



Notice of the 160th Ordinary General Meeting of Shareholders

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(Translation)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 6361

March 10, 2025

(Start date of measures for electronic provision: February 27, 2025)

To Those Shareholders with Voting Rights

Masao Asami
Director
President, Representative Executive Officer,
CEO & COO
EBARA CORPORATION
11-1, Haneda Asahi-cho, Ota-ku, Tokyo
Japan

Notice of the 160th Ordinary General Meeting of Shareholders

We hereby inform you of the 160th Ordinary General Meeting of Shareholders of EBARA CORPORATION (the “Company”) to be held as follows:

In convening this General Meeting of Shareholders, the Company has taken the electronic provision measure of information (Electronic Provision Items), which is the contents of the reference materials for the General Meeting of Shareholders, etc. The information is posted on the Company’s website on the Internet as the “Notice of the 160th Ordinary General Meeting of Shareholders.” Please access the Company’s website below to confirm the information.

The Company’s website:

<https://www.ebara.co.jp/en/ir/stock/shareholdersmeeting/index.html>

1. Date and Time: 10 a.m., Wednesday, March 26, 2025
(Reception of attendees will begin at 9 a.m.)

2. Location: Otemachi One, 3F, Otemachimitsui hall
1-2-1, Otemachi, Chiyoda-ku, Tokyo, Japan

3. Purpose of the Meeting:
Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 160th Fiscal Year (from January 1, 2024, to December 31, 2024) and the Report of the Results of the Audits of the Consolidated Financial Statements by the Independent Auditors and the Audit Committee
2. The Non-consolidated Financial Statements for the 160th Fiscal Year (from January 1, 2024, to December 31, 2024)

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Ten (10) Directors

4. Decisions Regarding the Convocation of the Ordinary General Meeting of Shareholders

(1) The following Electronic Provision Items are not included in the materials delivered to shareholders who requested delivery of the materials in paper-based format pursuant to the provisions of law and Article 15, paragraph 2 of the Articles of Incorporation of the Company.

(i) Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements

(ii) Non-consolidated Statement of Changes in Net Assets and Notes to the Non-consolidated Financial Statements

Therefore, the materials delivered to shareholders who requested delivery of the materials in paper-based format shall be a part of the documents audited by the Audit Committee and the Independent Auditor in preparing the Audit Report.

(2) If any shareholder has exercised his/her voting rights both via the Internet, etc. and by mailing the Voting Rights Exercise Form, only the exercise of voting rights via the Internet, etc. shall be deemed effective. If any shareholder has exercised his/her voting rights several times via the Internet etc., only the final execution shall be deemed as his/her effective exercise of voting rights.

(3) If no indication of approval or disapproval is made for each proposal on the returned voting form, it will be treated as approval for the Company's proposal.

Note: If there are any revisions to the Electronic Provision Items, a statement to that effect and the items before and after the revisions shall be posted on the Company's website on the Internet and website for shareholders' meeting materials mentioned above.

Reference Document for the General Meeting of Shareholders

Proposals and references

Proposal 1: Appropriation of Surplus

The Company regards returning a portion of its income to its shareholders as one of its most important management policies, and has set a policy to carry out shareholder returns, linking dividends to performance and aiming for a consolidated payout ratio of 35% or more.

Based on this policy, we would like to pay a year-end dividend of ¥32 per share.

Additionally, the Company conducted a 5-for-1 stock split of its common stock, effective July 1, 2024. The interim dividend (¥115 per share) paid in September 2024 is equivalent to ¥23 per share in terms of dividend per share after the stock split. Combined with the year-end dividend, the total annual dividend for the fiscal year under review amounts to ¥55 per share.

Matters concerning the year-end dividend

1. Type of dividend property

Cash

2. The matters regarding the assignment of the dividend property to shareholders and the total amount of dividend

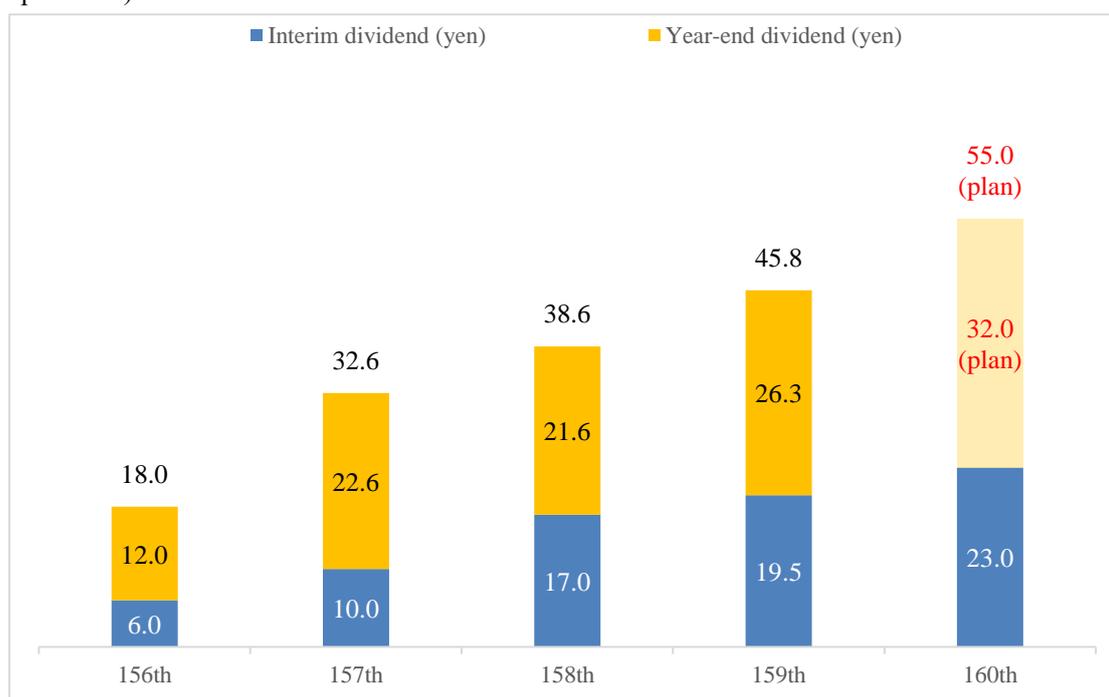
¥32 per share of common stock of the Company Total amount: ¥14,781,290,400

3. Effective date of dividends of surplus

March 27, 2025

[Reference]

(Dividend per share)



	156th	157th	158th	159th	160th
Annual dividend (yen)	18.0	32.6	38.6	45.8	55.0 (plan)
Payout ratio (%)	35.4	35.2	35.2	35.0	35.6 (plan)

*The Group has adopted International Financial Reporting Standards (IFRS) since the 157th period, and the consolidated dividend payout ratio for the 156th period is also presented in accordance with IFRS.

*The Company conducted a 5-for-1 stock split of its common stock, effective July 1, 2024. The above graph and table are presented on the assumption that the stock split was executed at the beginning of the 156th period, allowing for a retroactive comparison with the previous four periods.

Proposal 2: Election of Ten (10) Directors

The term of office of all ten (10) current Directors will expire at the conclusion of this 160th Ordinary General Meeting of Shareholders. Therefore, the Company proposes to elect ten (10) Directors.

If the nominees for Directors are appointed as stated in this proposal, the number of outside Directors will be seven (7) and the number of female Directors will be three (3) out of ten (10). We believe that this will continue to enable supervisory functions with greater independence and diversity.

The nominees for Directors meet the standards in accordance with the “Role of the Board of Directors and Standards for Election of Directors” and “Role and Standards for Independence of Independent Directors” (pages 22 and 23) established by the Company.

In order to maintain and improve effectiveness of the Board of Directors and Directors, the Company stipulates roles and qualification requirements for Directors based on attributes and posts in “Ebara Corporate Governance Basic Policy” (pages 24 through 27). The Nomination Committee confirms and decides that each nominee has the qualification requirements, knowledge and experiences of several items in “expected fields for Directors” the Company puts emphasis on.

See the Company’s website at the following address for information “Ebara Corporate Governance Basic Policy”
<https://www.ebara.co.jp/en/ir/governance/information/governance-policy.html>

Nominee No.	Name	Current position and primary area of responsibility in the Company	Attendance at Board of Directors meetings	Nominees for Director		
				Attribute		
1	Masao Asami	Director President, Representative Executive Officer	100% (15/15)	Re-election	Non-executive	
2	Shugo Hosoda	Executive Officer (New Nominee for Director)	-% (-/-)	New election	Executive	
3	Hiroshi Oeda	Director Chairperson of the Board of Directors Member of the Nomination Committee	100% (15/15)	Re-election	Outside	Independent
4	Junko Nishiyama	Director Member of the Audit Committee	100% (15/15)	Re-election	Outside	Independent
5	Mie Fujimoto	Director Chairperson of the Compensation Committee	100% (15/15)	Re-election	Outside	Independent
6	Akihiko Nagamine	Director Member of the Audit Committee	100% (15/15)	Re-election	Non-executive	
7	Takuya Shimamura	Director Member of the Compensation Committee	100% (15/15)	Re-election	Outside	Independent
8	Teiji Koge	Director Lead Independent Director Chairperson of the Nomination Committee	100% (15/15)	Re-election	Outside	Independent
9	Tsuyoshi Numagami	Director Member of the Compensation Committee	100% (15/15)	Re-election	Outside	Independent
10	Kaeko Kitamoto	(New Nominee for Director)	-% (-/-)	New election	Outside	Independent

Re-election:	Nominee for re-election as Director
Outside:	Nominee for Outside Director
New election	New Nominee for Director
Independent:	Independent Director notified to the securities exchange
Executive:	Nominee for Executive Internal Director
Non-executive:	Nominee for Non-executive Internal Director

Composition of the Board of Directors

The Board of Directors will have the following composition after this proposal is approved for election.



Nominee No.	Name	Committees and Positions to be Appointed*	Areas in which the nominees for Director (Outside and Non-executive) are particularly expected to perform*								
			Legal affairs and risk management	Personnel and human resource development	Finance, accounting and capital policy	Auditing	Corporate management and management strategy	Technology R&D and Innovation	Environment	Social	Internal control and governance
1	Masao Asami	Chairperson of the Company Nomination Committee		✳			✳	✳	✳	✳	✳
2	Shugo Hosoda	President and Representative Executive Officer	-	-	-	-	-	-	-	-	-
3	Hiroshi Oeda	Chairperson of the Board of Directors Nomination Committee		✳	✳		✳			✳	✳
4	Junko Nishiyama	Chairperson of the Audit Committee				✳		✳	✳	✳	✳
5	Mie Fujimoto	Chairperson of the Compensation Committee	✳	✳		✳				✳	✳
6	Akihiko Nagamine	Audit Committee	✳		✳	✳				✳	✳
7	Takuya Shimamura	Compensation Committee		✳	✳		✳			✳	✳
8	Teiji Koge	Lead Independent Director Chairperson of the Nomination Committee		✳	✳		✳			✳	✳
9	Tsuyoshi Numagami	Compensation Committee			✳	✳	✳			✳	✳
10	Kaeko Kitamoto	Audit Committee	✳		✳	✳				✳	✳

* The above table does not represent all of the knowledge of the nominees.

* Committees and Positions to be Appointed

Nomination Committee:

Nominee for Member of the Nomination Committee

Compensation Committee:

Nominee for Member of the Compensation Committee

Audit Committee:

Nominee for Member of the Audit Committee

Lead Independent Director:

Nominee for Chief Independent Director

Nominee No. 1	Masao Asami	Attendance rate (FY ended December 31, 2024)	Re-election
	Date of birth: April 7, 1960 (Age: 64) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Board of Directors 100% (15/15)	Non-executive Chairperson Nomination Committee

■ Message to shareholders

I will support and oversee the execution of “EBARA’s Vision for 2030” set forth in E-Vision 2030, in my capacity as Chairperson leading the Board of Director, which focuses on enhancing corporate value through Governance to Value (G to V), thereby meeting the expectations of our shareholders.

■ Brief personal history, and assignments and responsibilities in the Company

April 1986	Joined the Company
April 2010	Executive Officer of the Company
April 2011	Division Executive, Sales and Marketing Division, Precision Machinery Company of the Company
April 2014	Managing Executive Officer of the Company
June 2015	Managing Executive Officer of the Company (Change in Japanese only; English unchanged)
April 2016	President, Precision Machinery Company of the Company
March 2019	Director of the Company (to present)
	President, Representative Executive Officer of the Company (to present)
January 2023	CEO of the Company (to present)
	COO of the Company (to present)
January 2024	President, Precision Machinery Company of the Company

Number of the Company’s shares held	258,535 shares
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Number of years served as Director	6 years
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* At the conclusion of this general meeting

■ Important concurrent positions

None

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	1

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

Nominee demonstrated strong leadership during his tenure as President. He was essential to the creation of the optimal business execution structure, and endeavored to promote dynamic management through swift decision-making, greatly improving corporate value. Nominee meets qualification requirements stipulated by the Company for Directors. Nomination Committee selected the Nominee as a Director to oversee management impartially as a Non-executive Director concurrently fulfilling the duties of Chairperson of the Company, supervise promotion of governance reform as Chairperson of the Company going forward.

Nominee No. 2	Shugo Hosoda	Attendance rate (FY ended December 31, 2024)	New election Executive President and Representative Executive Officer
	Date of birth: September 1, 1966 (Age: 58) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Board of Directors	-% (-/-)

■ Message to shareholders

I recognize that the era of VUCA (volatility, uncertainty, complexity, and ambiguity) may present both risks and opportunities for companies that have the capacity to adapt. The Group is currently in an expansion phase, having achieved record-high profits for four consecutive fiscal years. While continuing to pursue new challenges by capitalizing on emerging opportunities, we believe that it is precisely during this period of strong business performance that staying attuned to societal changes and the true needs of customers and adopting a careful, forward-looking approach become important. We aim to maximize corporate value over the medium to long term, thereby meeting the expectations of our shareholders.

■ Brief personal history, and assignments and responsibilities in the Company

October 1993 April 2015 April 2016 January 2018 January 2019 March 2021 March 2022 January 2023 August 2023 January 2024	Joined the Company Division Executive, Governance Promotion Department of the Company Deputy Vice President, Elliott Group Holdings, Inc. Deputy Vice President, Elliott Company Vice President, Elliott Group Holdings, Inc. Vice President, Elliott Company Director, Elliott Group Holdings, Inc. Executive Officer of the Company (to present) Division Executive, Finance & Accounting Division of the Company Division Executive, Corporate Strategic Planning, Finance and Accounting Division of the Company Division Executive, Corporate Strategic Planning, Finance and Accounting Division & CFO of the Company Chairperson, EBARA (CHINA) CO., LTD. (to present) CFO (responsible for Corporate Strategic Planning, Finance, Accounting, and Tax) of the Company (to present)
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Number of the Company's shares held	63,605 shares
Number of years served as Director	- years <small>* At the conclusion of this general meeting</small>

■ Important concurrent positions

None

Concurrent positions as officer in listed companies including the Company (planned)

Executive	1
Non-executive	0

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

Nominee has diverse experience, serving as CFO after holding key roles, including the business manager of the Environmental Plants Business, the Corporate Strategic Planning Division at the Head Office, and overseas Group companies, and the head of the Finance & Corporate Accounting Division at the Head Office. He also demonstrated strong leadership across all areas, with a deep understanding of the Company's business and an ability to develop strategies.

Nominee meets qualification requirements stipulated by the Company for Directors. Nomination Committee newly selected the Nominee as a Director to demonstrate leadership as a Director concurrently executing business as President and Representative Executive Officer toward further growth, as well as his ability to play an appropriate role on the Board of Directors in the aspects of both supervision and execution going forward.

Nominee No. 3	Hiroshi Oeda	Attendance rate (FY ended December 31, 2024)		Re-election Independent Director Chairperson of the Board of Directors Nomination Committee
	Date of birth: March 12, 1957 (Age: 68)	Board of Directors	100% (15/15)	
	*Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Nomination Committee	100% (18/18)	
		Independent Directors' Meeting	100% (13/13)	

■ Message to shareholders

The Board of Directors of the Company intends to achieve “Governance to Value” by developing its corporate governance and linking it to tangible results, specifically corporate value enhancement. Fortunately, the Company’s recent performance and stock price have been strong, and we feel that a certain level of concrete results has been realized. The key, however, is to ensure that our governance evolves continuously. I am determined to keep a tight rein on my own management of the Board of Directors and fulfill the responsibilities of its Chairperson.

■ Brief personal history, and assignments and responsibilities in the Company

April 1980	Joined Nisshin Flour Milling Inc. (currently Nisshin Seifun Group Inc.)
June 2009	Director, Nisshin Seifun Group Inc.
April 2011	Director and President, Nisshin Seifun Group Inc.
April 2015	Member of Management Council, Hitotsubashi University
April 2017	Director and Executive Adviser, Nisshin Seifun Group Inc.
June 2017	Corporate Special Adviser, Nisshin Seifun Group Inc. (to present) President, Seifun Kaikan Inc. (Retired in June 2022)
March 2018	Director of the Company (to present) Member of the Nomination Committee of the Company
June 2018	Outside Director, SEKISUI CHEMICAL CO., LTD. (to present)
March 2019	Chairperson of the Nomination Committee of the Company
June 2019	President, Hitotsubashi University Koenkai (to present)
March 2020	Lead Independent Director of EBARA
December 2020	Vice-Chairperson, Japanese National Commission for UNESCO (Retired in November 2023)
March 2022	Chairperson of the Board of Directors of the Company (to present) Member of the Nomination Committee of the Company (to present)
June 2023	Outside Director, JAPAN POST HOLDINGS Co., Ltd. (to present)

Number of the Company’s shares held	16,505 shares
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Number of years served as Director	7 years
	* At the conclusion of this general meeting

■ Important concurrent positions

Corporate Special Adviser, Nisshin Seifun Group Inc.
Outside Director, SEKISUI CHEMICAL CO., LTD.*
President, Hitotsubashi University Koenkai
Outside Director, JAPAN POST HOLDINGS Co., Ltd.*
(* indicates listed companies at which the candidate serves as an officer.)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	3

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee has been involved in the management of a listed company representative of the flour-milling and food industry, and has a track record of improving business performance as a management executive in a manufacturing company. He has abundant experience in general corporate management, in addition to being well-versed in global business. Furthermore, he has exhibited leadership in discussions at the Board of Directors as the Chairperson of the Board of Directors, in addition to contributing to activities of the Nomination Committee as a member, such as selection of Director nominees, the succession planning of President, selection of nominees for management executives and nurturing of such candidates.

Nominee meets qualification requirements stipulated by the Company for Directors, and he is expected to play a role in the areas of “personnel and human resource development,” “finance, accounting, and capital policy” and “corporate management and management strategy” in particular. Nomination Committee selected him as an Independent Director to continue to serve as the Chairperson of the Board of Directors to demonstrate leadership in management of the Board and improvement of governance.

■ Special interests in the Company, and the Company’s subsidiaries, affiliates and major business partners

There are no special interests between Hiroshi Oeda and the Group. With regard to the standards of independence, the nominee meets the Company's standards of independence.

Nominee No. 4	Junko Nishiyama	Attendance rate (FY ended December 31, 2024)		
	Date of birth: January 10, 1957 (Age: 68) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Board of Directors	100% (15/15)	Re-election
		Compensation Committee*	100% (3/3)	Independent Director
		Audit Committee*	100% (16/16)	Chairperson of the Audit Committee
		Independent Directors' Meeting	100% (13/13)	

■ Message to shareholders

The year 2025 marks the conclusion of E-Plan 2025. Amid the current heightened scrutiny of corporate governance, EBARA CORPORATION has proactively implemented Governance to Value to enhance corporate trust and value. This year, we will engage in discussions about our vision for 2030 and beyond, while also formulating a new medium- to long-term management plan. As an Independent Director and an Audit Committee member, I am determined to continuously strengthen the corporate governance system of the EBARA Group to support discussions aimed at further enhancing corporate value.

■ Brief personal history, and assignments and responsibilities in the Company

April 1979	Joined Lion Fat & Oil Co., Ltd. (currently Lion Corporation)
March 2006	Director, Finished Product Department, Purchasing Headquarters, Lion Corporation
March 2007	Director, Finished Product Purchasing, Production Coordinating Department No.2, Production Headquarters, Lion Corporation
January 2009	Director, Packaging Engineering Research Laboratories, Research & Development, Headquarters, Lion Corporation
January 2014	Director, CSR Promotion Department, Lion Corporation
March 2015	Standing Corporate Auditor, Lion Corporation
March 2019	Advisor, Lion Corporation (Retiring March 2021) Director of the Company (to present) Member of the Audit Committee of the Company
June 2019	Outside Director, JACCS CO., LTD. (Retired in June 2023)
June 2020	Outside Auditor, TODA CORPORATION (to present)
March 2021	Member of the Compensation Committee of the Company
March 2024	Member of the Audit Committee of the Company (to present)

Number of the Company's shares held	15,005 shares
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Number of years served as Director	6 years
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* At the conclusion of this general meeting

■ Important concurrent positions

Outside Auditor, TODA CORPORATION*

(* indicates listed companies at which the candidate serves as an officer.)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	2

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee has been involved in research and development, promotion of environmental initiatives, and the like, at a listed company representative of the healthcare industry. In addition to auditing the entire company as a standing corporate auditor, she has abundant experience in general corporate management. Furthermore, she actively speaks in important meetings such as the Board of Directors, extensively audits the Company and the Group, and also contributes to the activities of the Audit Committee as the Chairperson of the Committee.

Nominee meets qualification requirements stipulated by the Company for Directors, and she is expected to play a role in the areas of "auditing," "research and development" and "the environment" in particular. Nomination Committee selected the Nominee to newly serve as an Independent Director to lead the Audit Committee as the Chairperson of Audit Committee.

■ Special interests in the Company, and the Company's subsidiaries, affiliates and major business partners

There are no special interests between Junko Nishiyama and the Group. With regard to the standards of independence, the nominee meets the Company's standards of independence.

* Ms. Junko Nishiyama resigned from a member of the Compensation Committee at the conclusion of the meeting of the Board of

Directors held on March 27, 2024, so the following table shows her attendance at the Compensation Committee meetings held prior to that date. Since she was newly elected as a member of the Audit Committee at the same Board of Directors meeting, the table shows her attendance at the Audit Committee meetings held on and after the said date.

Nominee No. 5	Mie Fujimoto	Attendance rate (FY ended December 31, 2024)		
	Date of birth: August 17, 1967 (Age: 57)	Board of Directors	100%	(15/15)
	*Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Compensation Committee	100%	(14/14)
		Independent Directors' Meeting	100%	(13/13)
				Re-election Independent Director Chairperson of the Compensation Committee

■ Message to shareholders

During this fiscal year, under the new system, a new long-term vision will be reviewed, and a next medium-term management plan will be formulated. In times of rapid change in the external environment and uncertainty about the future, it is essential for the Board of Directors to have varied perspectives grounded in diverse experiences. I am determined to fulfill my duties effectively as an Independent Director to enhance the corporate value of EBARA.

■ Brief personal history, and assignments and responsibilities in the Company

April 1993	Registered as an attorney at law (to present) Joined New Tokyo Sogoh Law Office
June 2009	Outside Corporate Auditor, Kuraray Co., Ltd.
April 2015	Joined TMI Associates (to present)
June 2015	Outside Audit & Supervisory Board Member, SEIKAGAKU CORPORATION (Retired in June 2023)
June 2016	Outside Audit & Supervisory Board Member, Tokyo Broadcasting System Holdings, Inc. (Audit & Supervisory Board Member, Tokyo Broadcasting System Television, Inc.) (to present)
March 2019	Outside Director, Kuraray Co., Ltd. (Retired in March 2020)
March 2020	Director of the Company (to present) Member of the Compensation Committee
March 2022	Chairperson of the Compensation Committee of the Company (to present)
June 2024	External Member of the Board, Elematec Corporation (to present)

Number of the Company's shares held	13,505 shares
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Number of years served as Director	5 years
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* At the conclusion of this general meeting

■ Important concurrent positions

Attorney at law
 Partner, TMI Associates
 Outside Audit & Supervisory Board Member, Tokyo Broadcasting System Holdings, Inc. *
 (Audit & Supervisory Board Member, Tokyo Broadcasting System Television, Inc.)
 (* indicates listed companies at which the candidate serves as an officer)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	2

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee is an attorney at law well versed in corporate legal affairs centered on labor-related regulations. She utilizes her abundant experience as an outside officer of a listed company. Furthermore, she actively speaks in important meetings such as the Board of Directors, leveraging her extensive experience, abundant knowledge and expertise, and also she has led the Compensation Committee activities, including the discussions on revision of the Company's compensation system and decisions on the compensation standards for Directors and Executive Officers, as the Chairperson of the Committee.

Nominee meets qualification requirements stipulated by the Company for Directors, and she is expected to play a role in the areas of "legal affairs and risk-management," "personnel and human resource development," and "auditing" in particular. Nomination Committee selected the Nominee to serve as an Independent Director to continue to lead the Compensation Committee as the Chairperson of Compensation Committee. Although she has not been directly involved in corporate management, we have determined that she will be able to fulfill her duties as an Independent Director for the aforementioned reasons.

■ Special interests in the Company, and the Company's subsidiaries, affiliates and major business partners

There are no special interests between Mie Fujimoto and the Group. With regard to the standards of independence, the nominee meets the Company's standards of independence.

Nominee No. 6	Akihiko Nagamine Date of birth: May 5, 1958 (Age: 66) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Attendance rate (FY ended December 31, 2024)		Re-election Non-executive Audit Committee	
		Board of Directors	100%		(15/15)
		Audit Committee	100%		(22/22)

■ Message to shareholders

Amidst ongoing global turmoil, including persistent price hikes worldwide since the COVID-19 pandemic, conflicts in Ukraine and Gaza, the rise of populism, confrontation, and division, the Company is making steady progress toward the final year of its medium-term management plan. Leveraging my experience to date, I am committed to supporting management in bold risk-taking and appropriate risk-management through my daily activities as an Audit Committee member, thereby contributing to the Company’s pursuit of addressing social issues and initiatives to enhance corporate value. I will do my utmost to fulfill the trust placed by society and the responsibilities entrusted by shareholders.

■ Brief personal history, and assignments and responsibilities in the Company

April 1982 June 2006 July 2010 April 2014 April 2015 June 2015 March 2021	Joined EBARA DENSAN LTD. Director, EBARA DENSAN LTD. Joined the Company, General Manager, Investment and Affiliates Supervision Department, Finance & Corporate Accounting Division Division Executive, Finance & Accounting Division Executive Officer (<i>shikkou-yakuin</i>) Executive Officer (<i>shikkou-yaku</i>) Responsible for Finance & Accounting, Group Management, and Internal Control Director of the Company (to present) Member of the Audit Committee (to present)
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Number of the Company’s shares held	94,175 shares
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Number of years served as Director	4 years
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* At the conclusion of this general meeting

■ Important concurrent positions

None

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	1

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

Nominee has abundant experience in the Finance and Accounting Division of the Company, promoted advancement and streamlining of the Group’s accounting and financing systems, and demonstrated strong leadership in strengthening the Company’s financial base as the head of the Division. After appointment as a Director, he has contributed to the activities of Audit Committee by broadly auditing the Company and the Group as a member of the Committee.

Nominee meets qualification requirements stipulated by the Company for Directors, and is expected to play a role in the areas of “legal affairs and risk management,” “finance, accounting and capital policy,” and “auditing” in particular. Nomination Committee selected the Nominee as a Director to continue to serve as a member of the Audit Committee.

Nominee No. 7	Takuya Shimamura	Attendance rate (FY ended December 31, 2024)		
	Date of birth: December 25, 1956 (Age: 68)	Board of Directors	100%	(15/15)
	*Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Compensation Committee	100%	(14/14)
		Independent Directors' Meeting	100%	(13/13)

Re-election
Independent Director
Compensation Committee

■ Message to shareholders

In the era of VUCA (volatility, uncertainty, complexity, and ambiguity), the business environment is undergoing significant transformation, making the assumptions that have guided us to date subject to abrupt changes. By maintaining a precise understanding of the environment, the Group ensures it plays a role in supporting new innovations in society as a combined solution provider with a market- and customer-oriented approach, underpinned by its long-established technical core competence, while unaffected by temporary trends. As an Independent Director, I will strive to meet the expectations of our shareholders and contribute to further enhancement of corporate value.

■ Brief personal history, and assignments and responsibilities in the Company

April 1980	Joined Asahi Glass Co., Ltd. (currently AGC Inc.)
January 2009	Executive Officer and GM of Planning & Coordination Office, Chemicals Company, Asahi Glass Co., Ltd.
January 2010	Executive Officer and President of Chemicals Company, Asahi Glass Co., Ltd
January 2013	Senior Executive Officer and President of Electronics Company, Asahi Glass Co., Ltd
January 2015	President & CEO, Asahi Glass Co., Ltd
March 2015	Representative Director and President & CEO, Asahi Glass Co., Ltd
January 2021	Representative Director, Chairman, AGC Inc.
March 2021	Director, Chairman, AGC Inc. (to present)
March 2022	Director of the Company (to present)
	Member of the Compensation Committee (to present)
June 2022	Outside Audit & Supervisory Board Member, JFE Holdings, Inc. (to present)

Number of the Company's shares held	7,405 shares
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Number of years served as Director	3 years
	* At the conclusion of this general meeting

■ Important concurrent positions

Director, Chairman, AGC Inc.*
 Outside Audit & Supervisory Board Member, JFE Holdings, Inc.*
 (* indicates listed companies at which the candidate serves as an officer)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	3

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee has been involved in the management of listed companies representing the chemical and materials industries for many years. He has demonstrated strong leadership in organizational cultural reforms from the standpoint of senior management in manufacturers, and is also familiar with globally integrated management. Furthermore, he actively speaks in important meetings such as the Board of Directors, and also contributes to deliberation of topics, including the discussions on revision of the Company's compensation system and decisions on the compensation standards for Directors and Executive Officers.

Nominee meets qualification requirements stipulated by the Company for Directors, and he is expected to play a role in the areas of "personnel and human resource development," "finance, accounting, and capital policy," and "corporate management and management strategy" in particular. Nomination Committee selected the Nominee to serve as an Independent Director to continue to demonstrate his ability as a member of Compensation Committee.

■ Special interests in the Company, and the Company's subsidiaries, affiliates and major business partners

There are no special interests between Takuya Shimamura and the Group. With regard to the standards of independence, the annual transactions between the Group and AGC Inc., where the nominee was involved in the execution of business in the past, are as follows, and the nominee meets the Company's standards of independence.

Subject of transaction, etc.	Recipient of consideration for transaction	Provider of consideration for transaction	Ratio in transaction value	Subject of comparison	Remarks
Products and after services of the Company	The Group	AGC Inc.	Less than 0.1% (Less than 500 million yen)	Consolidated revenue of the Company for the year ended December 31, 2024	The nominee has not been involved in the business execution of AGC Inc. since March 2021.

Nominee No. 8	Teiji Koge Date of birth: November 14, 1953 (Age: 71) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Attendance rate (FY ended December 31, 2024)			Re-election Lead Independent Director Chairperson of the Nomination Committee
		Board of Directors	100%	(15/15)	
		Nomination Committee	100%	(18/18)	
		Independent Directors' Meeting	100%	(13/13)	

■ Message to shareholders

Guided by the EBARA Group founding spirit of “*Netsu to Makoto*” (Passion and Dedication), the Company’s mission is to contribute to the resolution of social issues using the strengths of its technological capabilities and reliability. As an Independent Director, in order to help achieve sustainable growth and enhancement of corporate value, I will strive to establish an environment for the support of appropriate risk-taking that takes into account both offense and defense, give advice on corporate strategy and ESG management from a medium- to long-term perspective, and provide highly effective supervision of business execution.

■ Brief personal history, and assignments and responsibilities in the Company

April 1976	Joined Sekisui Chemical Co. Ltd.
June 2005	Director, Sekisui Chemical Co. Ltd. President of Nagoya Sekisui Heim Co. Ltd.
October 2005	Director, Head of President’s Office of Housing Company, Sekisui Chemical Co. Ltd.
February 2008	Director, President of Housing Company, Sekisui Chemical Co. Ltd.
April 2008	Director, Managing Executive Officer, and President of Housing Company, Sekisui Chemical Co. Ltd.
April 2009	Director, Senior Managing Executive Officer, and President of Housing Company, Sekisui Chemical Co. Ltd.
March 2014	Director, Senior Managing Executive Officer, and Head of CSR Department and Corporate Communications Department, Sekisui Chemical Co. Ltd.
March 2015	President Representative Director, and Chief Executive Officer, Sekisui Chemical Co. Ltd.
March 2020	Chairman of the Board and Representative Director, Sekisui Chemical Co. Ltd.
June 2022	Director and Chairperson, Sekisui Chemical Co. Ltd. (to present)
March 2023	Director of the Company (to present)
March 2024	Member of the Nomination Committee of the Company Lead Independent Director of the Company (to present) Chairperson of the Nomination Committee of the Company (to present)

Number of the Company’s shares held	4,410 shares
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Number of years served as Director	2 years
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* At the conclusion of this general meeting

■ Important concurrent positions

Director and Chairperson, Sekisui Chemical Co. Ltd.*
(* indicates listed companies at which the candidate serves as an officer)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	2

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee has long been involved in the management of a listed company representing the chemical and housing industries, and has abundant experience and broad insight in all aspects of corporate management, including improving business performance from a top management position at a manufacturer and being actively involved in ESG management. Furthermore, he actively speaks in important meetings such as the Board of Directors, in addition to contributing to activities of the Nomination Committee as the Chairperson of the Committee, such as the succession planning of President, selection of nominees for management executives and nurturing of such candidates.

Nominee meets qualification requirements stipulated by the Company for Directors, and he is expected to play a role in the areas of “personnel and human resource development,” “finance, accounting and capital policy,” and “corporate management and management strategy” in particular. Nomination Committee selected the Nominee to serve as an Independent Director to continue to lead the Nomination Committee as the Chairperson of the Nomination Committee.

■ Special interests in the Company, and the Company’s subsidiaries, affiliates and major business partners

There are no special interests between Teiji Koge and the Group. With regard to the standards of independence, the nominee meets the

Company's standards of independence.

Nominee No. 9	Tsuyoshi Numagami Date of birth: March 27, 1960 (Age: 64) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Attendance rate (FY ended December 31, 2024)		
		Board of Directors	100%	(15/15)
		Compensation Committee*	100%	(11/11)
		Audit Committee*	100%	(6/6)
		Independent Directors' Meeting	100%	(13/13)

Re-election
Independent Director
Compensation Committee

■ Message to shareholders

I have been involved in research and education in the field of business administration, mainly in the area of business strategy and organizational theory. In addition, I have deepened my knowledge of management by engaging in dialogue with many corporate managers through executive programs as well as being involved in university management as university board member. If I am elected as an Independent Director, I am determined to do my utmost to enhance EBARA CORPORATION's governance and corporate value, leveraging the theoretical and empirical knowledge I have acquired to date.

■ Brief personal history, and assignments and responsibilities in the Company

April 2000	Professor, Graduate School of Commerce and Management, Hitotsubashi University
January 2011	Dean of Graduate School, Graduate School of Commerce and Management, Hitotsubashi University
December 2014	Board Member/Executive Vice President, Hitotsubashi University
April 2018	Professor, Graduate School of Business Administration, Hitotsubashi University (Retired in March 2023)
June 2018	Outside Audit & Supervisory Board Member, JFE Holdings, Inc. (to present)
April 2021	Professor, Tokyo Tech Academy of Energy and Informatics, Tokyo Institute of Technology (Retired in March 2023)
June 2022	External Director, Tokyo Century Corporation (to present)
March 2023	Director of the Company (to present) Member of the Audit Committee
April 2023	Professor Emeritus, Hitotsubashi University (to present) Professor, Institute for Business and Finance, Waseda University (to present)
March 2024	Member of the Compensation Committee of the Company (to present)

Number of the Company's shares held	4,410 shares
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Number of years served as Director	2 years
	* At the conclusion of this general meeting

■ Important concurrent positions

Outside Audit & Supervisory Board Member, JFE Holdings, Inc.*
External Director, Tokyo Century Corporation*
Professor Emeritus, Hitotsubashi University
Professor, Institute for Business and Finance, Waseda University
(* indicates listed companies at which the candidate serves as an officer)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	3

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

As a researcher in corporate management, the nominee has deep academic knowledge of corporate management strategy and organization, as well as extensive expertise in various industrial fields providing a wide range of recommendations. Furthermore, he actively speaks in important meetings such as the Board of Directors, and also contributes to deliberation of topics, including the discussions on revision of the Company's compensation system and decisions on the compensation standards for Directors and Executive Officers, as a member of Compensation Committee.

Nominee meets qualification requirements stipulated by the Company for Directors, and he is expected to play a role in the areas of "finance, accounting and capital policy," "auditing," and "corporate management and management strategy" in particular. Nomination Committee selected the Nominee to continue to serve as an Independent Director to demonstrate his ability as a member of Compensation Committee. Although he has not been directly involved in corporate management, we have determined that he will be able to fulfill his duties as an Independent Director for the aforementioned reasons.

■ Special interests in the Company, and the Company's subsidiaries, affiliates and major business partners

There are no special interests between Tsuyoshi Numagami and the Group. With regard to the standards of independence, the nominee

meets the Company's standards of independence.

* Tsuyoshi Numagami resigned from a member of the Audit Committee at the conclusion of the meeting of the Board of Directors held on March 27, 2024, so the following table shows his attendance at the Audit Committee meetings held prior to that date. Since he was newly elected as a member of the Compensation Committee at the same Board of Directors meeting, the table shows his attendance at the Compensation Committee meetings held on and after the said date.

Nominee No. 10	Kaeko Kitamoto	Attendance rate (FY ended December 31, 2024)		
	Date of birth: April 15, 1965 (Age: 59) *Age is as of the date of the General Meeting of Shareholders (March 26, 2025)	Board of Directors	-%	(-/-)

■ Message to shareholders

As the pace of changes in both external and internal corporate environments is accelerating, establishing and implementing an adaptive corporate governance system has become increasingly important. In response to these changes, I am dedicated to promoting corporate governance reforms within the EBARA Group to enhance corporate value over the medium to long term. Drawing on my experience in corporate auditing at an audit corporation, I will adopt an independent and objective perspective. Additionally, I will leverage my experience and knowledge to ensure more effective internal controls and other processes to improve profitability and capital efficiency.

■ Brief personal history, and assignments and responsibilities in the Company

April 1988	Joined Sapporo Breweries Limited (currently Sapporo Holdings Limited)
October 1993	Joined Ota Showa Audit Corporation (currently Ernst & Young ShinNihon LLC)
April 1997	Registered as a Certified Public Accountant (to present)
July 2009	Partner, Ernst & Young ShinNihon LLC
September 2018	Member of Electricity and Gas Market Surveillance Commission, Ministry of Economy, Trade and Industry (Retired in August 2024)
July 2019	Executive Board Member, Ernst & Young ShinNihon LLC (Retired in June 2023)
July 2023	External Audit & Supervisory Board Member, DAIKIN INDUSTRIES, LTD. (to present) Outside Director, Harmonic Drive Systems Inc. (to present)

Number of the Company's shares held	0 shares
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Number of years served as Director	- years
	* At the conclusion of this general meeting

■ Important concurrent positions

Certified Public Accountant
 External Audit & Supervisory Board Member, DAIKIN INDUSTRIES, LTD.*
 Outside Director, Harmonic Drive Systems Inc.*
 (* indicates listed companies at which the candidate serves as an officer)

Concurrent positions as officer in listed companies including the Company (planned)

Executive	0
Non-executive	3

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Independent Director and expected roles

Nominee is a certified public accountant with a wide variety of audit experience gained over many years at a major audit corporation and has abundant knowledge and a wealth of experience in corporate accounting and audit areas. Nominee meets qualification requirements stipulated by the Company for Directors, and she is expected to play a role in the areas of “legal affairs and risk-management,” “finance, accounting and capital policy,” and “auditing” in particular. Nomination Committee selected the Nominee to newly serve as an Independent Director to demonstrate her ability as a member of Audit Committee.

Although she has not been directly involved in corporate management, we have determined that she will be able to fulfill her duties as an Independent Director for the aforementioned reasons.

■ Special interests in the Company, and the Company's subsidiaries, affiliates and major business partners

There are no special interests between Kaeko Kitamoto and the Group. With regard to the standards of independence, the nominee meets the Company's standards of independence.

Notes:

1. No nominee has any special interest in the Company.
2. Notable matters relating to the nominees for Outside Directors are as follows:
 - (1) The Company has notified the Tokyo Stock Exchange of the designation of Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge and Tsuyoshi Numagami as Independent Directors as stipulated by the exchange. In the event that the re-election of the six nominees above is approved at the General Meeting of Shareholders, they will continue in their positions as Independent Directors. In the event that the election of Kaeko Kitamoto is approved, she will newly become an Independent Director.
 - (2) During the service of Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge and Tsuyoshi Numagami as Independent Directors, the Company received a recommendation dated February 20, 2025, from the Japan Fair Trade Commission, pursuant to the provisions of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors. The six nominees above were not aware of the incident in advance, but had made proposals from the perspective of legal compliance to the Board of Directors, etc. on a routine basis. In addition, after being informed of the incident, they responded by promptly investigating the incident, making proposals on enhancement of internal control structure and maintenance of thorough compliance to prevent recurrence, and in other manners.
 - (3) During the past five (5) years, when Hiroshi Oeda, Junko Nishiyama, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami and Kaeko Kitamoto were in the post of Officer at other companies, there were no violations of law, etc., at those companies.
 - (4) Kuraray Co., Ltd., where Mie Fujimoto served as an Outside Director from March 2019 to March 2020, received cease and desist orders, etc. from the Japan Fair Trade Commission in November 2019 for an act in violation of the Antimonopoly Act in relation to the manufacture and sale of specified activated carbon used in water purification facilities, etc. She was not aware of the facts in advance but had brought attention to the importance of legal compliance on a routine basis. After the facts were revealed, she took steps such as confirming the details of the company's efforts in the Board of Directors, etc., and making proposals to prevent recurrence.
 - (5) Independence as candidate for Independent Director
 - 1) No nominee for Independent Director has ever been in an executive position or a position to execute duties for the Company or any subsidiary of the Company.
 - 2) No nominee for Independent Director is in an executive position or a position to execute duties for a business entity in a special relationship with the Company. Furthermore, there has been no such relevant relationship during the past ten (10) years.
 - 3) No nominee for Independent Director is going to receive a large amount of money or other assets except for compensation as Director from the Company or any business entity in a special relationship with the Company. Furthermore, there has been no such arrangement in the past two (2) years.
 - 4) No nominee for Independent Director is a spouse, a relative within the third degree, or such a closely related person of a business executor of the Company or any business entity in a special relationship with the Company.
 - 5) No nominee for Independent Director was a business executor of a company with which the Company has merged for the past two (2) years.
3. In relation to "a company with a material business relationship with the EBARA Group" in the "Independence Standards of Independent Director of EBARA," those for which both the following amounts and percentages for each fiscal year are less than 5 million yen and less than 0.1% have been omitted from the descriptions of these business relationships for the relevant fiscal year. (Minor Standards)
4. An overview of the agreements to limit liability for damages is provided below.
 - (1) The Company has entered into agreements with Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge and Tsuyoshi Numagami to limit their liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act. However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence. In the event that the re-election of the six nominees above is approved at the General Meeting of Shareholders, similar agreements will be continued.
 - (2) If the election of Kaeko Kitamoto is approved, the Company plans to enter into agreements with her to

limit her liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act. However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence.

5. The Company has entered a directors and officers liability insurance policy with an insurance company as provided in Article 430-3, paragraph 1 of the Companies Act, with the Directors, Executive Officers, and statutory auditors of the Company and the Group as the insured persons. This policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or the pursuit of such liability. In the event that the re-election of the nominees above is approved at the General Meeting of Shareholders, they will be included in the insured of this insurance policy. In addition, this insurance contract will be renewed with the same contents at the next renewal.
6. The age of each nominee for Director is as of this General Meeting of Shareholders.
7. In the event the proposal is approved, the Nomination, Compensation and Audit Committees will be made up of the following members.
 - Nomination Committee: Teiji Koge (Chairperson), Hiroshi Oeda, Masao Asami
 - Compensation Committee: Mie Fujimoto (Chairperson), Takuya Shimamura, Tsuyoshi Numagami
 - Audit Committee: Junko Nishiyama (Chairperson), Akihiko Nagamine, Kaeko Kitamoto

The Board of Directors must make its best effort to realize the mission it has been given by shareholders to “continuously improve corporate value” while giving the greatest consideration possible within reasonable bounds to the positions of all stakeholders. In addition to the perspective of establishing an internal control environment for preventing scandals etc. (defensive posture), the Board needs to exhibit leadership from the perspective of establishing an environment enabling management to boldly face challenges to prevent upside risks in which business opportunities are missed (offensive posture).

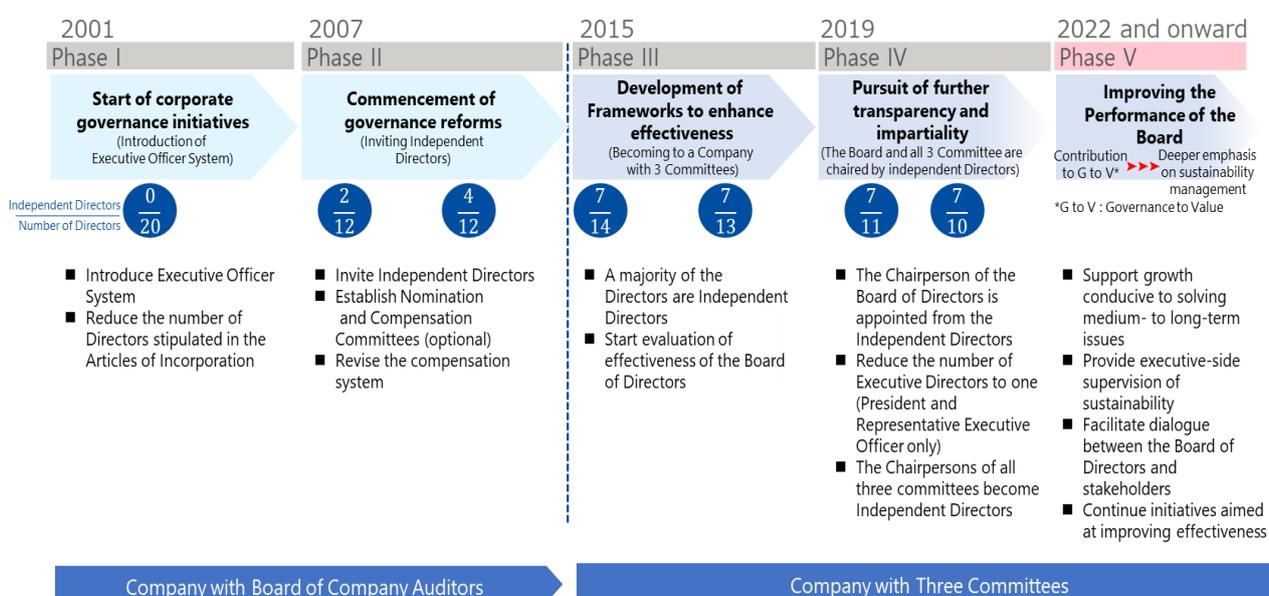
To be able to exhibit both defensive and offensive leadership, the Board of Directors must enable the best conclusion to be reached while avoiding closed discussion through the exchange of diverse opinions. To achieve this, the Board must be made up of personnel with sufficient knowledge and experience inside and outside the Company concerning important matters from the perspective of business management. Directors need to have sufficient expert knowledge at least in one field, in addition to common sense (logical thinking), enabling them to make decisions based on the opinions of members with expert knowledge and information from within and outside the Company.

In addition, the Board of Directors must realize a clear division of roles between supervision and execution in order to enable effective supervision of the management team responsible for business execution, and to enable the Board of Directors to objectively evaluate and express opinions on the progress and results of business execution from a standpoint independent of business execution. In order to achieve this, a company with Nomination, Compensation, and Audit Committees, which can delegate the authority and responsibility for business execution to the executive officers, is adopted as an organizational design, minimizing the number of Executive Officers and effectively utilizing Non-executive Directors (Independent Directors* and Directors from within the company who do not concurrently serve as executive officers). To ensure the independence and objectivity of the Nomination, Compensation, and Audit Committees, which form the cornerstone of corporate governance, they shall be composed solely of Non-executive Directors, and the majority of the members of each committee shall be Independent Directors, and the chairperson of each committee shall also be an Independent Director in principle.

From this perspective, the Board of Directors shall be composed of at least a majority of Independent Directors.

* Independent Directors: Independent Directors that satisfy the Company’s independence standards and for which notification as independent officers has been submitted to the Tokyo Stock Exchange. All of the Company’s Independent Directors are registered as independent directors.

Changes in Corporate Governance - Evolution into a New Phase



One of the principal roles of Independent Directors is to provide candid opinions and recommendations for problem-solving thinking based on the decision of whether it is appropriate to entrust management to current Executive Officers from the perspective of the common interests of shareholders by examining and assessing the results of the Company's management and the performance of Executive Officers as needed in light of the management strategies and management plans determined by the Board of Directors.

All nominees for Independent Director are chosen from personnel with a high level of independence and adequate specialized knowledge in areas expected to be important in company management to enable them to participate in discussion on the essence of management from a position that is completely independent of the execution of business.

In addition, the Company has established its own independence standards based on the independence standards specified by the Tokyo Stock Exchange.

[Independence Standards of Independent Director of EBARA]

Independent persons with no material interests in the Company are to be appointed as Independent Directors.

“Independent persons with no material interests” refer to persons to whom none of the following items applies.

- 1) An internal employee or former internal employee of the Company or its subsidiaries who do not meet the requirements for Outside Directors stipulated in Article 2, item 15, of the Companies Act.
- 2) A person who has been a director (excluding outside director), statutory auditor (excluding outside audit & supervisory board member), executive officer, or employee executing the business of a company with a material business relationship with the Company and its consolidated subsidiaries (hereinafter referred to as the “EBARA Group” or “the Group” in this part) in the past five years. “A company with a material business relationship with the EBARA Group” refers to any of the following
 - i. A company to which sales were made accounting for 2% or more of consolidated net sales of the EBARA Group in any of the fiscal years in the past three years.
 - ii. A company that made sales to the EBARA Group accounting for 2% or more of its consolidated net sales in any of the fiscal years in the past three years of procurement by the EBARA Group.
 - iii. The two financial institutions with the highest average balance of borrowings by the EBARA Group at the end of the fiscal year over the past three years.
- 3) A person who is a major shareholder of the Company or the representative of the interests thereof.

Specifically, a shareholder of the Company holding 10% or more of the total shares issued, or a director, an executive, an executive officer, a manager or other employee of a company representing the interests thereof within the two years preceding the appointment of Director nominees.
- 4) A person providing professional services to the EBARA Group.

“Professional services” refer to the following categories according to the services provided.

 - i) Certified public accountant
A person who has been directly engaged in the financial auditing of the EBARA Group in the past five years.
 - ii) Attorney, tax accountant, patent attorney, judicial scrivener, or management consultant
A person who has provided services to the EBARA Group in the past three years and has received annual compensation of ¥10 million (including tax) or more.
- 5) A person who has received or belongs to a for-profit group that has received donations, financing, or guarantee of debt from the EBARA Group.
- 6) A person within two degrees of relationship with a relative who falls under any of item 1 through item 4, or a person of another degree of relationship who resides with the relative.
- 7) A person who currently serves as a director, a statutory auditor or an executive officer of a company that has accepted a director or a statutory auditor from the EBARA Group.

Roles, qualifications and competencies required for directors (excerpted from EBARA Corporate Governance Basic Policy chapter 6)

	Roles	Qualifications and Competencies
Directors	<ul style="list-style-type: none"> • Strive to make the best efforts at deliberations at the Board of Directors meetings and monitor business execution, so that the Board of Directors is able to fulfill its role as a monitoring board to “show the general direction of the business such as corporate strategies, etc.,” “create an environment that enables appropriate risk-taking in business execution,” and “conduct highly effective supervision of business execution from an independent and objective standpoint” • Make wise decisions with broad insight and logical thinking based on his/her expertise in specific fields, while taking into account opinions of other Directors and information from inside and outside the Company • Express not only approval or disapproval on issues, but also present new issues for growth of the Company during deliberations 	<ul style="list-style-type: none"> • Has outstanding personality, high ethical standards, a spirit of exploration, and a spirit of independence • Has demonstrated outstanding results, because of his/her excellent knowledge in corporate management, experience in decision-making from a responsible position or demonstrating professional skills • Has or willing to acquire the latest information on industries and/or peripheral/relevant domains related to the strategic direction and/or medium- to long term issues of the Company • Has insight and logical-thinking ability to make judgments by referring to the opinions of other Directors and new information from inside and outside the Company, rather than solely relying on his/her own past experience and knowledge • Committed to the governance reform of the Company and motivated to develop himself/herself by contributing to the process of its evolution
Chairperson of the Board of Directors	<ul style="list-style-type: none"> • Conduct to facilitate agenda setting for the Board of Directors meetings, and effective decision-making and problem-solving deliberations • Conduct to facilitate smooth operation of the Board of Directors and promote specific business execution • Demonstrate leadership in implementing the PDCA cycle of the Board of Directors including leading the evaluation of effectiveness of the Board of Directors as a whole, each Committee and Director, and take the initiative in improving governance at all times • Demonstrate leadership in disseminating information to the stock market and necessary information gathering 	<ul style="list-style-type: none"> • Lead the Board of Directors in a fair, objective and self-restraint manner • Fully realize his/her responsibility and demonstrate leadership as the chief of the highest decision-making body of the Company • Interested in the Company’s business execution and management personnel, and is willing to deepen the understanding of the same by having dialogues with the execution side

Lead
Independent
Director

Roles

- Hold Executive Sessions for Independent Directors to improve the quality of the Board of Directors meetings by promoting their understanding of issues by selecting proper agenda items and organizing discussion points
- Establish and supervise appropriate training programs for the Independent Directors, including newly appointed Independent Directors, by identifying the needs of each Independent Director, such as deepening understanding of specific issues

Qualifications and Competencies

- Lead the Independent Directors in a fair, objective and self-restraint manner and earn trust from the stakeholders
- Has broad insight and able to develop appropriate improvement measures for Independent Directors to fulfill their roles

Independent Directors	Roles	Qualifications and Competencies
	<ul style="list-style-type: none"> • Enhance the quality of deliberations at the Board of Directors meetings by providing opinions and recommendations for problem-solving thinking from an objective and diversity perspective • At Executive Sessions, strive to determine the true nature of the issue by actively making efforts to understand the Company and its business as its background • Assume the duties as a member of the Nomination Committee, Audit Committee and/or Compensation Committee • Participate in the Board of Directors meetings and other meeting structures on management, independently from the Executive Officers, when deemed necessary, and provide supervision and advice on the Company's operations by expressing his/her views and other means • In the event an evaluation and/or judgment independent from the Executive Officers with respect to the Company compliance, etc. is required, participate in such evaluation and/or judgment • Supervise and verify key business measures, result of management, and the Executive Officers' performance in light of the management strategy and plan determined by the Board of Directors, and provide candid opinions and recommendations for problem-solving thinking regarding the appropriateness of entrusting management to the current Executive Officers from an objective standpoint • Provide candid opinions and recommendations from the standpoint of shareholders and other stakeholders <p>* Independent Directors' Meeting: A meeting body that solely consists of Independent Directors. Held a few days prior to the Board of Directors meeting</p>	<p>Independent Directors are expected to have superior knowledge and experiences in one or more of the following domains</p> <ul style="list-style-type: none"> • Has experience serving in a responsible position in corporate management and demonstrated leadership in corporate transformation • Has demonstrated leadership in implementing and enhancing the ESG-based management • Has demonstrated leadership in personnel, human resource development, and corporate culture reform • Has intimate knowledge of solving issues related to finance, accounting and/or capital policy • Has intimate knowledge of auditing • Has intimate knowledge of legal affairs, internal control, and governance reforms • Has intimate knowledge of technical development and R&D • Has intimate knowledge of global environment • Has intimate knowledge with regard to adequate conduct of an enterprise as a social entity such as respect for human rights, diversity, health and working environment, and supply chain management • Has intimate knowledge of areas which are anticipated to rapidly evolve in the future, such as digitization and AI technology

	Roles	Qualifications and Competencies
Non-Executive Inside Directors	<ul style="list-style-type: none"> Express opinions from an objective perspective based on his/her prior experience of business execution Monitor the status of business execution as appropriate, and provide appropriate supervision for execution of important matters Serve a role to deepen the understanding of issues related to business execution and the organization among the Independent Directors, and act as a liaison with the Executive Officers, as needed 	<ul style="list-style-type: none"> Has the same qualifications and competencies required of Independent Directors Has broad knowledge of business execution of the Company and is capable of supervising and supporting business execution through proper communications
Chairperson of the Company	<ul style="list-style-type: none"> Demonstrate leadership in the process required for the change and make recommendations to the Board of Directors in coordination with the Chairperson of the Board of Directors In case an Independent Director serves as the Chairperson of the Board of Directors, assist the Chairperson and function as a good advisor as required Serve the roles required in the Group's external activities as required 	
Chairperson of the committee	<ul style="list-style-type: none"> Establish committee agendas and lead discussions to foster effective decision-making and problem-solving, ensuring the fulfillment of each committee's designated roles 	<p>(Nomination) Proactively gather information on human resources and enthusiastically engage in the development and diversification efforts to ensure the ongoing long-term quality of management personnel</p> <p>(Compensation) Establish incentives that promote appropriate efforts to accelerate organizational revitalization, human resource development, and corporate culture reform</p> <p>(Audit) Facilitate the execution of auditing and internal control functions within the Group from an overarching perspective, while actively engaging in their execution</p>

Business Report for the 160th Period
(From January 1, 2024 to December 31, 2024)
EBARA CORPORATION

1. Condition of the Corporate Group

(1) Business Developments and Results

1) Overall Review of Operations

During the fiscal year ended December 31, 2024, the Japanese economy continued to recover moderately in terms of personal consumption and corporate capital investment. The global economy showed signs of picking up, although there was a downside risk due to continued high interest rates in the U.S. and Europe and the slowdown in the Chinese economy. On the other hand, geopolitical risks such as the tightening of semiconductor export control regulations due to conflicts between the U.S. and China, the situation in Ukraine and the Middle East require close monitoring.

Under these circumstances, the Group formulated the Medium-term Management Plan “E-Plan 2025” for the three years starting from fiscal year 2023. Under the theme of “creating value from the customer’s perspective,” we have shifted to an organization by target market to further strengthen the competitiveness, and we are moving forward with various measures to achieve our management indicators.

Orders received for the fiscal year ended December 31, 2024 fell year on year in Environmental Solutions Business due to a decrease in the timing of large-scale orders. On the other hand, orders increased year on year in Precision Machinery Business due to an increase in demand for generative AI. Although there were some variations among customers, factory operating rates recovered, and investments to increase production resumed. And orders increased year on year in Building Service & Industrial Business due to capitalizing on domestic demand for Service & Support and strong overseas orders. As a result, overall orders increased year on year. Revenue increased due to steady growth in all segments. Operating income increased due to higher revenue in all segments, and improved profitability, particularly in Precision Machinery Business, despite the recording of an impairment loss on goodwill related to a group company in Turkey in Building Service & Industrial Business.

As a result, in the Fiscal Year ended December 31, 2024, consolidated orders received amounted to ¥860,579 million (an increase of 4.9% year-on-year), revenue amounted to ¥866,668 million (an increase of 14.1% year-on-year), operating profit amounted to ¥97,953 million (an increase of 13.9% year-on-year), and profit attributable to owners of parent amounted to ¥71,401 million (an increase of 18.4% year-on-year). All of these displaced the past highest records.

Additionally, the Company received a recommendation based on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the “Subcontract Act”) from the Japan Fair Trade Commission on February 20, 2025.

The Company has issued manufacturing contracts to trading counterparties that are treated as subcontractors under the Subcontract Act (the “Subcontractors”) with respect to certain products among the Company’s products (the “Products”) and has loaned to some of the Subcontractors wooden molds, metal molds and tool, etc. owned by the Company used in the manufacture of the Products (the “Wooden Molds, etc.”)

This recommendation provided confirmation that even though the issuance of orders for the Products manufactured using the Wooden Molds, etc. was not conducted over a long period, the act of having Subcontractors store the Wooden Molds, etc. without paying them was deemed to be applicable to Article 4 paragraph 2, item 3 (Prohibition on request for provision of unfair economic benefits), and accordingly in violation of this provision.

Taking this recommendation seriously, the Company passed a resolution addressing this recommendation at its Board of Directors meeting held on February 21, 2025. Based on the resolution, the Company has taken the necessary measures to put in place internal company structures such as the implementation of internal company education on the Subcontract Act. Moreover, to prevent the act in violation of the Subcontract Act from occurring in future trading arrangements, the Company is swiftly executing the measures requested in this recommendation such as ensuring that the officers and employees are thoroughly informed on the matter and will make concerted efforts to further strengthen compliance and prevent recurrence.

In addition, the Company is engaging in discussions with the Contractors in good faith and appropriately recording the costs for making appropriate payment of the storage costs. Going forward, the

Company will seek confirmation from the Japan Fair Trade Commission of the fact that the payment is complete, etc. and respond swiftly to matters requiring our response.

Financial Highlights

Orders Received	Revenue	Operating Profit	Profit attributable to Owners of Parent
¥860,579 million	¥866,668 million	¥97,953 million	¥71,401 million
Up 4.9% from the same period of the previous FY	Up 14.1% from the same period of the previous FY	Up 13.9% from the same period of the previous FY	Up 18.4% from the same period of the previous FY

2) Financial Results

Fiscal Year (FY) Item	157th Period (FY ended December 31, 2021)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024) (FY under review)
Orders Received (Millions of yen)	771,483	815,218	820,598	860,579
Revenue (Millions of yen)	603,213	680,870	759,328	866,668
Operating Profit (Millions of yen)	61,372	70,572	86,025	97,953
Profit attributable to Owners of Parent (Millions of yen)	43,616	50,488	60,283	71,401
Basic Earnings per Share (Yen)	463.44	548.61	653.64	154.62
Total Assets (Millions of yen)	719,736	828,049	913,900	1,005,085
Total Equity (Millions of yen)	321,655	369,725	421,572	485,336
ROIC (%)	10.7	11.2	12.2	12.2
ROE (%)	14.5	15.0	15.7	16.2

Notes:

1 The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Basic earnings per share has been calculated under the assumption that the stock split was conducted at the beginning of the fiscal year ended December 31, 2024.

Furthermore, the changes in basic earnings per share are as follows assuming the stock split was conducted at the beginning of the 157th fiscal period.

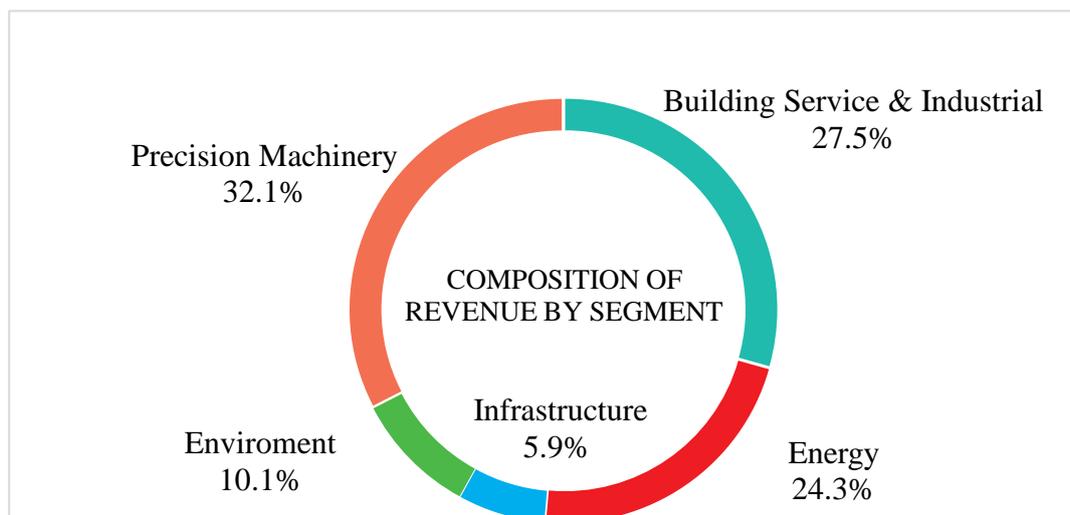
Fiscal Year (FY) Item	157th Period (FY ended December 31, 2021)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024) (FY under review)
Basic Earnings per Share (Yen)	92.69	109.72	130.73	154.62

2 The following changes to the calculation of ROIC have arisen.

Up to FY2022: Profit attributable to owners of parent ÷ Invested capital {Interest-bearing debt (average between the beginning and end of fiscal year) + Equity attributable to owners of parent (average between the beginning and end of period)}

From FY2023 onward: NOPLAT (Net Operating Profit Less Adjusted Taxes) ÷ Invested capital {Interest-bearing debt (average between the beginning and end of fiscal year) + Equity attributable to owners of parent (average between the beginning and end of fiscal year)}

3) Review by Business Segment



Revenue by Segment

	159th Period (FY ended December 31, 2023)	160th Period (FY under review)	Year-on-year change
Building Service & Industrial	¥222,181 million	¥238,182 million	Up 7.2%
Energy	¥167,229 million	¥210,434 million	Up 25.8%
Infrastructure	¥50,178 million	¥51,118 million	Up 1.9%
Environment	¥71,540 million	¥87,438 million	Up 22.2%
Precision Machinery	¥246,998 million	¥278,378 million	Up 12.7%

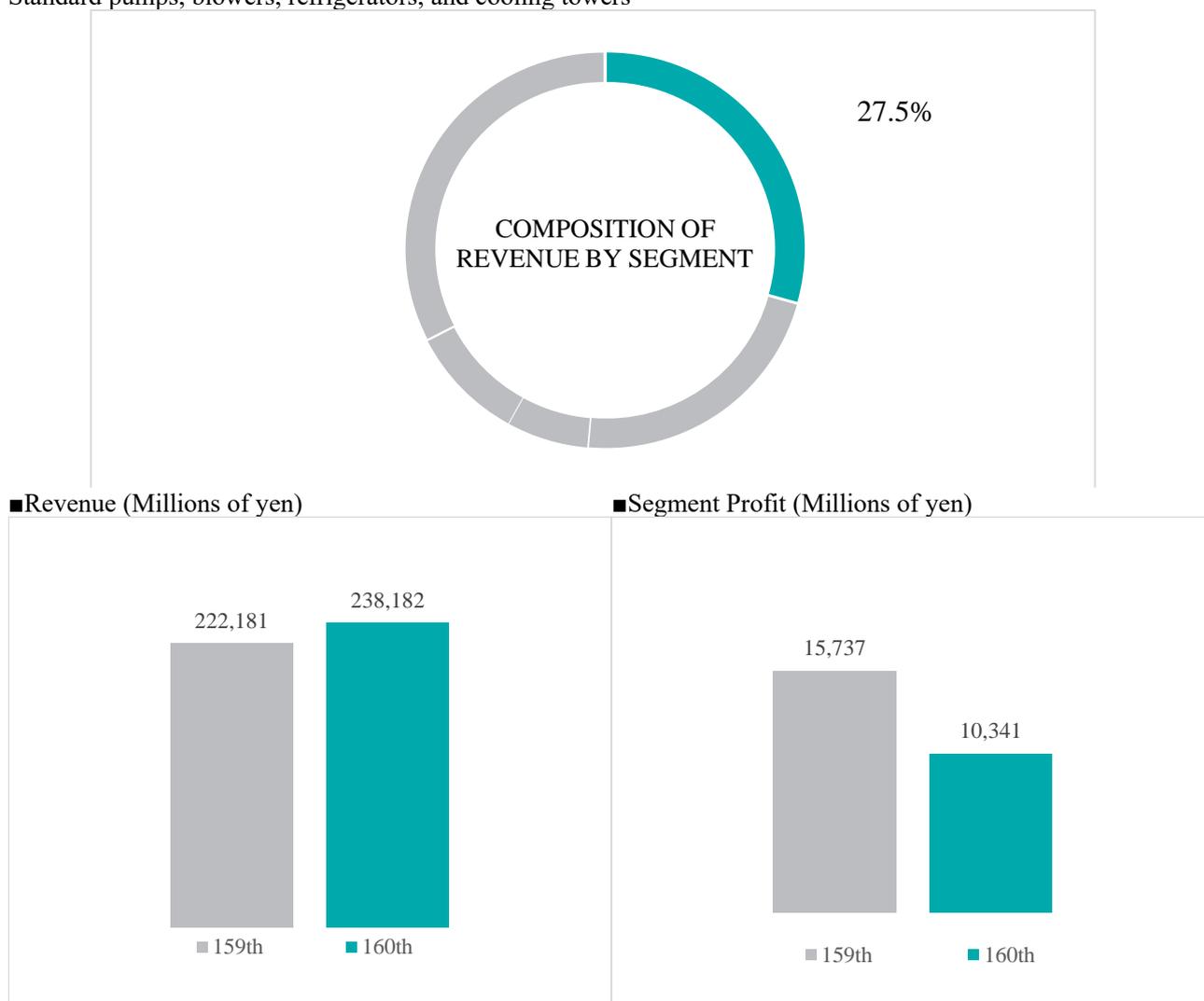
Building Service & Industrial

Main End-Users Market

Building service, industrial service

Main Items

Standard pumps, blowers, refrigerators, and cooling towers



Building Service & Industrial

Orders received and revenue rose year on year, but segment profit fell below previous-year levels. In the construction service market, growth has been slowing in Japan, China and Southeast Asia, while a recovery has been seen in North and South America. Orders received rose year on year due to capitalizing on domestic demand for Service & Support, as well as steady growth in demand for data center-related products in North America and products for some industrial markets in China. Revenue increased due to strong performance in our products and Service & Support in Japan, and strong performance overseas, particularly in North and South America. Segment profit decreased due to goodwill impairment loss recorded for our subsidiary, Vansan, in Turkey.

Revenue in the Building Service & Industrial Business for the fiscal year ended December 31, 2024, amounted to ¥238,182 million (an increase of 7.2% from the previous fiscal year). The segment profit amounted to ¥10,341 million (a decrease of 34.3% from the previous fiscal year).

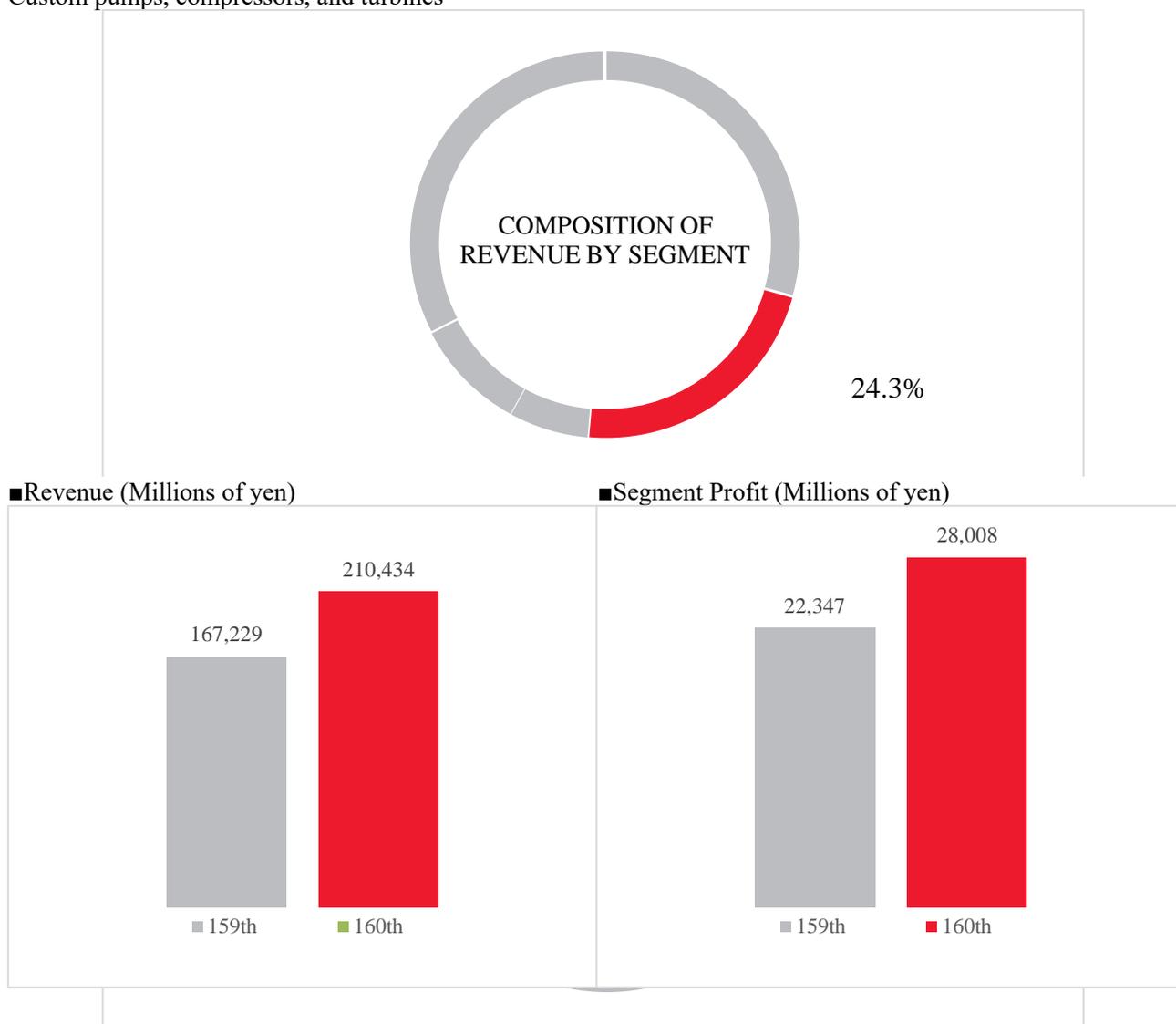
Energy

Main End-Users Market

Oil and gas, electric power, and new energy

Main Items

Custom pumps, compressors, and turbines



Energy

Orders received remained at the same level as the previous fiscal year, and revenue and segment profit rose year on year. In the petrochemical market, there were continued activity in North America, Asia, and the Middle East, while in the LNG market, there was no major change in market conditions, although there were some delays in customer investment decisions. Orders received for products saw a decline in North America for the LNG market in comparison with the multiple large-scale orders of the previous fiscal year mainly due to the timing at which certain projects were recorded. However, orders were robust for other regions, such as the electricity market in China. Orders received for Service & Support remained at the same level of the previous fiscal year overall, but we did see an increase in modification projects, among others. Revenue increased due to a significant increase in North America because of strong orders from the previous year, and also due to increased Service & Support in Asia. Segment profit increased primarily due to the effect of higher revenue.

Revenue in the Energy Business for the fiscal year ended December 31, 2024, amounted to ¥210,434 million (an increase of 25.8% from the previous fiscal year). The segment profit amounted to ¥28,008 million (an increase of 25.3% from the previous fiscal year).

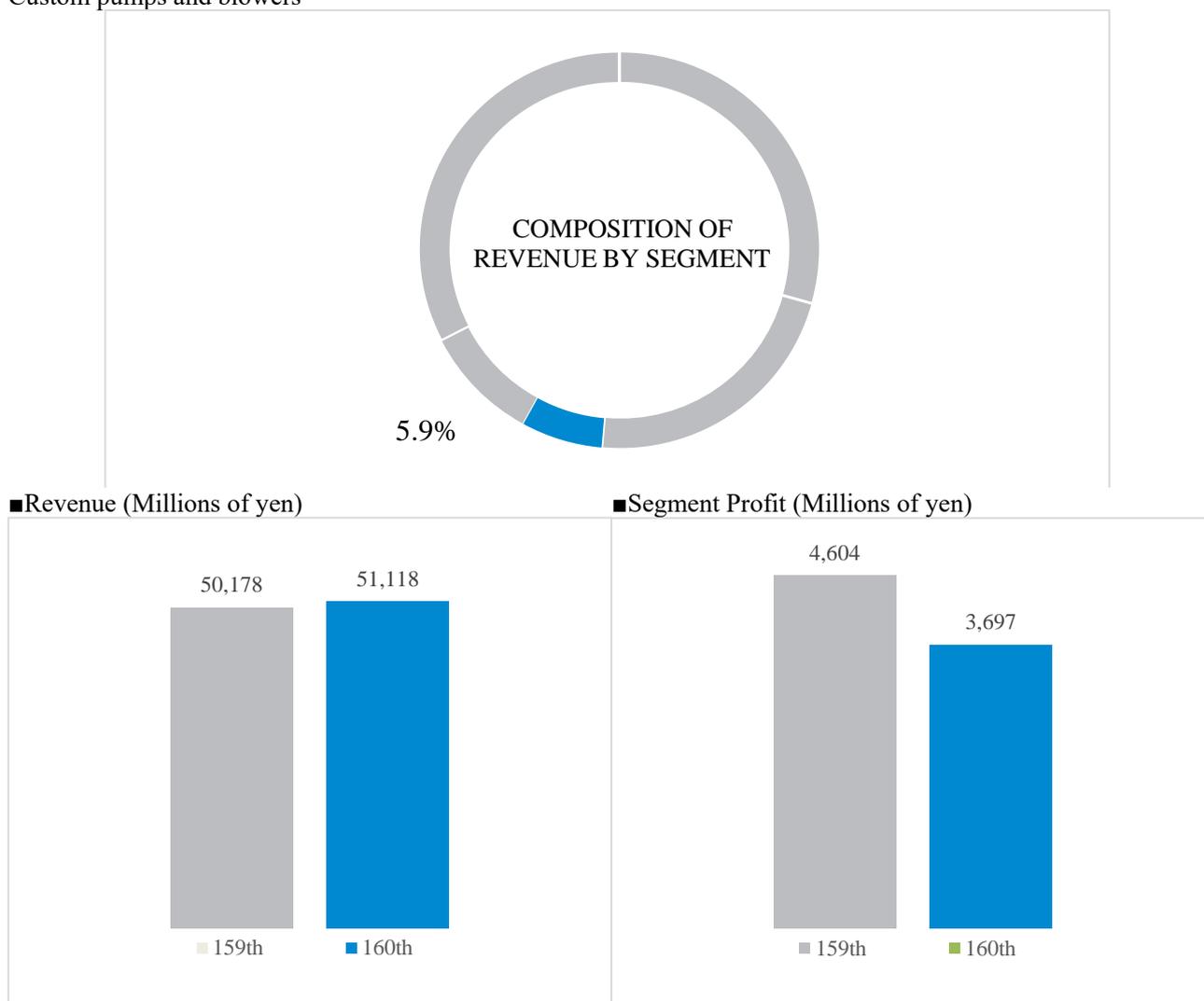
Infrastructure

Main End-Users Market

Water infrastructure

Main Items

Custom pumps and blowers



Infrastructure

Orders received and revenue rose year on year, but segment profit fell below previous-year levels. Orders received increased from the previous fiscal year as demand for renewal and repair in the domestic public pump market remained steady, and orders for large projects were received in Asia and North America. Revenue increased due to growth overseas in Asia and North America while revenue from domestic public projects decreased. Segment profit decreased due to a rise in fixed costs and other factors.

Revenue in the Infrastructure Business for the fiscal year ended December 31, 2024, amounted to ¥51,118 million (an increase of 1.9% from the previous fiscal year). The segment profit amounted to ¥3,697 million (a decrease of 19.7% from the previous fiscal year).

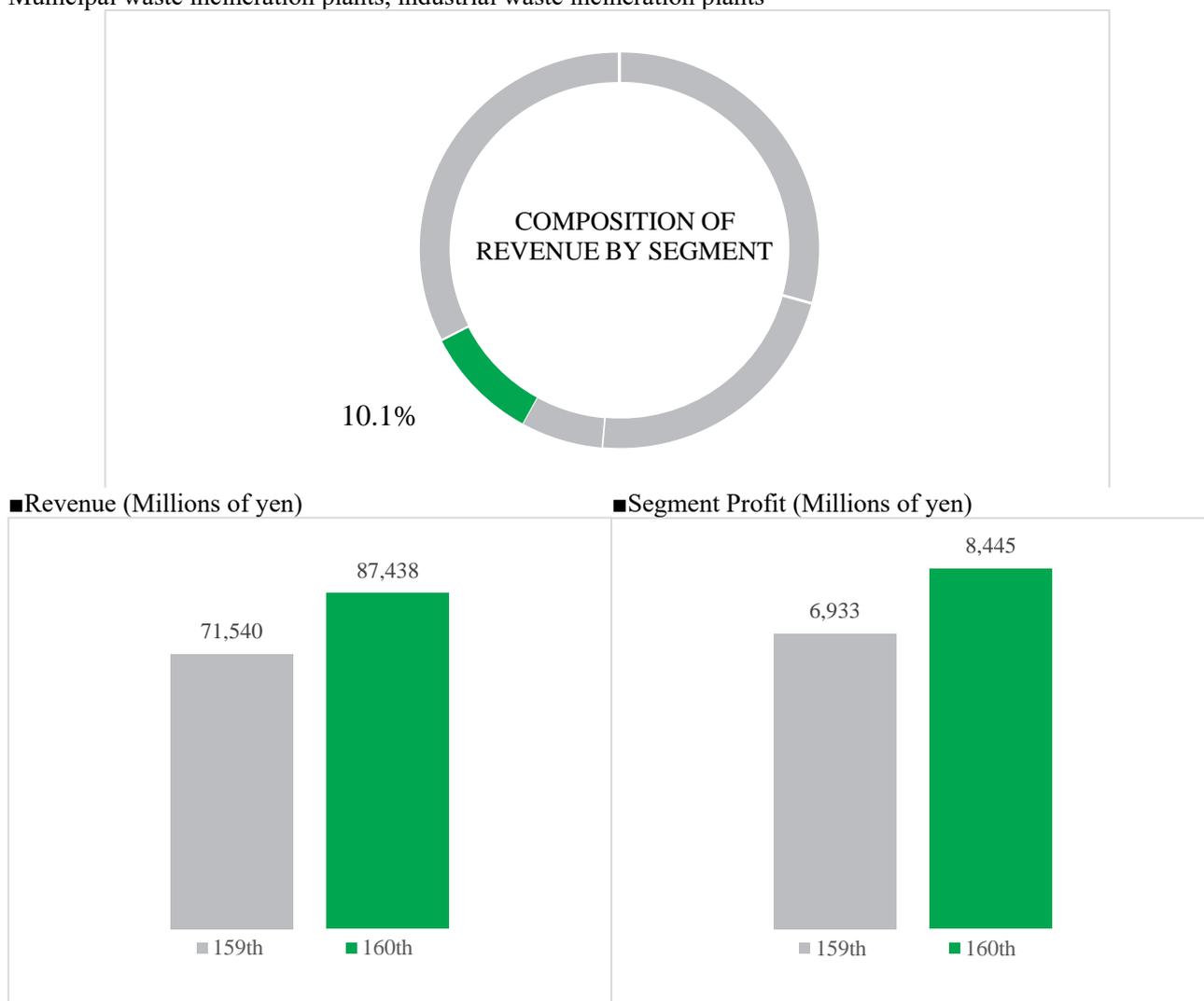
Environment

Main End-Users Market

Treatment of solid waste

Main Items

Municipal waste incineration plants, industrial waste incineration plants



Environment

Orders received fell below previous-year levels, but revenue and segment profit rose year on year. Order received decreased compared to the previous fiscal year due to a lower price scale of projects, despite receiving two large scale orders for extending renovation of waste treatment plants' lifespan. Revenue increased due to the growth in both O&M and EPC sales, and segment profit also increased mainly due to the effect of increased revenue.

Revenue in the Environment Business for the fiscal year ended December 31, 2024, amounted to ¥87,438 million (an increase of 22.2% from the previous fiscal year). The segment profit amounted to ¥8,445 million (an increase of 21.8% from the previous fiscal year).

* O&M (Operation & Maintenance): Plant operation, management, and maintenance

EPC (Engineering, Procurement, Construction): Plant design, procurement, and construction

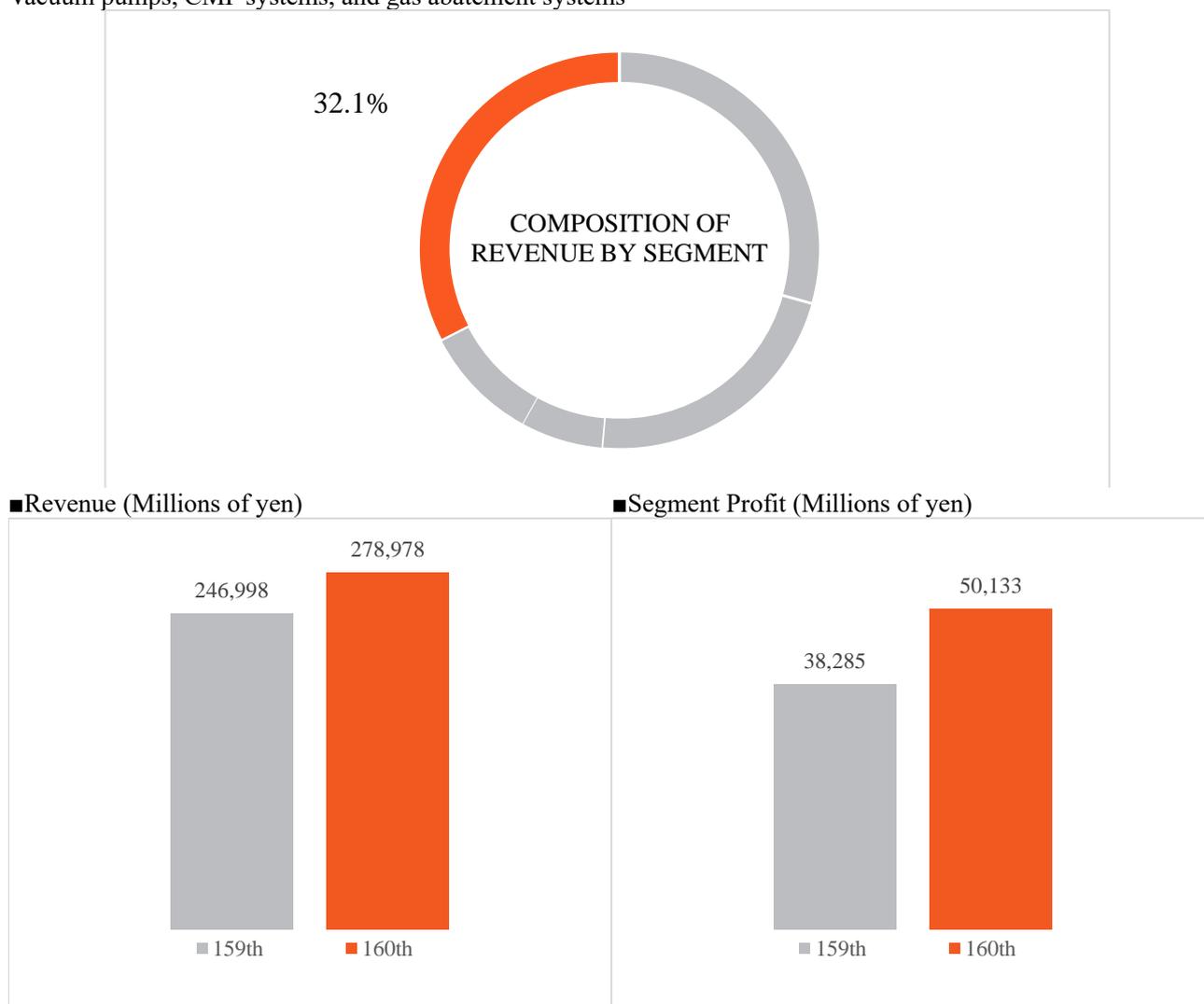
Precision Machinery

Main End-Users Market

Semiconductor manufacturing

Main Items

Vacuum pumps, CMP systems, and gas abatement systems



Precision Machinery

Orders received, revenue, and segment profit all rose year on year. In the semiconductor market, increased demand for generative AI is leading to a recovery trend in customer factory utilization rates, however, a full-scale resumption of increased production investment varies by customer. In addition, while the Chinese market is growing its momentum seems to be stabilizing. Orders received increased from the previous fiscal year for both products and Service & Support due to a recovery in demand for CMP and components. Revenue increased due to steady demand for Service & Support in both CMP and components. Segment profit increased due to the positive effects of higher revenue and improved profitability from an improved project mix.

Revenue in the Precision Machinery Business for the fiscal year ended December 31, 2024, amounted to ¥278,378 million (an increase of 12.7% from the previous fiscal year). The segment profit amounted to ¥50,133 million (an increase of 30.9% from the previous fiscal year).

(2) Capital Expenditures

Regarding investments, during the fiscal year ended December 31, 2024, the Group implemented capital investments amounting to ¥58,630 million. These were primarily for the expansion of production capacity and the installation of equipment to enhance productivity. Note that the investment amount includes tangible fixed assets and intangible assets.

Principal capital investments by business segment were as follows. Please note that these investment figures include inter-segment transactions.

Business Segment	Capital Expenditures (Millions of yen)	Depreciation (Millions of yen)	Breakdown of Capital Expenditures
Building Service & Industrial	8,883	7,929	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Energy	7,671	5,199	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Infrastructure	1,383	971	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Environmental Solutions	4,281	879	Investments were made primarily for the maintenance and enhancement of production capability and the technical development.
Precision Machinery	19,989	8,367	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.

(3) Fund-Raising and Capital Resources

In the fiscal year ended December 31, 2024, the Group raised funds through the issuance of Series 13 of straight bonds (Sustainability-Linked Bond) amounting to ¥10,000 million, long-term loans payable amounting to ¥1,595 million and short-term loans payable totaling ¥24,313 million. Meanwhile, the Company repaid long-term loans payable amounting to ¥2,491 million and short-term loans payable totaling ¥32,367 million.

(4) Issues Being Addressed

The Group announced our long-term vision, “E-Vision 2030,” which established a vision and path for ten years from fiscal year (FY) 2020, simultaneously with the Medium-term Management Plan “E-Plan 2022,” which set the management direction and strategies to be implemented for the first three-year period from FY2020 to FY2022, and we have implemented various measures. As a result, we have been able to achieve the targets for the main KPIs, including achieving the targets for ROIC and operating profit ratio that we have positioned as the key management indicators, a year ahead of the schedule. Based on this, as the next stage, in February 2023 we established the Medium-term Management Plan “E-Plan 2025” with its final year in FY2025, and we have positioned this as a three-year period for steadily moving closer to “EBARA’s Vision for 2030” set out in our long-term vision and ensuring its realization in 2030. Under the Medium-term Management Plan “E-Plan 2025,” we have set the direction outlined below with a theme of “creating value from the customer’s perspective,” and we will formulate and implement plans for each business.

<Direction of Medium-term Management Plan E-Plan 2025>

- 1) Strengthen the market-in initiatives, move away from product-out approach, and install a corporate culture of “creating new value from the customer’s perspective.”
- 2) Reorganize into a five-company system by target market with an aim to establish a system by which each business can maximize business performance in each target market.
- 3) Aggressively invest capital for business growth and infrastructure to further ensure the realization of “EBARA’s Vision for 2030.”
- 4) For efficiency and profitability indicators (ROIC and operating profit ratio), maintain or exceed the target level which was realized in 2022 and set in E-Vision 2030 (e.g., ROIC of 10%).
- 5) Add ROE of 15% or higher, set in E-Vision 2030, as a new key indicator as part of our commitment to achieving “1 trillion yen in market cap by 2030,” while further sophisticating ROIC-focused management, with ROIC and operating profit ratio as the most important indicators.

- 6) Introduce CxO system to totally optimize the Group and enhance the Group governance for each function.

With the implementation of the above six initiatives, the goal of E-Plan 2025 is to reach a position where the Group can more certainly foresee the path to realize “EBARA’s Vision for 2030.” For business growth, the Group has set a CAGR of 7% for revenue during the period of E-Plan 2025, which will be achieved mainly in the following two businesses of growth areas: Building Service & Industrial, and Precision Machinery.

[1] Theme of E-Plan 2025 and key areas

In E-Plan 2025, organization by target market will develop new businesses by creating value from the customer’s point of view.

<Theme of E-Plan 2025>

Business creation: Creating value from the customers’ perspective

The Group strives for sustainable “entrepreneurship” and the creation of value, while fostering an organizational culture that supports a mindset of taking on challenges and transforming the entire company into a structure that truly addresses customer needs and issues, as well as creating a series of flows that generate business.

In addition, the Group has determined the five key areas to support the realization of the theme as described as follows:

<Five key areas>

- 1) Target markets & customer-orientation
- 2) New value creation
- 3) Global expansion
- 4) Advanced and efficient management infrastructure
- 5) Advances in ESG-focused management

[2] Indicators and targets (financial and non-financial)

The Group has set the following as the targets to be achieved by FY2025, the final year of E-Plan 2025.

Financial targets

Category	Item	FY2025 target
Profitability	Operating profit ratio	10% or higher
	<Operating profit ratio by business segment>	
	Building Service & Industrial	7% or higher
	Energy	12% or higher
	Infrastructure	6% or higher
	Environmental Solutions	7% or higher
Efficiency	Precision Machinery	17% or higher
	ROIC	10% or higher
	ROE	15% or higher
Growth	Building Service & Industrial Revenue CAGR (FY2022 to FY2025)	6% or higher
	Precision Machinery Revenue CAGR (FY2022 to FY2025)	15% or higher
Financial health	Debt-to-equity ratio	0.3 to 0.5 (management guideline)

Non-financial targets

Category	Item	Target
E: Environment	CDP score (climate change)	Maintain B or above
	Scope 1, 2: GHG emissions	Reduce by 32% compared to FY2018
	Scope 3: Avoided emissions and others (value chain)	Establish a practical measurement method for GHG emissions in the value chain*
S: Social	Transform into a culture of competition and challenge, and strive to create an environment where diverse employees can work comfortably and perform well	FY2025: 83 or higher FY2030: 86 or higher
	- Improve Engagement Survey Score (consolidated)	
	Aim for global mobility improvement	
	- Percentage of non-Japanese employees (consolidated) in Global Key Positions (GKP)	FY2025: 30% or higher FY2030: 50% or higher
	Resolve gender pay gap	(1) FY2025: 8% or higher FY2030: 10% or higher
	(1) Percentage of female employees in GKP (consolidated)	higher
	(2) Percentage of female employees in key positions (non-consolidated)	(2) FY2025: 8% or higher higher
Cultivate a company culture where employees can work and raise children at the same time regardless of gender	FY2025: 100% (target announced in November 2023)	
- Percentage of male employees taking parental leave (non-consolidated)		
Promote good performance of employees with special needs		
- Percentage of employees with special needs (non-consolidated + 4 group affiliates)	FY2025: 2.6% or higher	
Implement necessary measures based on the results of human rights due diligence for suppliers		
G: Governance	Deepen the performance of the Board of Directors and contributions to G to V: Governance to Value	

* We set new targets in 2024. For detailed information, please refer to “6. The Company’s Systems and Policies (4) Sustainability Management 1) Responding to Climate Change A. Promotion of Carbon-Neutral.”

Estimated cash allocation over the E-Plan 2025 period (3-year cumulative total)

Item	Description	FY2023 to FY2025 3-year cumulative total
Growth investment	Growth investment based on business portfolio (facilities for increased production, R&D, new business, M&A, etc.)	180.0 to 225.0 billion yen (including R&D expenses of 65 billion yen)
Infrastructure investment	Strengthen infrastructure that underpins sustainable growth, etc. (maintenance and renewal of equipment, human capital, IT such as ERP, business infrastructure, ESG investments)	50 to 80 billion yen
Shareholder returns	Dividend policy: Consolidated Dividend Payout Ratio of 35.0% or higher Repurchase of treasury stock: Implement flexibly at appropriate times, carefully considering the level of equity attributable to owners of parent, other investment targets, cash and deposits on hand, stock price trends, business performance trends, and other factors	

[3] Positioning and basic policies by business segment

1. Building Service & Industrial

Positioned as a “growth business,” aim for growth while ensuring profitability

The segment will break away from the cost-competition situation by matching the customer needs from the customer’s real voices with the functions of the Group’s products and services, assembling solutions, and appealing to customers.

2. Energy

Shift to a new “growth business” to respond to changes in customers and society

Based on the megatrend of decarbonization, the segment will grasp the changing needs of customers correctly and make a change with the customers. It will provide solutions that can leverage the Group's strengths through the integration of compressors & turbines and custom pumps.

3. Infrastructure

Positioned as a core business that secures stable revenue, seek efficiency while supporting social infrastructure

Within Japan, the segment will strengthen its product development capabilities in collaboration with manufacturing plants and ensure robust public sector demand without opportunity loss, thereby maintaining a high market share and securing profits. For overseas, it will focus on Southeast Asia and China in particular, provide pump facilities and peripheral technologies instead of undertaking EPC (engineering, procurement, and construction) work entirely, and create new value through engineering technologies.

4. Environmental Solutions

Positioned as a core business that secures stable revenue, seek efficiency while supporting social infrastructure

The segment will strengthen efforts to solidify the foundation of the core business and develop as well as provide the technologies and services demanded by existing and potential customers, while properly grasping changes in the market as a waste resource recycling solution provider based on life cycle assessment.

5. Precision Machinery

Positioned as a "growth business," aim for growth while ensuring profitability

The segment will provide value to customers through total optimization of global by introducing an account system. The segment will also deliver value through the resolution of requests and issues in customer's processes and utilities.

[4] Corporate basic policy

The Group will strongly support the organization by target market while ensuring integrated group management. Further, the Group will proceed with upgrading and streamlining the management infrastructure, as it implements advanced ESG-focused management for a sustainable society, improves the recognition of the EBARA brand and its penetration internally and externally, strengthens fundamental technological capabilities to enhance its continued competitiveness, and creates a framework capable of developing new businesses.

[5] Corporate governance

The Board of Directors will continue to supervise and encourage the executive officers to speed up their efforts and reforms to realize E-Vision 2030 and E-Plan 2025, while strengthening and improving corporate governance to further enhance its effectiveness. That makes the Board of Directors contribute to the continued growth and value of the Group.

(Reference)

Long-term Vision: E-Vision 2030 (10-Year Vision)

Over the next 10 years, we aim to further our contributions toward the SDGs through the pursuit of solutions to our identified five material issues to contribute to the creation of a sustainable society while simultaneously increasing the (1) social/environmental value and (2) economic value we generate. We believe this will earn us greater corporate value and recognition as an excellent global company. We have set market capitalization of 1 trillion yen by 2030 as an indicator of our corporate value.

<Representative examples of outcome goals>

(1) Social/Environmental Value

- Reduce GHG emissions by the equivalent of about 100 million tons of CO₂
- Deliver water to 600 million people
- Contribute to smarter living by challenging the 14Å (angstrom, 1/10 billionth of a meter) generation, state-of-the-art semiconductor devices

(2) Economic Value

- ROIC over 10.0%
- ROE over 15.0%
- Roughly 1 trillion yen in revenue

(5) Important Matters Related to the Parent Company and Subsidiaries**1) Matters Related to the Parent Company**

None

2) Principal Subsidiaries

Company Name	Location of Head Office	Capital	EBARA Ownership Percentage (%)	Main Lines of Business
EBARA FAN & BLOWER CO., LTD.	Suzuka, Mie	¥445 million	100.0	Manufacture, sale and after-sales service of industrial fans
EBARA REFRIGERATION EQUIPMENT & SYSTEMS CO., LTD.	Ota-ku, Tokyo	¥450 million	100.0	Manufacture, sale, and installation of refrigerators and cooling towers and after-sales service
Elliott Ebara Turbomachinery Corporation	Sodegaura, Chiba	¥450 million	100.0*	Manufacture, sale, and after-sales service of compressors, turbines, and blowers
EBARA DENSAN LTD.	Ota-ku, Tokyo	¥450 million	100.0	Manufacture and sale of electrical machinery and fixtures, and construction work for electrical machinery and instrumentation
Ebara Environmental Plant Co., Ltd.	Ota-ku, Tokyo	¥5,812 million	100.0	Design, construction work, operation, and maintenance of waste processing systems
EBARA FIELD TECH. CORPORATION	Fujisawa, Kanagawa	¥475 million	100.0	Sale of dry vacuum pumps, sale, test operation, and after-sales service of CMP equipment
EBARA REFRIGERATION EQUIPMENT & SYSTEMS (CHINA) CO., LTD.	China	¥1,888 million	100.0*	Manufacture and sale of refrigerators and cooling towers
EBARA BOMBAS AMÉRICA DO SUL LTDA.	Brazil	R\$99,106 thousand	100.0*	Manufacture and sale of submersible motors and pumps for deep wells, and land pump products
Ebara Pumps Europe S.p.A.	Italy	€22,400 thousand	100.0	Manufacture and sale of stainless pumps and metallic mold pumps
Ebara Engineering Singapore Pte.Ltd.	Singapore	S\$6,625 thousand	100.0	Sale and after-sales service for custom pumps and standard pumps; sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Machinery (China) Co., Ltd.	China	US\$61,938 thousand	100.0*	Manufacture, sale, and after-sales service of standard pumps
Vansan Makina Sanayi ve Ticaret A.Ş.	Turkey	TRY5,350 thousand	100.0	Manufacture and sale of submersible motors and pumps for deep wells, vertical pumps
EBARA HG Holdings Inc.	U.S.A.	US\$50	100.0	Manufacture, sale, and after-sales service of industrial pumps, mixers, and monitoring systems
EBARA PUMPS AMERICAS CORPORATION	North America	US\$40	100.0*	Sale of custom pumps and standard pumps
EBARA GREAT PUMPS CO., LTD.	China	US\$11,000 thousand	51.0*	Manufacture and sale of process pumps and high-pressure pumps
Elliott Company	U.S.A.	US\$1 thousand	100.0*	Manufacture, sale, and after-sales service of air and gas turbo-compressors and steam turbines Manufacture and sale of cryogenic submersible pumps
Elliott Ebara Singapore Pte. Ltd.	Singapore	S\$340 thousand	100.0*	After-sales service of compressors and turbines
EBARA MACHINERY ZIBO CO., LTD.	China	US\$41,000 thousand	100.0*	Manufacture and sale of large-scale pumps and high-pressure pumps
Ebara Environmental Engineering (China) Co., Ltd.	China	¥4,817 million	100.0*	Manufacturing and sale of boilers and heat exchangers
Ebara Precision Machinery Europe GmbH	Germany	€11,145 thousand	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Precision Machinery Korea Incorporated	Korea	KRW5,410 million	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Precision Machinery Taiwan Incorporated	Taiwan	TWD330,000 thousand	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment
SHANGHAI EBARA PRECISION MACHINERY CO., LTD.	China	¥495 million	100.0*	Sale and after-sales service for dry vacuum pumps and CMP equipment

Company Name	Location of Head Office	Capital	EBARA Ownership Percentage (%)	Main Lines of Business
Ebara Technologies Incorporated	U.S.A.	US\$44,560 thousand	100.0*	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara (China) Co., Ltd.	China	RRMB918 million	100.0	Improving capital efficiency, strengthening governance, streamlining corporate operations, and reinforcing the Ebara brand in China

Note: An asterisk (*) indicates a figure that includes indirect ownership.

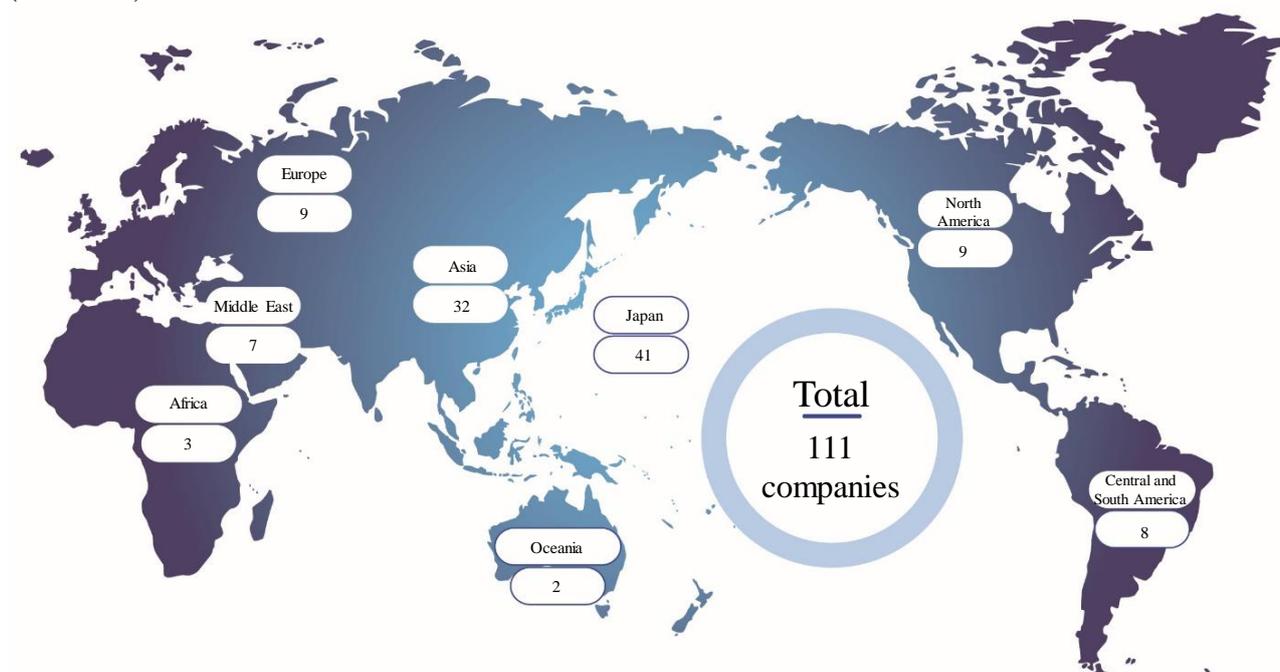
3) Specific Wholly-owned Subsidiaries

None

4) Principal Affiliated Companies

Company Name	Location of Head Office	Capital	EBARA Ownership Percentage (%)	Main Lines of Business
Swing Corporation	Minato-ku, Tokyo	¥5,500 million	33.3	Design, installation, operation, and maintenance of water treatment facilities and environmental and sanitary facilities

(Reference) EBARA's Global Network



* Including major affiliated companies as of the end of December 2024

(6) Main Lines of Business (As of December 31, 2024)

Business	Main End-Users Market	Main Items
Building Service & Industrial	Building service, industrial service	Standard pumps, blowers, refrigerators, and cooling towers
Energy	Oil and gas, electric power, and new energy	Custom pumps, compressors, and turbines
Infrastructure	Water infrastructure	Custom pumps and blowers
Environmental Solutions	Treatment of solid waste	Municipal waste incineration plants, industrial waste incineration plants
Precision Machinery	Semiconductor manufacturing	Vacuum pumps, CMP systems, and gas abatement systems

(7) Principal Business Offices and Factories (As of December 31, 2024)**1) EBARA CORPORATION**

Name	Location	Name	Location
Head Office	Ota-ku, Tokyo	Futtsu District	Futtsu, Chiba
Hokkaido Branch	Shiroishi-ku, Sapporo	Fujisawa District	Fujisawa, Kanagawa
Muroran Office	Muroran, Hokkaido	Chubu Branch	Nishi-ku, Nagoya
Tohoku Branch	Miyagino-ku, Sendai	Suzuka District	Suzuka, Mie
Hokuriku Branch	Chuo-ku, Niigata	Osaka Branch	Kita-ku, Osaka
Haneda Office	Ota-ku, Tokyo	Chugoku Branch	Nishi-ku, Hiroshima
Tokyo Branch	Ota-ku, Tokyo	Kyushu Branch	Hakata-ku, Fukuoka
Kitakanto Branch	Kita-ku, Saitama	Kumamoto District	Tamana-gun, Kumamoto
Sodegaura District	Sodegaura, Chiba		

2) Principal Subsidiaries

See “(5) Important Matters Related to the Parent Company and Subsidiaries 2) Principal Subsidiaries” above.

3) Principal Affiliated Companies

See “(5) Important Matters Related to the Parent Company and Subsidiaries 4) Principal Affiliated Companies” above.

(8) Employees by Business Segment (As of December 31, 2024)

Business Segment	Number of Employees	Change from the end of Previous Fiscal Year
Building Service & Industrial	7,608	+118
Energy	3,449	+190
Infrastructure	1,585	+30
Environmental Solutions	2,824	+69
Precision Machinery	3,660	+286
Corporate Departments, etc.	1,384	+188
Total	20,510	+881

(9) Principal Lenders (As of December 31, 2024)

Principal Lenders to the Group	Outstanding Loans (Millions of yen)
Mizuho Bank, Ltd.	19,701
MUFG Bank, Ltd.	17,917
Development Bank of Japan Inc.	11,000
Sumitomo Mitsui Banking Corporation	5,062
Sumitomo Mitsui Trust Bank, Limited	3,572
The Shoko Chukin Bank, Ltd.	3,500

Note: Apart from the above, a syndicated loan (total ¥20,000 million) exists.

(10) Other Important Matters Related to the Condition of the Corporate Group

1) Dispute over fire taking place at bulky waste treatment facility at the Gifu City Eastern Clean Center

On October 23, 2015, a fire broke out at the bulky waste treatment facility at the Gifu City Eastern Clean Center, which is located in the Akutami section of Gifu City in Gifu Prefecture, when Ebara Environmental Plant Co., Ltd. (“EEP”), the Company’s consolidated subsidiary, was making repairs on the facility. EEP is responsible for the operation and management of a waste incinerating facility that is located adjacent to the bulky waste treatment facility where the fire occurred.

Regarding this incident, while the Company had been discussing with Gifu City the compensation for related damages, a lawsuit against EEP was filed by Gifu City at the Gifu District Court on January 31, 2019 claiming compensation for damages of ¥4,362 million and late charges for such compensation. Afterwards, Gifu City amended its amount of the compensation claim for damages to ¥4,474 million and late charges for such compensation on July 22, 2019 (received on July 25, 2019). On July 17, 2020, the amount of the compensation claim for damages was amended to ¥4,582 million and late charges for such compensation (received on July 20, 2020), and on August 10, 2021, the compensation claim for damages was amended to ¥4,692 million and late charges for such compensation (received on August 25, 2021). On May 31, 2023, the Gifu District Court rendered a judgment ordering EEP to pay ¥748 million and late charges at the rate of 5% per annum from October 23, 2015 until the payment has been made, and judgment rejecting Gifu City’s remaining claims. On June 12, 2023, EEP filed an appeal to the Nagoya High Court against the part of the judgment that allowed the claim of Gifu City and the part that did not allow the claim of EEP and was tried in the same court. (1) On May 17, 2024, the Court amended the judgment of the first trial and ordered EEP to pay ¥605 million to Gifu City and delay damages of 5 percent per annum from October 23, 2015, to the date of payment; (2) EEP separately filed claim against Gifu City for the provisional bulky waste garbage disposal fee, which was reviewed in conjunction with (1) and the Court amended the judgment of the first trial and ordered Gifu City to pay ¥122 million and delay damages of 6 percent per annum from May 19, 2018, to the date of payment to EEP. After closely examining the judgment, EEP has decided to accept the judgment of the High Court, and not to file a final appeal or a petition for acceptance of final appeal. However, EEP received notice that Gifu City has filed a final appeal and petition for acceptance of final appeal.

Based on the content of the judgment, EEP recorded ¥836 million in compensation for damages and late payment charges to Gifu City in EEP in the fiscal year under review in the provision for loss on litigation and the same amount in other non-current assets that we expect to allocate in the future in light of the insurance policies, insured in the case, and presented income and expenses on a net basis.

2) Dispute over fire taking place on the petrochemicals platform of Naphtachimie in France

On December 22, 2012, a fire broke out at the Naphtachimie ethylene plant located in France, shortly after the plant underwent an overhaul. At the time of the incident, Naphtachimie, which operates the plant, was a joint venture between Total Refining Chemicals and INEOS. Elliott Turbomachinery S.A., a subsidiary of Elliott Company, one of our consolidated subsidiaries, conducted the overhaul work on the compressor installed at the plant.

Following the fire, Naphtachimie, Total Refining Chemicals, INEOS, their group companies, and their insurance companies filed a lawsuit in France against multiple parties involved in the overhaul, including Elliott Turbomachinery S.A., Elliott Company, and its subsidiary Elliott Turbomachinery Ltd. (hereinafter collectively referred to as “Elliott Entities”).

In this lawsuit, Elliott Entities deny any responsibility. Non-binding reports on technical and financial aspects were submitted by an expert appointed by the court; however, Elliott is challenging the contents of the reports in the legal proceedings.

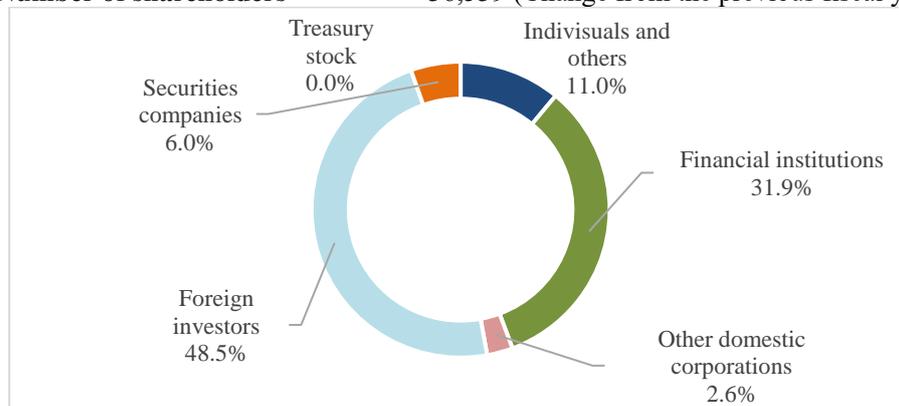
3) Dispute over claim for damages etc. based on breach of non-competition in India

On January 31, 2025, the Company and its two Indian subsidiaries, Ebara Machinery India Private Limited and Elliot Ebara Turbomachinery India Private Limited and Elliot Ebara Turbomachinery India Private Limited (collectively the “Indian Subsidiaries,”) received an arbitration claim from Indian companies, Kirloskar Brothers Limited (“KBL”) and Kirloskar Ebara Pumps Limited (“KEPL”), which was established as a joint venture between the Company and KBL. KBL and KEPL allege that the business operations in India of the Company and the Indian Subsidiaries breached the non-competition obligations under the joint venture agreement for KEPL between the Company and KBL, and are seeking compensation for damages and an injunction against business operations in India, and other remedies.

2. Shares of the Company (As of December 31, 2024)

(1) Matters Related to Shares Issued by the Company

- 1) **Number of shares authorized** 1,000,000,000 shares
- 2) **Total number of shares issued** 462,055,735 shares
(Change from the previous fiscal year: +369,706,653 shares)
(Including 140,410 shares of treasury stock)
- 3) **Paid-in capital** ¥80,639,074,356
(Change from the previous fiscal year: +¥149,764,513)
- 4) **Number of shareholders** 36,539 (Change from the previous fiscal year: +12,720)



5) Principal shareholders

Name of Shareholder	Number of Shares Held (thousand shares)	Percentage against Total Shares Issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	80,201	17.4
Ichigo Trust Pte. Ltd.	47,524	10.3
Custody Bank of Japan, Ltd. (Trust Account)	36,371	7.9
BNYM AS AGT/CLTS NON TREATY JASDEC	17,004	3.7
STATE STREET BANK AND TRUST COMPANY 505001	9,174	2.0
JPMorgan Securities Japan Co., Ltd.	8,568	1.9
STATE STREET BANK AND TRUST COMPANY 505301	7,410	1.6
JP MORGAN CHACE BANK 385781	6,417	1.4
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	5,706	1.2
STATE STREET BANK WEST CLIENT – TREATY 505234	5,679	1.2

Note: Treasury shares are eliminated from total number of shares issued in calculating the percentage.

6) Shares issued as compensation, etc. to Corporate Officers during the fiscal year under review

In the meeting of the Compensation Committee held on March 8, 2018, a resolution was passed to introduce a restricted share-based compensation system and a performance-linked share-based compensation system as compensation systems aimed at providing medium- to long-term incentives and sharing of shareholder value to the Company's Directors, Executive Officers, and some employees, and Directors and some employees of the Company's subsidiaries.

Issuance of restricted shares

The Company resolved in the meeting of the Board of Directors held on April 9, 2024 to issue new shares as restricted share-based compensation and issued 14,365 common shares on May 8, 2024. Based on this, the capital increased by ¥96,281,413 and the legal capital surplus increased by ¥96,281,412. Numbers of allotted restricted shares to Directors and Executives of the Company is as follows.

Type of Corporate Officer	Number of allotted people	Number of allotted shares
Directors (excluding Independent Directors)	2	2,255 shares
Independent Directors	7	1,876 shares
Executive Officers	11	5,458 shares

Note:

The number of allotted people who concurrently serve as a Director and an Executive Officer (1 person) is written in the column of the number of allotted people for Executive Officers.

7) **Important notes on other shareholdings**

A. Stock Split

The Company conducted a 5-for-1 stock split of shares of common stock as effective July 1, 2024 based on a resolution at the Board Directors meeting held on March 12, 2024. As a result, the total number of authorized shares increased by 800,000,000 and the total number of issued shares increased by 369,599,788.

B. Issuance of new shares through exercise of subscription rights to shares

The total number of issued shares increased by 92,500 shares and capital and legal capital surplus increased by ¥53,483,100 each as a result of the exercise of subscription rights to shares during the fiscal year under review.

C. Changes in the total number of shares issued and the amount of capital

The changes in the total number of shares issued and the amount of capital in fiscal 2024 are as follows.

Date	Total number of shares issued (shares)	Capital (Yen)	Reason
January 1, 2024 to June 30, 2024	36,500	37,837,200	Exercise of Subscription Rights to Shares
July 1, 2024	14,365	96,281,413	Issuance of restricted shares
July 1, 2024 to December 31, 2024	369,599,788	-	Stock Split
	56,000	15,645,900	Exercise of Subscription Rights to Shares
Total	369,706,653	149,764,513	

(2) **Matters Related to Shares Owned by the Company**

1) **Policy on cross-shareholdings**

In principle, the Company does not own cross-shareholdings. However, the Company may hold shares of other companies as cross-shareholdings only when the Company determines partnerships with investees through such shareholdings will contribute to the enhancement of the Group's corporate value.

Furthermore, the Board of Directors periodically reviews the rationality of holding these cross-shareholdings and has a policy of dissolving shareholdings that are no longer rational, by disposal or other means.

[Confirming rationality of shareholdings]

A. The partnership with the investee is important, and it is necessary to maintain this relationship.

B. The returns and risks associated with the shareholding match the capital cost.

2) **Standard for the exercise of voting rights in cross-shareholdings**

The Company exercises its voting rights in cross-shareholdings, subject to consideration of the pros and cons of individual proposals to determine whether they contribute to the medium- to long-term enhancement of the corporate value of the Group and investees. In such a case, the Company consults with investees as necessary with emphasis on the following matters:

A. Amendments to the Articles of Incorporation

B. Election of Directors, etc.

C. Takeover Defense Measures

D. Appropriation of Surplus

3) Number of issues and total amount on the non-consolidated balance sheet of shares held by the Company not for purely investment purposes

Item \ Fiscal Year (FY)	157th Period (FY ended December 31, 2021)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024) (FY under review)
Number of issues	32 issues	27 issues	23 issues	14 issues
Number of issues of listed companies	0 issue	0 issue	0 issue	0 issue
Amount on the balance sheet (Millions of yen)	1,845	1,881	2,265	2,078
[Breakdown] Amount of listed companies (Millions of yen)	-	-	-	-

3. Subscription Rights to Shares, etc. of the Company

(1) Subscription rights to shares issued in compensation for the execution of duties and held by the Company's Corporate Officers who were in office at the end of the fiscal year (As of December 31, 2024)

Name (Date of issuance)	Conditional upon the achievement of results	Subscription rights to shares held by Corporate Officers			Class and number of shares purchasable with rights	Amount to be paid upon exercise of rights	Period during which rights may be exercised
		Directors (excluding Independent Directors)	Independent Directors	Executive Officer			
3rd Subscription Rights to Shares (September 27, 2011)	Yes	60 (1 person)	–	19 (1 person)	Common stock of the Company 79,000 shares	¥1.00 per share	July 1, 2014 to June 30, 2026
5th Subscription Rights to Shares (October 1, 2013)	Yes	25 (1 person)	–	0 (0 person)	Common stock of the Company 25,000 shares	¥1.00 per share	July 1, 2014 to June 30, 2026
6th Subscription Rights to Shares (October 1, 2014)	Yes	96 (1 person)	–	40 (2 persons)	Common stock of the Company 136,000 shares	¥1.00 per share	July 1, 2017 to June 30, 2029
7th Subscription Rights to Shares (October 1, 2015)	Yes	6 (1 person)	–	8 (1 person)	Common stock of the Company 14,000 shares	¥1.00 per share	July 1, 2017 to June 30, 2029
	No	0 (0 person)	0 (0 person)	–			October 1, 2018 to June 30, 2029
9th Subscription Rights to Shares (October 1, 2017)	Yes	48 (1 person)	–	22 (2 persons)	Common stock of the Company 35,000 shares	¥1.00 per share	April 1, 2020 to March 31, 2032
	No	0 (0 person)	0 (0 person)	–			October 1, 2020 to March 31, 2032

Notes:

- Subscription rights to shares held by Directors and Executive Officers include those issued while they served as Senior Officers. Furthermore, the portion held by Executive Officers concurrently serving as Directors is listed in the section on Executive Officers.
- The Company conducted a stock consolidation at a ratio of one share for every five shares effective on October 1, 2016. The Company also conducted a 5-for-1 stock split of shares of common stock, effective July 1, 2024. In association with this, the class and number of shares purchasable with the 3rd, 5th, 6th, and 7th Subscription Rights to Shares have been adjusted to 1,000 shares per subscription right, and the class and number of shares purchasable with the 9th Subscription Rights to Shares is adjusted to 500 shares per subscription right.
- Holder of the subscription rights to shares can exercise the rights during the period in which they serve as Directors, Executive Officers, and/or Officers of the Company or subsidiaries of the Company, or within five years after their retirement.

(2) Subscription rights to shares issued to the Company's employees and the Corporate Officers and employees of the Company's subsidiaries in compensation for the execution of their duties during the fiscal year

None

(3) Other matters related to subscription rights to shares, etc.

None

4. Corporate Officers

(1) The Company's Corporate Governance

1) Basic views on corporate governance

The Company has established the “EBARA Way,” composed of its “Founding Spirit,” “Corporate Philosophy,” and “EBARA Group CSR Policy” as the EBARA Group’s identity and set of values to be shared across the Group. Under the EBARA Way, the Company upholds the enhancement of corporate value through sustainable business development and sharing the results with all stakeholders including shareholders as its most important management objectives. To achieve such objectives, the Company constantly seeks the best possible corporate governance and strives toward its further enhancement.

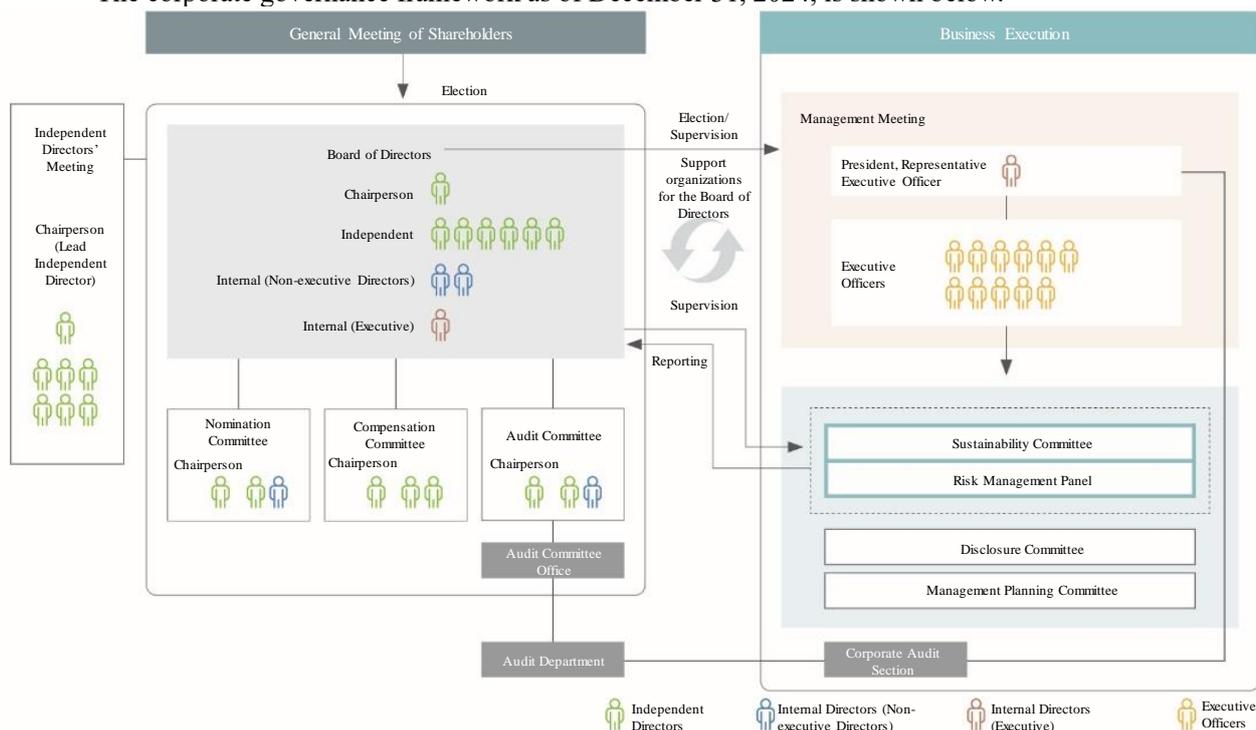
The Company has established the “EBARA Corporate Governance Basic Policy” and is committed to enhancing corporate governance based on the following basic views:

- a. The Company respects shareholders’ rights and fosters an environment for shareholders to effectively exercise their rights while ensuring equality among shareholders. The Company engages in constructive dialogue with shareholders and investors on the basis of a separately formulated “IR Basic Policy,” with a view to contributing to sustainable growth and the medium- to long-term enhancement of corporate value.
- b. The Company strives to appropriately cooperate with various stakeholders, including shareholders, customers, business partners, creditors, employees, and local communities.
- c. The Company strives to ensure management transparency through adequate disclosure of its corporate information.
- d. The Company has developed a governance system comprising mainly Non-executive Directors, including Independent Directors* who play important roles. The Company has adopted the organizational form of a “Company with Three Committees,” with the Nomination Committee, the Compensation Committee, and the Audit Committee as statutory committees under the Board of Directors, with a view to achieving clear separation between supervision and execution in management.
- e. The Company strives to enhance the effectiveness of the Board of Directors, etc. by clarifying the roles expected of each Director and the qualities and abilities required, and utilizing these in selecting candidates, training directors, etc.

* Independent Directors: Independent Directors that satisfy the Company’s independence standards and for which notification as independent officers has been submitted to the Tokyo Stock Exchange. All of the Company’s Independent Directors are registered as independent directors.

2) Roles and composition of each organ

The corporate governance framework as of December 31, 2024, is shown below.



a. Supervision

(a) Board of Directors

The Board of Directors makes its best effort to realize the mission it has been entrusted by the shareholders to “continuously improve corporate value” while giving the greatest consideration possible within reasonable extent to the positions of all stakeholders.

The Board of Directors recognizes that implementation of highly sustainable ESG-based management, and improvement of social and environmental values through continuous contribution to solving social issues, including SDGs, and improvement of its economic value by the ROIC-based management and portfolio-based management at the same time are important management issues. The Board of Directors establishes the Basic Management Policy for the long-term business environment and oversees continuous implementation of the same so that the Group is able to continuously produce sources of growth for further value creation. Furthermore, the Board of Directors exercises its leadership based on the perspective of developing an environment in which management can take bold action to prevent the loss of business opportunities (offensive posture), in addition to the perspective of developing an environment that incorporates controls for preventing scandals (defensive posture). The Company has adopted the organizational form of a “Company with a Nomination Committee, etc.,” under which authority and responsibility for business execution can be delegated to Executive Officers to achieve clear separation between supervision and business execution in management. It has also minimized the number of Directors serving concurrently as Executive Officers and makes effective use of Non-executive Directors (Independent Directors and Inside Directors who do not serve concurrently as Executive Officers). The composition of the Board of Directors is structured so that Independent Directors make up more than half of the number of all Directors, and the Chairperson of the Board of Directors is an Independent Director.

As of December 31, 2024, the Board of Directors comprises 10 Directors, nine of whom are Non-executive Directors (seven of whom, including three women, are Independent Directors). The Chairperson of the Board of Directors is Hiroshi Oeda, an Independent Director. 15 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Progress monitoring and follow-up of long-term vision and Medium-term Management Plan
- Examining and recommending matters on the compliance system and internal reporting system
- Examining and monitoring of sustainability-related medium- to long-term issues (human resource development, diversity, equity & inclusion (DE&I), human rights due diligence (DD) in the supply chain, carbon neutrality, measures for information disclosure based on TCFD recommendations*, occupational safety, quality assurance and compliance activities, etc.)

- Development of new businesses and company-wide marketing activities
- Establishment of annual management plan and setting KPIs for each Business Division
- Revision of basic policy on corporate governance
(Clarification of the roles and functions of the Board of Directors in relation to Sustainability, etc.)
- Evaluation of effectiveness of the Board of Directors and its follow-up
- * “Information disclosure based on TCFD recommendations”: As the IFRS® took over the monitoring of companies’ climate-related disclosures from the TCFD, we updated a part of the information as of June 2024 based on IFRS® Sustainability Disclosure Standard S2 Climate-related Disclosures (hereinafter referred to as IFRS® S2).

(b) Nomination Committee

The Nomination Committee is primarily responsible for establishing a policy for election and dismissal and a succession plan for the President and Representative Executive Officer, in addition to deciding on proposals for the General Meeting of Shareholders with regard to the election and dismissal of Directors, and making recommendations to the Board of Directors with regard to the election and dismissal of the President and Representative Executive Officer, the election and dismissal of Executive Officers, appointment and dismissal of Directors with special titles, appointment and dismissal of the Chairperson of the Board of Directors and a Non-executive Inside Director to assist the Chairperson, and the appointment and dismissal of members and the Chairperson of each of the Nomination Committee, Compensation Committee, and Audit Committee. The Nomination Committee is comprised only of Non-executive Directors, with a majority of Independent Directors, and the Chairperson is also an Independent Director, in principle. The Chairperson is decided by the Board of Directors.

As of December 31, 2024, the Nomination Committee comprises two Independent Directors (Teiji Koge and Hiroshi Oeda) and one Non-executive Inside Director (Toichi Maeda). Chairperson of the Nomination Committee is Teiji Koge, an Independent Director. 18 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Implementation and monitoring of programs to train and select final candidates for the next President
- Succession planning of Directors
- Deliberation on candidates for Directors
- Deliberation on candidates for Executive Officers
- BCP of Directors

(c) Compensation Committee

The Compensation Committee strives to achieve sustainable growth and to increase corporate value over the medium- to long-term through compensation, by encouraging the Executive Officers to conduct business execution in accordance with the management philosophy and management strategies and by fostering human resources and cultivating a culture by strongly motivating them to achieve challenging management targets with appropriately controlled risks, and by establishing a compensation system and standards that reflect the roles of the Directors defined in the policy, including supervision of the business execution. The Compensation Committee comprises only Non-executive Directors, and the majority is made up of Independent Directors. The Chairperson is also an Independent Director, in principle. The Chairperson is decided by the Board of Directors.

As of December 31, 2024, the Compensation Committee comprises three Non-executive Directors (Mie Fujimoto, Takuya Shimamura, and Tsuyoshi Numagami), all of whom are Independent Directors. Chairperson of the Compensation Committee is Mie Fujimoto, an Independent Director. 14 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Compensation system for Directors and Executive Officers
- Individual compensation for Directors and Executive Officers
- Short-term performance-linked compensation based on performance evaluation results for Executive Officers
- Consideration of rules related to the revision of Executive Officers’ compensation
- Consideration of the introduction of malus and clawback clauses

(d) Audit Committee

The Audit Committee strives to establish a high-quality corporate governance system that responds to social trust by serving as a part of the Board of Directors' supervisory function and properly auditing execution of duties of the Executive Officers and Directors, to realize sound and sustainable growth and the creation of corporate value of EBARA Corporation and Group over the medium- to long-term. The Audit Committee sets out basic policies and plans of audits based on the progress of the development of internal control systems, including risk management, in an effort to carry out efficient and effective audits through close coordination with the Internal Audit Division. The Company establishes a supporting system for the Audit Committee to enable the Committee to appropriately fulfill its roles and functions. The Audit Committee comprises only Non-executive Directors with a majority of Independent Directors, and the Chairperson is also an Independent Director, in principle, to ensure independence of audits. The Chairperson is decided by the Board of Directors. In addition, although the Companies Act does not require a full-time Audit Committee member, a Non-executive Inside Director is serving as a full-time member of the Audit Committee of the Company. The full-time Audit Committee member collects high-quality information within the Group through his sophisticated information gathering capabilities and shares the information with other Audit Committee members who are external Independent Directors. He also plays an important role in utilizing the internal control system and collaborating with Independent Auditors and departments in charge of internal control, etc., to ensure effective audits.

As of December 31, 2024, the Audit Committee comprises two Independent Directors (Hisae Kitayama and Junko Nishiyama) and one Non-executive Inside Director (Akihiko Nagamine). Chairperson of the Audit Committee is Hisae Kitayama, an Independent Director. Members of the Audit Committee include external member Hisae Kitayama, a certified public accountant; Junko Nishiyama, who has experience in conducting audits of consolidated financial statements under IFRS accounting standards as a full-time auditor for another company; and full-time member Akihiko Nagamine, who has held the position of Division Executive of Finance & Corporate Accounting Division of the Company. All of them have considerable knowledge of finance and accounting. 22 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Audit of Executive Officers' business execution and legal compliance systems
- Status of development and operation of group internal controls pertaining to the Companies Act and the Financial Instruments and Exchange Act, and Preparation status for responding to revised internal control standards
- Strengthening the establishment of a three-pillar audit system through coordination with the Independent Auditors and the Internal Audit Division, and the establishment and strengthening of a monitoring-centered audit system
- Appropriateness of accounting practices related to significant accounting matters under IFRS accounting standards, and response status to revision of quarterly disclosure system
- Status of development of global Group governance system under five-company system by target market and CxO system, and progress of the Medium-term Management Plan E-Plan 2025
- Confirmation of business process for the collection, analysis, and disclosure of non-financial (sustainability) information
- Inspection of the establishment and operation status of the Internal Reporting Desk, and ensuring effectiveness in responding to reported matters

(e) Independent Directors' Meeting

The Independent Directors' Meeting, comprising only Independent Directors, has been established as a venue for Independent Directors to identify issues, deepen their understanding and freely discuss matters to fulfill their responsibilities. The Chief Independent Director, who is elected by vote of the members, serves as Chairperson of the meeting.

As of December 31, 2024, Chief Independent Director is Teiji Koge. 13 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Progress monitoring and follow-up of long-term vision and Medium-term Management Plan
- Examining and recommending matters on the compliance system and internal reporting system
- Examining and Monitoring of sustainability-related medium- to long-term issues (human resource development, diversity, equity & inclusion (DE&I), human rights due diligence (DD) in the supply chain, carbon neutrality, measures for information disclosure based on TCFD recommendations, occupational safety, quality assurance and compliance activities, etc.)

- Development of new businesses and company-wide marketing activities
- Establishment of annual management plan and setting KPIs for each Business Division
- Revision of basic policy on corporate governance
(Clarification of the roles and functions of the Board of Directors in relation to sustainability, etc.)
- Evaluation of effectiveness of the Board of Directors and its follow-up

b. Execution of Business

(a) Management Meeting

The Management Meeting made up of all Executive Officers is in place as a business execution meeting structure for deliberation necessary for facilitating decision making by the President and Representative Executive Officer about important matters concerning the execution of business in management. Executive Officers actively express opinions and discuss not only the scope of duties delegated by the Board of Directors but also all matters for deliberation in the Management Meeting from the perspective of optimization for the Group as a whole based on their own experience and knowledge. The Management Meeting is held every month. 12 meetings were held in the fiscal year under review.

(b) Management Planning Committee

In order to specifically implement the Medium-term Management Plan each year, a Management Planning Committee chaired by the President and Representative Executive Officer and made up of all Executive Officers has been established as a business execution meeting structure for deliberating, determining, and following up on the budgets and management issue action plans of each organization every year. After phased deliberation for each business unit, the Management Planning Committee determines the budgets and management issue action plans to clarify the responsibilities of divisions and promote management efficiency. The Management Planning Committee reviews the progress of the annual consolidated management plans on a quarterly basis. Four meetings were held in the fiscal year under review.

(c) Sustainability Committee

The Sustainability Committee has been operated to discuss policies of businesses and supporting activities (Environmental protection in production activities, etc., labor practices, supply chain management, information management and disclosure, human rights protection, diversity promotion, etc.), and decide on key performance indicators (KPIs) and targets, as well as verify outcomes, so that the EBARA Group may contribute to building a sustainable society and environment through business activities and continue to raise its corporate value. The Sustainability Committee is chaired by the President and Representative Executive Officer and includes Executive Officers as members, and external experts on sustainability management participate as advisors. Furthermore, Non-executive Directors are encouraged to attend meetings of the committee to exhibit supervisory functions contributing to the objectives of the Sustainability Committee, and Non-executive Directors provide advice and the like as necessary. The Sustainability Committee reports its deliberations to the Board of Directors, and the Board of Directors establishes a system enabling it to exhibit supervisory functions by accurately grasping information. The Sustainability Committee periodically holds meetings once every quarter, and four meetings were held in the fiscal year under review.

(d) Risk Management Panel

The Risk Management Panel (hereinafter referred to as “RMP”) is in place as a body responsible for coordinating risk management activities while carrying out deliberation, guidance for improvement, and support. The RMP is chaired by the President and Representative Executive Officer, and made up of all Executive Officers. Furthermore, Non-executive Directors sit on the panel for exhibiting supervisory functions in risk management and providing advice and the like as necessary. The RMP reports its deliberations to the Board of Directors, and the Board of Directors establishes a system enabling it to exhibit supervisory functions by accurately grasping information. In addition to quarterly meetings, RMP meetings are held as required. Six meetings were held in the fiscal year under review.

(e) Disclosure Committee

The Disclosure Committee has been established as a companywide organization to provide fair, timely, and appropriate disclosure of corporate information such as the occurrence of incidents, decisions, and financial information pertaining to the EBARA Group as a whole. The Disclosure Committee collects without omission corporate information subject to determining whether or not to

be disclosed and discusses whether to disclose the information, disclosed contents thereof, and the timing of the disclosure, and discloses the contents after the President and Representative Executive Officer approves them. 10 meetings were held in the fiscal year under review.

3) Policies and procedures on the election and dismissal of Directors and Executive Officer

The policies and procedures related to the election and dismissal of directors and executive officers in the Company are determined by a Nomination Committee chaired by an Independent Director and comprising a majority of Independent Directors.

a. Process of electing and dismissing Directors

The Nomination Committee selects Candidates for Director from a strategic perspective based on management philosophy and management strategy and deliberates whether they have suitable qualities and capabilities as Directors based on the Director appointment criteria and appointment procedures established by the Nomination Committee. Additionally, the Nomination Committee prepares proposals with regard to the election and dismissal of Candidates for Director after consideration of the results of the evaluation of effectiveness of the Board of Directors as a whole, each Committee and each Director, results of the evaluation of the Chairperson of the Board and the predefined qualifications of the Directors required to enhance the effectiveness of the Board. The Candidates for Director are reported to the Board of Directors by the Nomination Committee and elected by resolution of the General Meeting of Shareholders.

b. Process of electing and dismissing Executive Officers

The Nomination Committee deliberates whether Candidates for Executive Officer selected by the President and Representative Executive Officer have suitable qualities and capabilities as Executive Officers, and present the results of their deliberations to the Board of Directors based on the Executive Officer appointment criteria and appointment procedures established by the Nomination Committee. The Board of Directors makes a decision after receiving the deliberation results from the Nomination Committee.

Furthermore, in the event the performance does not meet the criteria specified in the Company's regulations when the Nomination Committee periodically checks the aptitude of each current Executive Officer, the Nomination Committee will urge the Board of Directors not to re-appoint the current Executive Officer.

4) Process of electing and dismissing President and Representative Executive Officer, and successor plan

The Company positions the establishment and implementation of criteria and policies on the election and dismissal of the President and Representative Executive Officer, who plays a central role in management, as one of the most important strategic decisions for the Company.

a. Process of electing and dismissing President and Representative Executive Officer

The election of the President and Representative Executive Officer is determined by the Board of Directors after the Nomination Committee presents final candidates to the Board of Directors based on the election criteria and policies for the President Representative Executive Officer established by the Nomination Committee. The Nomination Committee checks the adequacy of the current President and Representative Executive Officer concerning the necessary qualifications of the President and Representative Executive Officer specified in the successor plan, periodically and as needed, and makes recommendations to the Board of Directors on the successor of the President and Representative Executive Officer based on the successor plan when the President and Representative Executive Officer is retiring. Furthermore, the Board of Directors has established an independent and objective process for discussing the pros and cons of dismissing the President and Representative Executive Officer in the event it is found that the President and Representative Executive Officer is not adequately functioning, based on an appropriate evaluation of factors such as the Company's performance. Specifically, if single-year consolidated results do not satisfy the criteria established by the Nomination Committee for three consecutive fiscal years when the Nomination Committee periodically checks the adequacy of the current President and Representative Executive Officer, the Nomination Committee proposes to the Board of Directors it would not recommend the reappointment of the current President and Representative Executive Officer, and the Board of Directors discusses the pros and cons of dismissal.

Additionally, in fiscal 2024, the Company has established and formalized regulations regarding Business Continuity Plan (BCP) to prepare for unforeseen circumstances involving the President and Representative Executive Officer.

b. Successor plan for the President and Representative Executive Officer

In order to appoint the next President and Representative Executive Officer for engaging in the realization of the Company's management strategy and putting the vision of growth on track, mainly

the Nomination Committee establishes a succession plan for the President and Representative Executive Officer, establishes programs for the continued and deliberate development of candidates with the aptitude to serve in management, and works to ensure there is a system enabling the recommendation of appropriate personnel at any time. The Nomination Committee identifies the abilities, qualities (potential), experience, knowledge, and skills required of the President as the Ebara style of an “ideal manager” based on the succession plan, establishes the specific methods and criteria for determining these, selects candidates from a broad age group, develops them, and actively checks the status of development. In fiscal 2024, as the final year of the six-year succession plan for the President, the Company conducted coaching and evaluations, decided on the candidates for the President and Representative Executive Officer in the Nomination Committee, and made a resolution on the transfer (appointment) of the Representative Executive Officer at the Board of Directors meeting in December 2024.

5) Policy on training for Directors

As part of the establishment of an environment for ensuring that the Board of Directors functions effectively, the Company offers opportunities for newly elected Directors to obtain knowledge of, and insight into, the subjects necessary to perform their responsibilities as Directors, including finance, legal affairs, and corporate governance, prior to or immediately after their election. In an effort to promote understanding of the Group, the Company offers opportunities as appropriate for newly elected Independent Outside Directors to gain knowledge of and insight into important matters such as the Group’s management strategies, financial position, and management issues, through a briefing by Executive Officers, etc. in charge of respective areas, and inspection tours, etc., at the Group’s business sites. Furthermore, the Company strives to provide Directors with opportunities for adequate training after their election as appropriate, including lectures by external experts.

<Results in FY2024>

- October 2024: Site visit to waste processing systems (Environmental Solution Company)
- December 2024: Seminar on corporate governance with invited overseas experts

6) Initiatives to enhance the effectiveness of the Board of Directors

A. Purpose of the Evaluation of the Effectiveness of the Board of Directors

The Company pursues the best possible corporate governance structure and strives for its further enhancement at all times. As the Company transitioned to a company with three committees (Nomination, Compensation, and Audit) in FY2015, the Board of Directors conducts an annual evaluation of its own effectiveness to review how the Board of Directors contributes to the effective functioning of corporate governance, to identify issues, and to seek improvements. In annual assessment, an examination of the state of improvement of matters recognized as issues in the previous fiscal year is carried out, and the next issues are identified based on the results in a continuous PDCA cycle for governance reform. In fiscal 2024, external independent experts (hereinafter referred to as “external experts”) conducted individual interviews with all of the Directors* for the first time in three years. Simultaneously, two forms of benchmarking analyses were conducted to verify and ascertain our corporate governance system and its performance of supervisory functions in comparison with domestic and international standards as well as advanced companies outside Japan.

- * For the past two years, the evaluations were conducted through individual interviews with all of the Directors by the Chairperson of the Board, who is an Independent Director.

B. Evaluation of the Effectiveness of the Board of Directors (FY2024)

(a) Process of evaluation

The Board prepared a questionnaire for each Director and individual interviews were conducted with all of the Directors by the external experts based on the results of questionnaire responses. The Board also performed self-evaluation and peer evaluation (review) of individual Directors. The Board analyzed the results of the above questionnaire, individual interviews and benchmarking analyses, discussed the effectiveness of the Board in the Board Meetings held in December 2024 and January 2025 based on these, and confirmed the evaluation results and future action to be taken. All Directors other than the Chairperson conducted evaluation of the Chairperson.

(b) Overview of the results of evaluation

It was confirmed that Directors' evaluations of the current state of operations of the Board and three Committees were high, the Board, the Chairperson of the Board, Independent Directors and Inside Directors each appropriately fill their respective important roles and responsibilities, adequate discussion is carried out based on appropriate agenda setting and proceedings in the Board and three Committees, and efforts to address the matters brought up as issues in last year's evaluation have progressed.

The self-evaluation and peer evaluation of individual Directors were performed based on the roles, qualifications and competencies of Directors specified in the "EBARA Corporate Governance Basic Policy," and through the evaluations, it was confirmed that each Director appropriately fulfills their responsibilities and contributes to discussion in the Board. An overview of the results of the peer-evaluations was shared with the Nomination Committee, and the Committee also referred to the results of the evaluations when selecting Director candidates.

In the benchmarking analysis, we compared our corporate governance system with domestic and international corporate governance standards and advanced companies overseas. It was confirmed that our system is generally at the same level and there are no critical issues requiring immediate attention. In addition, we compared the status of our Board of Directors' supervisory functions with the operational status of the Boards of Directors in several leading overseas companies. Although it was confirmed that some points could be useful for the Company, there are no significant differences in important areas.

Based on these analyses the Board evaluation concluded that the oversight functions of the Board are performing adequately, and that greater effectiveness has been provided.

(c) Future action

The Board will continue with existing reforms, and also further increase the board effectiveness by engaging in ongoing discussion of the following matters.

- Enhancement of discussion on management vision and management plans from a long-term perspective
In light of the progress of the current medium-term management plan, E-Plan 2025, and various internal and external changes in the environment, the Board will organize ideas and policies on important issues (business portfolio, ROIC-based management, effect of the introduction of an organization by target market, investment areas and scale for new businesses, overall Group brand strategy etc.), and discuss management vision from a long-term perspective.
- Deepening of discussion on sustainability
The Board will deepen discussions on the following key issues related to sustainability (establishment of a global human resources system, recruitment and development of talent in response to rapid organizational expansion, penetration of corporate culture, further advancement of diversity, etc.) from the perspective of how to specifically link with profitability, long-term sustainability, and corporate value enhancement of the Company.
- Discussion and review on further enhancement of the Group governance
At the same time as reviewing from the perspective of the audit system and the operation of the CxO system, the Company will also discuss and review internal control systems such as compliance, and the systems and mechanisms related to safety and quality.
- Periodic review of committee structure and activities

See the Company's website at the following address for the entire text of the "Evaluation of the Effectiveness of the Board of Directors (FY2024)."

<https://www.ebara.co.jp/ir/governance/information/Corporate-Governance-Library.html>

(2) Names and other information on Directors and Executive Officers (As of December 31, 2024)**1) Directors**

Name	Position	Assignment and important concurrent positions
Toichi Maeda	Chairman, Board of Directors	Member of the Nomination Committee Outside Director, KITZ Corporation
Masao Asami	Director, Representative Executive Officer	President, CEO & COO President, Precision Machinery Company
Hiroshi Oeda	Director	Chairperson of the Board of Directors Member of the Nomination Committee Corporate Special Adviser, Nisshin Seifun Group Inc. Outside Director, SEKISUI CHEMICAL CO., LTD. President, Hitotsubashi University Koenkai Outside Director, Japan Post Holdings Co., Ltd.
Junko Nishiyama	Director	Member of the Audit Committee Outside Corporate Auditor, Toda Corporation
Mie Fujimoto	Director	Chairperson of the Compensation Committee Attorney at law Partner, TMI Associates Outside Audit & Supervisory Board Member, Tokyo Broadcasting System Holdings, Inc. (Audit & Supervisory Board Member, Tokyo Broadcasting System Television, Inc.) External Member of the Board, Elematec Corporation
Hisae Kitayama	Director	Chairperson of the Audit Committee Certified Public Accountant Outside Director, Tsubakimoto Chain Co. Outside Audit & Supervisory Board Member, Daicel Corporation Specially Appointed Professor, Graduate School of UNIVERSITY OF HYOGO Representative, Kitayama Public Accounting Office
Akihiko Nagamine	Director	Member of the Audit Committee (Full-Time Member)
Takuya Shimamura	Director	Member of the Compensation Committee Director and Chair, AGC Inc. Outside Audit & Supervisory Board Member, JFE Holdings, Inc.
Teiji Koge	Director	Lead Independent Director Chairperson of the Nomination Committee Director and Chair, SEKISUI CHEMICAL CO., LTD.
Tsuyoshi Numagami	Director	Member of the Compensation Committee Outside Audit & Supervisory Board Member, JFE Holdings, Inc. External Director, Tokyo Century Corporation Professor Emeritus, Hitotsubashi University Professor, Institute for Business and Finance, Waseda University

Notes:

- Seven Directors, Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Hisae Kitayama, Takuya Shimamura, Teiji Koge, and Tsuyoshi Numagami, are Independent Directors as stipulated in Article 2, item 15 of the Companies Act.
- Seven Directors, Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Hisae Kitayama, Takuya Shimamura, Teiji Koge, and Tsuyoshi Numagami, satisfy the qualifications for Independent Directors stipulated by the Tokyo Stock Exchange. The Company has filed notification to the Tokyo Stock Exchange for appointing those seven members as its Independent Directors.
- Members of the Audit Committee include, member Hisae Kitayama, who is a certified public accountant, Junko Nishiyama, who has experience in conducting audits of consolidated financial statements under IFRS accounting standards as a full-time auditor for another company and full-time member Akihiko Nagamine, who has held the position of Division Executive of Finance & Corporate Accounting Division of the Company. All of them have considerable knowledge of finance and accounting.
- Director Hajime Sawabe completed his term of office at the end of the 159th Ordinary General Meeting of Shareholders held on March 27, 2024, and retired from his position.
- The Company has no special relationship with the organizations at which the Independent Directors hold important concurrent positions.
- In order to improve the effectiveness of the activities of the Audit Committee, the Company has elected Non-executive Director Akihiko Nagamine from within the Company as a full-time member of the Audit Committee, due to the need for continuously and effectively gathering information from executive

management by a Director familiar with the Company's internal controls, receiving reports from the Internal Audit Division, understanding information from audits of subsidiaries, and attending various meetings.

7. Effective January 1, 2025 there was the following change to positions:

Name	Assignment and important concurrent positions	
	After change	Before change
Masao Asami	–	President, Precision Machinery Company

2) Executive Officers

Name	Position	Assignment and important concurrent positions
Masao Asami	Representative Executive Officer	President, CEO & COO President, Precision Machinery Company
Shu Nagata	Executive Officer	President, Building Service & Industrial Company
Takanobu Miyaki	Executive Officer	President, Energy Company Chairman, EBARA GREAT PUMPS CO., LTD. Chairman & CEO, Ebara Elliott Energy Holdings, Inc. CEO, Elliott Company
Teruyuki Ota	Executive Officer	President, Infrastructure Company
Hideki Yamada	Executive Officer	President, Environmental Solutions Company President and Representative Director, EBARA Environmental Plant Co., Ltd. Director, Swing Corporation
Isao Nambu	Executive Officer	Co-COO, Precision Machinery Company (Responsible for Equipment Division, Sales and Marketing, and Management Strategy)
Seiichi Tsuyuki	Executive Officer	Co-COO, Precision Machinery Company (Responsible for Components Division and Advanced Technology)
Shugo Hosoda	Executive Officer	CFO (Responsible for Corporate Strategic Planning, Finance, Accounting, and Tax Affairs)
Yoji Sato	Executive Officer	CHRO (Responsible for Human Resources, Safety, Labor, and Human Resource Development) Division Executive, Human Resources Division
Toru Nakayama	Executive Officer	CRO (Responsible for Risk Management, Legal, and Internal Control)
Hiroyuki Kowase	Executive Officer	CIO (Responsible for Information & Communication System) Division Executive, Information & Communication System Division
Norihisa Miyoshi	Executive Officer	CTO (Responsible for Technologies, R&D, and Intellectual Property) Division Executive, Technologies & Intellectual Property Division

Notes:

- Masao Asami, President, Representative Executive Officer, concurrently serves as a Director.
- Executive Officers Tetsuji Togawa and Masao Hodai completed their terms of office at the end of the meeting of the Board of Directors held on March 27, 2024, and retired from their positions.
- Effective January 1, 2025 there were the following changes to positions:

Name	Assignment and important concurrent positions	
	After change	Before change
Masao Asami	–	President, Precision Machinery Company
Hideki Yamada	Chairman and Representative Director, EBARA Environmental Plant Co., Ltd.	President and Representative Director, EBARA Environmental Plant Co., Ltd.
Isao Nambu	President, Precision Machinery Company	Co-COO, Precision Machinery Company (Responsible for Equipment Division, Sales and Marketing, and Management Strategy)
Seiichi Tsuyuki	Precision Machinery Company (Responsible for Components Division, Advanced Technology, and Safety, Environment & Quality Assurance)	Co-COO, Precision Machinery Company (Responsible for Components Division and Advanced Technology)

(3) Overview of the Agreements to Limit Liability for Damages

The Company has stipulated in its Articles of Incorporation that it may enter into agreements with Directors (excluding Executive Directors) to limit their liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act, and has entered into agreements limiting liability with all Independent Directors. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act.

However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence.

(4) Overview of the Directors and Executive Officers Liability Insurance Policy

The Company has entered a directors and officers liability insurance policy with an insurance company as provided in Article 430-3, paragraph 1 of the Companies Act, with the Directors, Executive Officers, and statutory auditors of the Company and the Group as the insured persons. This policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or the pursuit of such liability.

The entire amount of the insurance premiums for the policy is paid by the Company, and the insured persons effectively do not bear any of the premiums.

(5) Amount of Compensation Paid to Directors and Executive Officers

1) Amount of compensation paid to Directors and Executive Officers

Type of Corporate Officer	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc. by items (Millions of yen)							
		Base pay		Short term performance-linked compensation		Restricted share-based compensation		Performance-linked share-based compensation	
		Number of Persons	Amount	Number of Persons	Amount	Number of Persons	Amount	Number of Persons	Amount
Directors (excluding Independent Directors)	130	2	100	–	–	2	30	0	0
Independent Directors	134	8	108	–	–	8	26	–	–
Executive Officers	967	14	356	12	232	14	92	14	286
Total	1,232	24	564	12	232	24	148	14	286

Notes:

1. The above shows the compensation paid to Directors and Executive Officers as of December 31, 2024 according to their term of office for the fiscal year under review, and the compensation paid to one Director who retired at the conclusion of the 159th Ordinary General Meeting of Shareholders held on March 27, 2024 and two Executive Officers who retired at the conclusion of the meeting of the Board of Directors held on the same day, from January 2024 to the time of their retirement.
2. Compensation paid to Representative Executive Officer concurrently serving as Director is shown in the column for Executive Officers.
3. Amount of compensation paid to Executive Officers includes ¥136 million (Base pay: ¥60 million, Short-term performance-linked compensation: ¥47 million, and Performance-linked share-based compensation: ¥28 million) as compensation that subsidiaries paid to Executive Officers who served concurrently as the Corporate Officers of the subsidiaries.
4. Short-term performance-linked compensation for Executive Officers is linked to company-wide or business-level performance, in addition to which individual targets are set, the level of achievement against these targets is evaluated, and an amount for the individual is determined after deliberation by the Compensation Committee.
5. Short-term performance-linked compensation shown is the total amount of short-term performance-linked compensation to be paid (scheduled for March 2025), in relation to Executive Officers serving in those roles as of December 31, 2024, for the fiscal year under review.
6. Restricted share-based compensation shown is the restricted share-based compensation paid in the current fiscal year and the amount of restricted share-based compensation paid in the past fiscal years to be recorded as an expense in the fiscal year under review.
7. Performance-linked share-based compensation shown is the amount planned to be paid in May 2026 of performance-linked share-based compensation to be recorded as an expense in the fiscal year under review. In calculating the amount for the fiscal year under review, the Company used the most recent price of the Company's stock and the estimate of the consolidated return on invested capital (ROIC) in the management plan for the period ending December 31, 2025, which is the final year of the Medium-term Management Plan,

E-Plan 2025. The difference compared to the amounts recorded for the previous fiscal year is also calculated and added.

2) Amount by category of compensation of officers who received a total amount of ¥100 million or more in compensation, etc.

Name	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc. by items (Millions of yen)			
		Base pay	Short term performance-linked compensation	Restricted share-based compensation	Performance-linked share-based compensation
Masao Asami President and Representative Executive Officer	167	54	36	16	59

Notes:

- Short-term performance-linked compensation shown is the total amount of short-term performance-linked compensation to be paid (scheduled for March 2025) for the fiscal year under review.
- Restricted share-based compensation shown is the restricted share-based compensation paid in the current fiscal year and in the past fiscal years (including phantom stock) to be recorded as an expense in the fiscal year under review (excluding amounts included in total provisions up until the previous fiscal year).
- Performance-linked share-based compensation shown is the amount planned to be paid in May 2026 of performance-linked share-based compensation to be recorded as an expense in the fiscal year under review. In calculating the amount for the fiscal year under review, the Company used the most recent price of the Company's stock and the estimate of the consolidated return on invested capital (ROIC) in the management plan for the period ending December 31, 2025, which is the final year of the Medium-term Management Plan, E-Plan 2025. The difference compared to the amounts recorded for the previous fiscal year is also calculated and added.

3) Policies regarding determination of compensation for corporate officers

The amount of compensation paid to Directors and Executive Officers is determined in the Compensation Committee, which consists solely of three Independent Directors, pursuant to the provisions of Article 22 and Article 31 of the Articles of Incorporation of the Company.

A. Compensation for Directors

(a) Purpose and basic policy on the compensation system

The compensation levels and compensation system reflect the roles of each Director in the Board of Directors and each Committee to ensure that Directors promote and supervise the execution of business by Executive Officers in conformance with the Company's management philosophy and management strategy for the purpose of sustained growth of the Company and increasing corporate value in the medium to long term.

(b) Compensation system

a. Non-executive Directors

Compensation for Non-executive Directors comprises basic compensation and long-term incentive, since they are expected to take on the role and responsibility of supervision from a standpoint that is independent from business execution to see that business execution is carried out lawfully, and it is determined by the Compensation Committee. The long-term incentive shall be in the form of restricted share-based compensation (RS) to promote the sustainable improvement of corporate value and to encourage the Directors to share values with shareholders through the ownership of shares. Furthermore, the Company pays allowances to the Chairperson of the Board of Directors, the Lead Independent Director, and the Chairpersons of the Committees based on the extent of their roles and responsibilities and the number of hours spent on their execution of duties.

b. Executive Directors

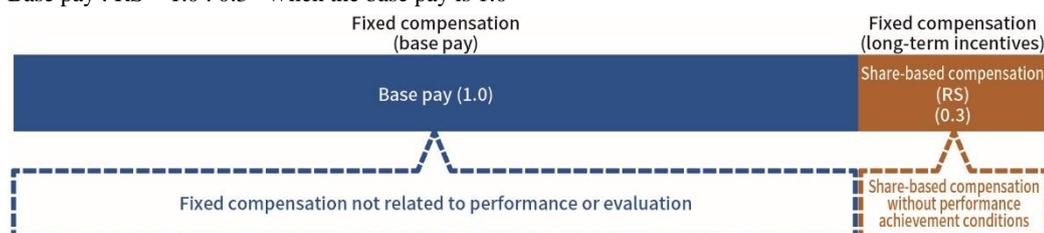
The Company pays compensation as Executive Officers to Executive Directors (President and Representative Executive Officer), and does not pay them compensation as Directors.

(c) Combination of compensation

The combination of Directors' compensation is as follows.

[Ratio of Compensation of Non-executive Directors]

Base pay : RS = 1.0 : 0.3 *When the base pay is 1.0



B. Compensation for Executive Officers

(a) Purpose and basic policy on the compensation system

The compensation system for Executive Officers is linked to short-term and medium- to long-term performance to encourage the execution of business in line with the management philosophy and management strategies and to provide strong motivation for the achievement of management targets. This system also provides an appropriate level of compensation when targets are met for the purpose of sustained growth of the Company and medium- to long-term enhancement of corporate value.

(b) Compensation system

The Executive Officers' compensation consists of the following and is determined by the Compensation Committee. As the Executive Officers are expected to play key roles in the achievement of numerical targets in their business execution, the compensation system is designed such that the portion of the short-term performance-linked compensation may be larger than the portion of the basic compensation if performance targets are achieved.

Type of compensation	Monetary compensation		Share-based compensation	
	Base pay	Short term performance-linked compensation	Restricted share-based compensation (RS)	Performance-linked share-based compensation (PSU)
Overview	Basic compensation according to role	Paid based on company-wide (business) performance and achievement of individual goals (MBO)*1	for a certain period of time each year, and achievement of the lifted transfer goals of the medium-restriction at the time term of retirement	Given stocks every three years according to the degree of management plan.
Indicator	–	Performance Indicator (45%) MBO (45%) ESG indicators (10%)	Consolidated ROIC Consolidated operating profit Set based on KPIs for the relevant business “E” (Environment): CDP (climate change)*2 “S” (Society): Global engagement survey*3	ROIC (fiscal year ending December 31, 2025)

*1 An abbreviation for Management by Objectives, a management method that evaluates individuals based on the degree of achievement and progress toward goals they have set.

*2 An ESG rating agency that evaluates climate change response strategies and efforts to reduce GHG emissions, etc.

*3 The global engagement survey is an EBARA survey, involving employees of both domestic and overseas Group companies, conducted since 2019 to assess the status of employee engagement in the workplace to achieve the medium- to long-term vision.

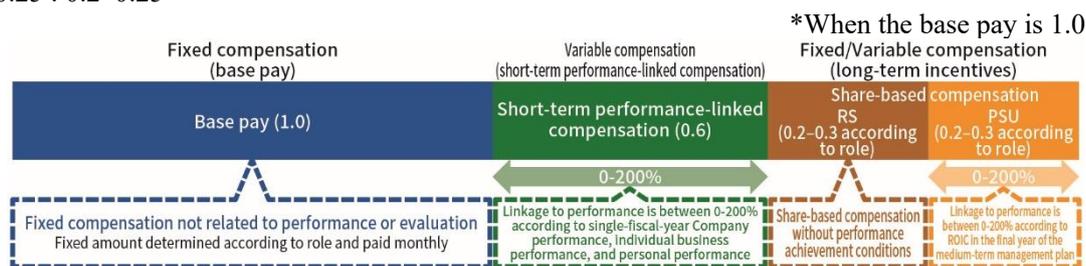
(c) Combination of compensation

The combination of Executive Officers' compensation is as follows.

[Ratio of Compensation of Executive Officers (If 100% of the target for performance-linked compensation is achieved)]

[President and Representative Executive Officer] Base pay : Short-term performance-linked compensation: RS: PSU = 1.0 : 0.6 : 0.3 : 0.3

[Executive Officer] Base pay : Short-term performance-linked compensation : RS : PSU = 1.0 : 0.6 : 0.2–0.25 : 0.2–0.25

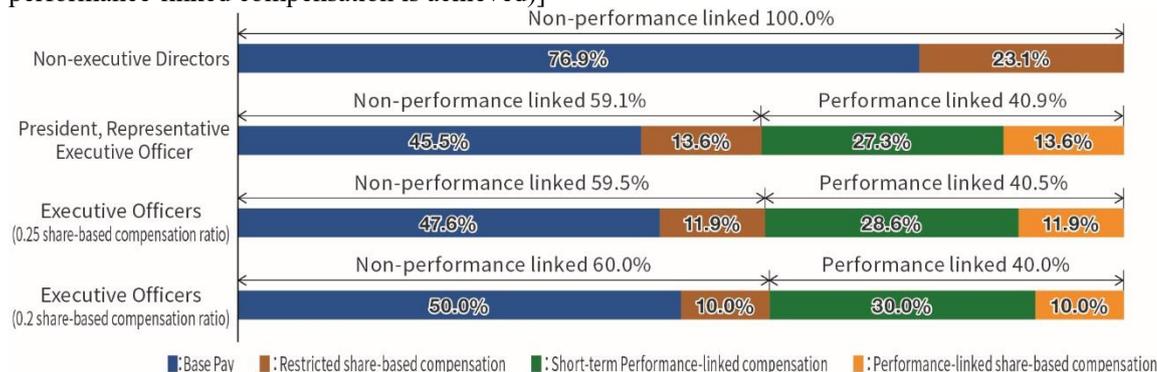


(d) Compensation levels

The basic compensation is aimed at a level that is comparable with competing companies assumed to have similar businesses and human resources (hereinafter referred to as “peers”). The compensation levels of domestic peers shall be regularly checked and, at the same time, compensation levels according to the roles of each Executive Officer shall be adjusted and determined with attention also given to employees’ compensation levels (such as disparity with officers, deviation from publicly accepted levels, etc.).

By implementing these measures, the level of total compensation (the sum of the basic compensation, short-term performance-linked compensation, restricted stock compensation, and performance-linked stock compensation) for Executive Officers of the Company shall be designed to be higher than the level of domestic peers if the targets of strategies and business performance have been successfully achieved and shall be lower than the compensation level of officers of domestic peers if such performance targets fail to be achieved.

[Composition of Compensation Paid to Directors and Executive Officers (If 100% of the target for performance-linked compensation is achieved)]



C. Reason that the Compensation Committee judges that the individual compensation, etc. of Directors and Executive Officers for the fiscal year under review is in accordance with the determination policy

The Compensation Committee determined the individual compensation, etc., for Directors and Executive Officers for the fiscal year under review based on (a) Purpose and Basic Policy on the Compensation System described under A. Compensation for Directors and B. Compensation for Executive Officers, after careful consideration of the following points: (1) for basic compensation, whether the amount is commensurate with the role based on levels of domestic peer companies and employee wage levels, (2) for short-term performance-linked compensation, whether the individual amounts are commensurate with the degree of achievement of Companywide performance targets and individual targets for the fiscal year under review, and (3) for restricted share-based compensation, whether the prescribed number of shares for the role has been granted. Accordingly, the Compensation Committee judged that the content of the individual compensation, etc. of Directors and Executive Officers for the fiscal year under review is in accordance with the determination policy.

4) Procedures for the determination of compensation

As the organization that determines the policy on compensation of Directors and other officers, the Compensation Committee comprises three Independent Directors, so as to emphasize an objective perspective and transparency. Specifically, the members have been selected from among the Outside

Directors who are experts in corporate legal affairs, experienced in corporate management, and researchers in corporate management.

The purpose of the Compensation Committee is to take a strategic approach toward supervising the compensation system for Directors and Executive Officers. Specifically, the Compensation Committee is in charge of examining and determining the compensation systems prepared in line with the management policy of the Company, and it deliberates not only the determination of the compensation policy and compensation for the Company's Directors and Executive Officers but also the compensation systems for officers of Group companies, and provides its opinions to the Board of Directors. The Committee may collectively request the external opinion of an expert such as a compensation consultant, if it is deemed necessary for the activities of the Committee. When such consultants are selected, attention is given and checks are made in order to ensure independence.

To engage in such activities, the Committee holds regular meetings, as well as extraordinary meetings as the need arises, and the results of Compensation Committee deliberations are reported to the Board of Directors by the Committee Chairperson.

Newly appointed members of the Compensation Committee are provided with explanations of the rules stipulated by the Compensation Committee (Basic Policy on Officers' Compensation), the business performance of the Company, and the background and history of the Company's compensation systems. A full-time Committee secretariat has been established, which provides appropriate support for the operation of the Committee by providing information on such matters as laws and regulations, rules, and standards.

The Compensation Committee met 14 times in fiscal 2024. It resolved the compensation policy as well as amounts of basic compensation and short-term performance-linked compensation for individual Directors and Executive Officers based on the compensation policy, along with the content and number of shares to be granted for restricted share-based compensation.

5) Payment items

A. Short-term performance-linked compensation

The mechanism of the short-term performance-linked compensation focuses on incentives for achieving the medium-term management plan, directly determining compensations according to Companywide performance or business performance and to the degree of achievement of targets by individuals. However, in cases such as profit attributable to owners of parent being extremely low or no dividends being paid, the Compensation Committee shall decide on measures such as reducing the short-term performance-linked compensation.

Target and Result of Business Performance Indicators of the Company in 2024

Performance Indicator	2024 Target	2024 Result
Consolidated ROIC	11.0%	12.2%
Consolidated operating profit	¥87,000 million	¥97,900 million

B. Long-term incentives (Share-based compensation)

Long-term incentives are share-based compensation linked to the Company's share price from the perspective of preventing shortsighted management behavior and ensuring that interests match with those of shareholders.

(a) Restricted share-based compensation

As a principle, certain numbers of restricted shares will be given to Corporate Officers and subsidiaries corresponding to their roles per year. Because the objectives are to promote shareholding by Corporate Officers, and increase value sharing with shareholders, the transfer restricted period is from the share giving date to the day of retirement; thus the transfer restriction will be released when he/she retires from the position of Corporate Officers.

(b) Performance-linked share-based compensation

Performance-linked share-based compensation is calculated as follows: in the first fiscal year of the medium-term management plan, the Company presets the standard number according to the roles of Corporate Officers eligible to receive payment, and in the final fiscal year of the medium-term management plan, the Company delivers its common shares to Corporate Officers in accordance with the extent to which consolidated ROIC, which has been set as a target in the medium-term management plan, has been achieved. The Company will make a monetary payment to the Corporate Officers of an amount corresponding to 40% of the above granted shares. The Company has adopted consolidated return on invested capital (ROIC) as an indicator for performance-linked share-based

compensation. Depending on the degree of achievement of the consolidated return on invested capital (ROIC) target (IFRS 10.0%) for the fiscal year ending December 31, 2025, which is the final year of the Medium-term Management Plan E-Plan 2025, the payment rate is 0% to 200%.

<<Method of calculation of the number of shares for payment and individual payment amounts>>

- Number of performance-linked stock compensation payments by shares (rounded down to one)
Standard number × payment rate × 60%

1 unit = 500 shares of the Company's common stock

- Payment amount of number of performance-linked stock compensation by money (rounded down to 100 yen)

Standard number × payment rate × 40% × share price of our common stock*

1 unit = 500 shares of the Company's common stock

* Simple average of the closing prices of our common stock on the Tokyo Stock Exchange for the month two months before the Board of Directors meeting to resolve the allotment for the final year of the medium-term management plan

*Reflecting the result of share split (1:5) made effective as of July 1, 2024.

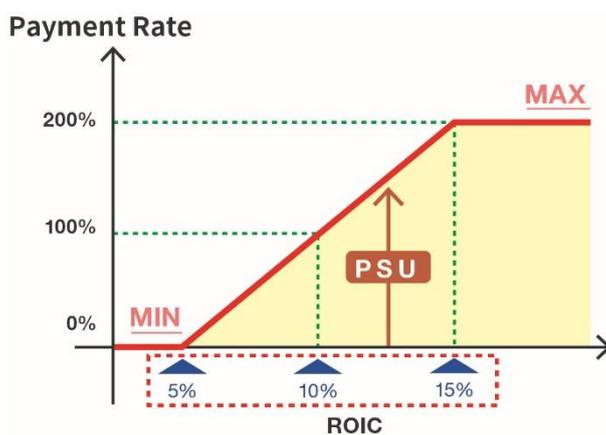
<<Payment rate>>

Payment rate (%) = Consolidated return on invested capital (ROIC) × 20 - 100

Rounds to the first decimal point. However, if the result of the calculation is 0% or less, it should be 0% (non-payment), and if it is more than 200%, it should be 200%.

Consolidated return on invested capital (ROIC) = NOPLAT (Net Operating Profit Less Adjusted Taxes) ÷ Invested capital {Interest-bearing debt (average between the beginning and end of fiscal year) + Equity attributable to owners of parent (average between the beginning and end of fiscal year)}

[Payment rate according to level of achievement of ROIC]



Company aligns the interests of recipients of such compensation with those of shareholders by establishing guidelines that encourage a certain level of the shares of the Company to be held.

(6) Matters Related to Independent Directors**1) Important other positions held concurrently and their relationship with the Company**

As stated in the table, “(2) Names and other information on Directors and Executive Officers.”

2) Specific relationships with major business partners and others

None

3) Principal activities during the fiscal year under review

Name	Attendance					Status of statements
	Board of Directors	Nomination Committee	Compensation Committee	Audit Committee	Independent Directors' Meeting	
Hiroshi Oeda	100% (15/15)	100% (18/18)	—	—	100% (13/13)	Mr. Oeda attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. He also led the Board of Directors as the Chairperson of the Board. Mr. Oeda also served as a member of the Nomination Committee and fulfilled his responsibilities by actively expressing his opinion at the Committee to select management personnel and train candidates, etc., including Director candidate selection, the President's succession plan, etc.
Junko Nishiyama	100% (15/15)	—	100% (3/3)	100% (16/16)	100% (13/13)	Ms. Nishiyama attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her ample experience and a wide range of knowledge of corporate management at a listed company. Ms. Nishiyama also served as a member of the Audit Committee and fulfilled her responsibilities by conducting audits of the Company and Group businesses from an independent standpoint based on her knowledge and experiences.
Mie Fujimoto	100% (15/15)	—	100% (14/14)	—	100% (13/13)	Ms. Fujimoto attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her extensive knowledge and high-level insight as an attorney. Ms. Fujimoto also served as the Chairperson of the Compensation Committee and fulfilled her responsibilities by actively expressing her opinions and leading deliberations at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.
Hisae Kitayama	100% (15/15)	—	—	100% (22/22)	100% (13/13)	Ms. Kitayama attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her extensive knowledge and high-level insight as a certified public accountant. Ms. Kitayama also served as the Chairperson of the Audit Committee and fulfilled her responsibilities by conducting audits of the Company and Group businesses from an independent standpoint based on her knowledge and experiences.

Name	Attendance					Status of statements
	Board of Directors	Nomination Committee	Compensation Committee	Audit Committee	Independent Directors' Meeting	
Takuya Shimamura	100% (15/15)	—	100% (14/14)	—	100% (13/13)	Mr. Shimamura attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. Mr. Shimamura also served as a member of the Compensation Committee and fulfilled his responsibilities by actively expressing his opinions at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.
Teiji Koge	100% (15/15)	100% (18/18)	—	—	100% (13/13)	Mr. Koge attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. Mr. Koge also served as a chairperson Nomination Committee and fulfilled his responsibilities by actively expressing his opinion at the Committee to select management personnel and train candidates, etc., including Director candidate selection, the President's succession plan, etc.
Tsuyoshi Numagami	100% (15/15)	—	100% (11/11)	100% (6/6)	100% (13/13)	Mr. Numagami attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his extensive knowledge and high-level insight as a corporate management researcher. Mr. Numagami also served as a member of the Compensation Committee and fulfilled his responsibilities by actively expressing his opinions at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.

Notes:

1. Ms. Junko Nishiyama resigned from the Compensation Committee at the conclusion of the meeting of the Board of Directors held on March 27, 2024, and her attendance at meetings of the committee held before that date is provided above. In addition, she was newly appointed as a member of the Audit Committee at the same meeting of the Board of Directors, and her attendance at meetings of the committee held since that date is provided above.
2. Mr. Tsuyoshi Numagami resigned from the Audit Committee at the conclusion of the meeting of the Board of Directors held on March 27, 2024, and his attendance at meetings of the committee held before that date is provided above. In addition, he was newly appointed as a member of the Compensation Committee at the same meeting of the Board of Directors, and his attendance at meetings of the committee held since that date is provided above.

4) Amount of compensation received as Corporate Officer of a subsidiary of the Company during the fiscal year under review

None

5. Independent Auditors

(1) Name of Independent Auditors

Deloitte Touche Tohmatsu LLC

(2) Overview of the Agreements to Limit Liability for Damages

None

(3) Overview of the Directors and Executive Officers Liability Insurance Policy

None

(4) Amount of Compensation Paid to the Independent Auditors

1)	Compensation to be paid by the Company to the Independent Auditors	¥178 million
2)	Other monetary and other payments to be paid by the Company and its subsidiaries	¥281 million

Notes:

1. In the agreement between the Company and the Independent Auditor, the amount of compensation is determined as a lump-sum payment without breakdown for the audit, etc., in accordance with the Companies Act and the Financial Instruments and Exchange Act. Accordingly, the amount shown in 1) above represents the total amount of compensation.
2. Elliott Company and 18 other companies, among the Company's principal overseas subsidiaries, are subject to audits by those other than the Company's Independent Auditors (certified public accountants overseas or those who have any qualification equivalent to the qualification that audit firms have).

(5) Reason for the Audit Committee Consenting to the Compensation Paid to the Independent Auditors

As a result of considering the Independent Auditors' audit team arrangement, audit plan, state of implementation of auditing, establishment of an audit firm quality control system, the estimation of audit compensation, and other matters, the Company's Audit Committee determined that the compensation to be paid to the Independent Auditors was at a reasonable level, and provided the consent under Article 399, paragraph 1 of the Companies Act.

(6) Description of Other Services Provided by the Independent Auditors

The Company has made a request for services from the Independent Auditor, such as the preparation of comfort letters associated with bond issuance, as services other than the audit certification services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(7) Policy Regarding Dismissal or Nonrenewal of the Contract with the Independent Auditors

1) Dismissal policy

When it is recognized that the provisions of Article 340, paragraph 1 of the Companies Act are applicable, the Audit Committee will dismiss the Independent Auditors by unanimous approval.

2) Nonrenewal policy

If based on the results of the assessment on whether or not to renew the appointment of the Independent Auditors conducted each fiscal year, it is determined that an audit is clearly inadequate in light of the qualifications, independence, and overall capabilities of the Independent Auditors, a proposal for the nonrenewal of the appointment of the Independent Auditors will be submitted to the General Meeting of Shareholders by the Audit Committee.

As a restriction on renewal, if the Independent Auditors serve for ten years in succession, the Audit Committee conducts a tender offer to select the next Independent Auditors, regardless of the assessment of the Independent Auditors (hereinafter referred to as "Renewed Independent Auditors"). The Renewed Independent Auditors are not prohibited from participating in the tender, but if the Renewed Independent Auditors serve for a further five years in succession, another tender offer will be made. However, the same Independent Auditors may only serve for a period of twenty years in succession.

Also, two years will have elapsed since Deloitte Touche Tohmatsu LLC was appointed as the Company's Independent Auditors in the 160th fiscal year under review.

6. The Company's Systems and Policies

(1) System for Ensuring Appropriate Operations and the State of Operation of the System

An overview of the content resolved by the Company in the Board of Directors as a system for ensuring appropriate operations (basic policy) and the state of operation of the system is provided below.

Every year, Executive Officers perform self-evaluations on the establishment and operation of internal controls, and the areas that should be improved are reflected in the next year's plan based on the results, and we will continue to make improvements in the future.

Basic Policies for Internal Control	Overview of Operation
1. System to Ensure that the Execution of Duties by Executive Officers and Employees of the Company and Directors, Audit & Supervisory Board Members, and Employees of Subsidiaries Complies with Laws and Regulations and the Articles of Incorporation	
Develop, maintain, and operate systems to realize the EBARA Group CSR Policy and the EBARA Group Code of Conduct.	<ol style="list-style-type: none"> (1) The Company has established a division for promoting compliance, which supports the creation of systems for raising awareness of compliance and preventing misconduct and the establishment of a friendly and open work environment in the Company and its subsidiaries. (2) Disciplinary provisions on violations of the "EBARA Group Code of Conduct" and internal rules are stipulated in the service rules and employment regulations, etc., of the Company and its subsidiaries. (3) The Sustainability Committee, chaired by the President and Representative Executive Officer, deliberates on policies, strategies, targets, and KPIs for activities that contribute to society, the environment, and the Group's sustainability, and confirms and reviews the results. The Committee also monitors the compliance status of the Company and its subsidiaries and gives instructions for corrective actions and improvements as appropriate. Four meetings of the committee were held in the fiscal year under review. (4) The Compliance Consultation Counter that can be used by the Company and domestic subsidiaries and the "Regulations for the Operation of the Compliance Consultation Counter" has been established to promptly address any reports or inquiries on violations of the framework of corporate ethics, internal regulations, and laws, etc. in the EBARA Group. Furthermore, in the fiscal year under review, whistleblowing contacts via external law firms (Overseas EBARA Group hotlines) have been established for a total of twenty-two subsidiaries in ten overseas countries. (5) In Japan, the EBARA Group Compliance Network periodically holds meetings in accordance with the "Regulations for the Operation of the EBARA Group Compliance Network" to share compliance information between the Company and its subsidiaries. In addition, network meetings were held overseas; however, starting this fiscal year, we changed the framework to CRO meetings where compliance is also addressed as a theme, because we expanded the theme to cover overall risk management. In this fiscal year, we held meetings with 34 subsidiaries in the North and South America regions, Europe and Middle East regions, Asia and Oceania regions, and the Africa region. (6) The Company has established an Internal Audit Division, which conducts activities in accordance with the annual audit plan in accordance with "Internal Audit Rules." It conducts audits and monitoring of the operations of the Company and its subsidiaries independent of the business execution departments. We have our subsidiaries establish internal auditing and monitoring systems, and the status of implementation of these systems is confirmed by the Internal Audit Division. Co-sourcing audits using outside experts were conducted for overseas subsidiaries. Additionally, in audits of overseas subsidiaries, related departments accompanied as advisors to confirm risk situations and provided expert opinions to improve audit quality.

Basic Policies for Internal Control	Overview of Operation
2. Systems for Storage and Management of Information concerning the Execution of Duties by Executive Officers	
Develop, maintain, and operate a system for appropriately storing and managing information concerning the execution of duties by Executive Officers in accordance with laws, regulations, and internal rules.	<ul style="list-style-type: none"> (1) Information concerning the execution of duties by Executive Officers is appropriately stored and managed in accordance with “Information Security Basic Rules” and related regulations. (2) The “Five Principles of EBARA Group on the Handling of Important Information” stipulating our information security policies that the Group must follow have been established in the “Information Security Basic Rules” of the Company and its subsidiaries. (3) The Company confirms the level of information management of the entire EBARA Group and conducts a survey of the actual situation in order to make improvements.
3. Systems for Reporting to the Company on Matters concerning the Execution of Duties by Directors of its Subsidiaries	
Develop, maintain, and operate appropriate rules for reporting to the Company on matters concerning the execution of duties by Directors of its subsidiaries.	<ul style="list-style-type: none"> (1) Matters established throughout the EBARA Group and matters for which the Company requires a review in advance or report to the Company after the fact are stipulated in the “Group Administration Basic Rules” and related regulations, and material matters pertaining to the execution of duties by Directors of subsidiaries are reported to the Company. (2) The “Crisis Management Rules” have been established in subsidiaries as a system for reporting to the Company in the event a crisis occurs or when an event that may lead to a crisis occurs in subsidiaries, which are required to provide reports.
4. Regulations and Other Systems Related to Management of the Risk of Losses at the Company and Its Subsidiaries	
Establish policies on risk management in the Company and its subsidiaries as well as rules pertaining to their operation. Also develop, maintain, and operate systems for implementing risk management.	<ul style="list-style-type: none"> (1) Authority responsibilities, and procedures are set out in the “Authority Rules,” etc., of the Company and its subsidiaries, whereby risk management is conducted. (2) Departments responsible for promoting risk management activities are in place, while policies and systems for risk management at the Company and its subsidiaries are set out under the “Risk Management Regulations,” whereby risk management activities are carried out. (3) The Risk Management Panel (hereinafter referred to as “RMP”) for the overall Group is in place as a body responsible for coordinating risk management activities while carrying out deliberation, guidance for improvement, and support. The RMP is chaired by the President, Representative Executive Officer, and made up of all Executive Officers. In addition to quarterly meetings, meetings are held as required. A total of six meetings were held in the fiscal year under review. (4) The Company continues to strengthen the information security management system of the entire EBARA Group in preparation for cyber attacks from outside.

Basic Policies for Internal Control	Overview of Operation
5. Systems to Ensure the Efficient Execution of Duties by Executive Officers of the Company and by Directors of Its Subsidiaries	
<p>(1) The administrative authority of Executive Officers of the Company and Directors of its subsidiaries in the execution of operations is clarified.</p> <p>(2) Develop, maintain, and operate systems to enable efficient execution of duties by the Company's Executive Officers and Directors of its subsidiaries through the formulation of basic management policies and the monitoring of their progress.</p>	<p>(1) The Board of Directors of the Company entrusts the authority and responsibility for the execution of business to Executive Officers and ensures the efficient execution of duties by Executive Officers by supervising the execution of duties by Executive Officers.</p> <p>(2) The administrative authority of Executive Officers of the Company and Directors of its subsidiaries is set out in the "Regulations on the Division of Duties" of the Company and its subsidiaries.</p> <p>(3) The Company's Board of Directors formulates basic management policies, and these policies are reflected in the annual management plans of the Company and its subsidiaries. As for return on invested capital (ROIC), the most important management indicator (KPI), we confirm the progress at KPI monitoring meetings.</p> <p>(4) Executive Officers of the Company review the progress of annual management plans and measures for their achievement on a quarterly basis in the Management Planning Committee.</p> <p>(5) The Management Meeting made up of all Executive Officers is in place as a meeting structure for deliberation necessary for facilitating prompt decision making by the President and Representative Executive Officer. The Management Meeting is held once every month.</p>
6. Systems for Shutting Out Anti-social Elements	
<p>The Company establishes, maintains, and operates systems for preventing the Company and its subsidiaries from engaging in any activities that may provide profits to anti-social forces in whatever name.</p>	<p>The Anti-social Forces Countermeasure Headquarters has been established to oversee countermeasures against anti-social forces in the Company and its subsidiaries, a manual has been established for cases in which there has been contact from anti-social forces, and a system has been developed for handling cases as an entire company in coordination with legal counsel and external expert organizations in the event there has been contact. Furthermore, investigations of business partners, internal education, and the like are conducted based on the "Guidelines on Shutting Out Anti-social Elements," in addition to periodically holding liaison meetings attended by personnel responsible for preventing undue claims in the Company and domestic subsidiaries. One meeting was held in the fiscal year under review.</p>
7. Systems to Ensure the Appropriate Operations of the EBARA Group, Comprising the Company and Its Subsidiaries	
<p>Establish a policy on the operation of the EBARA Group comprising the Company and its subsidiaries, and develop, maintain, and operate systems for ensuring appropriate operations of the Group.</p>	<p>(1) An internal control system is in place according to the scale and characteristics of the business of the Company and its subsidiaries. The Executive Officers of the Company are responsible for the establishment of internal control systems in subsidiaries.</p> <p>(2) The Company performs evaluations on the state of maintenance and operation of internal controls in the Company and its subsidiaries, and corrections are made when problems are found.</p>
8. Systems for Assigning Employees to Assist the Audit Committee in the Execution of Its Duties	
<p>Establish a division that assists the Audit Committee in the execution of its duties.</p>	<p>(1) The Audit Committee Office has been established as a department that assists the Audit Committee in the execution of its duties.</p> <p>(2) The Company appoints employees who are to assist the Audit Committee in its duties (hereinafter referred to as "assistant employees of the Audit Committee" or "assistant employees") and assigns them to the Audit Committee Office. In the fiscal year under review, 21 employees belonged to the Audit Committee Office, of which five were engaged in administrative work related to the Audit Committee as full-time assistant employees. The other 16 employees were mainly engaged in the internal audit division or as auditors of affiliated companies, and were concurrently employed by the Audit Committee Office as assistant employees. The assistant employees of the Audit Committee may also serve as auditors of affiliated companies for the purpose of ensuring the internal control of the corporate group.</p>

Basic Policies for Internal Control	Overview of Operation
9. Matters Related to the Independence from Executive Officers of the Employees Who Assist the Audit Committee's Execution of Its Duties, and Matters Related to Ensuring the Effectiveness of the Instructions by the Audit Committee to Such Employees	
<p>(1) Appoint assistant employees of the Audit Committee subject to the consent of the Audit Committee.</p> <p>(2) Full-time assistant employees shall not concurrently perform duties related to the execution of the duties of the executive officers of the Company, and the independence of the assistant employees of the Audit Committee from the executive officers shall be ensured.</p> <p>(3) In the case where instructions from the Audit Committee conflict with instructions from the Executive Officers or the general manager of the department in which the concurrent assistant employees serve, the instructions from the Audit Committee shall take precedence, thereby ensuring the effectiveness of the Audit Committee's instructions.</p> <p>(4) With the prior consent of the Audit Committee, assistant employees of the Audit Committee shall be engaged by the auditors of Group companies.</p> <p>(5) Personnel transfer, appraisal, and the like of the assistant employees of the Audit Committee shall be determined upon obtaining the consent of the Audit Committee.</p>	<p>(1) The appointment of assistant employees of the Audit Committee is determined with the consent of the Audit Committee.</p> <p>(2) Full-time assistant employees to the Audit Committee are not concurrently engaged in business operations concerning the execution of duties by Executive Officers of the Company. Assistant employees of the Audit Committee act under the instruction of the Audit Committee, thereby ensuring the effectiveness of instructions of the Audit Committee.</p> <p>(3) In case where the instructions from the Audit Committee conflict with the instructions from the Executive Officers or the general manager of the department to which they are concurrently assigned, the internal rules stipulate that the instructions from the Audit Committee shall take precedence, thereby ensuring the effectiveness of the instructions from the Audit Committee.</p> <p>(4) With the prior consent of the Audit Committee, assistant employees of the Audit Committee are engaged by the auditors of affiliated companies.</p> <p>(5) Personnel transfer, appraisal, and the like of the assistant employees of the Audit Committee are determined upon obtaining the consent of the Audit Committee.</p>

Basic Policies for Internal Control	Overview of Operation
10. Systems for Reporting to the Audit Committee of the Company by Executive Officers and Employees, etc., of the Company and by Directors, Audit & Supervisory Board Members, and Employees, etc., of Its Subsidiaries, and Other Reporting to the Audit Committee of the Company	
<p>(1) Develop, maintain, and operate a system whereby the Audit Committee members are able to attend important meetings of departments engaging in business execution, and to receive reports from Executive Officers, employees, etc.</p> <p>(2) Develop, maintain, and operate a system whereby Directors, Audit & Supervisory Board Members, employees, etc., of its subsidiaries in addition to persons receiving reports therefrom report to the Audit Committee.</p> <p>(3) Any person having made a report under the two preceding paragraphs shall not be subject to disadvantageous treatment because of such reporting.</p>	<p>(1) Audit Committee members view important documents and receive reports on the execution of duties from Executive Officers and employees, etc., by attending important meetings of departments engaging in business execution such as the Management Meeting, the Sustainability Committee, and the RMP.</p> <p>(2) Executive Officers promptly report to the Audit Committee pursuant to the “Executive Officer Rules” in the event they discover a fraudulent act in the course of executing their duties and such act is not redressed immediately.</p> <p>(3) In the course of audits by the Audit Committee, the Company and its subsidiaries provide information on the handling of management tasks and the legality and appropriateness of their business operations upon the request of the Audit Committee.</p> <p>(4) The Compliance Consultation Counter that can be used by the Company and domestic subsidiaries and the “Regulations for the Operation of the Compliance Consultation Counter” has been established to promptly address any reports or inquiries on violations of the framework of corporate ethics, internal regulations, and laws, etc. in the EBARA Group. Furthermore, in the fiscal year under review, whistleblowing contacts via external law firms (Overseas EBARA Group hotlines) have been established for a total of twenty-two subsidiaries in ten overseas countries. Reports on the state of implementation of these are made to the Audit Committee as appropriate.</p> <p>(5) The Audit Committee established the Audit Committee helpline, allowing reports to be received on the violation of laws and regulations in the Company and its subsidiaries, in addition to other issues concerning corporate ethics, and a system is in place for employees, etc. of the Company and its subsidiaries to report to the Audit Committee if the Company’s Directors, Executive Officers, or Directors of its subsidiaries commit fraud, violate laws, regulations, or the Articles of Incorporation, conduct improper accounting practices, have corporate ethics issues, or are otherwise found to be grossly inappropriate for management of the Company.</p> <p>(6) The Company thoroughly ensures a system whereby any person having reported to the Audit Committee is not subject to disadvantageous treatment because of such reporting.</p>

Basic Policies for Internal Control	Overview of Operation
11. Other Systems for Ensuring the Effectiveness of Audits by the Audit Committee	
<p>(1) Ensure the effectiveness of audits by exchanging opinions and collaborating as necessary with the departments in charge of Internal Control, Risk Management, and Compliance, the Internal Audit Division, and the Corporate Auditors of affiliated companies.</p> <p>(2) In case of request by the Audit Committee, the head or a member of the Internal Audit Division or Corporate Auditors of affiliated companies shall serve concurrently in a department under the control of the Audit Committee. In addition, candidates for Corporate Auditors of affiliated companies shall be determined with the consent of the Audit Committee.</p> <p>(3) Establish a policy concerning the handling of expenses and debts arising from the execution of duties by the Audit Committee and ensure that the Audit Committee's audits are conducted effectively.</p>	<p>(1) The President and Representative Executive Officer and Executive Officers in charge of the Building Service & Industrial, Energy, Infrastructure, Environmental Solutions, and Precision Machinery Companies regularly exchange information and opinions with the Audit Committee.</p> <p>(2) Departments responsible for internal controls, risk management, and compliance, the Internal Audit Division, and corporate auditors of affiliated companies regularly exchange information and opinions with the Audit Committee and also exchange information on important matters as needed in an effort to promote collaboration.</p> <p>(3) At the request of the Audit Committee, the head of the Internal Audit Division or a member of the division, or a corporate auditor of affiliated companies, concurrently serves in a department established under the control of the Audit Committee. In addition, when nominating candidates for corporate auditors of affiliated companies, decisions are made only after obtaining the consent of the Audit Committee.</p> <p>(4) The Company has established a policy regarding the handling of expenses and debts arising from the execution of duties by the Audit Committee to ensure that the Audit Committee's audits are conducted effectively.</p>
12. Systems for Ensuring the Credibility of Financial Reports	
<p>Internal controls to ensure the reliability of financial reporting shall be established and operated in accordance with the "Standards for Assessment and Audit of Internal Control over Financial Reporting" and the "Implementation Standards for Assessment and Audit of Internal Control over Financial Reporting."</p>	<p>(1) To ensure the credibility of consolidated financial reports, the "Standards for the Enforcement of Internal Controls over Financial Reporting" have been established for the purpose of maintaining and operating internal controls based on the Financial Instruments and Exchange Act, and their effectiveness is assessed every fiscal year.</p> <p>(2) In the assessment, the scope of assessment is set each fiscal year in consideration of the impact on financial reporting, management importance, etc., and the assessment is conducted by an assessment team independent of operations to improve and promote internal control. In this fiscal year, we formed a project team aiming to respond to the revision of implementation standards for internal controls, and to upgrade and streamline. The team reviewed processes to be evaluated, risk controls, and management evaluation methods.</p>

(2) Policy on the Determination of the Distribution of Surplus

The Company regards returning a portion of its income to its shareholders as one of its most important management policies. The Company has set a policy to carry out shareholder returns, linking dividends to performance and aiming for a consolidated payout ratio of 35% or more, during the term of E-Plan 2025. In addition, the Company will flexibly implement share repurchases.

Dividends

Fiscal Year (FY) Item	157th Period (FY ended December 31, 2021)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024) (FY under review)
Annual dividend per share (yen)	163.0	193.0	229.0	147.0 (planned)
Annual dividends (Millions of yen)	15,127	17,765	21,141	25,404 (planned)
Consolidated total payout ratio (%)	35.2	35.2	35.0	35.6 (planned)
Purchase of treasury stock (Millions of yen)	19,999	-	-	-

Note: “Annual dividend per share” and “Annual dividends” for the 160th period are amounts assuming the approval of Proposal 1 “Appropriation of Surplus” by the 160th Ordinary General Meeting of Shareholders.

The Company conducted a 5-for-1 stock split of shares of common stock, effective July 1, 2024. The changes in basic earnings per share are as follows assuming the stock split was conducted at the beginning of the 157th fiscal period:

Fiscal Year (FY) Item	157th Period (FY ended December 31, 2021)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024) (FY under review)
Annual dividend per share (yen)	32.6	38.6	45.8	55.0 (planned)

(3) Dialogue with Shareholders and Investors

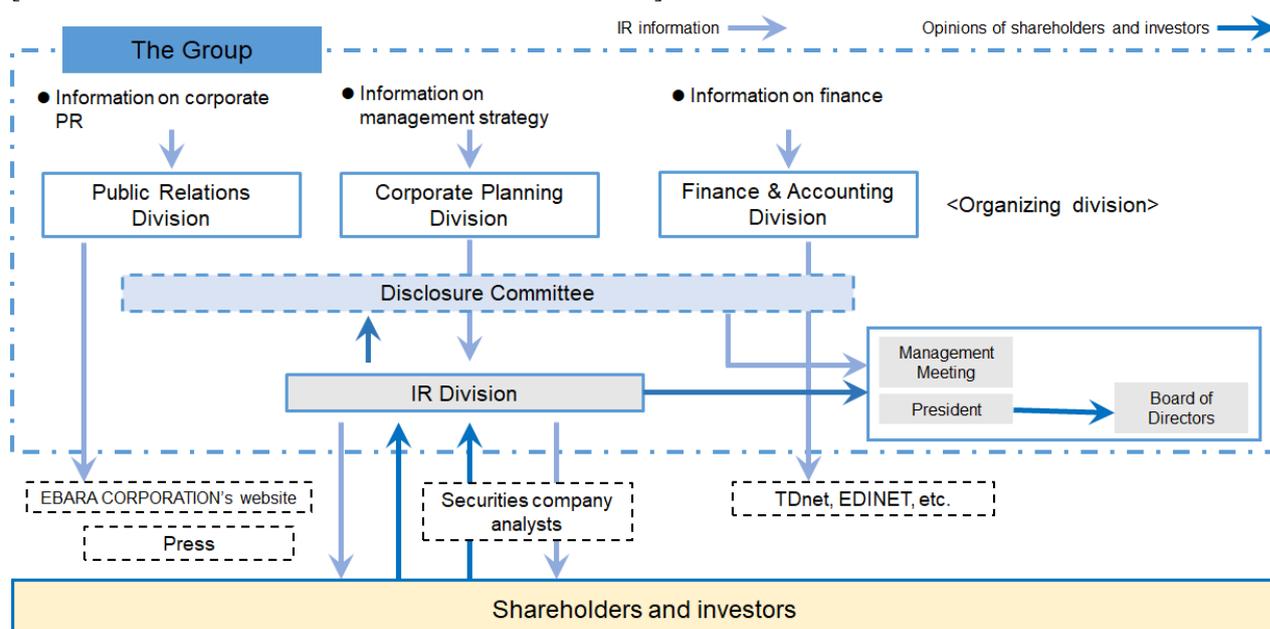
The Group positions building long-term relationships of trust with shareholders and investors as one of the most important matters in management. In addition to appropriately providing corporate information required for investment decisions, an effort is made to continually foster relationships of trust by conducting IR activities that contribute to the enhancement of corporate value through constructive dialogue.

To enable the Board of Directors to appropriately oversee dialogue with shareholders and investors as an important matter related to management, the responsible departments report to the Board of Directors on IR activities each quarter, and the Board of Directors provides advice, etc., as needed.

The President and Representative Executive Officer heads the Group’s IR structure, and IR is basically implemented by the Executive Officer in charge of IR and the division in charge of IR.

Furthermore, opportunities for Directors (including Independent Directors), Executive Officers, and other management executives to directly dialogue with shareholders and investors are provided as needed.

[Flow of communication with shareholders and investors]



* TDnet: The timely disclosure information viewing system operated by the Tokyo Stock Exchange
 EDINET: The electronic disclosure system on disclosure documents such as annual securities reports based on the Financial Instruments and Exchange Act

[State of implementation of IR and SR activities]

Details of Activities	Actual status in 160th Period
Individual meetings	413 times
Conferences held by securities companies	34 times
Financial results briefings	4 times
Management meeting	2 times
Presentation for individual investors	6 times
IR Day	1 time
ESG presentation	1 time

(4) Sustainability Management

The Company regards sustainability management as a management that contributes sustainably through its business to solve social issues, including SDGs, and enhances corporate value over the medium- to long-term. Environmental issues (E), social connections (S), and strengthening governance (G) are the pillars of our advanced ESG management (sustainability management), and we have established and operate a system that enables the Board of Directors and each of the Nomination, Compensation and Audit Committees to appropriately supervise E, S, G related initiatives. The Board of Directors has been conducting regular discussions on E, S, G since 2022 on the basis of the recognition that there is need to further strengthen supervision of environmental and social initiatives. One of the key themes is efforts to address climate-related risks and opportunities and human capital. Additionally, Non-executive Directors also attend the Sustainability Committee, which is the governing body for the executive side, to provide opinions and advice from an objective perspective to enhance the value of E, S, G. The President and Representative Executive Officer serves as Chairperson for the Sustainability Committee, and all Executive Officers participate as members to discuss the sustainable development of the Company and society. External experts also participate as advisors in this meeting structure to provide up-to-date information on E, S, G and to advise on activities. Discussions at the Sustainability Committee are reported to the Board of Directors and reviewed.

1) Responding to Climate Change

A. Promotion of Carbon-Neutral

The EBARA Group has set the practice of advanced ESG-focused management as one of the goals to be achieved by 2030, and has identified the response to climate change as a key theme. With the aim of balancing the realization of a sustainable society with the growth of the Group, we aim to

achieve carbon neutrality by 2050 through reducing GHG (Greenhouse gas) emissions by the Group and in its value chain.

The Sustainability Committee deliberates policies, strategies, targets, and KPIs, as well as checking on results and progress to realize our targets.

Regarding GHG emissions from the Group's business (Scope 1 and 2), the Energy Management Committee, which promotes the rational use of energy, has been leading efforts to improve energy efficiency at each site, as well as promoting the introduction of solar power generation equipment and the procurement of CO₂-free electricity at domestic and overseas sites.

Regarding GHG emissions within our value chain (Scope 3), we have set a reduction target for 2030, focusing on emissions resulting from the use of our products (Category 11), which constitute the majority of Scope 3 emissions. We will enhance the energy efficiency of our products and promote collaboration with suppliers and customers as a part of reduction measures for Scope 3 emissions.

We submitted a commitment letter to the SBT Initiative in June 2024, committing to obtaining SBT certification within two years. The Company has obtained a third-party assurance for Scope 1, 2, and 3 emissions in 2023 and we plan to continue obtaining such assurance in the future.

Furthermore, the Company has organized measures that contribute to the reduction of GHG emissions for our customers as the "Customer GHG Reduction Goals" and set three targets: "Avoided Emissions," "Ebara-Specific GHG Reduction," and "Business Creation Supporting Carbon Neutrality." In addition to the manufacture and sale of energy-efficient pumps and exhaust gas treatment equipment that renders PFCs (perfluorocarbon) with high global warming potential harmless without using fossil fuels, the Company supports the realization of a carbon-neutral society by developing and providing products and services that contribute to GHG emission reductions, such as for hydrogen and ammonia.

Goals for 2030

- Scope 1 and 2: Reduce GHG emissions by 55% compared to FY2018
- Scope 3 (Category 11): Reduce GHG emissions by 25% compared to FY2021
- Avoided emissions (in-line with WBCSD Guidance on Avoided Emissions): Cumulative reduction of 43 million tons from 2023 to 2030
- Ebara-Specific GHG Reduction: Cumulative reduction of 100 million tons from 2023 to 2030
- Business Creation Supporting Carbon Neutrality

B. Climate-related Disclosures

Based on the TCFD recommendations that we endorsed in 2019, the Company has analyzed climate-related risks and opportunities and reflected the results of scenario analysis in our Medium-term Management Plan E-Plan 2025 (2023–2025). As TCFD's monitoring function for corporate climate-related information disclosure was transferred to IFRS® Sustainability Disclosure Standards S2 Climate-Related Disclosures (hereinafter, "IFRS® S2") in 2024, we have updated the climate-related information disclosure by referring to the IFRS® S2 disclosure standards in June 2024.

•Governance

The Board of Directors oversees the progress of action plans for the Non-Financial Management Issues Action Plan, including climate-related risks and opportunities. When disclosing and updating climate-related information, we consult with the Sustainability Committee or the Management Committee, which are the governing bodies for the executive side*, and then report it to the Board of Directors for review and confirmation.

* We consult with the executive meeting body to be held shortly before the Board of Directors meeting.

•Strategy

Climate-related scenario analyses are conducted for each target market from a perspective of limiting temperature increase to 1.5°C and 4°C. The results of the scenario analysis are incorporated into the strategies of each company under the Medium-term Management Plan E-Plan 2025.

We disclose the financial impacts on the Company's business under the 1.5°C and 4°C scenarios on our website.

•Risk management

The progress of various measures based on significant risks and opportunities identified through climate-related scenario analysis is reported by the presidents of each company to the "Management Issue Action Plan Monitoring Committee" chaired by the President and Representative Executive Officer. The overall progress of nonfinancial metrics and targets, including those related to climate, is reported to and reviewed by the Sustainability Committee. The results of the reporting and review at the meetings of the Sustainability Committee are reported to the Board of Directors.

•Metrics and targets

As stated in Section "A," the Company is promoting carbon neutrality by setting metrics and targets.

Detailed information is posted on the Company's website below.

Climate-related Disclosures (TCFD Recommendations)

<https://www.ebara.co.jp/sustainability/think/information/tcf.html>

Carbon Neutrality Efforts by the EBARA Group

<https://www.ebara.co.jp/sustainability/environment/information/carbon-neutrality.html>

2) Support for Human Capital Management

The Ebara Group upholds the basic policy of "acquiring diverse talents from around the world with a spirit of challenge and creativity, maximizing their abilities through appropriate competition and challenges in a comfortable work environment, fairly evaluating them, and aiming to foster a corporate culture in which each employee can be fulfilled and grow." Based on this policy, we have established a CHRO office to implement specific initiatives to promote the active participation of diverse human resources and establish a global human resources management foundation. We will strengthen human capital management across the Group and globally by implementing measures to address the human resource needs from each business and management issues related to human resources, with a focus on the Group-wide human resource strategy, ONE Ebara HR. We will strengthen optimal placement throughout the Group by viewing human resources as "capital" and maximizing their value, further accelerating the establishment of a foundation to achieve "sustainable global growth," developing human resources who "compete and take on challenges," and improving global mobility. The specific initiatives are as follows.

- We will provide various opportunities that contribute to early selection and development for those who want to learn and challenge themselves, and establish a system that allows them to aim for their own career changes, while supporting them to work with high motivation in suitable positions.
- We will promote the introduction of a globally unified role grading system that will enable local employees of overseas group companies to play more important roles (GKP: global key positions), promote the company-wide deployment of global talent development programs, and strategically implement successions both domestically and overseas.
- We will continue to implement referral hiring and alumni systems, and promote the acquisition of diverse talents. Furthermore, we will expand the EBARA New Workstyle to provide a more comfortable work environment for diverse talents.
- We will build a "Global HCM (Human Capital Management) Platform" that will serve as a foundation for accelerating the "visualization of personnel" on a global scale, and establish a system that enables the quantitative monitoring of the effectiveness of various HR policies.

A. Measures to Promote Diverse Human Resources

(a) Current status of hiring of employees in key positions and future challenges

As of December 31, 2024, the Company has 123 females in key positions and the proportion of females in key positions is 7.5%. The goal is to increase it to 8.0% or more by 2025. Additionally, since 2011, the Company has been actively hiring new graduates of foreign nationality.

As of December 31, 2024, the Company has 184 foreign national employees, which account for 3.6% of our workforce. Of these, the number of foreign national employees in managerial

positions is 24, or 1.5% of the total number of employees in key positions, and we aim to continue to improve this figure going forward.

Additionally, as of December 31, 2024, the Company has 2,302 mid-career employees which accounted for 45.1% of the Company's total employees. Of these employees, 568 or 34.7% hold key positions. We will actively recruit mid-career employees as well as implementing a fair grading system based on a role grading system, regardless of employment history, and providing fair opportunities for promotion to key positions.

The Company plans to consider our targets on the percentage of foreign employees and mid-career employees within key positions as a part of our recruiting strategy.

In the examinations for employees in key positions, we have expanded the scope of eligibility to take the examinations and, by further reviewing the examination schedule, we have established a system that enables early selection of diverse talents. We plan to provide more learning opportunities from an early stage to brush up employees' skills and establish a system where employees are able to even more clearly plan their mid to long-term career, by offering seminars by age range, etc.

(b) Promote good performance of employees with special needs

We aim to enable all Group employees, regardless of their special needs, to "work together and continue to provide value to the world."

In order to respond reliably to increases in the legal employment rate and changes in the external environment, we will centralize the EBARA Group's employment management of people with special needs and promote the employment and business of people with special needs as a whole Group. EBARA Ernest, Co., Ltd. our special subsidiary company, plans to expand its business within the Group and develop employees with disabilities from a career development perspective and continue to provide opportunities where they can challenge themselves and grow.

We aim to increase the percentage of employees with special needs to 2.6% or higher by 2025 at four companies in the Group, including EBARA Corporation, special subsidiary companies, and group affiliates. As of June 1, 2024, the percentage of employees with disabilities is 2.68% and we have achieved our target a year ahead of schedule.

In addition, we will work to promote DE&I (diversity equity and inclusion), focusing not only on visible diversities such as gender, nationality, and age (demographic diversity), but also on invisible diversities such as experience and ability (task diversity).

- We conducted a companywide e-learning session under the themes of "Diversity," "Psychological Safety" and "Unconscious Bias" to raise employee awareness and realize an organization with high psychological safety.
- We hold regular study sessions to raise awareness and improve knowledge of DE&I within the Company.
- We promote the advancement of working women through workshops for female employees and cross-industry networking events.
- We distributed a message from the President and held study sessions with the aim of increasing male employees' use of childcare leave and spreading understanding in the workplace.
- We have introduced "Cradle," a DE&I promotion support service provided by Cradle Inc. which focuses on healthcare, to support the mental and physical health of our employees and their diverse working styles.
- We have updated the "Promoting Diversity, Equity & Inclusion (DE&I)" page on our corporate website to raise awareness of our DE&I initiatives both internally and externally.
- In order to "increase" challenging human resources who can bring about innovation, employees with a spirit of competition and a spirit of challenge are taking the main role in recruitment and communicating EBARA's appeal to a wide audience.
- We held a Career Design Workshop for employees in their 30s, 40s, and 50s to help them broaden their life choices and realize their own unique ways of working and living.

- To support the growth and skill development of our employees, we introduced “Udemy Business,” a self-learning system provided by Benesse Corporation which responds to a variety of reskilling needs.

B. Initiatives toward Human Rights

The EBARA Group clearly states in the EBARA Group CSR Policy that we respect the human rights of our stakeholders and put them into practice. The Company respects the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), and has established the EBARA Group Human Rights Policy in line with the UN Guiding Principles on Business and Human Rights. The Company has also set out measures to implement the above policy and the Human Rights Committee to promote activities based on the same policy. The Company is continually working to improve its human rights management mechanism, including dissemination of the EBARA Group Human Rights Policy, human rights due diligence and relief measures. The Human Rights Committee includes the heads of the Human Resources, Procurement, Legal, General Affairs and whistleblowing contacts, as well as the heads of the Human Resources and Administration departments of each Group company. In addition, external lawyers with extensive knowledge in human rights and business participate as advisers. With regard to employees’ human rights due diligence, the Human Rights Committee monitors the points on questions in the Global Engagement Survey, which is conducted annually by the HR department, relating to ‘fairness and equity in the workplace,’ ‘discrimination’ and ‘occupational health and safety,’ for each organization, and identifies organizations that fall below a certain level. The Human Rights Committee instructs organizations that do not meet certain standards to formulate and implement a human rights action. In addition, the Procurement Department conducted a CSR procurement survey of Group’s global primary suppliers with the aim of seeking suppliers’ understanding and implementation of the EBARA CSR Procurement Guidelines, which include respect for human rights. The survey included questions on human rights, and the Human Rights Committee shared the results of the survey on human rights, such as whether efforts are being made to prevent child labor, forced labor and discrimination at suppliers and whether the working environment is appropriate, with the procurement department to build sound supply chain management, to promote sound supply chain management.

As part of our system for providing relief, not only the consultation desk at each group company, but also EBARA Corporation’s Compliance Help Desk accepts and responds to complaints from all Group employees, including those related to human rights. We have also set up a hotline connecting to EBARA Corporation at 22 overseas group companies in 10 countries, and are working to establish this system at all group companies. We accept inquiries from outside the Group on our website. When we receive complaints or consultations regarding human rights, the Compliance Help Desk acts as the main point of contact and responds as necessary in collaboration with related departments.

Furthermore, in April 2024, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), a general incorporated association, to provide a framework for responding to complaints and consultations from suppliers outside the Group.

Detailed information is posted on the Company’s website below.

“The Ebara Group Human Rights Policy”

⇒<https://www.ebara.co.jp/sustainability/social/information/respect.html>

“The Ebara CSR Procurement Guidelines”

⇒<https://www.ebara.co.jp/sustainability/social/information/supply-chain.html>

Consolidated Statement of Financial Position

December 31, 2024

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	705,309	Current liabilities	405,340
Cash and cash equivalents	171,031	Trade and other payables	167,452
Trade and other receivables	170,282	Contract liabilities	108,778
Contract assets	116,792	Bonds, borrowings and lease obligations	55,607
Inventories	205,960	Income taxes payable	13,915
Income taxes receivable	2,104	Provisions	11,895
Other financial assets	3,798	Other financial liabilities	1,383
Other current assets	35,339	Other current liabilities	46,308
Non-current assets	299,775	Non-current liabilities	114,408
Property, plant and equipment	201,991	Bonds, borrowings and lease obligations	94,825
Goodwill and intangible assets	53,796	Retirement benefit liability	8,917
Investments accounted for using equity method	8,683	Provisions	3,289
Deferred tax assets	19,266	Deferred tax liabilities	2,423
Other financial assets	5,983	Other financial liabilities	594
Other non-current assets	10,054	Other non-current liabilities	4,357
		Total liabilities	519,748
		Equity	
		Share capital	80,639
		Capital surplus	76,707
		Retained earnings	272,382
		Treasury shares	(323)
		Other components of equity	43,871
		Total equity attributable to owners of parent	473,277
		Non-controlling interests	12,059
		Total equity	485,336
Total assets	1,005,085	Total liabilities and equity	1,005,085

Consolidated Statement of Profit or Loss

From January 1, 2024
to December 31, 2024

(Millions of yen)

Account	Amount
Revenue	866,668
Cost of sales	579,699
Gross profit	286,969
Selling, general and administrative expenses	183,201
Other income	4,085
Other expenses	9,899
Operating profit	97,953
Finance income	3,897
Finance costs	4,185
Share of profit (loss) of investments accounted for using equity method	2,186
Profit before tax	99,852
Income tax expense	25,361
Profit	74,491
Profit attributable to:	
Owners of parent	71,401
Non-controlling interests	3,089

Non-consolidated Balance Sheet

December 31, 2024

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	360,726	Current liabilities	214,415
Cash and deposits	69,617	Notes payable - trade	889
Notes receivable - trade	3,772	Accounts payable - trade	25,169
Accounts receivable - trade	66,729	Electronically recorded obligations - operating	53,321
Electronically recorded monetary claims - operating	33,053	Short-term borrowings	24,008
Contract assets	19,829	Current portion of long-term borrowings	16,113
Finished goods	2,289	Current portion of bonds payable	15,000
Work in process	63,887	Income taxes payable	6,268
Raw materials and supplies	48,421	Contract liabilities	41,886
Short-term loans receivable	33,702	Provision for bonuses	5,337
Other	19,657	Provision for bonuses for directors (and other officers)	189
Allowance for doubtful accounts	(232)	Provision for warranties for completed construction	804
Non-current assets	288,880	Provision for product warranties	2,888
Property, plant and equipment	100,776	Provision for loss on construction contracts	1,190
Buildings and structures	45,227	Other	21,346
Machinery and equipment	21,528	Non-current liabilities	82,644
Land	20,131	Bonds payable	25,000
Construction in progress	8,863	Long-term borrowings	54,206
Other	5,025	Provision for retirement benefits	30
Intangible assets	30,877	Other	3,407
Software	14,682	Total liabilities	297,059
Software in progress	15,683	Net assets	
Other	511	Shareholders' equity	352,318
Investments and other assets	157,227	Share capital	80,639
Investment securities	2,078	Capital surplus	84,567
Shares of subsidiaries and associates	110,462	Legal capital surplus	84,567
Investments in capital of subsidiaries and associates	26,101	Other capital surplus	0
Long-term loans receivable	862	Retained earnings	187,276
Prepaid pension costs	5,224	Other retained earnings	187,276
Deferred tax assets	10,889	Reserve for purchase of specified shares	75
Other	3,451	Retained earnings brought forward	187,201
Allowance for doubtful accounts	(1,843)	Treasury shares	(165)
		Share acquisition rights	229
		Total net assets	352,547
Total assets	649,607	Total liabilities and net assets	649,607

Non-consolidated Statement of IncomeFrom January 1, 2024
to December 31, 2024

(Millions of yen)

Account	Amount	
Net sales		358,668
Cost of sales		244,906
Gross profit		113,762
Selling, general and administrative expenses		84,763
Operating profit		28,998
Non-operating income		
Interest income	1,828	
Dividend income	25,424	
Other	324	
		27,578
Non-operating expenses		
Interest expenses	1,572	
Foreign exchange losses	599	
Commission for commitment line	307	
Provision of allowance for doubtful accounts	93	
Other	287	
		2,860
Ordinary profit		53,716
Extraordinary income		
Gain on sale of non-current assets	15	
Gain on sale of investment securities	5	
		21
Extraordinary losses		
Loss on retirement of non-current assets	835	
Impairment losses	234	
Loss on sale of investment securities	223	
Loss on valuation of investments in capital	9	
		1,302
Profit before income taxes		52,434
Income taxes - current	7,716	
Income taxes - deferred	(1,806)	
		5,910
Profit		46,524

**Copy of the Report of the Accounting Auditor's Audit Report on Consolidated Financial Statements
(translation)**

Independent Auditor's Report

The Board of Directors
EBARA CORPORATION

Opinion

We have audited the accompanying consolidated financial statements of EBARA CORPORATION and its consolidated subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of profit or loss and changes in equity for the year then ended, and notes to the consolidated financial statements pursuant to Article 444, Paragraph 4 of the Companies Act.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance for the year then ended in accordance with accounting principles, with partial omission of the disclosure items required under the designated international accounting standards, pursuant to the provisions of the second clause of Article 120, Paragraph 1 of the Regulations on Corporate Accounting of Japan.

Basis for 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 Group 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 audit opinion.

Other Information

The other information comprises the business report and its accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Executive Officers and Directors' execution of duties relating to the design and operation of the Group's reporting process of the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not express any opinion on the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the course of audit, and pay attention to whether there are any signs of a material misstatement in the other information other than such material inconsistencies.

If, based on the work we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with accounting principles, with partial omission of the disclosure items required under the designated international accounting standards, pursuant to the provisions of the second clause of Article 120, Paragraph 1 of the Regulations on Corporate Accounting of Japan and for such internal control as management determines is necessary to enable the preparation of 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 the Group's ability to continue as a going concern and disclosing matters related to going concern, as required by accounting principles, with partial omission of the disclosure items required under the designated international accounting standards, pursuant to the provisions of the second clause of Article 120, Paragraph 1 of the Regulations on Corporate Accounting of Japan.

The Audit Committee is responsible for overseeing the Group's financial reporting processes.

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

Our objectives 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 includes our opinion. 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 economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles with partial omission of the disclosure items required under the designated international accounting standards, pursuant to the provisions of the second sentence of Article 120, Paragraph 1 of the Regulations on Corporate Accounting of Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, including cases where countermeasures have been established to eliminate obstructions to our independence or where safeguards have been applied to reduce such obstructions to allowable levels.

Conflicts of Interest

We have no interest in the Group which should be disclosed in accordance with the Certified Public Accountants Act.

Deloitte Touche Tohmatsu LLC
Tokyo, Japan
February 19, 2025

Yoshiaki Kitamura
Designated Engagement Partner
Certified Public Accountant

Takuya Sumida
Designated Engagement Partner
Certified Public Accountant

Akiko Fujiharu
Designated Engagement Partner
Certified Public Accountant

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Copy of the Report of Independent Auditors (translation)

Independent Auditor's Report

The Board of Directors
EBARA CORPORATION

Opinion

We have audited the accompanying non-consolidated financial statements of EBARA CORPORATION (the Company), which comprise the non-consolidated balance sheet as at December 31, 2024, and the non-consolidated statements of income and changes in net assets for the year then ended (the 160th period), notes to the non-consolidated financial statements and the related supplementary schedules (the non-consolidated financial statements, etc.) pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act.

In our opinion, the accompanying non-consolidated financial statements, etc. present fairly, in all material respects, the non-consolidated financial position of the Company as at December 31, 2024, and its non-consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for 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 Non-consolidated 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 non-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 audit opinion.

Other Information

The other information comprises the business report and its accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Executive Officers and Directors' execution of duties relating to the design and operation of the Company's reporting process of the other information.

Our audit opinion on the non-consolidated financial statements, etc. does not cover the other information, and we do not express any opinion on the other information.

In connection with our audit of the non-consolidated financial statements, etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements, etc. or our knowledge obtained in the course of audit, and pay attention to whether there are any signs of a material misstatement in the other information other than such material inconsistencies.

If, based on the work we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Non-consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of non-consolidated 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 non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing the Company's ability to continue as a going concern and disclosing matters related to going concern, as required by accounting principles generally accepted in Japan.

The Audit Committee is responsible for overseeing the Executive Officers and Directors' execution of duties relating to the design and operation of the Company's reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, etc.

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 includes our opinion. 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 economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 related disclosures in the non-consolidated financial statements, etc. or, if such disclosures are inadequate, to modify our opinion. 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 the overall presentation, structure and content of the non-consolidated financial statements, etc., including the disclosures, and whether the non-consolidated financial statements, etc. represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with 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.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, including cases where countermeasures have been established to eliminate obstructions to our independence or where safeguards have been applied to reduce such obstructions to allowable levels.

Conflicts of Interest

We have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

Deloitte Touche Tohmatsu LLC
Tokyo, Japan
February 19, 2025

Yoshiaki Kitamura
Designated Engagement Partner
Certified Public Accountant

Takuya Sumida
Designated Engagement Partner
Certified Public Accountant

Akiko Fujiharu
Designated Engagement Partner
Certified Public Accountant

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Copy of the Audit Committee's Audit Report (translation)

Audit Report

The Audit Committee conducted an audit of the duties of the Directors and Executive Officers in the fiscal year from January 1, 2024 to December 31, 2024. The method and results thereof are as follows.

1. Method and Content of Audit

The Audit Committee periodically receives reports from Directors, Executive Officers and employees, etc. on resolutions of the Board of Directors concerning matters listed in Article 416(1) (i) (b) and (e) of the Companies Act, and the development and implementation of systems developed based on such resolutions (internal control systems), and asked for explanations and expressed opinions as necessary, in addition to conducting audits using the following methods.

- (i) In accordance with the audit policy and the segregation of duties established by the Audit Committee, the Committee worked with the Internal Audit Division and other departments in charge of internal control of the Company, attended important meetings and received reports from Directors and Executive Officers, etc. on the execution of their duties, requested explanations as necessary, examined documents related to the approval of important matters, and investigated the condition of operations and finances in EBARA's Head Office and major business locations. Furthermore, regarding subsidiaries, the Audit Committee communicated with the Directors, Audit & Supervisory Board Members, and others in these subsidiaries, worked to exchange information, and, as necessary, received reports from these companies.
- (ii) The Audit Committee monitored and verified whether the Independent Auditors maintained their independent status and conducted their auditing activities appropriately. The Audit Committee received reports from the Independent Auditors regarding the performance of its duties and results of the audits, and requested explanations as necessary. In addition, the Audit Committee was informed by the Independent Auditors that the "system to ensure proper execution of its duties" (matters described in each item of Article 131 of the Regulations on Corporate Accounting) has been developed in accordance with "Quality Control Standards for Audits" (Business Accounting Council, November 16, 2021) and others, asking for details when necessary.

Based on the previously described methods, the Audit Committee considered the business report and appended documents, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and the notes to the non-consolidated financial statements), and the annexed detailed statement, as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and the notes to the consolidated financial statements).

2. Results of the Audit

(1) Results of the Audit of the Business Report and other Documents

- i. In our opinion, the Business Report and the Appended Documents have been prepared in accordance with relevant laws and EBARA's Articles of Incorporation and present the condition of EBARA fairly.
- ii. We found no instances of improper behavior in the conduct of duties by the Directors and Executive Officers and no major facts regarding violations of laws or the Articles of Incorporation.
- iii. We found the content of decisions made by the Board of Directors regarding internal control systems to be appropriate. Moreover, no notable matters were found with regard to the content of the business report and the execution of duties by the Directors and Executive Officers related to such internal control systems.

Additionally, as stated in the Business Report, the Company has received a recommendation based on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors from the Japan Fair Trade Commission. We have confirmed that the initiatives being taken to correct the situation and prevent recurrence in the entire Group are being carried out appropriately, and we will continue to pay attention to the status of implementation of recurrence prevention measures and their effectiveness in the future.

(2) Results of the Audit of the Non-Consolidated Financial Statements and the Annexed Detailed Statement We found the methods used and the results of the audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC, to be appropriate.

(3) Results of the Audit of the Consolidated Financial Statements

We found the methods used and the results of the audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC, to be appropriate.

February 20, 2025

The Audit Committee of EBARA CORPORATION
Hisae Kitayama, Audit Committee Member
Junko Nishiyama, Audit Committee Member
Akihiko Nagamine, Audit Committee Member

(Note) Audit Committee Members Hisae Kitayama and Junko Nishiyama are Independent Directors as provided by Article 2(xv) and Article 400(3) of the Companies Act.