structure, as well as transformation of the production structure including utilization of DX. He assumed the office of President and Representative Executive Officer in 2023, and has promoted construction of a strong business, and creation of solutions that offer shared value with society, and new businesses, toward the achievement of the medium-term management plan. Having the candidate, who is well-versed in the Water Treatment business, double as a Director would continue to contribute to strengthening the supervisory function of the Company's Board of Directors, while enabling the status of business execution to be shared in an appropriate manner, and he also fulfills his responsibilities adequately as the member of the Nominating and Compensation Committees. The Company has therefore nominated him as a candidate for Director.</p>		

Candidate No. 3	Shuji Shirode	Date of birth October 5, 1959 65 years old Male	Reappointment
 Number of the shares of the Company held 13,700 shares Number of years as Director 4 years (at the conclusion of this General Meeting of Shareholders) Record of attendances at the Board of Directors meetings 100% (15/15)	<p>Brief personal history, positions and assignments in the Company</p> <p>Jan. 2016 Joined Kurita Water Industries Ltd. Deputy Executive General Manager of Administrative Division</p> <p>Apr. 2018 Corporate Officer of the Company</p> <p>Apr. 2018 Deputy Executive General Manager of Corporate Planning Division</p> <p>Apr. 2019 Deputy Executive General Manager of Corporate Control and Administration Division</p> <p>Apr. 2020 Chief Financial Officer (CFO) of the Company (Current position)</p> <p>Jun. 2021 Director of the Company (Current position)</p> <p>Jun. 2021 Executive General Manager of Corporate Control and Administration Division (Current position)</p> <p>Jun. 2023 Managing Executive Officer of the Company</p> <p>Apr. 2025 Representative Senior Managing Executive Officer of the Company (Current position)</p> <p>Significant positions concurrently held</p> <p>None</p> <p>Reasons for deciding to make him a candidate for Director</p> <p>Mr. Shuji Shirode has a wealth of experience at a corporate group with global operations, including time spent working overseas, as well as high expertise related to finance, tax affairs, and accounting. As the officer in charge of finance (CFO) at the Company from 2020, he has focused on strengthening the foundations of the Group's finance and accounting functions. He has also expressed his opinions on the decision-making process and risk management of the Group in terms of capital markets at the Board of Directors. The Company believes that he can continue to contribute to strengthening the supervisory function of the Board of Directors by utilizing his high expertise from serving concurrently as the officer in charge of finance (CFO), where he played a central role in execution, and as Director. The Company has therefore nominated him as a candidate for Director.</p>		

Candidate No. 4	Norikazu Kachi	Date of birth May 4, 1962 63 years old Male	New
 <p>Number of the shares of the Company held 3,600 shares</p> <p>Number of years as Director —</p> <p>Record of attendances at the Board of Directors meetings —</p>	<p>Brief personal history, positions and assignments in the Company</p> <p>May 2018 Joined Kurita Water Industries Ltd.</p> <p>Apr. 2019 General Manager of International Finance Control Department, Corporate Control and Administration Division</p> <p>Aug. 2019 General Manager of International Finance Control Department, Corporate Control and Administration Division and North America Integration Management Office</p> <p>Apr. 2020 General Manager of International Finance Control Department, Corporate Control and Administration Division</p> <p>Apr. 2021 General Manager of Corporate Finance Department, Corporate Control and Administration Division</p> <p>Jul. 2021 Deputy Executive General Manager of Corporate Control and Administration Division and General Manager of Corporate Finance Department, Corporate Control and Administration Division</p> <p>Apr. 2022 Corporate Officer, and Deputy Executive General Manager of Corporate Control and Administration Division of the Company (Current position, expected to retire on June 25, 2025)</p>		
	<p>Significant positions concurrently held</p> <p>None</p>		
	<p>Reasons for deciding to make him a candidate for Director</p> <p>Mr. Norikazu Kachi has high expertise through job experience in the areas of finance, accounting, and auditing at business companies and audit corporations, as well as a wealth of experience such as working overseas and managing subsidiaries, etc. As Deputy Executive General Manager of Corporate Control and Administration Division at the Company from 2021, he has managed the Group's finance and accounting functions and formulated and steadily promoted financial strategies. In addition, as Deputy Executive General Manager of Corporate Control and Administration Division and chairperson of the Investment Committee from 2022, he has strictly examined investment and financing matters. The Company believes that he can contribute to strengthening the supervisory function of the Board of Directors by utilizing his appropriate judgment capabilities backed by his expertise and experience in the area of auditing. The Company has therefore nominated him as a candidate for Director.</p>		

Candidate No. 5	Kenjiro Kobayashi	Date of birth October 1, 1953 71 years old Male	Reappointment External Independent
 Number of the shares of the Company held 5,400 shares Number of years as Director 2 years (at the conclusion of this General Meeting of Shareholders) Record of attendances at the Board of Directors meetings 100% (15/15) Record of attendances at the Nominating Committee meetings 100% (9/9) Record of attendances at the Audit Committee meetings 100% (15/15)	<p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1977 Joined Japan Development Bank (current Development Bank of Japan Inc.)</p> <p>Apr. 2002 General Manager of the New Business Division of Development Bank of Japan Inc.</p> <p>Jul. 2004 Managing Director of CITIC Provident Management Ltd.</p> <p>Jun. 2006 Executive Officer and General Manager of Corporate Strategy Planning Office of Johnson Diversey (current CxS Corporation)</p> <p>Apr. 2007 General Manager of Corporate Strategy Planning Division of Johnson Diversey (current CxS Corporation)</p> <p>Apr. 2008 General Manager in charge of the Co-Creation Business Promotion Project of City of Yokohama</p> <p>Nov. 2010 Representative Director and Executive Vice President of Japan Industrial Solutions Co., Ltd.</p> <p>May 2013 Director of Japan Industrial Solutions Co., Ltd.</p> <p>Jun. 2016 (Full-time) External Member of the Audit & Supervisory Board of the Company</p> <p>Jun. 2023 External Director of the Company (Current position)</p> <p>Significant positions concurrently held</p> <p>None</p> <p>Reasons for deciding to make him a candidate for External Director and a summary of expected roles</p> <p>Mr. Kenjiro Kobayashi has played an active role in different areas of the Kurita Group's businesses and has high expertise and a wealth of international experience in the areas of finance, corporate planning, new business development and M&A, etc. Based on this expertise and experience, he has expressed his opinions on competitive advantages and growth strategies from a medium- to long-term perspective at the Board of Directors. He has also had appropriate discussions and deliberations on audits of the execution of duties of officers, and results of audits, visits for audits, and hearings of the Group as a chairperson of the Audit Committee. The Company believes that he is an individual capable of continuously increasing the rationality and transparency in the Kurita Group's management from an outside perspective and strengthening the supervisory function of the Board of Directors, and therefore nominated him as a candidate for External Director.</p> <p>Notes concerning the candidate for External Director</p> <ul style="list-style-type: none"> ● No special interest exists between the Company and Mr. Kobayashi. ● The Company has entered into an agreement with Mr. Kobayashi that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved and adopted at this meeting and Mr. Kobayashi is reappointed as an External Director of the Company. ● The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Kobayashi as an Independent Director as set forth under regulations thereof. 		

Candidate No. 6	Masahiro Miyazaki	Date of birth April 13, 1954 71 years old Male	Reappointment External Independent
 Number of the shares of the Company held 1,100 shares Number of years as Director 3 years (at the conclusion of this General Meeting of Shareholders) Record of attendances at the Board of Directors meetings 100% (15/15) Record of attendances at the Nominating Committee meetings 100% (9/9) Record of attendances at the Compensation Committee meetings 100% (6/6)	<p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1977 Joined Nissei Sangyo Co., Ltd. (current Hitachi High-Tech Corporation)</p> <p>Apr. 2007 Executive Officer, General Manager, Regional Branch Office for West Japan Area and Kansai Branch Office of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)</p> <p>Apr. 2010 President & CEO, Hitachi High-Technologies America, Inc. (current Hitachi High-Tech America, Inc.)</p> <p>Apr. 2014 Senior Vice President and Executive Officer, General Manager of Corporate Strategy Div. of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)</p> <p>Apr. 2015 Representative Executive Officer, President and Chief Executive Officer of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)</p> <p>Jun. 2015 Representative Executive Officer, President and Chief Executive Officer and Director of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)</p> <p>Apr. 2021 Advisor of Hitachi High-Tech Corporation</p> <p>Jun. 2022 External Director of the Company (Current position)</p> <p>Jun. 2023 Outside Director, Astellas Pharma Inc. (Current position)</p> <p>Significant positions concurrently held</p> <p>Outside Director, Astellas Pharma Inc.</p> <p>Reasons for deciding to make him a candidate for External Director and a summary of expected roles</p> <p>Mr. Masahiro Miyazaki has held important positions such as a Representative Executive Officer and President and Chief Executive Officer at corporate groups with global operations mainly in the electronics industry, both in Japan and overseas. He has a deep knowledge of manufacturing processes in the electronics industry and has promoted the reforms of operational processes and business models that utilize data and digital technologies. Based on this experience, he has actively expressed his opinions on growth strategies and business evaluation from a medium- to long-term perspective with aspects of appropriate risk-taking at the Board of Directors. He also revised the remuneration system through appropriate discussions and deliberations on performance evaluation and remuneration details for Officers as a Chairperson of the Compensation Committee. The Company believes that he is an individual capable of continuously increasing the rationality and transparency of the Kurita Group's management and strengthening the supervisory function of the Board of Directors from an outside perspective based on his extensive experience in corporate management and global business, and therefore nominated him as a candidate for External Director.</p> <p>Notes concerning the candidate for External Director</p> <ul style="list-style-type: none"> ● There were no transactions between the Company and Astellas Pharma Inc., at which Mr. Miyazaki serves as Outside Director. ● The Company has entered into an agreement with Mr. Miyazaki that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved and adopted at this meeting and Mr. Miyazaki is reappointed as an External Director of the Company. ● The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Miyazaki as an Independent Director as set forth under regulations thereof. 		

Candidate No. 7	Yoshiko Takayama	Date of birth August 9, 1956 68 years old Female	Reappointment External Independent
 <p>Number of the shares of the Company held 300 shares</p> <p>Number of years as Director 2 years (at the conclusion of this General Meeting of Shareholders)</p> <p>Record of attendances at the Board of Directors meetings 100% (15/15)</p> <p>Record of attendances at the Audit Committee meetings 100% (15/15)</p> <p>Record of attendances at the Compensation Committee meetings 100% (6/6)</p>	<p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1980 Joined Bank of America N.A.</p> <p>Dec. 1990 Vice President, Merrill Lynch & Co., Inc.</p> <p>Dec. 1997 Senior manager, Thomson Financial Investor Relations</p> <p>Dec. 1998 Asia-Pacific Regional Director, Thomson Financial Investor Relations</p> <p>Jun. 2001 Managing Director, J-Eurus IR Co., Ltd.</p> <p>Mar. 2003 Managing Director/Board Member, J-Eurus IR Co., Ltd</p> <p>Jun. 2010 Governor, International Corporate Governance Network</p> <p>Oct. 2010 Director, Japan Corporate Governance Network (Current position)</p> <p>Jun. 2015 Outside Director, AUTOBACS SEVEN Co., Ltd.</p> <p>Sep. 2015 Member of the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code, Financial Services Agency and Tokyo Stock Exchange, Inc. (Current position)</p> <p>Oct. 2015 Representative Directors, Japan Board Review Co., Ltd.</p> <p>Jan. 2022 Committee member representing Japan, ISO/PC 337, Guidelines for the promotion and implementation of gender equality, Japanese Standards Association</p> <p>Apr. 2023 Vice Chairperson, J-Eurus IR Co., Ltd. (Current position)</p> <p>Apr. 2023 Director, Japan Board Review Co., Ltd.</p> <p>Jun. 2023 External Director of the Company (Current position)</p> <p>Jul. 2023 Representative Directors, Japan Board Review Co., Ltd. (Current position)</p> <p>Aug. 2023 External Member of the Governance Council, Ernst & Young ShinNihon LLC (Current position)</p> <p>Jul. 2024 Member of the “Committee for Studying Scoring Criteria for Selecting Enterprises as Nadeshiko Brands” operated by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange, FY2024</p> <p>Significant positions concurrently held</p> <p>Vice Chairperson, J-Eurus IR Co., Ltd.</p> <p>Representative Directors, Japan Board Review Co., Ltd.</p> <p>External Member of the Governance Council, Ernst & Young ShinNihon LLC</p>		

	<p>Reasons for deciding to make her a candidate for External Director and a summary of expected roles</p> <p>Ms. Yoshiko Takayama has abundant international experience in different areas of the Kurita Group's businesses, as well as abundant experience and skills in the field of Investor Relations and high expertise related to corporate governance. She has also promoted gender equity through experience of serving as a member of the "Committee for Studying Scoring Criteria for Selecting Enterprises as Nadeshiko Brands" for many years. Based on this experience, skills, and expertise, she has actively expressed her opinions on engagement with capital markets and the role of governance based on the latest trends of capital markets and corporate governance at the Board of Directors. She also identified issues for increasing corporate value and submitted reports to the Board of Directors, through appropriate discussions and deliberations on initiatives for materiality as a Chairperson of the Sustainability Advisory Council, while explaining sustainability management to stakeholders. The Company believes that she is an individual capable of continuously increasing the rationality and transparency of the Kurita Group's management and strengthening the supervisory function of the Board of Directors by utilizing her extensive insight backed by management experience at several companies. The Company has therefore nominated her as a candidate for External Director.</p> <p>Notes concerning the candidate for External Director</p> <ul style="list-style-type: none">● There were no transactions between the Company and J-Eurus IR Co., Ltd., at which Ms. Takayama serves as Vice Chairperson, Japan Board Review Co., Ltd., at which she serves as Representative Directors, and Ernst & Young ShinNihon LLC, at which she serves as External Member of the Governance Council, respectively.● The Company has entered into an agreement with Ms. Takayama that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved and adopted at this meeting and Ms. Takayama is reappointed as an External Director of the Company.● The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Ms. Takayama as an Independent Director as set forth under regulations thereof.
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<p>Candidate No. 8</p>  <p>Number of the shares of the Company held 0 shares</p> <p>Number of years as Director —</p> <p>Record of attendances at the Board of Directors meetings —</p>	<p>Mie Matsuo</p> <p>Date of birth October 17, 1964 60 years old Female</p> <p><input type="checkbox"/> New <input type="checkbox"/> External <input checked="" type="checkbox"/> Independent</p> <p>Brief personal history, positions and assignments in the Company</p> <p>Apr. 1987 Joined IBM Japan, Ltd. Apr. 1997 Joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC) Mar. 2000 Joined Konami Hawaii Ltd. Chief Administrative Officer Dec. 2001 Joined IBM Japan, Ltd. Jul. 2009 Vice President, IBM Business Consulting Services KK Apr. 2010 Partner of Global Business Services, IBM Japan, Ltd. Jan. 2018 Vice President of Global Business Services, IBM Japan, Ltd. Jan. 2019 Managing Partner of Asia Pacific Global Business Services, IBM Global Services Pte. Ltd. Jan. 2021 Managing Partner of Global Business Services, IBM Japan, Ltd. Apr. 2022 Managing Partner of IBM Consulting, IBM Japan, Ltd. Oct. 2023 Audit and Supervisory Board Member, IBM Japan, Ltd. (Current Position, expected to retire on June 24, 2025) Jun. 2024 Outside Director, Sumitomo Mitsui Trust Asset Management Co., Ltd. (Current Position) Jun. 2025 Outside Director, Nishi-Nippon Railroad Co., Ltd. (Appointment planned)</p> <p>Significant positions concurrently held</p> <p>Audit and Supervisory Board Member, IBM Japan, Ltd. (Expected to retire on June 24, 2025) Outside Director, Sumitomo Mitsui Trust Asset Management Co., Ltd. Outside Director, Nishi-Nippon Railroad Co., Ltd. (Appointment planned in June 2025)</p> <p>Reasons for deciding to make her a candidate for External Director and a summary of expected roles</p> <p>Ms. Mie Matsuo has qualifications in finance and accounting, as well as practical experience at audit corporations and U.S. subsidiaries of Japanese companies. Following this experience, she has been involved in management and auditing, holding important positions of the finance and accounting sector, and service business related to digital transformation (DX) at a large foreign-affiliated information system company. The Company believes that she is an individual capable of increasing the rationality and transparency of the Kurita Group's management and strengthening the supervisory function of the Board of Directors by expressing her opinions from an outside perspective, based on her extensive knowledge, experience, and expertise in finance, accounting, and technology. The Company has therefore nominated her as a candidate for External Director.</p> <p>Notes concerning the candidate for External Director</p> <ul style="list-style-type: none"> ● Ms. Mie Matsuo serves as Audit and Supervisory Board Member of IBM Japan, Ltd. (expected to retire on June 24, 2025), which is one of the customers of the Company. However, because the transaction value with IBM Japan, Ltd. is less than 0.1% of consolidated net sales of the Company, it does not fall under a major customer. There were no transactions between the Company and Sumitomo Mitsui Trust Asset Management Co., Ltd., at which she serves as Outside Director, and Nishi-Nippon Railroad Co., Ltd., at which she will assume the position of Outside Director, respectively. ● In case this proposal is approved and adopted at this meeting, the Company will enter into an agreement with Ms. Matsuo that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. ● The Company will notify the Tokyo Stock Exchange, Inc. of the appointment of Ms. Matsuo as an Independent Director as set forth under regulations thereof.
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[Translation for Reference and Convenience Purposes Only]

Notes:

1. No special interest exists between the Company and any of the above candidates for Director.
2. Ages of the candidates indicated are as of the date of the General Meeting of Shareholders.
3. The Company has entered into directors and officers liability insurance agreements with insurance companies. These insurance agreements cover any damages, legal fees etc. that arise as a result of an insured Director's liability in relation to the execution of his or her duties, or claims related to the pursuit of such liability. Provided, however, that there are exemptions, including the fact that damages arising from intentional or malicious actions shall not be covered. The Company bears all premiums for the insurance agreements, including riders, and no substantial premiums are borne by the insured. Furthermore, if each candidate is appointed as Director, they will be insured under these insurance agreements, and the Company intends to renew these insurance agreements during their time in office.

<Reference> Corporate Governance

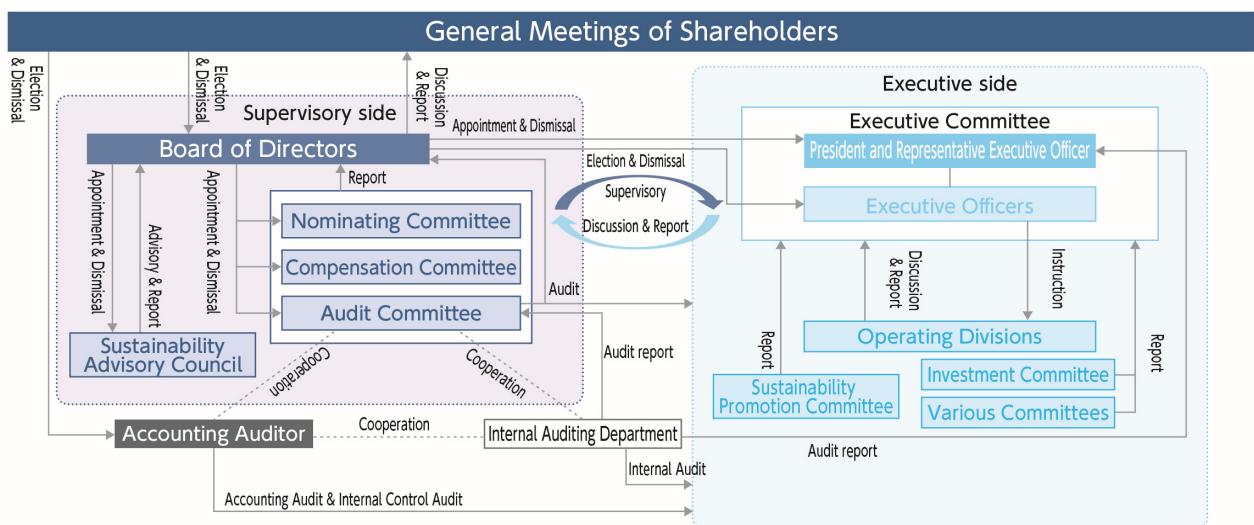
1. Corporate governance policies and organizational structure

(1) Corporate governance policies

Kurita Water Industries Ltd. and its consolidated subsidiaries (hereinafter the “Kurita Group,” and Kurita Water Industries Ltd. on a non-consolidated basis shall be hereinafter referred to as the “Company”) aim to contribute broadly to society through corporate activities in the fields of water and environment in accordance with the corporate philosophy, “Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony.” The Kurita Group will make efforts to promote sustainable growth and enhance its corporate value in the medium and long term, deferring to the rights and position of various stakeholders such as customers, business partners, employees, shareholders, and local communities while striving to meet their expectations. To this end, the Kurita Group will establish corporate governance, with the aim of realizing transparent, fair, prompt, and decisive decision-making measures and highly effective management supervision. Further details of the basic policy and each policy have been made available to the public via the following URL on the Company’s website on the Internet.
(<https://www.kurita-water.com/ir/cg/policy.html>)

(2) Corporate governance organizational structure

In order to further enhance the Group’s sustainable growth and corporate value, the Company decided to operate as a Company with a Nominating Committee, etc. for the purpose of establishing a more effective and transparent corporate governance system by strengthening management supervision and business execution functions.



2. Skills Matrix of Directors and Committees Directors Are to Enter

Towards realizing the corporate philosophy, the skills set out on the skills matrix comprise the knowledge, experience, and capabilities necessary based on the Company’s management strategies, such as the Group’s value creation story and medium-term management plan. The skills are broadly divided into two areas: basic elements needed for governance management and basic elements needed for the Group’s intended management direction. The Group’s intended management direction refers to creation of shared value with society through the provision of solutions driven by “water knowledge,” obtained by leveraging the diversity including human resources*. The skill category will be partially changed in the structure following the conclusion of this General Meeting of Shareholders.

* 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.

<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 management” represents a level of response capabilities based on 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. “Global management” has been selected as a skill category for Board oversight of management because we consider response capabilities based on 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. This skill category may be applicable to even External Directors on condition that he or she has a deep knowledge of the “site” matters, such as manufacturing processes and utilities of the Group’s customers.
	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 work on reviewing our methods to deliver product, service, and technology that also emphasize value in customer business continuity and improving our cost competitiveness and production capacity by reviewing the procurement and production set-up. 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 (DX)	The Kurita Group aims to achieve digital transformation (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.

[Translation for Reference and Convenience Purposes Only]

If Proposal No. 2 is approved and adopted as originally proposed, the Directors, the skills matrix, and the committees the Directors are to enter will be as follows.

<Directors' skills matrix and the committees the Directors are to enter>

For the skills matrix, among the knowledge and experience of each director, those with ● are fields where they have strength.

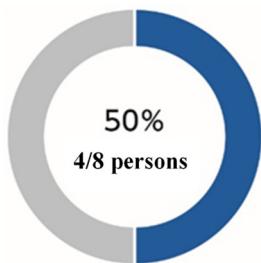
For the committees the Directors are to enter, ○ indicates the candidate scheduled to assume the position of committee chair.

○ indicates the candidate scheduled to assume the position of committee member.

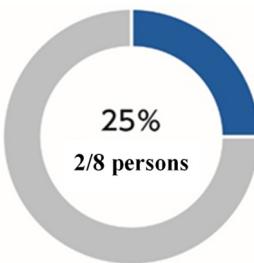
Name	Corporate governance and management			Leveraging diversity ▶ Making full use of water knowledge ▶ Creating social value						Committees the Directors are to enter		
	Corporate management	Finance and Accounting	Legal and HR management	Human rights	Global management	Understanding and Solving issues on site	R&D, Technology, and Engineering	DX	Sustainability	Nominating	Audit	Compensation
Michiya Kadota	●	●	●	●	●	●			●	○		○
Hirohiko Ejiri	●			●	●	●	●	●	●	○		○
Shuji Shirode	●	●			●				●			
Norikazu Kachi	●	●			●						○	
Kenjiro Kobayashi (External)	●	●			●					◎	○	
Masahiro Miyazaki (External)	●	●	●		●	●		●		○		◎
Yoshiko Takayama (External)	●	●		●	●				●	○		○
Mie Matsuo (External)	●	●			●			●		◎	○	

<Ratio of Directors at the Board of Directors if Proposal No. 2 is approved and adopted as originally proposed>

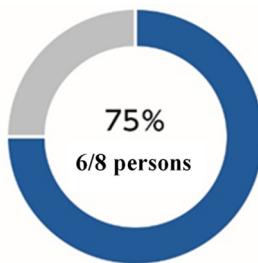
Ratio of External Directors:



Ratio of female Directors:

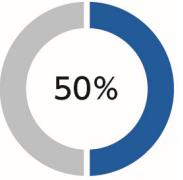
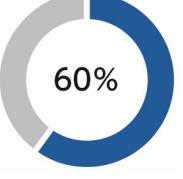
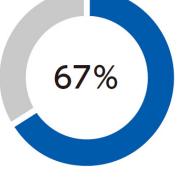


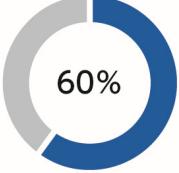
Ratio of Non-executive Directors:



3. Results of corporate governance initiatives

(1) Results of activities of the Board of Directors and each committee

Board of Directors	Chairperson Michiya Kadota (Director and Chairman)	Meetings held 15 times
Roles	• Setting the major direction of the Company, mainly through determining basic policies of management • Objective supervision through the nomination of top management (Executive Officers including the President) • Support for appropriate risk-taking by top management • Determination of matters required by law to be exclusively decided by the Board of Directors, and other designated matters	Ratio of External Directors  50%
Main matters discussed	• Matters to be exclusively resolved by the Board of Directors based on laws and the Company's regulations, including the appointment of top management • Discussions and examinations on the direction of the Group from a long-term perspective • Progress of the key initiatives to achieve the medium-term management plan Pioneering Shared Value 2027 (PSV-27) • Evaluation of the effectiveness of the Board of Directors and its follow-up • Items of resolution and report of the Nominating Committee, Audit Committee, Compensation Committee and Sustainability Advisory Council • Revisions of the Corporate Governance Policies and the Basic Policies for Constructing an Internal Control System	
Nominating Committee	Chairperson Keiko Tanaka (Independent External Director)	Meetings held 9 times
Roles	• Determining the content of proposals to be submitted to the General Meeting of Shareholders for the election and dismissal of Directors • Determining candidates for the successor to the President and Executive Officer and their development plans, and determining candidates for successors to Executive Officers and their development plans • Reporting and deliberating the nomination of candidates for the President and Executive Officer and for Executive Officer to the Board of Directors	Ratio of External Directors  60%
Main matters discussed	• Policies and procedures for nominating Directors, selection of candidates for the successor to the President and successors to Executive Officers, their development measures, etc. • Candidates for the successors to Corporate Officers, their development measures, candidates for Executive Officers and Corporate Officers, etc. • Plans for successors to Directors, measures to develop young management personnel, etc.	
Audit Committee	Chairperson Kenjiro Kobayashi (Independent External Director)	Meetings held 15 times
Roles	• Auditing execution of duties by Directors and the Executive Officers • Creation of audit reports • Determining the content of proposals to be submitted to the General Meeting of Shareholders for the election, dismissal, and refusal to reappoint the Accounting Auditor	Ratio of External Directors  67%
Main matters discussed	• Development of audit plan, status of audits by selected members of the Audit Committee • Determining the propriety of reappointment of the Accounting Auditor and approving their remuneration	

Compensation Committee	Chairperson Masahiro Miyazaki (Independent External Director)	Meetings held 6 times
Roles	<ul style="list-style-type: none"> • Determining the details of individual remuneration of Directors and Executive Officers • Determining policies for determining the details of individual remuneration, etc. for Directors and the Executive Officers, and determining individual performance assessment for Executive Officers 	Ratio of External Directors
Main matters discussed	<ul style="list-style-type: none"> • Revising internal regulations for remuneration, etc. of Officers, and determining individual remuneration amounts for Directors, and Executive Officers, etc. • Revising internal regulations for remuneration of Corporate Officers, and determining individual remuneration amounts for Corporate Officers, etc. 	 60%

(2) Reduction of strategic shareholdings in other listed companies

In accordance with the reduction of the holdings of shares owned for policy purposes as stated in the Company's Corporate Governance Policies, the Company sold four holdings (some of which were partially sold) in fiscal 2024.

(3) Evaluation of Effectiveness of the Board of Directors

In order to establish an effective and highly transparent corporate governance structure and to enhance medium- to long-term corporate value of the Group, the Company conducts an annual analysis and evaluation of the effectiveness of the Board of Directors. In the fiscal year ended March 31, 2025, we conducted analysis and evaluation that mainly focused on the Group's long-term initiatives implemented by the Board of Directors.

The evaluation results for all the Directors in the fiscal year ended March 31, 2025 were favorable, and indicated that the effectiveness of the Board of Directors had been maintained. It was confirmed that steady progress was made in monitoring the medium-term management plan Pioneering Shared Value 2027 (PSV-27) and in discussions on the long-term direction, contributing to improved effectiveness of the Board of Directors. In addition, it was commonly recognized that it is necessary to further strengthen the supervision by the Board of Directors of individual issues for transformation, such as supporting risk-taking, reviewing the business portfolio and creating new businesses through innovation. Currently, the Board of Directors is discussing the identified issues and measures to be taken to address them. Details of the evaluation results will be disclosed in the upcoming corporate governance report, integrated report, etc.

4. Our criteria for judging independence

The criteria for judging the independence of the Independent External Directors in selecting candidates shall be that the candidates for Independent External Directors and their close relatives (*1) must not fall under any of the following items.

- a. A person who currently executes the operations of the Company or its subsidiary, or has executed such operations in the past 10 years
- b. A person whose major business partner is currently the Company (*2) or was the Company at some time during the past year, or an individual who executes the operations of this party
- c. A current major business partner of the Company (*3) or a major business partner at some time during the past year, or a person who executes the operations of the major business partner
- d. A consultant, an accountant, or a legal professional who currently receives or has received at some point during the past year a lot of money or property (*4) other than remuneration for officers from the Company
- e. A current major shareholder of the Company (*5) or a person who executes the operations of a major shareholder
- f. A person who executes the operations of an organization in which an external officer also currently assumes office (the person only)
- g. A person who executes the operations of an organization to which the Company currently makes a donation (the person only)

*1 The term “close relatives” means relatives within the second degree of kinship.

*2 The term “person whose major business partner is the Company” means a person whose sales in transactions with the Company make up 2% or more of that person’s consolidated net sales.

*3 The term “major business partner of the Company” means a business partner with whom the Company’s sales in transactions make up 2% or more of the consolidated net sales of the Company, or a business partner from which borrowings make up 1% or more of the consolidated total assets of the Company.

*4 The term “a lot of money or property” means money and other property that are equivalent to 10 million yen or more per year, other than remuneration for officers.

*5 The term “major shareholder of the Company” means a shareholder who has voting rights that account for 10% or more of the voting rights of the Company.

The policies and procedures for nominating candidates for Director are described in the Company’s Corporate Governance Policies. For more information, refer to the Company’s website.

(<https://www.kurita-water.com/ir/cg/policy.html>)

Business Report

(From April 1, 2024 to March 31, 2025)

1. Group Overview of Operations

(1) Operations and results

During the fiscal year ended March 31, 2025, the global economic recovery continued, although with lackluster strength in certain countries and regions given uncertainty due to the prolonged deterioration of the strife in Ukraine and the Middle East as well as changes in U.S. trade policies. Production activities in Japan's manufacturing industry showed signs of a recovery due to the resumption of production at certain auto manufacturers and progress in adjusting inventories of electronic components, including semiconductors. However, the recovery slowed in the second half of the fiscal year. Capital investment held firm, bolstered by strong corporate earnings. Overseas, the U.S. economy remained firm. In Europe and China, domestic demand was weak, resulting in a slow economic recovery. In other Asian economies, recovery trends continued, although there were some signs of weakness.

In this environment, Kurita Water Industries Ltd. (hereinafter the "Company") and its consolidated subsidiaries entered the second year of PSV-27 (Pioneering Shared Value 2027), a five-year medium-term management plan. The basic policy of the plan is to refine human resources, technologies and business processes to create value that exceeds expectations from stakeholders through overwhelming speed and problem-solving ability. In the electronics industry, the Kurita Group (hereinafter the "Group") utilized its water knowledge—the expertise and data related to safe operations, environmental impact reduction and cost cutting that it had accumulated and visualized by leveraging digital technology—to expand its services lineup and tackle a variety of challenges faced by customers. The Group thereby took steps to increase points of customer contact. In order to establish essential partnerships globally in the electronics industry, the Group took steps to build new business foundations in Europe and the United States. As a result, the Group won orders for water treatment facilities projects from semiconductor plants in these regions. In South Korea, Hansu Technical Services Ltd., which primarily engaged in the manufacture and sales of water treatment facilities and maintenance services, and Hansu Co., Ltd., which primarily engaged in the manufacture and sales of water treatment chemicals, merged to form KURITA HANSU Water Industries Ltd. The primary purpose of the merger is to enhance the Group's ability to offer services in the electronics industry in South Korea and to accelerate the development of CSV business^{*1}, which aims to create shared value with customers and society.

In the general industry, the Group identified the trends and needs of customers involved in a diverse range of business in a centralized manner, using a group-wide data platform. Leveraging this data organization-wide, the Group took steps to expand the CSV business. To strengthen its business foundation, the Group consolidated 11 domestic sales companies, etc. into two companies: Kurita East Japan Co., Ltd. and Kurita West Japan Co., Ltd. This restructuring aims to create a one-stop sales structure that offers water treatment chemicals and maintenance services, thereby enhancing customer contact points. Overseas, the Group established Kurita AquaChemie India Private Limited, which engages in the sales of water treatment chemicals, in India, one of the world's largest economies, where demand for water treatment is increasing. The Group worked to develop a system to quickly provide solutions to customers' water and environmental challenges in India.

As a result, total consolidated orders for the Kurita Group in the fiscal year ended March 31, 2025 amounted to 432,953 million yen (up 11.0% year on year), and net sales amounted to 408,888 million yen (up 6.3% year on year). Business profit^{*2} was 49,184 million yen (up 17.0% year on year), operating profit was 31,275 million yen (down 24.1% year on year), profit before tax was 31,821 million yen (down 23.7% year on year), and profit attributable to owners of parent was 20,305 million yen (down 30.4% year on year).

During the fiscal year, other income of 3,140 million yen and other expenses of 21,050 million yen were posted. Other income increased 1,172 million yen from the previous fiscal year, chiefly due to a gain on reversal of advances received of 1,653 million yen, resulting from cancellations of ultrapure water supply contracts with a certain customer. Other expenses increased 18,259 million yen from the previous fiscal year. These expenses include impairment losses of 15,522 million yen on property, plant and equipment, including building right-of-use assets, and impairment losses of 967 million yen on goodwill for Pentagon Technologies Group, Inc., a U.S.-based subsidiary, which primarily operates a precision tool cleaning business in the United States and Europe, as well as impairment losses of 2,501 million yen on goodwill for Kurita Fracta Holdings, Inc., a U.S.-based subsidiary, which mainly provides software services for predicting water main degradation.

The other income and expenses decreased operating profit, profit before tax, and profit attributable to owners of parent.

The Group conducts an impairment test whenever it detects any signs of impairment on fixed assets, including goodwill. Additionally, it performs an impairment test on goodwill regularly every year, regardless of the presence or absence of any signs of impairment. To determine impairment losses, the Group compares the assets' value in use with their accounting book value.

The Group recognized impairment losses on property, plant and equipment, including building right-of-use assets, for Pentagon Technologies Group, Inc. due to significant declines in the value in use of precision tool cleaning plants under construction in Ireland and Arizona, USA, resulting from low capacity utilization at certain semiconductor plants of major customers, as well as changes to the construction plans and delays in the construction. The Group has decided to halt the construction of the precision tool cleaning plant in Ireland and cancel the construction plan.

The Group calculates the value in use of assets for assessing impairment losses on goodwill by discounting the expected future cash flows with an appropriate discount rate. The Group conducted a thorough review of the results for Pentagon Technologies Group, Inc. over previous years, including the consolidated fiscal year under review, for which the results were negatively affected by a slower-than-expected recovery in capacity utilization at certain semiconductor plants of major customers. Consequently, the Group revised downward the business plan for Pentagon Technologies Group, Inc., which served as the basis for the estimate of future cash flows as of the end of the previous fiscal year. The Group also revised downward the business plan for Kurita Fracta Holdings, Inc. as of the end of the previous fiscal year, based on the low likelihood of the company achieving the expected revenue in the near future due to delays in establishing its business structure, as well as its results over previous years, including the consolidated fiscal year under review. As a result, the value of the goodwill of both companies in use was less than the accounting book value, and impairment losses are recognized.

(Notes)

1. Among businesses related to water treatment that have a high social value, CSV (Creating Shared Value) business is defined as products, technologies, and business models that contribute significantly to water-saving, greenhouse gas emissions reduction, and resource recovery or reduction of resource inputs, compared to previous levels.
2. Business profit is the Group's own indicator that measures constant business performance. It is net sales less cost of sales and selling, general and administrative expenses. Although business profit is not defined by IFRS, the Group voluntarily discloses it, believing that it is beneficial for users of its financial statements.

(2) Status of segment of the Kurita Group

Electronics Industry

Orders for water treatment facilities increased due to orders for a large-scale project in Europe. In addition, orders for recurring contract-based services rose, driven by the commencement of new ultrapure water supply projects and the recording of one-time sales. Orders for maintenance also increased, due to demand from customers in China and Taiwan. Additionally, orders for precision tool cleaning climbed, reflecting a recovery in the semiconductor market. However, the demand for tool cleaning from overseas customers did not fully recover, and the increase was moderate. As a result, total Group orders for the Electronics Industry segment amounted to 194,994 million yen (up 17.6% year on year).

Net sales of water treatment facilities declined due to the absence of sales from large-scale projects in Japan, which were recorded in the previous fiscal year. However, net sales of recurring contract-based services, maintenance and precision tool cleaning increased. As a result, total Group net sales for the Electronics Industry segment amounted to 181,194 million yen (up 4.9% year on year).

In terms of profits, business profit amounted to 24,216 million yen (up 21.5% year on year) due to growth in recurring contract-based services and an improvement in the cost of sales ratio due to a decrease in water treatment facility projects with a comparatively high cost ratio. Operating profit stood at 8,945 million yen (down 55.7% year on year), reflecting impairment losses on fixed assets, including goodwill, of 16,490 million yen for Pentagon Technologies Group, Inc.

General Industry

Orders for water treatment chemicals decreased when the effect of the increase in yen-equivalent value associated with the depreciation of the yen is excluded. This reflects the weak recovery in manufacturing production activity in Europe, China and parts of Southeast Asia. Orders for water treatment facilities rose mainly due to large-scale projects in Japan and the United States. Orders for maintenance and recurring contract-based services also increased. As a result, total Group orders for the General Industry segment amounted to 237,958 million yen (up 6.1% year on year).

As with orders, water treatment chemicals registered a decrease in sales when the effect of foreign exchange rates associated with the depreciation of the yen is excluded. Net sales of water treatment facilities increased due to progress with the construction of large-scale projects in the United States. Net sales of maintenance and recurring contract-based services also rose. As a result, total Group net sales for the General Industry segment amounted to 227,693 million yen (up 7.3% year on year).

In terms of profits, business profit reached 24,969 million yen (up 13.0% year on year), due to the increased net sales and an improvement in the cost of sales ratio, largely attributable to the expansion of the high-value-added CSV business. However, operating profit stood at 22,331 million yen (up 6.2% year on year), reflecting impairment losses on goodwill of 2,501 million yen for Kurita Fracta Holdings, Inc.

(3) Status of capital expenditure

The Kurita Group carried out capital expenditure amounting to a total of 52,311 million yen (up 13,394 million yen year on year).

The amount consists of capital expenditure in the Electronics Industry segment for the ultrapure water supply business of 44,152 million yen, and in the General Industry segment of 8,159 million yen.

(4) Status of financing

The Company procured 10,000 million yen in long-term borrowings from financial institutions in the fiscal year under review, for the purpose of appropriation for operating funds.

(5) Significant company reorganization

1) Reorganization of domestic sales companies

The Company reorganized 11 domestic sales companies, etc. on April 1, 2024. These are the Company's consolidated subsidiaries, mainly engaged in the sales of water treatment chemicals and maintenance and services for facilities in Japan. The details are as follows:

Company name	Kurita East Japan Co., Ltd	Kurita West Japan Co., Ltd.
Surviving company	Kurita Kanto Ltd.	
Merged companies	Kurita BMS Co., Ltd., Kurita Hokkaido Ltd., Kurita Kitakantou Co., Ltd., Kurita Buil-Tech Co., Ltd. (four companies)	Kurita Tokai Ltd., Kurita Hokuriku Ltd., Kurita Meiki Ltd., Kurita Sanyo Ltd., Kurita Kyushu Ltd. (five companies)

2) Reorganization of overseas consolidated subsidiaries in South Korea

Hansu Technical Service Ltd., which is mainly engaged in the manufacturing, sales, maintenance and services of water treatment facilities in South Korea, and Hansu Co., Ltd., which is mainly engaged in the manufacturing and sales of water treatment chemicals, merged, with Hansu Technical Service Ltd. being as a surviving company, changing its name to KURITA HANSU Water Industries Ltd., on April 1, 2024.

(6) Changes in assets and profit and loss

[The Kurita Group]

	Classification	86th Fiscal Year 2021	87th Fiscal Year 2022	88th Fiscal Year 2023	89th Fiscal Year 2024
		IFRS	IFRS	IFRS	IFRS
Profit and Loss	Orders (Million yen)	315,240	374,268	390,152	432,953
	Net sales (Million yen)	288,207	344,608	384,825	408,888
	Business profit (Million yen)	32,944	38,589	42,055	49,184
	Operating profit (Million yen)	35,734	29,058	41,232	31,275
	Profit before tax (Million yen)	30,079	30,151	41,686	31,821
	Profit attributable to owners of parent (Million yen)	18,471	20,134	29,189	20,305
	Basic earnings per share (Yen)	164.38	179.14	259.70	180.66
Assets	Total assets (Million yen)	469,981	501,538	557,407	548,949
	Total equity (Million yen)	277,862	295,759	333,411	338,504
	Equity attributable to owners of parent per share (Yen)	2,419.58	2,615.42	2,947.73	2,995.84
Number of Companies	Consolidated subsidiaries	70	69	72	61
	Equity method affiliates	5	5	3	3

(Notes) 1. Basic earnings per share is calculated by deducting the number of treasury shares from the average total number of issued shares during the fiscal year.

2. Equity attributable to owners of parent per share is calculated by deducting the number of treasury shares from the total number of issued shares at the end of the fiscal year.

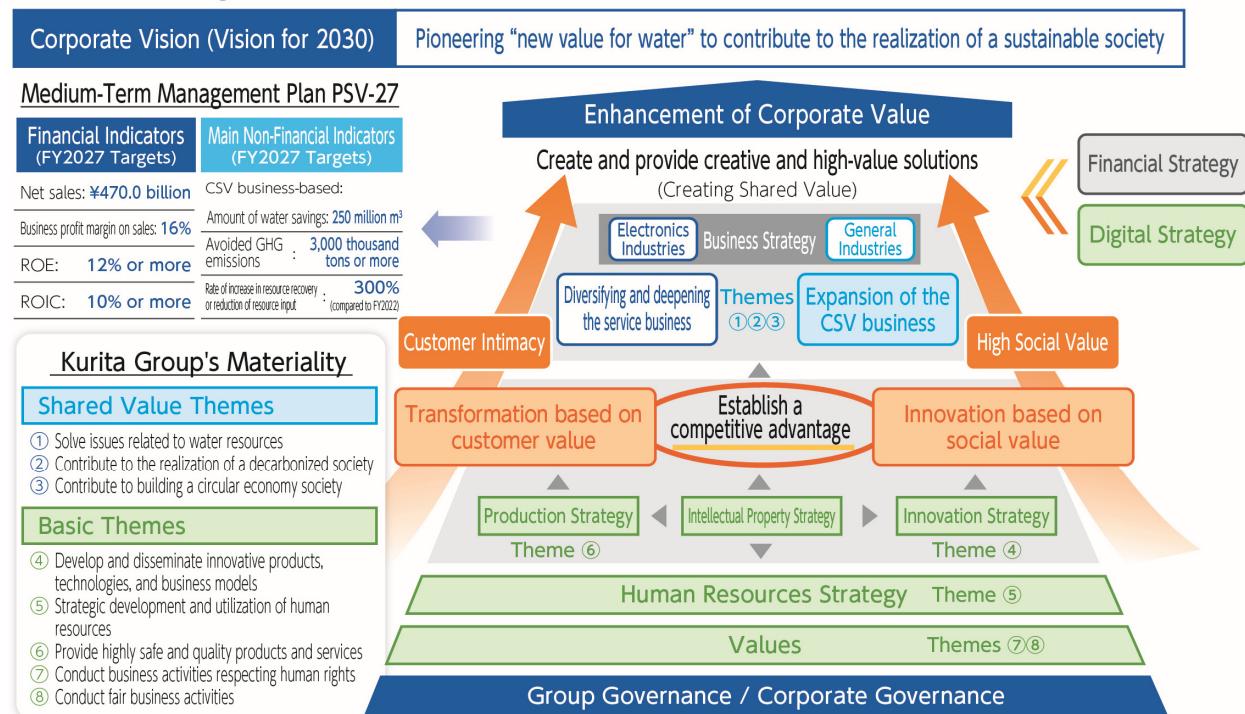
3. Treasury shares include about 499 thousand shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) for the stock compensation plan for the Officers of the Company and for certain Officers of the major domestic Group companies.

(7) Issues to be addressed

The five-year medium-term management plan Pioneering Shared Value 2027 (PSV-27 Plan) that began in fiscal 2023 has the basic policy to refine human resources, technologies and business processes to create value that exceeds expectations from stakeholders through overwhelming speed and problem-solving ability. It aims to provide a high level of value to society and develop the Kurita Group into a highly profitable company through competitive strategy based on two approaches: “Transformation based on customer value” and “Innovation based on social value,” which are goals of our corporate vision. To achieve this, PSV-27 Plan incorporates the Kurita Group’s efforts toward resolving materiality in an organic manner, which are priority issues for achieving our corporate vision—the full scope of these efforts are as outlined in “Value Pioneering Path” shown below.

The Group is aiming to achieve our corporate vision by working together as a group to accomplish PSV-27 Plan, adopting “Value Pioneering Path” as our guide.

Value Pioneering Path



In the fiscal year ended March 31, 2025, the second year of the PSV-27 plan, we made efforts to strengthen business foundation and promote global expansion in the electronics industry. We promoted business activities based on the basic policy of electronics business strategies in global four areas (Japan, Asia, North and South America, EMEA) and received project orders in the United States and Europe. In addition, we worked to develop service businesses, responding to a downturn in the precision tool cleaning market and a change in the plan for water supply business. With respect to the expansion of CSV business, which is a key initiative to create shared value with society, we began implementing operational processes to create new CSV businesses. In addition, we developed existing CSV businesses in the Middle East, Africa, and India. As the initiative to promote innovation to resolve social issues, one new business was launched. Regarding the initiative to utilize data that should be accumulated as “water knowledge” to strengthen foundation as a technology-driven company, we implemented the following initiatives in this fiscal year under review. In Japan, the Company began offering a full-scale service of sign diagnosis that utilizes water quality data, etc. gained from the manufacturing processes of paper products at paper factories to predict quality losses in production and operational failures associated with them in advance, which enables cause identifications, and in China and ASEAN, we expanded remote support services. In the fiscal year ending March 31, 2026, we expect the full-scale operation of a data platform shared in global four areas. Furthermore, as efforts to further strengthen the Group management foundations, the Board of Directors and the Sustainability Advisory Council examined external environment changes and the Group’s way of providing value over the long term, in order for the Board of Directors to formulate “long-term direction,” and worked on initiatives to establish talent management platforms.

As a result of these initiatives, some positive results were found in many key initiatives and the plan until the fiscal year ended March 31, 2025 made steady progress. However, considering the impacts of the aforementioned downturn in the precision tool cleaning market, change in the plan for water supply business, and other factors, we are required to promote key initiatives from a medium-term perspective, starting in the fiscal year ending March 31, 2026, to achieve our plan.

Kurita Group's medium-term management plan Pioneering Shared Value 2027 (FY2023 - FY2027)

		Fiscal Year 2023 Results	Fiscal Year 2024 Results	Fiscal Year 2025 Plans	Fiscal Year 2027 Targets
Financial indicators	Net sales	¥384.8 billion ↑	¥408.8 billion	¥425.0 billion	¥470.0 billion
	Business profit margin on sales	10.9% ↑	12.0%	12.7%	16.0%
	ROE	9.3% ↓	6.1%	10.7%	12.0% or more
	ROIC	7.2% ↑	8.8%	8.7%	10.0% or more
(CSV business-based)					
Main non-financial indicators	Amount of water savings	90 million m ³ ↑	108 million m ³	150 million m ³	250 million m ³
	Avoided GHG emissions	733 thousand t ↑	1,312 thousand t	2,500 thousand t	3,000 thousand t or more
	Rate of increase in resource recovery/	(2%)	12%	100%	Up 300%
	Rate of increase in rate of reduction of resource input	(Compared to FY2022) ↑	(Compared to FY2022)	(Compared to FY2022)	(Compared to FY2022)

In the fiscal year ending March 31, 2026, the third year of the PSV-27 plan, we will work on the following five key initiatives, as the Group's issues to be addressed.

1) Focus on businesses in the electronics industry

We will promote differentiation from our competing companies and ensure opportunities by obtaining information about investments in existing and prospect projects related to overseas and main customers. We also work to develop service businesses starting with EPC* and EP+ module. In addition, through selection and concentration in the precision tool cleaning business, we will make efforts to improve profitability and promote business expansion by cooperating within the business.

2) Create shared value with society and global expansion through diverse industries

We aim to further accelerate the development of existing businesses and creation of new businesses for CSV business, and globally respond to increasing demand for addressing PFAS. In addition, we will make efforts to maximize lifetime value of customers by reviewing low profitability businesses and gaining recurring businesses, to improve profitability and sales effectiveness.

3) Promote innovation to resolve social issues

We seek to establish new businesses by examining the subject of commercialization in new business creation from the aspects of both social and economic value, and examining and reviewing potential for larger scale through opinion exchanges with customers, and internal and external members. In addition, to strengthen existing businesses, we will work to develop core technologies that would bring competitiveness of products and services that contribute to new market development, value creation, and market share expansion.

4) Strengthen foundation as a technology-driven company

Among the new business proposals and development themes, we will identify targets that enable us to reinforce our competitiveness from new business ideas and development subjects by establishing patent networks and utilizing the IP landscape, and define measures to develop businesses and markets that would contribute further

[Translation for Reference and Convenience Purposes Only]

to achieving PSV-27 Plan. In addition, we will expand areas for full-scale utilization of data platforms by applying data accumulated as “water knowledge” across the Group more effectively.

5) Further strengthen the Group management foundations

To enhance strategic initiatives and planning capabilities from a medium- to long-term perspective, we will establish a process to formulate plans for new businesses based on social value that would become the core of medium- to long-term management strategies, through insights that utilize internal and external information related to sustainability, and the IP landscape. In addition, we will start using the talent management platform to place the right person in the right position across the entire Kurita Group.

* Engineering, Procurement, and Construction

(8) Principal businesses (As of March 31, 2025)

Since its founding, the Kurita Group has contributed to developing industry and society and conserving the environment through various business activities in the water and environment areas.

Major principal businesses in each business segment of the Kurita Group are as follows:

Segment	Principal business
Electronics Industry	Manufacture and sale of water treatment facilities, recurring contract-based services, water supply services, manufacture and sale of water treatment chemicals, precision tool cleaning services, maintenance of water treatment facilities, operation and maintenance of water treatment facilities
General Industry	Manufacture and sale of water treatment facilities, recurring contract-based services, water supply services, manufacture and sale of water treatment chemicals, maintenance of water treatment facilities, engineering cleaning, operation and maintenance of water treatment facilities, soil and groundwater remediation, environmental analysis (water quality, soil), software services

(9) Principal offices (As of March 31, 2025)

The Company	Head Office	10-1, Nakano 4-chome, Nakano-ku, Tokyo
	Osaka Office	3-9, Hommachi 4-chome, Chuo-ku, Osaka-shi, Osaka
	Production, R&D facilities	Ichihara Plant (Ichihara-shi, Chiba)
		Shizuoka Plant (Yoshida-cho, Haibara-gun, Shizuoka)
		Tsuruga Plant (Tsuruga-shi, Fukui)
		Takahama Plant (Takahama-cho, Oi-gun, Fukui)
		Toyoura Plant (Shimonoseki-shi, Yamaguchi)
		Kurita Innovation Hub (Akishima-shi, Tokyo)
		Engineering Center (Mitaka-shi, Tokyo)
Subsidiary	Japan	Kurita Chemical Manufacturing Ltd. (Ibaraki and others)
		Kuritaz Co., Ltd. (Tokyo, Osaka and others)
		Kuritec Service Co., Ltd. (Osaka and others)
		Kurita East Japan Co., Ltd. (Tokyo and others)
		Kurita West Japan Co., Ltd. (Osaka and others)
	Overseas	KURITA HANSU Water Industries Ltd. (South Korea)
		Kurita Water Industries (Dalian) Co., Ltd. (China)
		Kurita Water Industries (Suzhou) Ltd. (China)
		Kurita Water (Malaysia) Sdn. Bhd. (Malaysia)
		Kurita (Singapore) Pte. Ltd. (Singapore)
		Kurita Europe GmbH (Germany and others)
		Kurita do Brasil LTDA. (Brazil)
		Kurita America Inc. (United States)
		Pentagon Technologies Group, Inc. (United States)

(Notes) 1. As of March 31, 2025, the Company had 21 sales branch offices.

2. Kurita America, Inc. and Avista Technologies Inc., consolidated subsidiaries of the Company, merged, with Kurita America, Inc. being as a surviving company, effective April 1, 2025.

(10) Important subsidiaries (As of March 31, 2025)

Company name	Capitalization (In millions)	Ownership (%)	Principal business
Kurita Europe GmbH	EUR 50	100	Manufacture and sale of water treatment chemicals
Kurita Water Industries (Dalian) Co., Ltd. (China)	JPY 550	90.1	Manufacture and sale of water treatment chemicals
Kurita Water Industries (Suzhou) Ltd.	JPY 530	100	Manufacture and sale of water treatment facilities Operation and maintenance of water treatment facilities
KURITA HANSU Water Industries Ltd.	KRW 38,900	100	Manufacture and sale of water treatment chemicals and water treatment facilities Operation and maintenance of water treatment facilities
Kurita Water (Malaysia) Sdn. Bhd.	MYR 31.6	100	Manufacture and sale of water treatment chemicals and water treatment facilities Operation and maintenance of water treatment facilities
Pentagon Technologies Group, Inc.	USD 0.002	100	Precision tool cleaning services Cleaning and certification of clean rooms Manufacture and sale of equipment
Kurita America, Inc.	USD 0.00001	100	Manufacture and sale of water treatment chemicals and water treatment facilities Operation and maintenance of water treatment facilities
Kuritaz Co., Ltd.	JPY 220	100	Operation and maintenance of water treatment facilities
Kuritec Service Co., Ltd.	JPY 50	100	Precision tool cleaning services
Kurita Chemical Manufacturing Ltd.	JPY 50	100	Manufacture of water treatment chemicals
Kurita East Japan Co., Ltd.	JPY 30	100	Sale of water treatment chemicals Maintenance and service of water treatment facilities
Kurita West Japan Co., Ltd.	JPY 30	100	Sale of water treatment chemicals Maintenance and service of water treatment facilities

(Note) Kurita America, Inc. and Avista Technologies Inc., consolidated subsidiaries of the Company, merged, with Kurita America, Inc. being as a surviving company, effective April 1, 2025.

(11) Employees (As of March 31, 2025)

[The Kurita Group]

Number of employees	Year-on-year change
8,151	+170

[The Company]

Number of employees	Year-on-year change	Average age	Average length of service
1,661	+36	43.1	17 years and 0 months

(12) Main lenders and outstanding borrowings (As of March 31, 2025)

Main lenders	Outstanding borrowings
MUFG Bank, Ltd.	11,493 million yen
Resona Bank, Limited	8,400 million yen
Sumitomo Mitsui Trust Bank, Limited	7,200 million yen

(Notes) 1. The borrowing amounts above include the borrowings from overseas subsidiaries of the lenders.
 2. Although the Company has concluded commitment line contracts with a maximum loan amount of 20,000 million yen with two financial institutions with which it has transactions, the Company had no outstanding borrowings based on this contract as of March 31, 2025.

(13) Important matters concerning the Kurita Group

1) Reorganization of overseas consolidated companies in North America

Kurita America, Inc. and Avista Technologies Inc., consolidated subsidiaries of the Company, merged, with Kurita America, Inc. being as a surviving company, effective April 1, 2025.

2) Acquisition of own shares

At a Board of Directors meeting held on May 8, 2025, the Company resolved to acquire own shares in accordance with Article 156 of the Companies Act applicable pursuant to Article 165, Paragraph 3 of the said act.

(Details of acquisition as resolved at the Board of Directors held on May 8, 2025)

- (i) Class of shares to be acquired: Common shares of the Company
- (ii) Total number of shares to be acquired: Up to 3,500,000 shares
- (iii) Total amount of share acquisition cost: Up to 15,000,000,000 yen
- (iv) Period of acquisition: From May 9, 2025 to August 31, 2025
- (v) Method of acquisition: Market acquisition on the Tokyo Stock Exchange

2. Shares of the Company (As of March 31, 2025)

(1) Total number of issuable shares

531,000,000 shares

(2) Total number of issued shares

116,200,694 shares (including 3,536,833 treasury shares)

(3) Number of shareholders

29,085 persons

(4) Major shareholders (Top 10 shareholders)

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

(Notes) 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.
3. Treasury shares do not include about 499 thousand shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) for the stock compensation plan for the Officers of the Company and for certain Officers of the major domestic Group companies.

(5) Shares delivered to Directors and Executive Officers of the Company as consideration for the execution of duties during the fiscal year under review

Classification	Number of shares	Number of persons to whom shares were delivered
Director (excluding External Director)	13,903	1
Executive Officer	35,373	6

(Note) The above number of shares and number of persons to whom shares were delivered include an Executive Officer who resigned in the previous fiscal year.

(6) Other important matters regarding shares

- Holdings of the own share by means of a trust pertaining to the performance-linked stock compensation plan As of March 31, 2025, 499,067 shares of treasury shares have been acquired by the share distribution trust established with monetary funds contributed by the Company on the basis of the performance-linked stock compensation plan which was adopted upon resolution made at the 80th Ordinary General Meeting of Shareholders held on June 29, 2016 and held by Custody Bank of Japan, Ltd. (Trust Account).

3. Directors and Executive Officers of the Company (As of March 31, 2025)

(1) Directors and Executive Officers

1) Directors

Name	Position	Responsibility	Significant concurrent positions
Michiya Kadota	Director and Chairman	Chairperson of the Board of Directors Member of the Nominating Committee Member of the Compensation Committee	
Hirohiko Ejiri	Director	Member of the Nominating Committee Member of the Compensation Committee	
Shuji Shirode	Director		
Yukihiko Mutou	Director	Member of the Audit Committee	
Kenjiro Kobayashi	External Director	Chairperson of the Audit Committee Member of the Nominating Committee	
Keiko Tanaka	External Director	Chairperson of the Nominating Committee Member of the Compensation Committee	Outside Director, Nissui Corporation
Masahiro Miyazaki	External Director	Chairperson of the Compensation Committee Member of the Nominating Committee	Outside Director, Astellas Pharma Inc.
Yoshiko Takayama	External Director	Member of the Audit Committee Member of the Compensation Committee	Vice Chairperson, J-Eurus IR Co., Ltd. Representative Directors, Japan Board Review Co., Ltd. External Member of the Governance Council, Ernst & Young ShinNihon LLC

(Notes) 1. Kenjiro Kobayashi, Keiko Tanaka, Masahiro Miyazaki, and Yoshiko Takayama are External Directors of the Company under Item 15, Article 2 of the Companies Act.

2. The Company has registered External Directors Kenjiro Kobayashi, Keiko Tanaka, Masahiro Miyazaki, and Yoshiko Takayama as independent officers with the Tokyo Stock Exchange, Inc.

3. Member of the Audit Committee Yukihiko Mutou has considerable insight with respect to finance and accounting, as he was engaged in finance and accounting in the Finance and Accounting Dept. for 16 years at the Company.

4. Member of the Audit Committee Kenjiro Kobayashi has considerable insight with respect to finance and accounting, having handled operations that include the investment and loan business of Japan Development Bank (currently, Development Bank of Japan Inc.) for 27 years.

5. To ensure audit levels, Kenjiro Kobayashi and Yukihiko Mutou have been selected as full-time members of the Audit Committee.

2) Executive Officers

Name	Position	Responsibility and significant concurrent positions
Hirohiko Ejiri	President and Representative Executive Officer	
Shuji Shirode	Managing Executive Officer	Executive General Manager of Corporate Control and Administration Division Chief Financial Officer (CFO)
Katsuya Amano	Executive Officer	Executive General Manager of Electronics Industry Division and Chief Business Officer for Electronics Industry
Kunihiro Kuse	Executive Officer	Executive General Manager of Engineering Division Chief Technology Officer (CTO)
Jordi Verdés Prieto	Executive Officer	Executive General Manager EMEA & Americas Regional Management Division

(Notes) 1. Hirohiko Ejiri and Shuji Shirode concurrently serve as Directors.

2. No Executive Officers have significant concurrent positions.

3. Responsibilities of Executive Officers were changed as of April 1, 2025, as follows:

Name	Position	Responsibility and significant concurrent positions
Shuji Shirode	Representative Senior Managing Executive Officer	Executive General Manager of Corporate Control and Administration Division Chief Financial Officer (CFO)
Kunihiro Kuse	Executive Officer	Executive General Manager of Engineering Division and Senior General Manager of Value Engineering Group Chief Technology Officer (CTO)
Jordi Verdés Prieto	Executive Officer	Executive General Manager of West Division Chief Business Officer for General Industry

(2) Outline of agreements for limitation of liability with external officers

The Company has entered into an agreement with External Directors Kenjiro Kobayashi, Keiko Tanaka, Masahiro Miyazaki, and Yoshiko Takayama that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.

(3) Outline of the directors and officers liability insurance agreements

The Company has entered into directors and officers liability insurance agreements provided for in Paragraph 1, Article 430-3 of the Companies Act with insurance companies. The insurance agreements cover compensation for damages and litigation costs to be borne by the insured persons in the event of claims for damages by shareholders or third parties. The insurance premiums are fully paid by the Company. The insured parties of the insurance agreements include the Directors, Executive Officers, Corporate Officers, and employees with managerial positions of the Company, and Directors, members of the Audit & Supervisory Board, and employees with managerial positions of its subsidiaries.

(4) Remuneration of Directors and Executive Officers during the fiscal year under review

1) Total amount of remuneration, etc. for the fiscal year under review

Classification	Number of payees	Total amount by type of remuneration, etc.				Total	
		Fixed remuneration, etc.	Performance-linked remuneration, etc.				
			Short-term incentive remuneration (monetary compensation)	Long-term incentive remuneration (stock compensation)			
Directors	2 (excluding External Directors)	134 million yen	—	—	134 million yen		
	4 (External Directors)	78 million yen	—	—	78 million yen		
	Total 6	212 million yen	—	—	212 million yen		
Executive Officers	5	249 million yen	121 million yen	142 million yen	514 million yen		

(Notes) 1. Directors who concurrently serve as Executive Officers are not paid remuneration as Directors. Accordingly, remuneration of two persons who concurrently serve as Directors and Executive Officers is included in the Executive Officers' section.

2. The Company recorded the estimate of money to be paid for short-term incentive remuneration and the amount related to the granting of share delivery points for long-term incentive remuneration as provisions, etc. as of March 31, 2025, and these amounts are provided above. Additionally, the above-stated fixed remuneration, etc. amount of Directors (excluding External Directors) includes the amount related to the granting of share delivery points for one Director as non-performance-linked stock compensation as a part of fixed remuneration, which was recorded as provisions, etc. as of March 31, 2025.

3. In addition to the above-stated remuneration paid to Directors, 13,903 shares of non-performance-linked stock compensation for the previous fiscal year has been granted to one Director. In addition to the above-stated remuneration paid to Executive Officers, 76 million yen of short-term incentive remuneration for the previous fiscal year, and 35,373 shares of long-term incentive remuneration for the previous fiscal year have been granted to six Executive Officers (including one Executive Officer who resigned in the previous fiscal year).

2) Matters related to policy for determining the contents of individual remuneration of Directors and Executive Officers

The Company resolves on matters related to policy for determining the contents of individual remuneration of Directors and Executive Officers and determines remuneration, etc. at the Compensation Committee meeting. The Compensation Committee consists of the five members with three External Directors, the Director and Chairman who is non-executive; and the Director, President and Representative Executive Officer; and an External Director Masahiro Miyazaki serves as a chairperson. As a basic idea of determining remuneration of Directors and Executive Officers, the "Basic policy regarding the determination of remuneration for Directors and Executive Officers" is provided by the Company's internal regulations on officers' remuneration that are resolved by the Compensation Committee. Individual remuneration of Directors and Executive Officers is calculated based on the Company's internal regulations on officers' remuneration. Therefore, the Compensation Committee has judged that the contents of individual remuneration for the fiscal year under review are in line with this policy.

Basic policy regarding the determination of remuneration for Directors and Executive Officers

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.
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.
3. The Company ensures the objectivity of decisions on remuneration and the remuneration decision-making process be highly transparent.

[Objectives of the basic policy]

- 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.
- 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.
- The remuneration decision-making process shall be highly objective and transparent, in compliance with the Companies Act and other laws and regulations relating to executive remuneration, through efforts such as the establishment of a process to verify the remuneration levels on a regular basis with reference to external remuneration data.

3) Matters related to performance-linked remuneration, etc. and non-monetary remuneration, etc.

The Company's remuneration framework of Directors and Executive Officers is as follows:

Type of remuneration		Directors (excluding External Directors and Directors who are Audit Committee members)	External Directors and Directors who are Audit Committee members	Executive Officers
Fixed remuneration, etc.	Monetary compensation	Fixed remuneration <input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Appropriation to Shareholding Scheme	<input type="radio"/>	
	Stock compensation	Non-performance- linked stock compensation <input type="radio"/>		
Variable remuneration, etc.	Monetary compensation	Short-term incentive remuneration		<input type="radio"/>
	Stock compensation	Long-term incentive remuneration		<input type="radio"/>

The remuneration system for the Company's Directors consists only of fixed remuneration, as Directors focus on supervising. The amount of Directors' remuneration is decided by position. In order for Directors to share the risks of share price fluctuations with the shareholders, non-performance-linked stock compensation is applied to Directors (excluding External Directors and Directors who are Audit Committee members), whereby points are granted to Directors in accordance with position, and a number of shares of the Company's shares with restriction on transfer equivalent to the number of points are annually delivered to the Directors. A portion of fixed remuneration of External Directors, and Directors who are Audit Committee members is appropriated for the Directors' Shareholding Scheme for the acquisition of the Company's shares.

The remuneration system for the Company's Executive Officers consists of fixed remuneration and incentive remuneration that reflects performance. The fixed remuneration is a fixed amount by position, etc. for Executive Officers. The incentive remuneration is intended to motivate Executive Officers to continuously improve the Kurita Group's business results, and to enhance corporate value through the realization of social value. The incentive remuneration consists of short-term incentive remuneration, which increases or decreases depending on factors such as the level of attainment of the annual business plan, the evaluation of each individual's performance of his or her duties, and the level of attainment of environmental indicators and targets tied to the Kurita Group's materiality, and long-term incentive remuneration, whereby points are granted to Executive Officers in accordance with business performance and position during their time in office,

and a number of shares of the Company's shares with restriction on transfer equivalent to the number of points granted are annually delivered to the Executive Officer (However, for Executive Officers who are non-resident in Japan, if special handlings are required according to laws, regulations, and taxation, or due to other special circumstances, the Company may deliver the shares without transfer restrictions, subject to resolution of the Compensation Committee). Additionally, in the event of a rational judgment that the application of the Company's internal regulations on officers' remuneration is difficult due to laws and regulations in countries of residence, and other reasons, the Company may handle the remuneration in a different way from the internal regulations, subject to determination of the Compensation Committee.

Short-term incentive remuneration consists of remuneration linked to consolidated performance, remuneration linked to the results of operations executed by each Executive Officer, remuneration related to other contributions, and an environmental impact coefficient. Details are as follows:

Evaluation items	Performance indicators	Weight	Total weight
Consolidated performance-linked remuneration	Year-on-year change in ROIC	50.0%	
Remuneration linked to results of executed operations	<ul style="list-style-type: none"> Division in charge of business uses following indicators <p>Achievement rate of consolidated net sales, and variance between targeted and actual consolidated operating profit margin on sales of division in charge</p> <ul style="list-style-type: none"> Division not in charge of business select from following indicators <p>Variance between targeted and actual consolidated operating profit margin, variance between targeted and actual consolidated business profit margin on sales, variance between targeted and actual consolidated gross profit margin on sales</p>		100%
Other incentive remuneration (Executive Officers other than the President)	<ul style="list-style-type: none"> The President evaluates the contribution of each Executive Officer focusing on the following points <p>Evaluation points: creation of new recurring contract-based service businesses and CSV businesses, track record in winning orders, etc., that contribute to the construction of a strong business, as outlined in the goals, policies, and measures of each organization; and improvements in the Group's corporate structure that are not reflected in the business performance for the fiscal year in question, implementation of large-scale investment projects such as M&A, significant contract achievements, etc.</p>	50.0%	
Environmental impact coefficient	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	The payment ratio of short-term incentive is fluctuated depending on the achievement level of performance indicators	

The amount of short-term incentive remuneration is calculated by calculating a payment rate that fluctuates depending on the level of achievement of performance indicators for remuneration linked to consolidated

performance, remuneration linked to the results of operations executed by each Executive Officer, remuneration related to other contributions, and by multiplying the obtained payment rate by a coefficient that corresponds to the level of achievement of the environmental impact coefficient, and multiplying a base amount by position relating to short-term incentive remuneration by the obtained amount.

Long-term remuneration consists of a common indicator and TSR coefficient. The common indicator is consolidated return on equity attributable to owners of parent (ROE). TSR coefficients use TOPIX growth rate and relative total shareholder return (TSR) as performance indicators. Details are as follows:

Evaluation items	Performance indicators	Weight
Common indicator	ROE	100%
TSR coefficient	TOPIX growth rate and relative TSR	The payment ratio of long-term incentive is fluctuated depending on the achievement level of performance indicators

The amount of long-term incentive remuneration is calculated by multiplying a payment rate that fluctuates depending on the level of achievement of consolidated return on equity attributable to owners of parent (ROE), by a coefficient that corresponds to the level of achievement of total shareholder return (TSR), and multiplying a base amount by position relating to long-term incentive remuneration by the obtained amount.

The reason for selecting return on invested capital (ROIC), consolidated operating profit margin on sales, consolidated return on equity attributable to owners of parent (ROE), total shareholder return (TSR), etc. as the performance indicators for performance-linked remuneration is because they are management indicators that directly reflect the results of business performance, while also being significant indicators for equity markets.

The results of performance-linked remuneration indicators and environmental contribution coefficient which are evaluation items for the short-term incentive remuneration applied to all Executive Officers eligible for performance-linked remuneration, and the common indicators and TSR coefficient which are evaluation items for the long-term incentive remuneration, are as follows:

Remuneration category	Performance indicators	Results	Evaluation
Short-term incentive remuneration	Year-on-year change in ROIC	+ 1.6 pp	Highest evaluation level out of four
	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	97.8%	Lowest evaluation level out of three
Long-term incentive remuneration	ROE	6.1%	Lowest evaluation level because it fell below the established lower limit of 8.0%
	TOPIX growth rate and relative TSR	56.6%	Lowest evaluation level out of three

(5) External Directors

1) The significant concurrent positions that External Directors hold at other companies are described in the aforementioned “(1) Directors and Executive Officers.” No special interest exists between the Company and the other companies, etc. at which Keiko Tanaka, Masahiro Miyazaki and Yoshiko Takayama hold concurrent positions.

2) Principal activities of External Directors

Name	Position	Record of attendances at the Board of Directors and Committees meetings	Principal activities and an outline of duties performed by External Directors in relation to their expected roles
Kenjiro Kobayashi	External Director	Board of Directors 15/15 (100%)	Mr. Kobayashi has actively expressed his opinions on competitive advantages and growth strategies from a medium- to long-term perspective at the Board of Directors, by utilizing high expertise and a wealth of international experience in the areas of finance, corporate planning, new business development and M&A, etc.
		Nominating Committee 9/9 (100%)	He also conducted daily audits as a chairperson and full-time member of the Audit Committee, and expressed his opinions in the Audit Committee meetings and other important meetings, mainly based on his expert perspective in finance and accounting.
		Audit Committee 15/15 (100%)	
Keiko Tanaka	External Director	Board of Directors 15/15 (100%)	Ms. Tanaka has actively expressed her opinions on corporate management and business administration in corporate groups with global operations at the Board of Directors, based on a great deal of knowledge on public relations, marketing, and HR management as well as international experience.
		Nominating Committee 9/9 (100%)	She also had appropriate discussions and deliberations on the nominating process of candidates for Directors and Executive Officers, successor candidate development planning for Officers, and other matters, and gave advice on group-wide human resource development, as a Chairperson of the Nominating Committee.
		Compensation Committee 6/6 (100%)	

Name	Position	Record of attendances at the Board of Directors and Committees meetings	Principal activities and an outline of duties performed by External Directors in relation to their expected roles
Masahiro Miyazaki	External Director	Board of Directors 15/15 (100%)	Mr. Miyazaki has experience of holding important positions such as a representative executive officer and president and chief executive officer at corporate groups with global operations mainly in the electronics industry, both in Japan and overseas. He has a deep knowledge of manufacturing processes in the electronics industry and has promoted the reforms of operational processes and business models that utilize data and digital technologies. Based on this experience, he has actively expressed his opinions on growth strategies and business evaluation from a medium-to long-term perspective with aspects of appropriate risk-taking at the Board of Directors meetings. He also revised the remuneration system through appropriate discussions and deliberations on performance evaluation and remuneration details for Officers, as a Chairperson of the Compensation Committee.
		Nominating Committee 9/9 (100%)	
		Compensation Committee 6/6 (100%)	
Yoshiko Takayama	External Director	Board of Directors 15/15 (100%)	Ms. Takayama has expressed her opinions mainly in terms of corporate governance in the Board of Directors meetings, Audit Committee meetings and other important meetings, based on her international experience, as well as abundant experience in the field of Investor Relations, and high expertise related to corporate governance, as well as experience of promoting gender equity through serving as a member of the “Committee for Studying Scoring Criteria for Selecting Enterprises as Nadeshiko Brands” for many years. She also had appropriate discussions and deliberations on initiatives for materiality, identified issues for increasing corporate value and submitted reports to the Board of Directors, and explained sustainability management to stakeholders, as a Chairperson of the Sustainability Advisory Council.
		Audit Committee 15/15 (100%)	
		Nominating Committee 6/6 (100%)	

4. Accounting Auditor

(1) Name of Accounting Auditor

Grant Thornton Taiyo LLC

(2) Remuneration to Accounting Auditor for the fiscal year under review

Classification	Amount of remuneration
Amount of Remuneration paid by the Company for the fiscal year under review	89 million yen
Sum of the amount of money and other material advantage to be paid by the Company and its subsidiaries to Accounting Auditor	105 million yen

(Notes) 1. The amount of remuneration listed above in the row “Amount of Remuneration paid by the Company for the fiscal year under review” has been determined on the basis of the audit agreement entered into between the Company and the Accounting Auditor. The above paid amount is the total of payments since the remuneration from audits pursuant to the Companies Act and Financial Instruments and Exchange Act are not clearly divided or cannot be practically divided.

2. “Sum of the amount of money and other material advantage to be paid by the Company and its subsidiaries to Accounting Auditor” includes the amount payable for non-audit services, namely, salary certification tasks for overseas employees.

3. The Audit Committee has furnished its consent with respect to amount of remuneration paid by the Company for the fiscal year under review, upon having conducted requisite validation of evaluations of status of executing duties and results of audits for prior fiscal year, the audit plan for the fiscal year under review, and rationale used for calculating quotations for remuneration.

4. Among the Company’s significant subsidiaries, overseas subsidiaries are audited by Certified Public Accountants or audit corporations (including persons or entities with equivalent qualifications overseas) other than the Company’s Accounting Auditor.

(3) Policy on decision to dismiss or not reappoint Accounting Auditor

Where the Audit Committee deems the Accounting Auditor corresponds to the provisions of each Item of Paragraph 1, Article 340 of the Companies Act based on the agreement of all members of the Audit Committee, the Accounting Auditor will be dismissed.

Moreover, the Audit Committee evaluates the Accounting Auditor in terms of its auditing frameworks, independence and expertise, and if deemed necessary, determines the content of proposals calling for the dismissal or non-reappointment of the Accounting Auditor, to be submitted to General Meetings of Shareholders, particularly if the Audit Committee finds it difficult for the Accounting Auditor to execute its duties appropriately.

(4) Administrative order for the suspension of operations imposed on the Accounting Auditor in the past two years

1) Subject of administrative order

Grant Thornton Taiyo LLC

2) Contents of administrative order

Suspension of operations related to the conclusion of new contracts for a period of three months (from January 1, 2024 to March 31, 2024, excluding the renewal of audit contracts and new contracts associated with the listing of companies with whom an audit contract exists)

3) Grounds for administrative order

Two certified public accountants, who are partners of Grant Thornton Taiyo LLC, neglected considerable care in auditing other company’s amendment report, etc., and attested the financial documents containing material misstatements as if they contained no material misstatements.

[Translation for Reference and Convenience Purposes Only]

Also, the Company received explanations from the Accounting Auditor on details of the order and the outline of operation improvements, as well as the completion of operation improvements.

System to ensure appropriate operations and operational status

The Kurita Group's Basic Policies for Constructing an Internal Control System (as of March 31, 2025) are as follows.

1 System to ensure that the execution of the duties of Executive Officers and employees conforms with laws, regulations, and the Articles of Incorporation

- (1) The Company and its consolidated subsidiaries (the "Group Companies") will comply with laws and regulations in accordance with social ethics and have specified actions based on compliance with laws, regulations, and social ethics as a prerequisite for corporate activities to construct transparent and fair relationships with shareholders, customers, employees, local communities, and trade partners at all places in which business activities are conducted. We have also established the Kurita Group Code of Conduct and "Maintain unwavering integrity" as one of our Values that form the foundation of the Kurita Group Philosophy System, with which officers, etc. (collective term for Directors, Executive Officers, Corporate Officers, and other personnel equivalent to them and Directors, members of the Audit & Supervisory Board, and personnel equivalent to them of the Group Companies; the same applies hereinafter) and employees of the Company and the Group Companies should comply, irrespective of differences in language, custom and cultural background, to fully enforce actions based on compliance with laws, regulations and social ethics in our daily business activities. In addition, the Company and the Group Companies will stand up to antisocial forces that potentially pose a threat to social order and safety with a resolute attitude, and work to fight off the unjustified claims of antisocial forces in a determined manner.
- (2) The Company sets up the Sustainability Committee, which is chaired by the Executive General Manager of the Sustainability Division, who is a Corporate Officer. In this Committee, the members set out policies and important measures for integrity activities*, and convey them to all employees through the divisions, and a committee, etc. of each Group Company. The responsible Executive Officer or Corporate Officer will regularly report the status of activities and their results to the Board of Directors to continuously raise the compliance level. If the Chairperson of this Committee determines that there is a serious problem or a doubt related to compliance, the Chairperson will immediately report it to the President and Representative Executive Officer and the Chairperson of the Audit Committee, and then formulate and implement remedial actions and preventive measures. The President and Representative Executive Officer and the Chairperson of this Committees will report these events to the Board of Directors or the Audit Committee whenever appropriate.

*The term "integrity activities" involves activities related to compliance.

- (3) The Company establishes the Internal Auditing Department to conduct internal audits on matters such as those related to compliance activities. The Internal Auditing Department is placed under the direct control of the President and Representative Executive Officer in the organizational structure and conducts internal audits based on audit plans approved by the Audit Committee and the President and Representative Executive Officer. The General Manager of Internal Auditing Department shall report audit results to the Audit Committee and the President and Representative Executive Officer periodically or after each audit, depending on the type of audit. Moreover, the General Manager of Internal Auditing Department shall, where there is an emergency or special measures are deemed to be required during audits, immediately report to a member of the Audit Committee, and where necessary, to the President and Representative Executive Officer.
- (4) The Company establishes the Operational Regulations for Whistle-Blower Protection Systems as a mechanism for the officers, etc. and employees of the Company and the Group Companies to directly provide information about legally doubtful conducts, etc. In conjunction with these regulations, the Company also establishes the Compliance Counselling Counter. The Company also works to ensure the fairness and transparency of the management of the Company and the Group Companies by regularly reporting the status of the operation of the contact for Public Interest Whistle-Blowing to the Board of Directors.
- (5) The Company establishes and operates the "Internal Control Reporting System" in accordance with the Financial Instruments and Exchange Act to ensure the accuracy of the financial reporting of the Company and the Group Companies. Monitoring, advices on improvement, and support for improvement for the

operation of the System are implemented, with the Internal Auditing Department as the responsible department. In addition, the Corporate Accounting Department in the Corporate Control and Administration Division shares responsibility for monitoring, recommendations for improvement, and support for improvement related to the “operations process control inside the Company” and the “account settlement and financial reporting process control of consolidated subsidiaries from a company-wide perspective.”

(6) In response to the “Corporate Governance Code” set forth in the Securities Listing Regulations of the Tokyo Stock Exchange, the Company establishes policies for corporate governance and strengthens its corporate governance, with the aim of realizing transparent, fair, prompt, and decisive decision-making and more effective management supervision of the Company and the Group Companies.

Outline of operational status

(a) The Kurita Group views sustainability as corporate activities within the natural environment and social systems, and the pursuit of sustainable growth taking into account the impact of corporate activities on the environment and social systems, and vice versa. It positions sustainability at the core of business management. Under the corporate vision of “Pioneering ‘new value for water’ to contribute to the realization of a sustainable society,” we identified material issues toward the realization of a sustainable society as eight issues of materiality, taking account of global issues related to sustainability, and set metrics and targets. Initiatives on these issues have been led by the Sustainability Committee, which is an organization placed on the executive side, and the Board of Directors has been overseeing its activities.

(b) The Company is operating the Regulation for Responding to Anti-social Forces that prescribes matters relating to an organizational structure and other approaches to cutting any relations with anti-social forces.

(c) The Sustainability Committee holds meetings regularly to check the state of progress of key measures and issues. Important provision of information and reports are conducted so that the Board of Directors is able to oversee the Company’s measures to address climate change issues. In addition, the Sustainability Advisory Council is placed on the supervisory (Board of Directors) side. The Sustainability Advisory Council has been examining Kurita’s approach to sustainability management in the best interests of varied stakeholders including shareholders, based on a medium- to long-term perspective, while being consulted by, and submitting reports to the Board of Directors.

(d) The Company established the Kurita Group Code of Conduct, the Corporate Governance Policies, the Basic Policies for Constructing an Internal Control System, the Kurita Group BCM Policy (Business Continuity Management), the Kurita Group Human Rights Policy, the Kurita Group Anti-Bribery Policy and Kurita Group Antitrust Policy as its basic policies. The Board of Directors resolved the Kurita Group’s materiality, with eight issues of materiality included in the Medium-term Management Plan PSV-27. Under the frameworks of operation and supervision described in (a) above, the Company has been conducting activities related to sustainability. Additionally, the Internal Auditing Department conducted management control monitoring related to the establishment, awareness promotion, and operation of frameworks and systems for deploying the basic policies in the Group Companies and it checked for any important inadequacies.

(e) The Company and the Group Companies have been implementing surveys on integrity on an annual basis. They have been drawing on questionnaire results to monitor progress with respect to improvements, pinpointing issues, and then reflecting those findings in activity policies for the subsequent fiscal year. During the fiscal year under review, internal discussions were held based on Behavioral Guidelines and Code of Conduct.

(f) The Company and the Group Companies have been operating whistle-blowing system of internal control. They have accordingly established the Operational Regulations for Whistle-Blower Protection Systems and have set up consultation desk and reporting desk operated by outside organizations.

(g) With respect to internal controls for financial reporting, a team dedicated to such tasks from the Internal Auditing Department has been engaging in monitoring in accordance with fiscal year plans, and the Accounting Department in the Corporate Planning and Control Division has also been taking on some responsibility in that regard. The Company has also been monitoring the effectiveness of respective controls.

(h) The Company reviews its corporate governance policies regularly (at least once a year) or as necessary.

2 System to store and manage information about the execution of the duties of Executive Officers

Information about the execution of the duties of Executive Officers is stored and managed in documents (including electromagnetic records) by appointing a responsible person in charge of managing it and setting the storage period, etc., in accordance with the Document Regulations and the Confidential Information Management Regulations. The Directors may inspect these documents, etc. when necessary.

Outline of operational status

Original copies of the document of such information are being stored in vaults, and duplicates are being kept in locked document cabinets under stringent control. Access rights have been set for electromagnetic media. In addition, the Company has stipulated that those who have been granted permission to view documents must follow certain procedures in that regard, under the Company's regulations.

3 Regulations and other systems for managing the risk of loss

- (1) Risks pertaining to the Company and the Group Companies are monitored and risk management is promoted by the Executive General Manager of the Corporate Control and Administration Division. The Executive General Manager of the Corporate Control and Administration Division regularly analyzes and assesses the risks of the Company and the Group Companies, and makes efforts to prevent the occurrence of risks through continuous monitoring. If a risk that may have a material impact on management becomes apparent, the Executive General Manager of the Corporate Control and Administration Division will appoint a responsible official, draw up a system to address the risk, and immediately issue a command after gaining the approval of the President and Representative Executive Officer. The responsible official will immediately implement countermeasures and report the impact of the risk, the status of correcting the risk, and the measures for preventing the risk to the President and Representative Executive Officer, the Executive General Manager of the Corporate Control and Administration Division, and the Board of Directors or the Audit Committee.
- (2) In regard to serious risks, the Chairperson of the Sustainability Committee will be the responsible official for risks related to compliance, and the Chairperson of the Headquarters Health and Safety Committee will be the responsible official for risks related to health, safety, and occupational accidents. Risks that are directly related to daily business activities are addressed by the Executive General Managers of the divisions, who acts as the responsible official. Other day-to-day risks related to quality, the environment, information security, and export regulations, etc. are addressed by their respective departments.
- (3) The Executive General Manager of the Corporate Control and Administration Division, the Chairpersons of the Committees, and the Executive General Managers of the divisions regularly report the status of activities to promote risk management and integrity to the Board of Directors.
- (4) The status of the implementation of risk management and improvements is monitored, with the Internal Auditing Department acting as the responsible department.

Outline of operational status

- (a) The Company and the Group Companies have promoted risk management activities against "Group-wide risk" which must be addressed by the entire Kurita Group such as in the event of an earthquake or other disaster, and "business risk" which derives directly from daily business affairs. The Company and the Group Companies have also been conducting review on an annual basis of risk maps. The risk maps indicate probabilities of risks materializing, profile the impact and magnitude of impact that a risk event would pose, and assess the significance of such situations. To such ends, the Company and the Group Companies have been striving to prevent risk from materializing by implementing prevention measures, and otherwise have been preparing themselves to address unforeseen circumstances by establishing action plans for risk events. In addition, the Kurita Group implements the "Kurita Group BCM Policy (Business Continuity Management)" which sets out the Kurita Group's principles on response measures for officers, corporate officers, and employees in handling emergencies that pose a risk to the continuity of the Kurita Group's businesses such as major earthquakes, storm and flood damage, pandemics, or geopolitical risks. In addition, the Kurita Group will work to improve the effectiveness of measures against individual incidents that might have a significant impact on the Kurita Group.

Furthermore, the Company established a dedicated organization to address tightening of regulations against PFAS* in Japan and overseas, and has been analyzing risks and business opportunities and taking action based on this analysis.

*A generic term for organic fluorine compounds with roughly 10,000 types. Although they have been used in various products and uses, for their characteristics of higher resistance to water, oil, stains, etc., there have been worries about harmfulness to humans due to environmental persistence and bioaccumulation, and some PFAS have already been regulated by international treaties for manufacture, use, import and export.

- (b) The Company and the Group Companies have established legal violation risk maps, and accordingly engage in practices that involve identifying major risks of legal violation and regularly monitoring implementation of initiatives in that regard.
- (c) The Board of Directors and the Executive Committee have been regularly receiving reports regarding the promotion status of risk management and integrity activities, and the Board of Directors and the Audit Committee have been receiving reports whenever appropriate with respect to the occurrence and materializing of significant risk events.
- (d) The status of the implementation of risk management and improvements is monitored, with the Internal Auditing Department acting as the responsible department.

4 System to ensure the efficient execution of duties by the Executive Officers

The Company will improve the efficiency of the execution of duties of the Executive Officers based on the following management control system and mechanism.

- (1) The Board of Directors specifies the operations delegated to the Executive Officers and the responsible officials of organizations with the rank equivalent to or higher than Executive General Manager of a division.
- (2) The Board of Directors determines policies for formulating a corporate vision, a medium-term management plan, and a business plan for a single fiscal year, and the Executive Officers formulate a business plan for a single fiscal year in accordance with the said policies and set out the targets, policies, and focused measures for each organization. The Board of Directors receives reports from the Executive Officers on monthly and quarterly business performance in relation to the consolidated and non-consolidated targets of the Company and the business departments and supervises the performance.
- (3) The Board of Directors entrusts the Executive Officers to make decisions on operational execution excluding matters to be resolved by the Board of Directors. In addition, the final decision application system is set up, in line with the Executive Committee and the Final Decision and Examination Regulations, as a system to complement the decision-making.
- (4) The Executive Committee consists of the President and Representative Executive Officer and Executive Officers and Corporate Officers appointed by the President and Representative Executive Officer. The committee meets twice a month in principle, and on a temporary basis when necessary. In the Executive Committee, the members make decisions related to the management of the Company and the Group Companies, conduct a monthly and quarterly check of whether targets have been achieved and the status of implementation of policies and measures, and give each Executive Officer and Corporate Officer instructions to correct deviations. The members of the Audit Committee may attend the Executive Committee.
- (5) The decision to establish, revise, or abolish the Final Decision and Examination Regulations is made by the Board of Directors. For the Executive Officers and Corporate Officers to conduct their duties more efficiently, internal regulations conforming to the Final Decision and Examination Regulations are established and implemented.

Outline of operational status

- (a) To enable the Board of Directors to better provide strategic direction that contributes to the Kurita Group's sustainable growth, and exercise supervisory functions over the execution of duties, the Company reviewed and is operating the Final Decision and Examination Regulations when necessary.

(b) The Executive Committee has been making judgments and decisions on matters that have been delegated to it by the Board of Directors, and has been conducting review with respect to agenda items for meetings of the Board of Directors. Executive Committee members include the President and Representative Executive Officer, and Executive Officers and Corporate Officers appointed by the President and Representative Executive Officer. The committee has been meeting twice a month in principle, and on a temporary basis when necessary. The members of the Audit Committee selected by the Audit Committee have been attending meetings of the Executive Committee.

5 System to ensure the accuracy of operations in a corporate group consisting of the Company and its subsidiaries

The Company and Group Companies perform operations appropriately by the following systems and the frameworks that are in place.

- (1) The Company and Group Companies set a medium-term management plan and a business plan for a single fiscal year based on a unified outline for formulating plans.
- (2) The overall management of Group Companies is controlled by the Corporate Control and Administration Division. In addition, an Executive Officer, Corporate Officer, and department of the Company in charge of each Group Company are appointed to regularly determine the status of the business performance achieved and the status of risk management based on the medium-term management plan and the business plan for a single fiscal year, and to provide the Group Companies with guidance.
- (3) A Board of Directors is set up in each Group Company, and in principle, the Company or Group Companies dispatch a (non-standing) director and (non-standing) member of the Audit & Supervisory Board to monitor the management of the Board of Directors, business performance, settlement of accounts, and risks. If a decision needs to be made as the Group Companies, the decision is made in accordance with "7. Matters related to subsidiaries and associates in Japan and overseas," an appendix 1 of the Final Decision and Examination Regulations of the Company.
- (4) In regard to the Group Companies' efforts related to integrity, the Sustainability Committee of the Company sets out policies and priority measures, and a committee, etc. of each Group Company formulates and implements specific measures. In addition, the system for ensuring the accuracy of the financial reporting by the Group is considered and established as part of the approaches stated in Article 1, Paragraph 5.
- (5) The Group Companies report the status of their management, sales activities, manufacturing, and risk management, etc. to the Company regularly, such as on a monthly or quarterly basis.

Outline of operational status

- (a) The Company and the Group Companies have set a medium-term management plan and a business plan for a single fiscal year based on a unified outline for formulating plans. Meanwhile, the President and Representative Executive Officer of the Company has been holding management plan review sessions with respective Group Companies annually, and has been making decisions on general matters with respect to the fiscal year and plans for the subsequent fiscal year. The overall management of Group Companies is controlled by the Corporate Control and Administration Division.
- (b) In regard to the Group Companies' efforts related to integrity, the Sustainability Committee of the Company has set out policies and priority measures, and a committee, etc. of each Group Company has formulated and been implementing specific measures.
- (c) In order to strengthen governance at the Group Companies, the Company improves the systems and structures provided by the Company, and the Board of Directors accurately evaluates operational status and aims to improve effectiveness.
- (d) The members of the Audit Committee selected by the Audit Committee have been conducting audits and surveys with respect to the Company and the Group Companies in accordance with audit policies and audit plans, etc. established by the Audit Committee.

6 Matters related to an employee assigned to assist the Audit Committee in fulfilling its duties, matters related to the independence of the employee from the Executive Officers, and matters related to ensuring the effectiveness of instructions issued to the employee

- (1) The Secretariat to the Audit Committee is set up as an organization that assists the Audit Committee in fulfilling its duties, and an employee, etc. is appointed as its full-time staff member. The Audit Committee may instruct a certain employee, etc. who belongs to the Internal Auditing Department to assist the Committee.
- (2) The employee, etc. who assists the Audit Committee in fulfilling its duties provides assistance independent of the Executive Officers. In addition, the opinions of the members of the Audit Committee are respected regarding personnel changes and evaluations, etc. of the employee, etc.
- (3) The employee, etc. who assists the Audit Committee in fulfilling its duties may regularly attend places where opinions are exchanged between the President and Representative Executive Officer and the accounting auditor within the company of a member of the Audit Committee.

Outline of operational status

The Secretariat to the Audit Committee was set up as an organization that assists the Audit Committee in fulfilling its duties, and an employee was appointed as its full-time staff member. The members of the Audit Committee selected by the Audit Committee have the full-time staff member assist them in attending important meetings, visiting major offices and subsidiaries, exchanging opinions with the President and Representative Executive Officer, and receiving audit results reports from the accounting auditor. In addition, along with the full-time staff member, the General Manager of Internal Auditing Department supports the Audit Committee in audit work as the Secretariat to the Audit Committee, and the Audit Committee gives instructions to specific employees in the Internal Auditing Department to assist audit work as necessary.

7 System for reporting to the Audit Committee

- (1) In order to regularly confirm that the Executive Officers, Corporate Officers, and employees of the Company perform operations appropriately, the members of the Audit Committee may attend the Executive Committee and the Sustainability Committee, etc.
- (2) The members of the Audit Committee selected by the Audit Committee (hereinafter, the “selected members of the Audit Committee”) may inspect documents, etc. necessary for their auditing work at any time, irrespective of the provisions of the Document Regulations, the Confidential Information Management Regulations, and other regulations.
- (3) The Executive Officers and Corporate Officers of the Company report important matters related to the execution of duties to the Audit Committee or the members of the Audit Committee whenever appropriate through the Board of Directors meetings and other important meetings.
- (4) The officers, etc. and employees of the Company and the Group Companies immediately report matters which may cause significant damage to the operations or financial standing of the Group, matters which are important for internal audits and risk management, matters related to a grave breach of laws, regulations, or the articles of incorporation, and other matters which are important for complying with corporate ethics, laws, and regulations, to the respective departments in charge within the Company. The departments in charge report the details of the reported matter to the Audit Committee or a member of the Audit Committee.
- (5) The selected members of the Audit Committee may request officers, etc. and employees of the Company and the Group Companies to report matters related to the execution of their duties and operations, and those who were requested to do so shall immediately submit the report. The selected members of the Audit Committee may also request the accounting auditor to report the status of accounting audits and other necessary matters, and the accounting auditor makes a report related to accounting as needed.
- (6) The Company prohibits those who made a report to a department in charge, the Audit Committee or the members of the Audit Committee in accordance with the provisions of the above paragraph (4) from being treated unfavorably on the grounds of making a report, and makes this fact fully known to officers, etc. and employees of the Company and Group Companies.

Outline of operational status

- (a) The selected members of the Audit Committee have been attending the Board of Directors meetings and other important meetings such as those of Executive Committee and Sustainability Committee, and has been performing audits of Directors, Executive Officers, Corporate Officers, and employees with respect to their execution of duties through review of approval application documents, visiting major offices and subsidiaries, and interviews with internal management departments.
- (b) The Executive Officers and Corporate Officers of the Company have been reporting important matters related to the execution of duties to the members of the Audit Committee or the Audit Committee whenever appropriate, through the Board of Directors meetings and other important meetings.
- (c) The Corporate Officers and employees of the Company, and the Directors, members of the Audit & Supervisory Board and the employees of the Group Companies report on the matters stipulated in laws and regulations as well as cases of compliance violations, cases in dispute, the occurrence of material risks, and matters related to accounting and the settlement of accounts, etc. to the departments in charge within the Company. The departments in charge report on the details of the reports from the Corporate Officers and employees of the Company, and the Directors, members of the Audit & Supervisory Board and employees of Group Companies to the members of the Audit Committee or the Audit Committee when necessary. In addition, the departments in charge also make the necessary reports at the request of selected members of the Audit Committee.
- (d) In accordance with the Operational Regulations for Whistle-Blower Protection Systems, the Company and the Group Companies have prohibited the unfair treatment of those who have reported information set forth in the previous paragraph, on the ground of having made such a report.

8 Other systems to ensure the effective auditing of the Audit Committee

- (1) The Audit Committee and the President and Representative Executive Officer exchange opinions regularly. Where the Audit Committee has requested an exchange of opinions, the Executive Officers and other requested personnel provide full cooperation.
- (2) The Audit Committee establishes standards for appointing, dismissing, and refusing to reappoint the accounting auditor, and nominates a candidate for the accounting auditor. The Company and the Group Companies secure sufficient amount of time for the accounting auditor to conduct a high-quality audit. The Audit Committee, the Internal Auditing Department, and the accounting auditor promote a cooperation by mutually checking each other's audit plans and sharing their concerns.
- (3) The Audit Committee holds discussions and exchanges opinions with the Internal Auditing Department and the accounting auditor when necessary.
- (4) The Audit Committee allocates expenses that are deemed necessary for the execution of duties in advance. However, the Audit Committee may charge the Company postmortem for expenses it spent on urgent or provisional matters.

Outline of operational status

- (a) The Audit Committee has been regularly holding meetings for exchanging opinions with the President and Representative Executive Officer of the Company in order to facilitate mutual understanding and further develop relationships of trust.
- (b) The Audit Committee establishes standards for evaluating the independence and expertise, etc., of the Accounting Auditor, obtains necessary information and receives reports from Executive Officers and related departments inside the Company, and comprehensively evaluates these factors to make judgments on whether to appoint, dismiss, or refuse to reappoint the Accounting Auditor of the Company.
- (c) The Audit Committee has been holding discussions and exchanging opinions with the Internal Auditing Department, receiving reports as needed on the status of internal audits and related matters. It has also been taking steps to promote cooperation with the Accounting Auditor by mutually checking each other's audit plans and regularly exchanging opinions through forums such as briefing sessions for reporting on key audit matters (KAM) and audit results.

[Translation for Reference and Convenience Purposes Only]

Basic Policies for Constructing an Internal Control System are made available to the public via the following URL on the Company's website on the Internet upon revision by resolution of the Board of Directors. Minor changes were made in accordance with the organizational changes effective on April 1, 2025.

(<https://www.kurita-water.com/policy/basic.html>)

[Translation for Reference and Convenience Purposes Only]

Consolidated Financial Statements

Consolidated Statement of Financial Position (As of March 31, 2025)

(Million yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	220,950	Current liabilities	132,567
Cash and cash equivalents	62,951	Trade payables and contract liabilities	50,114
Trade receivables and contract assets	124,096	Bonds and borrowings	33,893
Securities, deposits with a maturity of over three months	4,034	Accounts payable - other and accrued expenses	28,325
Finished products	7,584	Income taxes payable	8,540
Work in process	1,332	Provisions	1,689
Raw materials and supplies	11,802	Other	10,003
Other	9,148		
Non-current assets	327,998	Non-current liabilities	77,877
Property, plant and equipment	195,431	Bonds and borrowings	36,326
Buildings and structures	57,795	Lease liabilities	18,815
Machinery, equipment and vehicles	90,273	Retirement benefit liability	16,785
Land	6,732	Other financial liabilities	485
Construction in progress	33,784	Other	5,464
Other	6,844		
Right-of-use assets	19,828	Total liabilities	210,444
Intangible assets	83,290	Equity	
Goodwill	66,347	Equity attributable to owners of parent	336,027
Software	8,532	Share capital	13,450
Customer and technology related assets	7,865	Capital surplus	8
Other	544	Treasury shares	(12,200)
Investments and other assets	29,448	Other components of equity	24,789
Investment securities	7,803	Financial assets measured at fair value through other comprehensive income	3,688
Investments accounted for using equity method	1,515	Cash flow hedge	33
Deferred tax assets	12,177	Exchange differences on translation of foreign operations	21,067
Other	7,951	Retained earnings	309,978
Total assets	548,949	Non-controlling interests	2,477
		Total equity	338,504
		Total liabilities and equity	548,949

(Note) Figures are rounded down to the nearest millions of yen.

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Profit or Loss

(From April 1, 2024 to March 31, 2025)

(Million yen)

Account item	Amount
Net sales	408,888
Cost of sales	260,801
Gross profit	148,086
Selling, general and administrative expenses	98,902
Other income	3,140
Other expenses	21,050
Operating profit	31,275
Finance income	1,678
Finance costs	1,240
Share of profit of investments accounted for using equity method	108
Profit before tax	31,821
Income tax expense	11,115
Profit for the period	20,706
Profit attributable to non-controlling interests	401
Profit attributable to owners of parent	20,305

(Note) Figures are rounded down to the nearest millions of yen.

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

(Million yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Cash flow hedges
Balance as of April 1, 2024	13,450	(361)	(10,869)	25,144	134
Profit for the period				(4,077)	(100)
Other comprehensive income				(4,077)	(100)
Total comprehensive income for the period	–	–	–	(4,077)	(100)
Acquisition of treasury shares			(1,631)		
Dividends					
Share-based payment transactions		369	300		
Transfer from other components of equity to retained earnings					
Other					
Total transactions with owners	–	369	(1,330)	–	–
Balance as of March 31, 2025	13,450	8	(12,200)	21,067	33

	Equity attributable to owners of parent					Non-controlling interests	Total equity		
	Other components of equity			Retained earnings	Total				
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total						
Balance as of April 1, 2024	5,104	–	30,383	298,658	331,261	2,150	333,411		
Profit for the period				20,305	20,305	401	20,706		
Other comprehensive income	(1,257)	769	(4,665)		(4,665)	(1)	(4,667)		
Total comprehensive income for the period	(1,257)	769	(4,665)	20,305	15,639	399	16,039		
Acquisition of treasury shares					(1,631)		(1,631)		
Dividends				(9,893)	(9,893)	(70)	(9,964)		
Share-based payment transactions					670		670		
Transfer from other components of equity to retained earnings	(158)	(769)	(928)	928	–		–		
Other				(18)	(18)	(2)	(20)		
Total transactions with owners	(158)	(769)	(928)	(8,984)	(10,873)	(72)	(10,946)		
Balance as of March 31, 2025	3,688	–	24,789	309,978	336,027	2,477	338,504		

(Note) Figures are rounded down to the nearest millions of yen.

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet (As of March 31, 2025)

(Million yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	71,519	Current liabilities	89,132
Cash and deposits	19,629	Accounts payable – trade	11,971
Notes receivable – trade	3,605	Bonds and borrowings	32,000
Accounts receivable – trade	29,698	Accounts payable – other and accrued expenses	11,476
Contract assets	9,273	Income taxes payable	3,087
Finished products	911	Contract liabilities	2,931
Work in process	601	Deposits received	24,687
Raw materials	3,319	Provision for bonuses	1,247
Other	4,508	Other	1,728
Allowance for doubtful accounts	(28)		
Non-current assets	307,729	Non-current liabilities	51,003
Property, plant and equipment	164,749	Bonds payable and borrowings	36,000
Buildings and structures	48,059	Lease obligations	912
Machinery, equipment and vehicles	79,527	Net defined benefit liability	10,626
Land	3,980	Other	3,465
Leased assets	1,007		
Construction in progress	28,610	Total liabilities	140,135
Other	3,563		
Intangible fixed assets	10,959	Net assets	
Software	7,637	Shareholders' equity	236,266
Technology-related assets	3,242	Common share	13,450
Other	79	Capital surplus	11,664
Investments and other assets	132,020	Legal capital surplus	11,426
Investment securities	7,165	Other capital surplus	237
Shares of subsidiaries and associates	73,772	Retained earnings	223,351
Investments in capital of subsidiaries and associates	34,482	Legal retained earnings	2,919
Long-term loans receivable	1,896	Other retained earnings	220,432
Deferred tax assets	8,922	Reserve for advanced depreciation of non-current assets	763
Other	5,782	General reserve	225,480
Allowance for doubtful accounts	(2)	Retained earnings brought forward	(5,812)
Total assets	379,248	Treasury shares	(12,200)
		Valuation and translation adjustments	2,846
		Unrealized gains (losses) on available-for-sale securities	3,659
		Revaluation reserve for land	(813)
		Total net assets	239,112
		Total liabilities and net assets	379,248

(Note) Figures are rounded down to the nearest millions of yen.

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

Account item	(Million yen)
Net sales	140,150
Cost of sales	94,468
Gross profit	45,682
Selling, general and administrative expenses	36,766
Operating profit	8,915
Non-operating income	13,904
Interest and dividend income	6,444
Other	7,459
Non-operating expenses	1,093
Interest expense	377
Other	716
Ordinary profit	21,726
Extraordinary income	1,653
gain on reversal of advances received	1,653
Extraordinary loss	25,388
loss on valuation of shares of subsidiaries and associates	25,388
Income before income taxes	2,007
Income taxes - current	4,923
Income taxes - deferred	(781)
Net loss	6,149

(Note) Figures are rounded down to the nearest millions of yen.

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Statement of Changes in Shareholders' Equity
(From April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity								
	Common share	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		General reserve	Retained earnings brought forward
Balance as of the beginning of the fiscal year	13,450	11,426	61	11,488	2,919	773	217,980	17,741	239,414
Change during the period						(10)		10	—
Reversal of reserve for advanced depreciation of non-current assets							7,500	(7,500)	—
Provision of general reserve								(9,913)	(9,913)
Dividend from surplus								(6,149)	(6,149)
Net loss									
Acquisition of treasury shares				33	33				
Disposal of treasury shares				143	143				
Stock compensation with restriction on transfer									
Net change in items other than shareholders' equity during the period									
Total change during the period	—	—	176	176	—		7,500	(23,553)	(16,063)
Balance as of the end of the fiscal year	13,450	11,426	237	11,664	2,919	763	225,480	(5,812)	223,351

[Translation for Reference and Convenience Purposes Only]

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury share	Total shareholders' equity	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance as of the beginning of the fiscal year	(10,869)	253,484	5,159	2	(813)	4,348	257,832
Change during the period							
Reversal of reserve for advanced depreciation of non-current assets		–					–
Provision of general reserve		–					–
Dividend from surplus		(9,913)					(9,913)
Net loss		(6,149)					(6,149)
Acquisition of treasury shares	(1,631)	(1,631)					(1,631)
Disposal of treasury shares	31	65					65
Stock compensation with restriction on transfer	269	412					412
Net change in items other than shareholders' equity during the period			(1,499)	(2)		(1,502)	(1,502)
Total change during the period	(1,330)	(17,217)	(1,499)	(2)	–	(1,502)	(18,719)
Balance as of the end of the fiscal year	(12,200)	236,266	3,659	–	(813)	2,846	239,112

(Note) Figures are rounded down to the nearest millions of yen.

Audit Report

Accounting Auditor's Audit Report on the Consolidated Financial Statements

Report of Independent Auditor

May 16, 2025

The Board of Directors

Kurita Water Industries Ltd.

Grant Thornton Taiyo LLC
Tokyo Office
Makio Wada
Designated and Engagement Partner
Certified Public Accountant

Koichiro Watanabe
Designated and Engagement Partner
Certified Public Accountant

Shintaro Eguchi
Designated and Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Paragraph 4, Article 444 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, the important matters that are the basis for the preparation of the consolidated financial statements, and other notes to consolidated financial statements of Kurita Water Industries Ltd. (hereinafter the "Company") applicable to the fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the consolidated financial statements above are in conformity with the accounting standards with omission of a part of disclosure items required by the designated IFRS, as stipulated in the provisions of the latter part of Paragraph 1, Article 120 of the Regulation for Corporate Accounting, and present fairly, in all material respects, the consolidated financial position of the Company and its consolidated subsidiaries as of March 31, 2025, and their financial performance for the year then ended.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Statements

Other statements consist of the business report and related supplementary schedules. Management is responsible for the preparation and disclosure of other statements. It is also the responsibility of the Audit Committee to oversee the Executive Officers' and Directors' performance of duties within the maintenance and operation of the reporting process for the other statements.

Our audit opinion on the consolidated financial statements does not include the other statements, and we express no opinion on them.

Our responsibilities in the audit of the consolidated financial statements are to read the other statements in full and, in the course of reading the other statements, to consider whether there are material differences between the other statements and the consolidated financial statements or our knowledge obtained during the audit, and to take note of any indication of material errors in the other statements besides such material differences.

If, based on the audit work performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no matters to report with respect to the other statements.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in conformity with the accounting standards with omission of a part of disclosure items required by the designated IFRS, as stipulated in the provisions of the latter part of Paragraph 1, Article 120 of the Regulation for Corporate Accounting, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and for disclosing, as necessary, matters related to going concern, in accordance with the accounting standards with omission of a part of disclosure items required by the designated IFRS, as stipulated in the provisions of the latter part of Paragraph 1, Article 120 of the Regulation for Corporate Accounting in preparing the consolidated financial statements.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.

• Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with the accounting standards with omission of a part of disclosure items required by the designated IFRS, as stipulated in the provisions of the latter part of Paragraph 1, Article 120 of the Regulation for Corporate Accounting, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.

• Plan and perform audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for our opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, countermeasures to eliminate obstruction factors to our independence or related safeguards in order to eliminate or reduce obstruction factors to allowable levels.

Conflicts of Interest

We or engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed in compliance with the Certified Public Accountants Act.

Accounting Auditor's Audit Report on the Non-Consolidated Financial Statements

Report of Independent Auditor

May 16, 2025

The Board of Directors

Kurita Water Industries Ltd.

Grant Thornton Taiyo LLC
Tokyo Office
Makio Wada
Designated and Engagement Partner
Certified Public Accountant

Koichiro Watanabe
Designated and Engagement Partner
Certified Public Accountant

Shintaro Eguchi
Designated and Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Item 1, Paragraph 2, Article 436 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity, the notes to non-consolidated financial statements and the related supplementary schedules of Kurita Water Industries Ltd. (hereinafter the "Company") (hereinafter, the "financial statements, etc.") applicable to the 89th fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations pertaining to these financial statements, etc., applicable to the fiscal year ended March 31, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Statements

Other statements consist of the business report and related supplementary schedules. Management is responsible for the preparation and disclosure of other statements. It is also the responsibility of the Audit Committee to oversee the Executive Officers' and Directors' performance of duties within the maintenance and operation of the reporting process for the other statements.

Our audit opinion on the financial statements, etc. does not include the other statements, and we express no opinion on them.

Our responsibilities in the audit of the financial statements, etc. are to read the other statements in full and, in the course of reading the other statements, to consider whether there are material differences between the other statements and the financial statements, etc. or our knowledge obtained during the audit, and to take note of any indication of material errors in the other statements besides such material differences.

If, based on the audit work performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no matters to report with respect to the other statements.

Responsibilities of Management and the Audit Committee for the Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the financial statements, etc., with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the financial statements, etc. or, if the notes to the financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the financial statements, etc. and notes to the financial statements, etc. are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the financial statements, etc., including the related notes thereto, and whether the financial statements, etc. fairly present the underlying transactions and accounting events.

We report to the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, countermeasures to eliminate obstruction factors to our independence or related safeguards in order to eliminate or reduce obstruction factors to allowable levels.

Conflicts of Interest

We or engagement partners have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

The Audit Committee's Audit Report

Audit Report

The Audit Committee has conducted audit on the Executive Officers' and Directors' performance of their duties during the 89th fiscal year (from April 1, 2024 to March 31, 2025), and hereby reports the methods and results of audit as follows:

1. Method and Contents of Audit

Concerning the content of the Board of Directors resolution relating to matters raised in Sub-items (b) and (e) under Item 1, Paragraph 1, Article 416 of the Companies Act and the system that has been established pursuant to that resolution (internal control system), the Audit Committee received reports from the Directors, Executive Officers and employees and other relevant personnel on its establishment and operational status, sought explanations as necessary and made opinions. In addition to this, the Audit Committee implemented the audit using the following method.

- (1) The Audit Committee stipulated auditing policies and the audit plan for the fiscal year under review, designated the status of the establishment and operation of internal control systems (including internal controls for financial reporting) and group governance systems as priority audit items. In accordance with the audit standards and the division of duties determined by the Audit Committee, and in cooperation with the Internal Auditing Department of the Company, the Audit Committee has attended the Board of Directors meetings and other important meetings, received reports from the Directors and Executive Officers regarding the status of performance of their duties, and requested them to provide explanation when needed. The Audit Committee has reviewed important authorized documents and examined the status of business operations and financial position of the Company and its principal offices. As for subsidiaries, the Audit Committee also facilitated communication and information exchange with Directors, members of the Audit & Supervisory Board and employees, visited subsidiaries when needed, and examined the status of business operations and financial position of the subsidiaries and their officers. As for internal controls for financial reporting, we received reports from Accounting Auditor and Internal Auditing Department about the status of evaluation and audit of the internal controls, and requested explanations as necessary.
- (2) The Audit Committee audited whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. In addition, the Audit Committee was notified by the Accounting Auditor that it had established a "System to ensure that the performance of the duties of the Accounting Auditors was properly conducted" (the matters set forth in the items of Article 131 of the Regulation for Corporate Accounting) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), and requested explanations as necessary. With respect to a disposition against the Accounting Auditor by the Financial Services Agency on December 26, 2023, the Audit Committee received a report regarding the content of the business improvement plan, along with its progress and completion submitted by the Accounting Auditor to the Financial Services Agency and requested explanations as needed.

Based on the above method, the Audit Committee has examined the Business Report and the supplementary schedules, the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity and the notes to non-consolidated financial statements) and the supplementary schedules, as well as the consolidated financial statements (the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the notes to consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (a) We acknowledge that the Business Report and the related supplementary schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
- (b) We acknowledge that there is no misconduct or material fact in violation of the applicable laws or regulations and the Articles of Incorporation of the Company with regard to the performance of duties by Directors and Executive Officers.
- (c) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We also acknowledge that there are no matters warranting special mention, neither regarding content provided in the Business Report on the internal control systems, nor regarding the performance of duties by Directors and Executive Officers. As for internal controls for financial reporting, we received reports from Grant Thornton Taiyo LLC stating that the internal controls were functioning effectively Company-wide as of the date on which this report was prepared, and furthermore that there were no deficiencies warranting disclosure with respect to the internal controls in business processes.

(2) Results of Audit of Financial Statements and Related Supplementary Schedules

We acknowledge that the methods and results of audit performed by the Accounting Auditor Grant Thornton Taiyo LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Accounting Auditor Grant Thornton Taiyo LLC, are appropriate.

May 21, 2025

Kurita Water Industries Ltd. Audit Committee

Chairperson of the Audit Committee Kenjiro Kobayashi
Full-time member of the Audit Committee

Full-time member of the Audit Committee Yukihiko Mutou

Member of the Audit Committee Yoshiko Takayama

(Note) Kenjiro Kobayashi and Yoshiko Takayama are External Directors as prescribed in Item 15, Article 2 and Paragraph 3, Article 400 of the Companies Act.