

# **Contents**

Editor	rial policy	3
Messa	age from Management	
Ме	essage from the President Message from the President >	
Me	essage from the Executive General Manager of the Sustainability Corporate Strategy Division	5
The K	urita Group Sustainability and Materiality	7
Our C	ommitment to Materiality	
	1.Solve Issues Related to Water Resources	20
	2.Contribute to the Realization of a Decarbonized Society	26
Shared	3.Contribute to Building a Circular Economy Society	32
value	Environmental Management	36
themes	CSV Businesses	
	TCFD Report	47
	TNFD Report	50
	4. Develop and Disseminate Innovative Products, Technologies, and Business Models	
	5.Strategic Development and Utilization of Human Resources	
Basic themes	6.Provide Highly Safe and Quality Products and Services	
	7.Conduct Business Activities Respecting Human Rights	84
	8.Conduct Fair Business Activities	96
Other	Efforts to Sustainability	
	ilding Good Relationships with Business Partners	
Co	rporate Citizenship Activities	106
Repor	rt and Data	
ES	G Data	115
Acc	cordance with International Disclosure Standards	
G	RI Standard Index	120
Si	ASB Standard Reference Tables	127

# **Editorial Policy**

The Kurita Group Sustainability Report 2025 ("the Report") is published as a report to all stakeholders on the Kurita Group's main sustainability-related approaches and materiality, governance system, as well as its main initiatives during fiscal 2025.

# **Organizations Covered**

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

- •Companies that have not yet started environmental improvement activities
- •Companies that do not incur an environmental impact because they do not have actual business operations
- •Subsidiaries that share a location with the parent company (and are included in the parent company)
- ·Locations where calculating environmental impact is not feasible due to tenant occupancy, etc.

# **Reporting Period**

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

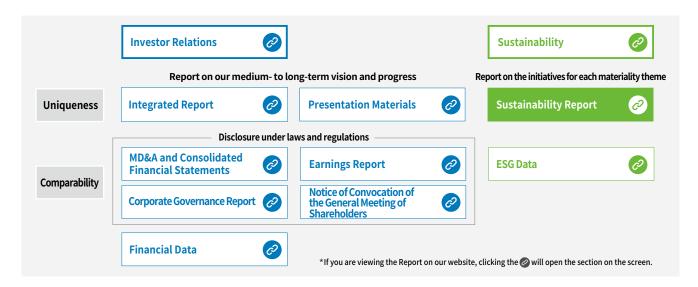
\*Including activities outside the specified period.

# Supplementary information to the contents of the report

- In this report, unless otherwise noted, "the Company" refers to Kurita Water Industries, "Group Company" refers to Kurita Water Industries' consolidated subsidiaries, and "the Kurita Group" refers to Kurita Water Industries and its consolidated subsidiaries.
- •This report is, in principle, published once a year and updated with the annual activity report. The information contained herein is current as of the date of publication.
- •Any corrections or amendments to information presented in previous reporting periods are noted in the annotations on the relevant pages.
- •This report references guidelines such as the GRI Standards and SASB Standards.

# **Editorial Policy**

# Information Disclosure System on the Company's Website



### **Copyrights and Trademarks**

The company or our licensers hold the copyrights for all the materials posted on this report. You may not use them beyond the range of use legally permitted for private use, etc.; you cannot, for example, copy, process, transfer, or distribute them without consent from the respective copyright holders. Trademarks and registered trademarks (including product names, service names, and logos) used in this report are the property of the Company or third parties. Unauthorized use of these trademarks is also prohibited.

### Disclaimer

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

# **Past Reports**

	FY 03/2019 >	
(	FY 03/2020 >	
(	FY 03/2021 >	
(	FY 03/2022 >	
(	FY 03/2023 >	
(	FY 03/2024 >	)

Report and Data

# Message from the Executive General Manager of the Sustainability Corporate Strategy Division

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



# Hisashi Tanabe

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

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

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

Our materiality focuses on both the impact of global sustainability issues on our corporate value and the impact our corporate activities have on society and the environment. It consists of three shared value themes and five basic themes. Shared value themes are directly related to the creation of shared value with society, and basic themes support that value creation. Because the Kurita Group aims for sustainability management, our materiality efforts are closely aligned with the business and functional strategies outlined in the PSV-27 Plan. Therefore, we have incorporated materiality efforts into the strategies of the PSV-27 Plan and established the Value Pioneering Path as a roadmap guiding our efforts for achieving our corporate vision and the relationships between our materiality efforts. In the fiscal year ended March 31, 2025, we focused on promoting understanding, after formulating and disseminating the Value Pioneering Path in the year before that. We encouraged discussions and workplace dialogues between management and employees to enable everyone to think about the relationship between their work and contribution to society, as well as the growth of the Kurita Group. This will allow us to implement the Value Pioneering Path in the business activities across the entire Kurita Group.

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

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

Corporate duties such as fair business activities and respect for human rights are basic themes of materiality. Making sure we carry out these duties enables us to obtain stakeholder rapport, reduce capital costs, and prevent damage to our corporate value. We also enhance our competitive edge by achieving transformations with customer as starting point and bring about innovation with social value as starting point, via actions for basic themes regarding functional strategy and human resource strategy. CSV business embodies this competitive edge. Expanding the business is essential for shared value themes. By providing social value unique to the Kurita Group, we aim to obtain a high level of economic value and continue to grow as a high-revenue company.

## Message from the Executive General Manager of the Sustainability Corporate Strategy Division

# **Expanding CSV business that create shared value with society**

Although the water treatment business inherently creates social value, we aim to achieve an even higher level of value. We therefore define CSV business as products or services that contribute significantly to water saving, greenhouse gas (GHG) emissions reduction, and resource recovery or reduction of resource inputs, compared to existing technologies or competitor technologies. Although CSV business provides a high level of social value, they also contribute to improving customer income by reducing water and energy use. That value has been recognized and has led to CSV business evolving into a high-profitability business model. As of late June 2025, we have 114 CSV business models, which is an increase of over 50 models since the start of the PSV-27 Plan. The Sustainability Committee periodically evaluates CSV business models based on their contributions to social value and economic value. This enables us to confirm the validity of CSV business and thereby maintain and improve the competitive edge of our business models.

# Status of materiality efforts and future approach

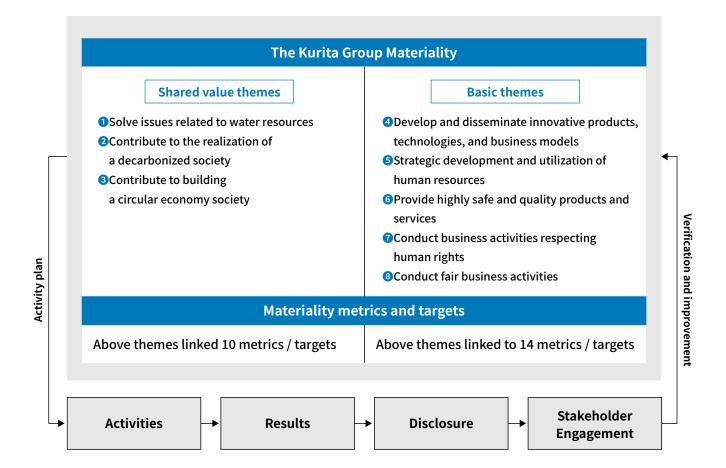
We have steadily expanded the scope of CSV business and have secured profitability exceeding expectations. In terms of social value, rising energy prices have led to increased demand for solutions that contribute to fuel reduction. This has enabled us to help reduce GHG emissions faster than initially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

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

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

The new Sustainability Corporate Strategy Division was established in April 2025 to consolidate functions regarding company-wide management strategy and management plans, as well as intellectual property functions and intelligence functions for creating new CSV business and conceptualizing other new businesses. Contributing to the resolution of social issues by creating significant social value through our materiality efforts represents the very purpose of the Kurita Group, as embodied in our corporate philosophy. By reflecting societal trends and sustainability trends in the long-term strategy of the Kurita Group, we will aim to create shared value with society, as a corporate group that grows together with society.

The Kurita Group defines sustainability as conducting business within natural and social systems, striving for sustainable growth while accounting for their mutual impacts. Sustainability is at the core of corporate management that strives to grow sustainability with the environment and society founded on our vision for pioneering "new value for water" to contribute to the realization of a sustainable society. As a means to that end, Kurita Group Materiality identifies key issues and set metrics and targets to monitor and manage the progress of our initiatives through a PDCA cycle. Moreover, the Kurita Group engages with customers, business partners, employees, shareholders and other investors as well as local communities and all other stakeholders. We embed the expectations, concerns, and assessments of the Kurita Group learned through these stakeholder engagements to verify our materiality, metrics and targets, and initiatives to achieve those targets.



## Governance

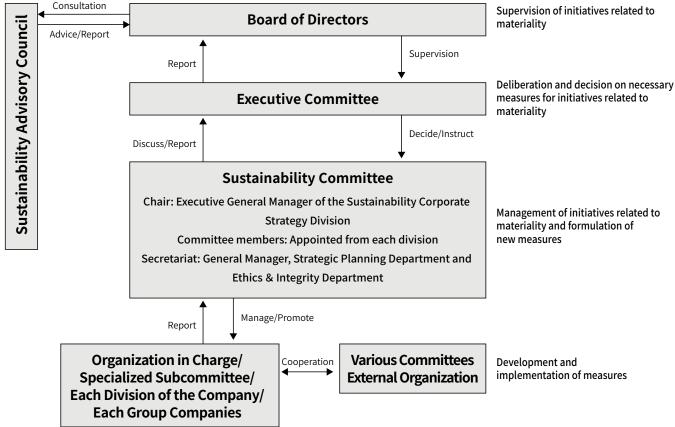
Message from

Management

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

The Sustainability Advisory Council serves as an advisory body to the Board of Directors. It investigates how the Kurita Group should approach sustainability management from a multi-stakeholder perspective in the medium to long-term, based on sustainability trends both in Japan and around the world. It then reports its findings to the Board of Directors and provides related advice.

The short-term incentive remuneration provided to our executive officers is performance-linked remuneration that is calculated using the average rate of achieving our materiality indicators (amount of water savings, avoided GHG emissions, and the rate of increase in resource recovery or reduction of resource input through CSV businesses).



(As of April 1, 2025)

Please see the tables below for the topics of discussions about sustainability at our committee meetings in the fiscal year ended March 31, 2025.

### Role, Composition, Regular Meetings, and Main Topics of Each Committee

Committee	Role	Chair/Members	Regular Meetings	Main Topics in the Fiscal Year Ended March 31, 2025
Sustainability Advisory Council	•Examine and discuss sustainability management ideal for the Kurita Group from the medium to long-term perspective of all stakeholders as an advisory body that reports to the Board of Directors.	Chair: •External director of the company Members: •Three external directors of the company •Two internal directors	4 meetings/year	The committee primarily advised and reported key issues and considerations concerning the longer-term under discussion by the Board of Directors through discussions to:  • better understand about the current materiality identification process and the expectations capital markets have for the Company;  • better understand international sustainability trends and enhance corporate value through insight from internal/external experts;  • and examine the strengths necessary for the Kurita Group to provide value in 2025 according to the macro environment.
Sustainability Committee	Manage overall action to address materiality issues and explore new initiatives	Chair:  Corporate Officer and the Executive General Manager of the Sustainability Corporate Strategy Division Vice chair: Corporate Officer and the Executive General Manager of the Value Providing Strategy Division Members: Members appointed from each division	7 meetings/year	Revised the metrics and targets for each materiality issue after reviewing Kurita Group's activity policies and the progress of initiatives  Reviewed the progress of initiatives to combat climate change Reviewed management of CSV businesses  Ramped up environmental improvement activities and TNFD disclosures  Reviewed integrity activity policies and integrity survey results Reviewed findings from our due diligence into human rights Reviewed the key initiatives and progress of each specialized subcommittee
Specialized subcommittees for each shared valued materiality theme	•Formulate and roll out measure to promote action to achieve the metrics and targets set for each materiality issue.	Members: •Members appointed from each division	As necessary (7 to 10 meetings/year	Created new CSV business while expanding existing ones     Cultivated medium to long-term opportunities through cooperation with international initiatives     Rolled out measures to reduce Scope 3 emissions

### Board of Director Meeting Agenda/Topics Pertaining to Kurita Group Materiality

Meeting	Agenda	Topics
October 2024	Review progress of initiatives to address materiality issues	•Outlook of targets and results for the fiscal year ended March 31, 2025 •Efforts to raise awareness throughout the Kurita Group •Progress of stakeholder engagement •Progress of initiatives to combat climate change •Progress and challenges of human rights due diligence
October 2024	Revisions to medium to long-term targets for initiatives to combat climate change	•Revision of targets for Scope 1 + 2 emissions for the fiscal year ending March 31, 2031 to satisfy the requirements of the SBT certification
March 2025	Partial revisions to materiality metrics and targets and progress of initiatives to address materiality issues	•Outcomes and challenges of initiatives during the fiscal year ended March 31, 2025 •Revisions to materiality metrics and targets •Key initiatives for the fiscal year ending March 31, 2026

### **PDCA**

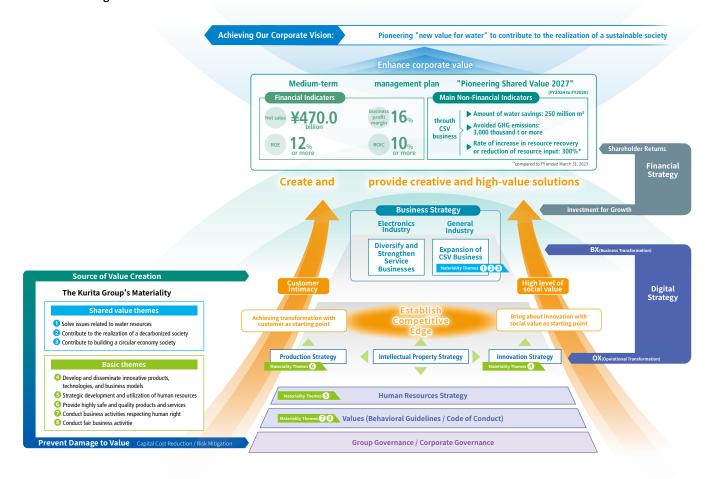
The Kurita Group sets Group-wide medium-term targets and fiscal-year targets for each activity related to the Kurita Group Materiality and its metrics and targets. Revisions to action plans for each fiscal year and to metrics and targets, where necessary, are prepared by the organizations in charge, discussed by the Sustainability Committee, and finalized by the Executive Committee. The Sustainability Committee and the Executive Committee evaluate the outcomes of the activities.

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

# **Strategies**

The metrics and targets of the Kurita Group Materiality were formulated by the organizations in charge of each metrics and discussed by the E&S Committee (current Sustainability Committee) and the committee responsible for reviewing the medium-term management plan, and subsequently approved by the Board of Directors. These metrics and targets are organically integrated with the strategies of the PSV-27 Plan. The initiatives addressing materiality play a crucial role in achieving the goals of PSV-27, including the promotion of CSV businesses, which is a common approach across all shared value themes. The Value Pioneering Path is the roadmap for creating the new value advocated by the PSV-27 Plan while aspiring to realize our corporate vision through Group-wide initiatives.

#### **Value Pioneering Path**



( Medium-term Management Plan ▷

CSV Businesses ▷

# **Risk Management**

The Kurita Group identifies and assesses various risks, opportunities, and impacts related to sustainability through a materiality identification process. Our work cultivates and expands opportunities around shared value themes identified through this process. We also promote our CSV businesses according to these shared value themes with emphasis primarily on materiality.

Additionally, we analyze, evaluate, and respond to sustainability risks during each fiscal year through a Group-wide risk management process.

## **Materiality Identification Process**

The materiality identification process is as follows.

### Step 1: Identification of Sustainability Issues

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

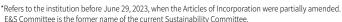
- \*1 International rules: SDGs, Ten Principles of the UN Global Compact, OECD Guidelines for Multinational Enterprises, World Economic Forum's Global Risks Report
- \*2 Laws, regulations and disclosure standards: GRI Standards, GHG Protocol, SASB Standards, EU Taxonomy, SFDR, CSRD, TCFD, TNFD, etc.
- \*3 Stakeholder engagement: Responses to surveys by customers, results of supplier surveys, results of employee engagement surveys, information meetings for shareholders and other investors, responses to ESG surveys, social contribution activities, etc.

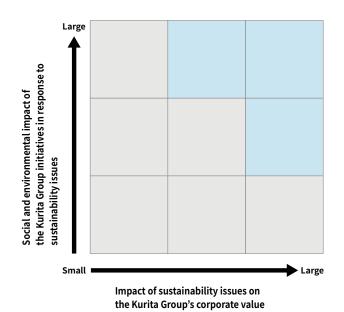
### **Step 2: Creation of Materiality Matrix**

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

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

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





# E&S Committee is the former name of the current Sustainability Committee.

# Step 3: Confirmation of Adequacy and Selection of Materiality

Materiality candidates selected in Step 2 were submitted to the Executive Committee and the Board of Directors\* for input. The committee responsible for reviewing the medium-term management plan, which is mainly comprised of members of the Executive Committee, confirmed the adequacy of the materiality candidates in parallel with the formulation of the PSV-27 Plan, finalized the Group's eight material issues and categorized them into "Basic Themes" that should serve as the foundation for management and business activities, and "Shared Value Themes" that lead to the creation of shared value with society. These material issues were then approved by the Board of Directors as the Kurita Group Materiality.

<sup>\*</sup>Title and institutional name prior to the amendment of the Articles of Incorporation.

Refers to the titles and organizational structure before June 29, 2023, when the Articles of Incorporation were amended to redefine the role of the Board of Directors as a supervisory body.

# **Metrics and Targets**

The E&S Committee (current Sustainability Committee) and the committee responsible for determining the medium-term management plan discussed the metrics and targets as well as materiality proposed by departments in charge of each material issue before receiving approval from the Board of Directors.

Materiality

### **Shared Value Themes**

### 1. Solve issues related to water resources

Significance and direction of initiatives:

Strive to solve issues related to water resources in the aspects of the quantity, quality, and accessibility by providing solutions that harness water knowledge and by collaborating with various organizations, and maintain appropriate water circulation as the ecosystem services.

	Targets (Upper row) and Results (Lower row)						
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	FY 03/2031		
Total number of basins where	3 basins, 130 million people	3 basins, 93 million people	4 basins	5 basins	7 basins		
collective actions are implemented (and total population in the basins)*1	Not achieved (3 basins, 93 million people)	Achieved (3 basins, 93 million people)					
	125 million m³	135 million m³	150 million m <sup>3</sup>	250 million m <sup>3</sup>	-		
Amount of water savings through CSV businesses	Not achieved (90 million m³)	Not achieved (108 million m³)			-		
Rate of reduction in the ratio of GHG	5%	20%	35%	50%	-		
emissions to water savings*2 (compared to FY 03/2023)	Not Achieved (-17.3%)	Not Achieved (-2.1%)			-		
Rate of reduction of water withdrawal	7%	21%	27%	Meet or exceed 30%	-		
intensity (compared to FY 03/2023, excluding the ultrapure water supply business)	Achieved (18.2%)	Achieved (24.1%)			-		
Number of individuals, organizations	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	-		
and groups we engage with to raise awareness on water resources	Achieved	Achieved			-		

## 2. Contribute to the realization of a decarbonized society

Significance and direction of initiatives:

Message from

Management

Contribute to the realization of a decarbonized society in the overall supply chain by developing and providing solutions that help reduce GHG emissions in industries and society and by implementing low-carbon business activities.

Metrics	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	FY 03/2031	FY 03/2051
Rate of reduction in	17%	50%	52%	73%	80%	Net-Zero
Scope 1+2 emissions (compared to FY 03/2020)	Achieved (21.4%) * <sup>3</sup>	Achieved (50.2%)				
Rate of reduction in	11%	14%	17%	22%	30%	Net-Zero
Scope 3 emissions (compared to FY 03/2020)	Not achieved (-35.8%) * <sup>3</sup>	Not achieved (5.3%)				
Avoided GHG emissions through CSV businesses	630 thousand t-CO <sub>2</sub>	900 thousand t-CO <sub>2</sub>	2,500 thousand t-CO <sub>2</sub>	Meet or exceed 3,000 thousand t-CO <sub>2</sub>	-	-
	Achieved (733 thousand t-CO <sub>2</sub> )	Achieved (1,312 thousand t-CO <sub>2</sub> )			-	-

### 3. Contribute to building a circular economy society

Significance and direction of initiatives:

Contribute to building sustainable industries and society and preventing and reversing the nature loss by developing and providing products and services that make effective use and reuse of limited resources and recyclable resources in optimal ways.

Metrics	Targets (Upper row) and Results (Lower row)				
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	
Rate of increase in resource recovery or reduction of	30%	65%	100%	300%	
resource input through CSV businesses (compared to FY 03/2023)	Not achieved (-2%)	Not achieved (12%)			
In-house waste	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	
recycling rate	Achieved	Achieved			

Report and Data

### **Basic themes**

Message from

Management

### 4. Develop and disseminate innovative products, technologies, and business models

Significance and direction of initiatives:

Contribute to sustainable development of society by striving to develop and disseminate innovative products, technologies, and business models that help solve social issues, through collaborations of various people and organizations inside and outside the Group.

Metrics	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Investment rate in	Meet or exceed 15%	Meet or exceed 20%	Meet or exceed 25%	Meet or exceed 30%		
innovation areas*4	Achieved (18%)	Achieved (22%)				
Rate of the number of	Meet or exceed 20%	Meet or exceed 23%	Meet or exceed 30%	Meet or exceed 30%		
themes in innovation areas	Achieved (22%)	Achieved (25%)				
Number of stakeholder engagements related to innovation areas	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year		
	Achieved	Achieved				

### 5. Strategic development and utilization of human resources

Significance and direction of initiatives:

Secure, develop and utilize diverse human resources who understand our Corporate Philosophy to remain a corporate group where each individual person demonstrates their capabilities and which works to maximize customer value and create shared value with society.

Matrica	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Engagement score(a. Rate of companies above the average	a.50% b. Meet or exceed the previous survey	_+5	a.65% b. Meet or exceed the previous survey	a.75% b. Meet or exceed the previous survey		
of all industries, b. Score of each company surveyed)	a. Achieved (51%) b. Achieved (41%(+3pt from the previous research))	-				
Rate of [women, foreigners,	30%	Meet or exceed the previous year	35%	40%		
and experienced personnel] among executives of the company	Not Achieved (29.4%)	Achieved (35%)				
Fill rate of human resources for development, digital, and intellectual property	65%	70%	75%	80%		
	Achieved (65%)	Achieved (73%)				

### 6. Provide highly safe and quality products and services

Significance and direction of initiatives:

Create products and services and continue to make improvements for securing quality and safety, based on information obtained from diverse points of contact with sites, thus increasing social confidence.

Metrics	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Reduction rate in the recurrence rate of accidents that affect	30% the Company	30% the Company	20% the Company and the domestic Group Companies in Japan	20% the Kurita Group		
customers and society (compared to the previous year)	Achieved (37%)	Not Achieved (-6%)				

Report and Data

### 7. Conduct business activities respecting human rights

Significance and direction of initiatives:

Aim to respect human rights of all people as an initiative on "humanity" in "an environment in which nature and humanity are in harmony," based on international norms related to human rights.

Matrica	Targets (Upper row) and Results (Lower row)					
Metrics –	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Conducting human rights	Continuous implementation	Continuous implementation	Continuous implementation	Continuous implementation		
due diligence on suppliers	Achieved	Achieved				
	0.005 or less	0.005 or less	0.005 or less	0.005 or less		
Accident severity rate*6	Not Achieved (0.041) * <sup>7</sup>	Not Achieved (0.013)				
Rate of participation in	100%	100%	100%	100%		
human rights-related training	Achieved (100%)	Achieved (100%)				
Establishment of a liaison for remedies from human rights	-	-	-	Completed		
violations (grievance mechanism)* <sup>8</sup>	-	-				

#### 8. Conduct fair business activities

Significance and direction of initiatives:

Take action with fairness, transparency, and integrity and work with sincerity thus making people working for Kurita Group prouder of their work and continuously increasing social confidence.

Metrics	Targets (Upper row) and Results (Lower row)				
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	
Rate of participation in	100%	100%	100%	100%	
whistle-blowing system related training					
Rate of participation in training related to laws	100%	100%	100%	100%	
and internal rules for the compliance of anti-bribery and antitrust laws, etc.	Achieved (100%)	Achieved (100%)			
Number of violations of	0 cases	0 cases	0 cases	0 cases	
anti-bribery and antitrust laws	Achieved (0 cases)	Achieved (0 cases)			

<sup>\*1</sup> The Board of Directors approved at its meeting in March 2025 removing total populations from basin where collective actions are implemented to target only the basins beginning the fiscal year ending March 31, 2026. The goal of this change is to isolate the achievements that the Kurita Group makes through collective action.

<sup>\*2</sup> This figure represents Kurita Group's Scope 3 categories 11 and 13, divided by the amount of water conservation achieved through CSV businesses involving water treatment equipment (which generate Scope 3 categories 11 and 13 emissions).

<sup>\*3</sup> The actual figures were revised as of September 2025, primarily due to the inclusion of companies that newly began environmental improvement activities, as well as changes in calculation methods and errors in aggregation.

<sup>\*4</sup> This refers to the "innovation areas" in Deloitte7cells™ (Deloitte's approach to formulating growth strategies).

<sup>\*5</sup> An engagement survey is conducted every two years, with the next one scheduled for fiscal year ending March 31, 2026.

<sup>\*6</sup> The scope covers the Company, the domestic Group Companies in Japan, and their subcontractors. Regarding metrics and targets outside Japan, we will set them separately in fiscal year ending March 31, 2026, taking into account local laws and regulations, and will start working on them from fiscal year ending March 31, 2027.

<sup>\*7</sup> The actual figures were revised as of September 2025 to reflect the estimated number of lost workdays as of the end of March 2025.

<sup>\*\*</sup>Reconduct surveys, etc. from the fiscal years ended March 31, 2024 to March 31, 2026 would be prepared for establishment by the fiscal year ending March 31, 2028. After establishment, set targets related to raising awareness.

#### Other Efforts to Sustainability

# The Kurita Group Sustainability and Materiality

# Stakeholder Engagement

The Kurita Group engages with stakeholders–customers, business partners, employees, shareholders and investors, and local communities–and uses their expectations, concerns and feedback on the adequacy of the Kurita Group Materiality and its metrics and targets. The information is also reflected in activities to achieve the targets.

The Sustainability Committee compiles with all the information from each engagement activity conducted by relevant departments and reflects it in the initiatives outlined above.

Stakeholder	Engagement method	Engagement in the Fiscal Year Ended March 31, 2025
Customers	<ul> <li>Respond to surveys from customers and supplier evaluation organizations.</li> <li>Conduct interviews at the development stage for products, technologies, and business models.</li> <li>Communicate with customers through surveys and sales proposal activities.</li> </ul>	<ul> <li>Responded appropriately to surveys from our customers and supplier rating agencies while providing feedback and promoting corrective action in every relevant department according to the EcoVadis supplier evaluation results.</li> <li>Sought feedback from customers about concepts for potential products and technology as well as business models currently in the development stage.</li> <li>Rolled out corrective measures after analyzing customers surveys conducted in the fiscal year ended March 31, 2024, added questions about sustainability themes to the survey, and provided feedback to customers through the relevant departments.</li> </ul>
Business partners	Conduct surveys using business partner questionnaires and supplier evaluation organizations. Receive anonymous consultations and whistle-blower reports through the business partner helpline. Investigate and remedy potential human rights risks by implementing human rights due diligence.	<ul> <li>Encouraged business partners to undergo EcoVadis evaluations and advocated corrective actions for business partners deemed a high risk by the EcoVadis evaluation results.</li> <li>Promoted and encouraged our business partners to use a dedicated helpline for anonymous consultations and reports.</li> <li>Reviewed the raw procurement history of business partners with a large volume of electronics procurement for any conflict minerals and conducted on-site audits of business partners utilizing foreign trainee interns to identify and reduce latent human rights risks throughout the entire supply chain.</li> </ul>
Employees	<ul> <li>Implement employee engagement surveys.</li> <li>Conduct dialogue with employees through the self-reporting system and other channels.</li> <li>Set up a contact point for compliance consultation and for public interest whistle-blowing to receive anonymous consultations and whistle-blower reports.</li> </ul>	<ul> <li>Identified and formulated measures as well as promoted activities to address problems at each company discovered through the employee engagement survey conducted in the fiscal year ended March 31, 2024.</li> <li>Engaged in a more comprehensive dialogue with employees to encourage proper personnel assignments and independent career development through our self-reporting system.</li> <li>Distributed portable cards with the contact information for our public interest whistle-blowing hotline for anonymous consultations and reports. We also raised awareness about how to use this hotline through in-office dialogues with Group companies worldwide, human rights training, and internal newsletters.</li> </ul>
Shareholders and investors	Conduct dialogue with shareholders and investors through financial results briefings, participation in conferences, and IR roadshows. Conduct dialogue with individual securities analysts and institutional investors through meetings and conference calls. Respond to surveys from ESG evaluation organizations and other bodies.	•Engaged in dialogues with shareholders and other investors through various briefings as well as participation in conferences and roadshows. We also held one-on-one meetings with security analysts and institutional investors in person and by telephone. •Properly responded to surveys from ESG rating agencies.
Local communities	Verify negative and positive feedback received by business sites.     Contribute to the Kurita Water and Environment Foundation to support advances in science and technology related to water and the environment.     Work with external organizations and groups through community initiatives to improve water resources and public health issues and to support future generations.     Conduct activities related to nature conservation, welfare, disaster prevention, and other issues in communities where business sites are located, and provide support for areas affected by disasters or conflict.	•Reviewed complaints and compliments received by business sites. •Supported water and environmental sciences and technologies through donations to the Kurita Water and Environment Foundation. •Continued collective actions with the Water Resilience Coalition (WRC)*¹ to tackle issues in the Colorado River Basin in the United States, the PCJ Basin in Brazil, and the Citarum River Basin in Indonesia. We also ramped up water initiatives by participating in the Alliance on Water Stewardship (AWS)*² as a new international water initiative. •Donated to the Japan Platform non-profit organization to help people impacted by the torrential rain in the Noto Peninsula in September 2024.

<sup>\*1</sup> The CEO Water Mandate launched the WRC as one initiative of the United Nations Global Compact. The WRC is an international industry-driven initiative striving to recover water-stressed basins worldwide to preserve as freshwater resources.

<sup>&</sup>lt;sup>1</sup>2 The AWS is an international initiative that encourages companies to properly use and manage water from basins in order to achieve a water cycle that ensures sustainable water resources.

# **External Evaluation**

### **Inclusion in ESG Indexes**

#### FTSE4Good Index Series

This index was developed by FTSE Russell, a global index provider based in the United Kingdom. The FTSE4Good Index Series is designed to promote investment in companies that meet global environmental, social, and governance (ESG) standards. (As of June 2025)



Official Website >

### **FTSE Blossom Japan Index**

This index was developed by FTSE Russel. The FTSE Blossom Japan Index is designed to measure the performance of Japanese companies that are making outstanding efforts on ESG. (As of June 2025)



FTSE Blossom Japan Index

Official Website >

### **FTSE Blossom Japan Sector Relative Index**

This index was designed by FTSE Russell, as a sector neutral benchmark that reflects the performance of Japanese companies demonstrating strong environmental, social and governance practices (ESG). Also, the index is designed to support the transition to a low carbon economy by evaluating companies' climate governance activities aligned with the Taskforce on Climate-related Financial Disclosures' (TCFD) recommendations and carbon emissions intensity to determine stock eligibility for index inclusion. (As of June 2025)



FTSE Blossom Japan Sector Relative Index

Official Website >

#### MSCI NIHONKABU ESG Select Leaders

**2025** CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

This index was developed by MSCI. This index is composed of Japanese companies with excellent ESG evaluation among the constituents of the IMI Index without any bias toward any industry sector. (As of June 2025)

Official Website (Only in Japanese) >

#### The MSCI Japan Empowering Women Index(WIN)

**2025** CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

This index was developed by MSCI. It is composed of companies in the MSCI IMI Top 500 Index that have been selected based on their data regarding employment of women, disclosed under the Act on Promotion of Women's Participation and Advancement in the Workplace and corporate policies regarding gender diversity. (As of June 2025)

Official Website >

#### **MSCI World Small Cap Selection Index**

This is one of the MSCI Selection Index series developed by MSCI. The MSCI World Small Cap Index is designed to represent the performance of a set of companies that have high Environmental, Social, and Governance (ESG) ratings relative to their sector peers. (As of June 2025).



Official Website ▷

\* Our inclusion in any MSCI index, and the use of any MSCI logo, trademark, service mark or index name on this page does not constitute a sponsorship, endorsement or promotion of us by MSCI or its affiliates. Exclusive Ownership of MSCI: MSCI, the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

#### SOMPO Sustainability Index

This index was developed by Sompo Asset Management Co., Ltd., a Japanese asset management company. The index is composed of independently selected stocks, emphasizing their ESG evaluation based on environmental management (environmental assessment) and ESG management survey (social/governance assessment). (As of June 2025)



Official Website (Only in Japanese) >

### Morningstar Japan ex-REIT Gender Diversity Tilt

Morningstar Japan ex-REIT Gender Diversity Tilt is an index developed by Morningstar, Inc. Built with the corporate gender-related data and scoring methodology of Equileap, the index selects companies that have strong gender diversity policies embedded in the corporate culture and that ensure equal opportunities to employees, irrespective of their gender. The Company received a Group 1 rating, which is the highest of five ranks. (As of December 2024)





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

### **S&P/JPX Carbon Efficient Index**

The index is jointly developed, calculated and published by S&P Dow Jones Indexes, Inc. and Japan Exchange Group. Based on TOPIX component stocks, the weight of the constituents is determined based on the disclosure status of environmental information and the level of carbon efficiency (carbon emissions per sales). (As of March 2025)





### **Evaluation by ESG Rating Organization**

#### **ISS-ESG**

Certified as a "Prime" company in the ESG ratings of ISS ESG, the Responsible Investment division of US-based proxy advisory firm Institutional Shareholder Services Inc. Prime status indicates that Kurita exceeded industry-specific rating criteria. (As of February 2025)



Official Website >

# **Evaluation by Supplier Evaluation Organization**

#### **EcoVadis**

Awarded the Silver Medal, indicating a ranking in the top 15% of all companies in all industries, by EcoVadis, a French firm that rates the sustainable procurement capabilities of suppliers from a sustainability perspective. (As of July 2025)



Official Website >

# **Evaluation by Creating a Corporate Culture that Facilitates Work**

#### **Platinum Kurumin**

This is a system in which the Minister of Health, Labour and Welfare of Japan certifies outstanding companies that work to support the balance between work and childcare.



#### Class 3 Eruboshi

This is a system in which the Minister of Health, Labour and Welfare of Japan certifies as a "company promoting the active participation of women" based on the Act on Promotion of Women's Participation and Advancement in the Workplace.



We strive to solve issues related to water resources in the aspects of the quantity, quality, and accessibility by providing solutions that harness water knowledge and by collaborating with various organization, and maintain appropriate water circulation as an ecosystem service.

# The Kurita Group Approach & Contributions Through Our Businesses

Since its founding in 1949, the Kurita Group has been broadly involved in water processes across many industries founded in its corporate philosophy to: "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony." Over those 76 years, we have tapped into these diverse points of contact to gain extensive water knowledge. We aim to solve these water resource issues by tackling problems related to the quantity, quality, and accessibility of water by providing solutions that harness the knowledge of water. These efforts done in cooperation with various organizations address problems from shortages caused by water bias and pollution brought on by industrial development to various public health issues. The Kurita Group will always strive to ensure a proper water cycle as an ecosystem service.

#### Industrial Water Treatment

### **Utility water treatment**

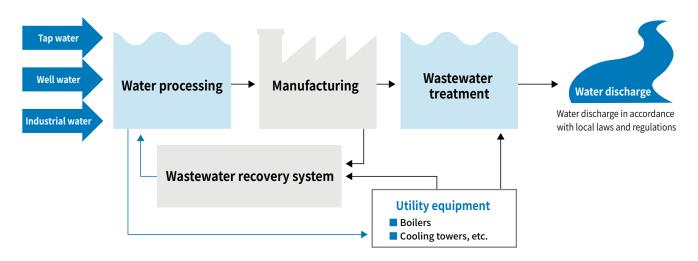
Our water utility treatment processes remove impurities to produce water suitable for various industrial applications. Ultrapure water is essential to semiconductor and other electronics manufacturers. Distilled and soft water are necessary for boilers used in factories and on other industrial sites. Clean utility water is critical to food and beverage production. We contribute to improving productivity by reliably manufacturing the types of water that fit customer needs.

#### Wastewater treatment

Wastewater from plants and other industrial sites varies in water quality and composition. Purifying wastewater to a level that complies with various regulations as well as our own uncompromising standards on water discharge reduces the environmental impact.

#### **Wastewater recovery**

The recovery, treatment, and reuse of wastewater from a wide range of industrial processes increases water savings.



# **Contribution to Achieving the SDGs**



























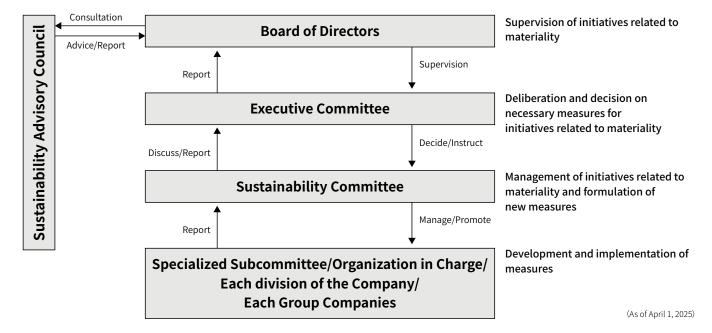






# **Promotion and Governance System**

The Kurita Group has identified solving issues related to water resources as one materiality issue. We strive toward the metrics and targets set by the department in charge, while the Sustainability Committee, chaired by the Corporate Officer and the Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. We have also established subcommittees dedicated to each shared value theme under the Sustainability Committee. One such subcommittee strives to bolster efforts to create new and grow existing CSV businesses that help conserve water and solve other water resources issues as well as identify relevant medium to long-term risks and opportunities. The Executive Committee generally receives reports twice a year on the progress of these initiatives to discuss and approve any necessary measures. The Board of Directors then receives reports on this progress from the Executive Committee to fulfill its duty in overseeing all materiality initiatives. As an advisory body to the Board of Directors, the Sustainability Advisory Council deliberates on ideal medium to long-term sustainability management for the Kurita Group. These discussions consider the perspective of each stakeholder based on sustainability efforts ongoing worldwide. The Sustainability Advisory Council presents its findings and advises the Board of Directors about materiality initiatives.



To address environmental issues that we share with society, the Company also put in place the Kurita Group Environmental Policy. We launched an environmental management system that operates according to this policy and drafted manuals to promote environmental action. The Kurita Group constantly encourages these initiatives as environmental improvement activities\*.

Please see the Kurita Group Environmental Policy for more information.

(Kurita Group Environmental Policy ▷

Please see the Environmental Management section for more information.

Environmental Management ▷

Please see the section below for more information about our CSV businesses.

CSV Businesses ▷

Please see the TNFD Report section for more information on our response.

TNFD Report 🖂

<sup>\*</sup>The Kurita Group defines its environmental improvement activities as follows:

 $<sup>1. \</sup> activities to comply with the environment-related laws and regulations of each country and region that are applicable in conducting business activities;\\$ 

 $<sup>2.\</sup> initiatives\ to\ solve\ international\ issues\ related\ to\ the\ sustainability\ of\ water\ and\ the\ environment\ through\ business\ activities;\ and$ 

<sup>3.</sup> disclosure of information related to 1 and 2, and engagement with customers, business partners, employees, shareholders and investors, and local communities related to such activities

# **Targets and Results**

Message from

Management

The Kurita Group is committed to solving water resource issues by setting targets related to water conservation and the reduction of GHG emissions associated with water conservation through the provision of solutions to customers, reducing water withdrawal in business activities, and engaging in collaborations with other organizations to alleviate water stress and raise awareness about water resources. Targets and results for this materiality are shown as below.

Metrics	Targets (Upper row) and Results (Lower row)						
metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	FY 03/2031		
Total number of basins where	3 basins, 130 million people	3 basins, 93 million people	4 basins	5 basins	7 basins		
collective actions are implemented (and total population in the basins) *1	Not Achieved (3 basins, 93 million people)	Achieved (3 basins, 93 million people)					
Amount of water savings through	125 million m³	135 million m³	150 million m³	250 million m <sup>3</sup>	_		
CSV businesses	Not Achieved (90 million m³)	Not Achieved (108 million m³)			-		
Rate of reduction in the ratio of	5%	20%	35%	50%	_		
GHG emissions to water savings*2 (compared to FY 03/2023)	Not Achieved (-17.3%)	Not Achieved (-2.1%)			-		
Rate of reduction of water withdrawal intensity	7%	21%	27%	Meet or exceed 30%	_		
(compared to FY 03/2023, excluding the ultrapure water supply business)	Achieved (18.2%)	Achieved (24.1%)			-		
Number of individuals, organizations and	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	_		
groups we engage with to raise awareness on water resources	Achieved	Achieved			-		

<sup>\*1</sup> The Board of Directors approved at its meeting in March 2025 removing total populations from collective basin actions to target only the basins beginning the fiscal year ending March 31, 2026. The goal of this change is to more properly reflect the impact that the Kurita Group has through collective action

Please see the section below for data on our environmental achievements.



impact that the Kurita Group has through collective action.

2 This figure represents the Kurita Group's Scope 3 Category 11 and 13 emissions divided by the amount of water savings achieved through CSV businesses involving water treatment facilities, which generate emissions in these categories.

Message from

Management

# **Evaluation of Results and Outline of Activities**

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

The Kurita Group engages in collective actions through cooperation with various international initiatives. This includes our participation in the Water Resilience Coalition (WRC)\*1 since the fiscal year ended March 31, 2021 and the Alliance for Water Stewardship (AWS)\*2 since July 2024. In the fiscal year ended March 31, 2025, collective actions continued to tackle issues at three basins: the Colorado River Basin in the United States, the PCJ Basin in Brazil, and the Citarum River Basin in Indonesia. These initiatives achieved our target to participate in collective actions at a total of three basins. Please see the Corporate Citizenship Activities section for the background and specific efforts of each action.





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

WRC | Water Resilience Coalition $\triangleright$ 

AWS | Alliance for Water Stewardship▷

Please see the section below for more information about our initiatives to improve people's access to water and prevent the spread of infections.

Corporate Citizenship Activities >

#### **Approach to Identify Basins**

Please see the Task-force on Nature-related Financial Disclosures (TNFD) report for more information about the process to identify basins requiring collective actions.

TNFD Report ⊳

# **Amount of Water Savings through CSV Businesses**

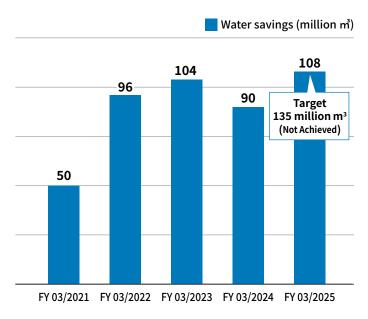
The Kurita Group has set amount of water savings targets for its CSV businesses. That is why each develops and provides solutions that help to conserve water.

The Sustainability Committee has striven to expand existing and launch new CSV businesses throughout the fiscal year ended March 31, 2025. However, these businesses experienced delays in advancing the contracts for water treatment systems that contribute to these water savings. Inevitably, we fell short of our 108 million m³ target. Of course, the Kurita Group will continue to deploy and grow its existing CSV businesses. However, going forward, we will focus on cultivating new CSV businesses in industries where water use is particularly significant to help realize a sustainable society.

Please see the sections below for more information about our CSV businesses.

 $\Big($  CSV Businesses  $\triangleright$   $\Big)$ 

#### **Amount of Water Savings through CSV Businesses**



# Rate of Reduction in the Ratio of GHG Emissions to Water Savings\*

The Kurita Group has set a target for the reduction rate of GHG emissions to water savings. The operation of water treatment and other equipment that helps conserve water produces GHG emissions. That is why we strive to engage in initiatives that efficiently conserve water while mitigating these GHG emissions. Unfortunately, in the fiscal year ended March 31, 2025, the Scope 3 reduction ratio and water savings realized through our CSV businesses fell short of the target, showing a 2.1% decrease compared to the fiscal year ended March 31, 2023.

\*This figure represents the Kurita Group's Scope 3 Category 11 and 13 emissions divided by the amount of water savings achieved through CSV businesses involving water treatment facilities, which generate emissions in these categories.

Message from

Management

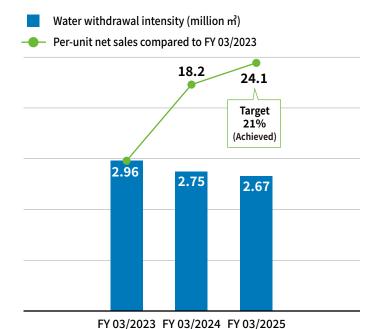
# Rate of Reduction of Water Withdrawal Intensity\*

The Kurita Group strives to reduce the water withdrawal intensity of its business activities in order to improve our water-use efficiency, reduce our environmental impact, and lower costs.

To promote strategic initiatives that are effective, we evaluated nature-related risks according to the geographical location of our operating bases. A quantitative evaluation does just that by assessing the impacts on and risk to natural capital. These results helped us select 43 sites for initiatives to reduce our environmental impact. The selection process considers the production volume, net sales, total floor space, and the other unique traits of each site. Aspects highly relevant to water use gave us the basic parameters to set specific annual targets in efforts to reduce our water withdrawal intensity.

The Kurita Group achieved its water use efficiency target of 24.1% in the fiscal year ended March 31, 2025. This is due to higher net sales versus our water withdrawal intensity, and the Kurita Group Innovation Hub increased its water recycling rate as a research and development center. Moreover, our Group companies with manufacturing capabilities also used water much more efficiently.

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



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

Please see the section below for water consumption, drainage, and other water-related data of operating bases not included above.

ESG Data ▷

# Number of individuals, organizations and groups we engage with to raise awareness on water resources

The Kurita Group aims to engage in effective and sustainable initiatives to solve water resource issues. For this reason, our stakeholder engagement efforts focus on cultivating greater interest in water resources. Throughout the fiscal year ended March 31, 2025, we have introduced our customers, business partners, and all other stakeholders to our water initiatives. Sustainability briefings focused on shareholders and other investors. Corporate citizenship activities got employees involved in action. Field trips and other outings provided community outreach. These efforts helped us successfully reach our target to meet or exceed year-on-year stakeholder engagement. The Company will not only continue these engagement initiatives but has also become a member of the Japan Water Stewardship (JWS) to help promote the AWS throughout Japan. We hope this opens up avenues for new opportunities to raise awareness about water resource conservation.



and Materiality

Other Efforts to

# 2. Contribute to the Realization of a Decarbonized Society

We contribute to the realization of a decarbonized society in the overall supply chain by developing and providing solutions that help reduce GHG emissions in industries and society and by implementing low-carbon business activities.

# The Kurita Group Approach & Contributions Through Our Businesses

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

Regarding our efforts to address climate change issues, we disclose information on our response to climate change based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)\*.

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



### **Contribution to Achieving the SDGs**









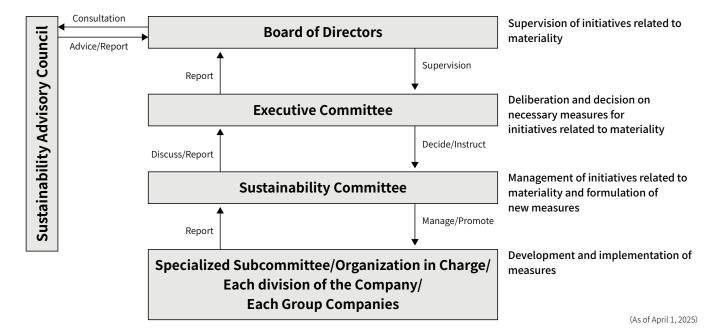






# **Promotion and Governance System**

The Kurita Group has identified contributing to the realization of a decarbonized society as one materiality issue. We strive toward the metrics and targets set by the department in charge, while the Sustainability Committee, chaired by the Corporate Officer and the Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. We have also established subcommittees dedicated to each shared value theme under the Sustainability Committee. One such subcommittee strives to strengthen initiatives aimed at achieving the metrics and targets, including exploring business opportunities that contribute to reducing Scope 3 and GHG emissions. The Executive Committee generally receives reports from the Sustainability Committee twice a year on the progress of these initiatives to discuss and approve any necessary measures. The Board of Directors then receives reports on this progress from the Executive Committee to fulfill its duty in overseeing all materiality initiatives. As an advisory body to the Board of Directors, the Sustainability Advisory Council deliberates on ideal medium to long-term sustainability management for the Kurita Group. These discussions consider the perspective of each stakeholder based on sustainability efforts ongoing worldwide. The Sustainability Advisory Council presents its findings and advises the Board of Directors about materiality initiatives.



To address environmental issues that we share with society, the Company also put in place the Kurita Group Environmental Policy. We launched an environmental management system that operates according to this policy and drafted manuals to promote environmental action. The Kurita Group constantly encourages these initiatives as environmental improvement activities\*.

- \* The Kurita Group defines its environmental improvement activities as follows:
- 1. activities to comply with the environment-related laws and regulations of each country and region that are applicable in conducting business activities;
- 2. initiatives to solve international issues related to the sustainability of water and the environment through business activities; and
- 3. disclosure of information related to 1 and 2, and engagement with customers, business partners, employees, shareholders and investors, and local communities related to such activities

Please see the Kurita Group Environmental Policy for more information.

(Kurita Group Environmental Policy ▷

Please see the Environmental Management section for more information.

Environmental Management ▷

Please see the section below for more information about our CSV businesses.

CSV Businesses >

Other Efforts to

# **Targets and Results**

Message from

Management

The Kurita Group strives to build a decarbonized society by setting targets for reducing the Scope 1, 2, and 3 emissions of our business activities by providing customers with solutions to reduce greenhouse emissions. Targets and results for this materiality are shown as below.

Metrics	Targets (Upper row) and Results (Lower row)					
	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	FY 03/2031	FY 03/2051
Rate of reduction in Scope 1+2 emissions (compared to FY 03/2020)	17%	50%	52%	73%	80%	Net-Zero
	Achieved (21.4%) *	Achieved (50.2%)				
Rate of reduction in Scope 3 emissions (compared to FY 03/2020)	11%	14%	17%	22%	30%	Net-Zero
	Not achieved (-35.8%) *	Not achieved (5.3%)			-	-
Avoided GHG emissions through CSV Businesses	630 thousand t-CO <sub>2</sub>	900 thousand t-CO <sub>2</sub>	2,500 thousand t-CO <sub>2</sub>	3,000 thousand t-CO <sub>2</sub>	_	_
	Achieved (733 thousand t-CO <sub>2</sub> )	Achieved (1,312 thousand t-CO <sub>2</sub> )			-	-

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

Please see the section below for data on our environmental achievements.



# **Evaluation of Results and Outline of Activities**

The Kurita Group strives to reduce its Scope 1, 2, and 3 greenhouse gas emissions in line with the Paris Agreement, based on our long-term goal of achieving "netzero" greenhouse gas emissions. This target was set according to the methodology of the SBTi\* and certified by the SBTi in April 2025 as a science-based target. In the baseline fiscal year ended March 31, 2020, Scope 1 + 2 emissions accounted for approximately 1.4% of Kurita Group greenhouse gas emissions, while Scope 3 emissions accounted for approximately 98.6%. This means that reducing our Scope 3 emissions is key to tackling climate change for the Kurita Group.

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

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

# Rate of Reduction in Scope 1+2 Emissions

The Kurita Group actively promotes the adoption of renewable energy in order to reduce Scope 2 emissions (those caused by power generation), which account for the majority of our Scope 1 + 2 greenhouse gas emissions. Our primary effort for reducing Scope 1 emissions is switching our company cars from gasoline-powered vehicles to hybrid and electric vehicles.

In the fiscal year ended March 31, 2025, we successfully reduced our Scope 1 + 2 emissions to 50.2% of the baseline fiscal year ended March 31, 2020. This was achieved with the renewable energy we adopted during the previous fiscal year and renewable energy certificates.

Going forward, we will adopt more renewable energy and continue to promote the decarbonization of our company cars so that we can further reduce our greenhouse gas emissions.

Please see the ESG Data section for data on renewable energy installations and energy consumption.



Message from

Management

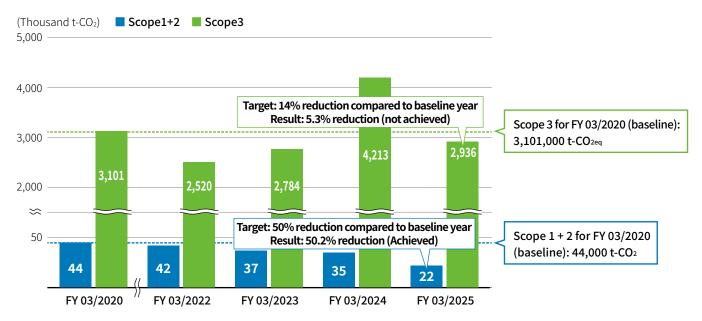
## Rate of Reduction in Scope 3 Emissions

62.6% of our Scope 3 emissions are Category 11 greenhouse gas emissions caused by the use of products that we sell (mostly rotary machinery such as pumps used for transporting water). In the fiscal year ended March 31, 2025, we worked to reduce our Category 11 and 13 greenhouse gas emissions. We did so by improving the design efficiency of water treatment facilities and the development and adoption of low-carbon technology for water treatment membranes, which account for about 60% of our power consumption. These efforts were promoted in conjunction with stakeholders in Japan and overseas, and have led to technical innovations for promoting low-carbon products.

We also reviewed the actual operation data of water treatment facilities and the adoption of renewable energy by our customers. This enabled us to reflect actual power consumption and greenhouse gas emissions in our performance data.

On the other hand, our Category 11 greenhouse gas emissions caused by the use of products that we sell increased. This was due to the extra procurement of pumps in order to deliver more water treatment facilities. Therefore, our Scope 3 rate of reduction stagnated at 5.3% compared to the fiscal year ended March 31, 2020. Moving ahead, we will continue to promote the adoption of low-carbon technologies in order to reduce Scope 3 emissions. We will also strive to improve our emission calculation methods by utilizing actual operation data and information on the renewable energy adopted by our customers.

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



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

## **Avoided GHG emissions through CSV businesses**

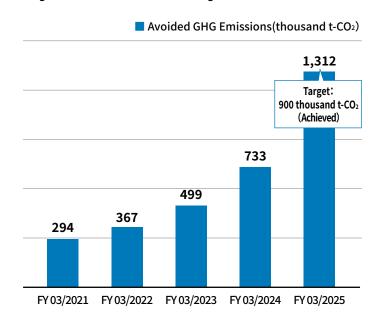
The Kurita Group has set targets for reducing greenhouse gas emissions via our CSV businesses. These will enable us to aim for a decarbonized society across our entire supply chain by developing and providing solutions that help reduce the greenhouse gas emissions of industry and society.

In the fiscal year ended March 31, 2025, we were able to exceed our target, reducing  $CO_2$  emissions by 1,312,000 tons. This was due to changes in our customer needs resulting from rising energy costs and the effect of our newly registered CSV businesses.

Please see the sections below for more information about our CSV businesses.

CSV Businesses ▷

#### Changes in avoided GHG emissions through CSV businesses



# Other Related Initiatives

### **Example Initiatives**

### Carbon Footprint (CFP)\* Calculation

The Kurita Group works to calculate CFP in order to help reduce greenhouse gas emissions at customer sites and throughout our entire supply chain. We do this by providing solutions that help reduce greenhouse gas emissions and visualizing the greenhouse gas emissions caused by the products in our supply chain. In the fiscal year ended March 31, 2025, our chemicals became the first water treatment products in Japan to be certified by the SuMPO/Internal-PCR Approval System. The Japan Sustainable Management Promotion Organization (SuMPO) provides the SuMPO/Internal-PCR Approval System for the review and approval of internal CFP calculation rules. Going forward, we plan to utilize CFP calculations to help improve the competitive advantage of Kurita Group businesses.

\*A carbon footprint is an indicator that shows the greenhouse gas emissions of products and services across their entire life cycle (procurement of raw materials, to manufacturing, transport, use, and disposal), converted to an equivalent CO: value.

Please see the section below for more information about our approval from the SuMPO/Internal-PCR Approval System.

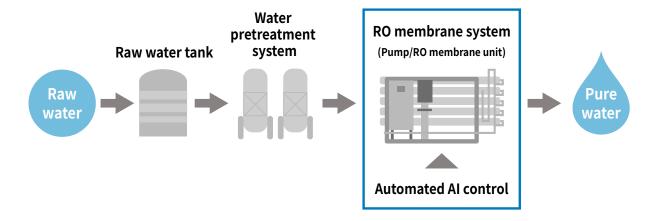
SuMPO/Internal-PCR Approval System (Only in Japanese)

### **AI-based Optimization of Water Treatment Facilities**

Message from

Management

The Kurita Group uses artificial intelligence (AI) to optimize the operation of RO membrane facilities that incur particularly high-power consumption and running costs in water treatment based on past data. We promote it as part of the Meta-Aqua Project, which aims to simultaneously reduce these running costs and greenhouse gas emission, especially those caused by power generation. This initiative is currently implemented in regions such as Japan, China, and Singapore. We have confirmed that AI- optimized operation can reduce power consumption by about 10%.



Please see the section below for more information about our O&M AI optimization solution

O&M AI Optimization Solution >

### **Participation in External Initiatives**

### Participation in METI's GX League

The Kurita Group endorses the goal of the Japanese government to achieve carbon neutrality by the year 2050. We also participate in the GX League framework that facilitates cooperation between companies involved in Green Transformation (GX). The GX League was established under the leadership of the Ministry of Economy, Trade and Industry. It promotes GX so that companies aiming to achieve current and future sustainable growth can discuss and implement market creation based on collaboration with government, academia, and financial institutions.



#### Participation in the Japan Business Federation's Challenge Zero program

The Kurita Group participates in the Challenge Zero (Challenge Net Zero Carbon Innovation) initiative promoted by the Keidanren (Japan Business Federation) in conjunction with the Japanese government. The Challenge Zero initiative aims to quickly achieve the net zero greenhouse gas emission target of the Paris Agreement via technical innovation and the initiatives of participating companies and other organizations. As of August 2025, the initiative included 197 companies and other organizations.



#### Participation in the Japan Society of Industrial Machinery Manufacturers' Basic Environmental Action Plan

The Kurita Group participates in the Basic Environmental Action Plan of the Japan Society of Industrial Machinery Manufacturers, which aims to mitigate global warming. We report on the status of our efforts for tackling climate change once per year.

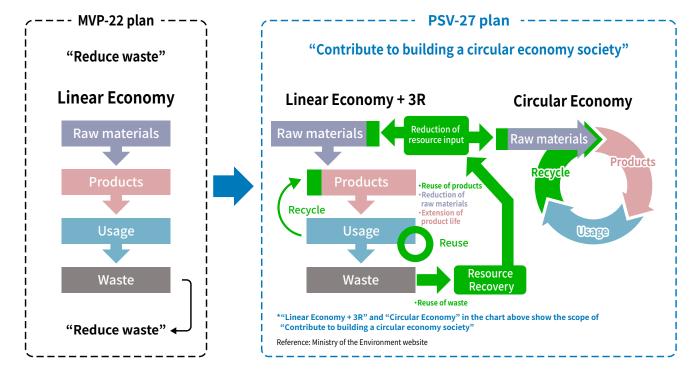
# 3. Contribute to Building a Circular Economy Society

We contribute to building sustainable industries and society and preventing and reversing the nature loss by developing and providing products and services that make effective use and reuse of limited and recyclable resources in optimal ways.

# The Kurita Group Approach & Contributions Through Our Businesses

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

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



Please see the section below for specific initatives to recover resources and reduce resource inputs.

CSV Businesses ▷

# **Contribution to Achieving the SDGs**

















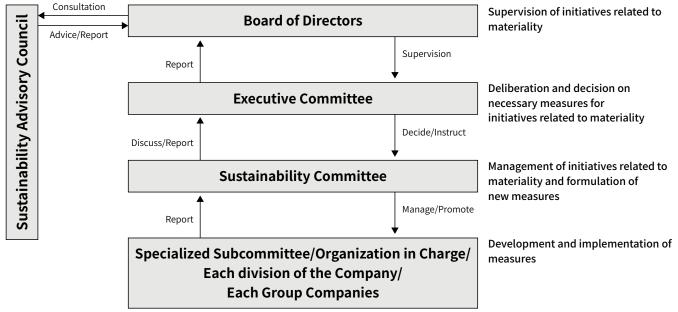




# 3. Contribute to Building a Circular Economy Society

# **Promotion and Governance System**

The Kurita Group has identified contributing to building a circular economy society as one materiality issue. We strive toward the metrics and targets set by the department in charge, while the Sustainability Committee, chaired by the Corporate Officer and the Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. Under the Sustainability Committee, we have established subcommittees dedicated to each shared value theme to strengthen initiatives aimed at achieving the metrics and targets. The Executive Committee generally receives reports twice a year on the progress of these initiatives to discuss and approve any necessary measures. The Board of Directors then receives reports on this progress from the Executive Committee to fulfill its duty in overseeing all materiality initiatives. As an advisory body to the Board of Directors, the Sustainability Advisory Council deliberates on ideal medium to long-term sustainability management for the Kurita Group. These discussions consider the perspective of each stakeholder based on sustainability efforts ongoing worldwide. The Sustainability Advisory Council presents its findings and advises the Board of Directors about materiality initiatives.



(As of April 1, 2025)

To address environmental issues that we share with society, the Company also put in place the Kurita Group Environmental Policy. We launched an environmental management system that operates according to this policy and drafted manuals to promote environmental action. The Kurita Group constantly encourages these initiatives as environmental improvement activities\*.

- $1. \ activities \ to \ comply \ with \ the \ environment-related \ laws \ and \ regulations \ of \ each \ country \ and \ region \ that \ are \ applicable \ in \ conducting \ business \ activities;$
- 2. initiatives to solve international issues related to the sustainability of water and the environment through business activities; and
- 3. disclosure of information related to 1 and 2, and engagement with customers, business partners, employees, shareholders and investors, and local communities related to such activities.

Please see the Kurita Group Environmental Policy for more information.

Kurita Group Environmental Policy ▷

Please see the Environmental Management section for more information.

Environmental Management >

<sup>\*</sup>The Kurita Group defines its environmental improvement activities as follows:

Other Efforts to

## 3. Contribute to Building a Circular Economy Society

# **Targets and Results**

Message from

Management

The Kurita Group is working to build a circular economy society by setting targets for resource recovery and the reduction of resource inputs through the provision of solutions to customers, as well as in-house waste recycling rates in business activities. Targets and results for this materiality are shown below.

Metrics	Targets (Upper row) and Results (Lower row)				
wetrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028	
Rate of increase in resource recovery or reduction of resource input	30%	65%	100%	300%	
through CSV businesses (compared to FY 03/2023)	Not Achieved (-2%)	Not Achieved (12%)			
	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	
In-house waste recycling rate	Achieved	Achieved			

Please see the section below for data on our environmental achievements.



# **Evaluation of Results and Outline of Activities**

# Rate of Increase in Resource Recovery or Reduction of Resource Input through CSV Businesses

The Kurita Group strives to recover resources as well as reduce resource inputs through CSV businesses. Our targets set specific goals for the rate of increase in resource recovery and the rate of reduction of resource inputs. By developing and providing solutions to help improve resource efficiency in society as a whole, we strive to achieve our targets via efforts such as resource recovery based on the reuse or recycling of waste, design improvements to reduce the use of raw materials, and the reuse of products to reduce resource input.

In the fiscal year ended March 31, 2025, we saw steady progress in some of our CSV businesses. However, we were unable to achieve our targets due to changes in plans for projects with a large impact. This led to only a 12% increase compared to the fiscal year ended March 31, 2023. In the future, we will strengthen our intra-organizational efforts to create new CSV businesses and work to expand our existing CSV businesses, so that we can accelerate the transition to a circular economy.

# In-house Waste Recycling Rate\*

The Kurita Group continually strives to improve the waste recycling rate at our business sites in order to reduce the environmental impact of our business activities. We conducted a nature-related risk assessment based on the geographical location of our operation sites, as well as a quantitative assessment of our impacts and risks regarding natural capital. This enabled us to identify 43 priority sites for reducing our environmental impact in order to effectively and strategically promote such efforts.

We are always working to reduce waste and improve recycling rates according to intensity targets based on the unique characteristics of each site. These targets are based on indicators that are highly correlated with waste volume, such as production amounts, net sales, and total floor area.

In the fiscal year ended March 31, 2025, we were able to achieve our targets, outperforming our results of the previous year. This was due to business expansion at our sites with high rates of recycling, which did lead to more waste but also a higher rate of recycling. We were also able to reduce waste at Kurita Group companies that produce a large amount of waste.

## 3. Contribute to Building a Circular Economy Society

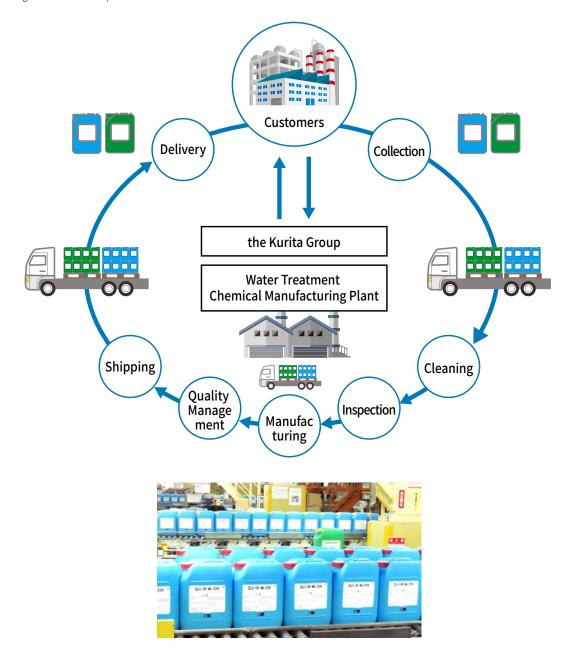
# **Other Related Initiatives**

# **Kurita's Proprietary Container Collection System for Water Treatment Chemicals**

To reduce environmental impact and promote efficient resource utilization, the Company and its domestic Group Companies have implemented a uniquely developed container collection system for water treatment chemicals.

Materiality

This system uses specialized reusable containers for water treatment chemicals and covers the full cycle from delivery and collection to cleaning and reuse. The containers used in this system are made of highly durable polyester, uniquely developed by the Company as part of its ISO14001-compliant environmental management initiatives. They are compatible with approximately 1,000 specifications of water treatment chemicals. In addition, all containers are equipped with QR codes that allow centralized management of information such as the type of chemical filled and its usage history. This ensures thorough quality control across the entire process from delivery to reuse. We have set a target reuse rate of over 80% for our containers and have consistently achieved a rate exceeding 85% each year. Even containers that are difficult to reuse are fully recycled into various resin-based products, contributing to waste reduction and further minimizing environmental impact.



# **Environmental Management**

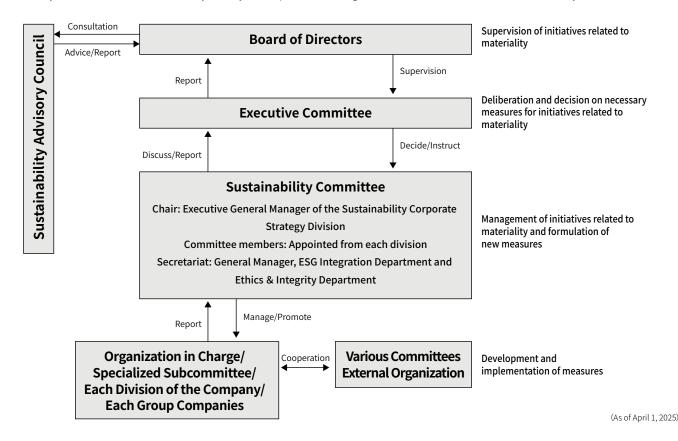
# **Promotion and Governance System**

The Kurita Group appoints environmental advocates in business administration departments to promote environmental improvement activities throughout each division. We not only reduce our own environmental impact but also integrate these initiatives into CSV businesses that better customer environments. Our environmental advocates are responsible for setting various environmental targets as well as rolling out the initiatives for each division to achieve those goals. In turn, the Sustainability Committee receives reports on the progress and results from each environmental advocate.

Our Environmental Management Department oversees and supports every one of these initiatives. This office coordinates with the environmental advocates to gather information, expand initiatives throughout the Group, and manage as well as evaluate progress.

We are also integrating our response to environmental issues into our materiality initiatives. Departments responsible for metrics and targets take charge and propel these initiatives forward. The Sustainability Committee chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division carefully discusses the progress made, while supervising and promoting Group-wide materiality initiatives.

Moreover, the Sustainability Committee has put in place various subcommittees focused on our material issues to help solve issues related to water resources, contribute to the realization of a decarbonized society and contribute to building a circular economy society. Each subcommittee fortifies our initiatives to accomplish the metrics and targets set for each material issue. The Executive Committee generally receives reports twice a year on the progress of materiality initiatives to discuss and approve any necessary measures. These progress reports are then escalated to the Board of Directors from the Executive Committee so that the Board of Directors can fulfill its duty to oversee every materiality initiative. As an advisory body to the Board of Directors, the Sustainability Advisory Council deliberates on ideal medium to long-term sustainability management for the Kurita Group. These discussions consider the perspective of each stakeholder based on the ongoing sustainability efforts worldwide. The Sustainability Advisory Council presents its findings and advises the Board of Directors about materiality initiatives.



### ISO 14001 Certification

The Kurita Group acquires ISO 14001 certifications at business sites, prioritizing those with a high environmental impact. Any business site not yet certified establishes environmental management systems in accordance with the Kurita Group Environment Policy. Please see the ESG Data section below for the acquisition rate and list of certified Group companies as of March 2025.



Other Efforts to

Message from

Management

## **Compliance with Environmental Laws and Regulations**

The Kurita Group has put in place systems and mechanisms to comply with all environmental laws and regulations in each country and region where it conducts business. The Kurita Group Environmental Policy, internal environmental control procedures, and manuals on promoting environmental improvement activities solidify the foundation of this framework. In addition, we constantly evaluate and enhance compliance whenever possible.

### Independent On-site Evaluations and Internal Audits by the Environmental Management Department

All Japan sites and overseas Group companies conduct independent evaluations annually using an environmental compliance checklist under the guidance of the Environmental Management Department, targeting management items related to chemical substances, waste, wastewater treatment facilities, the Act on Rational Use and Proper Management of Fluorocarbons, the Energy Conservation Act, the Special Measures Act on Dioxins, the Noise Regulation Act, and the Vibration Regulation Act. In the fiscal year ended March 2025, the implementation rate of self-assessments at the applicable sites and Group companies was 100%. The Environmental Management Department collects, reviews, and continually assesses the results of each independent evaluation done by Group companies and business sites. All new business sites and any entity in Japan that has violated or has a high risk of violating an environmental law or regulation must undergo an internal audit by the Environmental Management Department. These internal audits closely monitor the level of environmental compliance and the progress of corrective actions. These audits cover a broad spectrum, such as the management of chemicals, waste, and wastewater treatment facilities. Beyond internal audits, the Internal Auditing Department also surveys the level of compliance at each company worldwide.

#### **Corrective Actions and Preventative Measures**

We immediately take corrective action in the event of any legal or regulatory violation or incident. The Sustainability Committee receives reports on the outcomes of those measures. The Company designates new sites and those with repetitive violations as high-risk organizations. We then conduct in-depth audits and support corrective actions.

## **Legal/Regulatory Violations**

The Kurita Group had no incidents in the fiscal year ended March 31, 2025.

## **Environmental Education and Awareness-Raising**

The Kurita Group offers a wide range of educational programs that advocate environmental improvement activities. These awareness-raising efforts strive to instill a passion for the environment in each and every employee. We not only share information via the intranet but also host exhibitions and seminars, train new employees, and help broaden various corporate citizenship activities that solicit employee volunteers. Guidelines on promoting environmental improvement activities shape our advocacy, unifying the Kurita Group in ongoing action.

We also update our sustainability website annually to share the progress toward our materiality targets with everyone inside and outside the company.

## **Environmental Management**

Message from

Management

## Main Environmental Improvement Activities in the FY 03/2025

The Kurita Group has ramped up initiatives to address environmental issues by promoting diverse environmental improvement activities throughout the fiscal year ended March 31, 2025. The list below highlights some of our main initiatives.

# Strengthen natural capital: Start of disclosure in line with the Taskforce on Nature-related Financial Disclosure (TNFD)/Sustainable Finance Disclosure Regulation (SFDR)

As the international framework for disclosures about natural capital, the Company has adopted the TNFD recommendations. This has helped us identify Group companies where we can prioritize our initiatives. We have also enhanced disclosure about water quality in accordance with the European Sustainability Finance Disclosure Regulation (SFDR). The Company approved and has expanded third-party evaluations of substances subject to measurement based on the SFDR.

### More comprehensive third-party evaluations: Greater reliability of data on water and waste

The Company expanded the scope of third-party evaluations to enhance the reliability of environmental data on water usage and waste emissions. Broader third-party evaluations heighten our transparency with stakeholders and increase objectivity when assessing Kurita Group initiatives to reduce our environmental impact.

## Science-based targets: Certification by the Science Based Target Initiative

The Science Based Target Initiative has certified our targets to reduce greenhouse gas emissions and combat climate change. With this certification, the Kurita Group brings initiatives to achieve targets in line with international standards into full swing.

## More sophisticated waste management and the impact on Scope 3 emissions

New waste management practices separate waste conventionally classified together as other industrial waste as metals, wood and glass scarp, and other specific categories. This initiative directly impacts our Scope 3 Category 5 emissions, which refer to waste generated by corporate operations handled by third parties in the supply chain. These new waste management practices contribute to sophisticated reduction measures through more detailed data on emissions.

## CSV business expansion: Eco-friendly product development

One of our CSV businesses has launched an initiative to reuse ammonium acid reclaimed from semiconductor plants as a raw ingredient for pharmaceuticals. The effort reduces the environmental impact of our customers while also contributing to waste recycling and the realization of a circular economy.

D.I	- 1	٠. ٢		1 1	r	1 4 41
Please	see the	: inform	ation	below	for more	details.

TNFD Report ▷

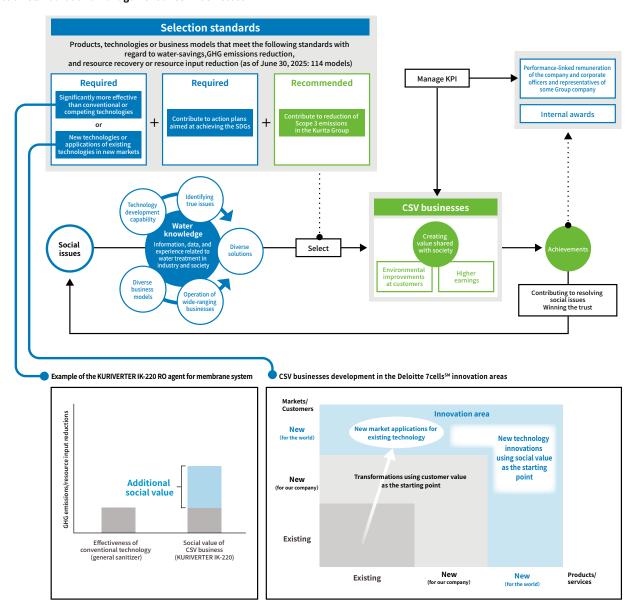
CSV Businesses ▷

## **Overview of CSV Businesses**

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

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

#### **Selection Standards and Management of CSV Businesses**



Please see the information below for more information about our performance evaluations.

Integrated Report ▷

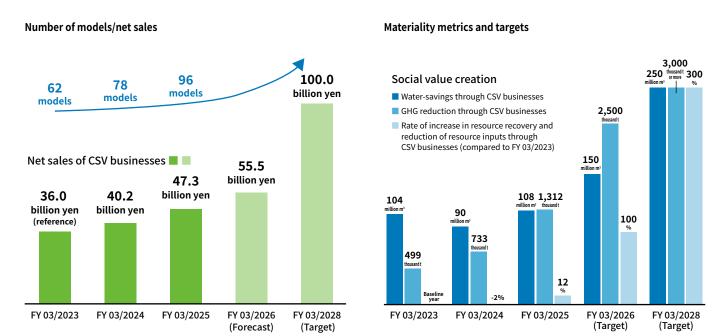
Message from

Management

## **Targets and Achievements**

The Kurita Group has identified its shared value themes as efforts to solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society as the materiality issue. We have also set CSV business targets in the financial targets of the PSV-27 plan, and promote activities for achieving those targets.

In the fiscal year ended March 31, 2025, we achieved our targets regarding the number of CSV business models, net sales, and avoided greenhouse gas emissions.



Please see the sections below for more information on materiality metrics, targets, and performance.

Solve issues related to water resources ▷

Contribute to the realization of a decarbonized society ▷

Contribute to building a circular economy society ▷

Report and Data

## **Efforts for Creating and Expanding CSV Businesses**

The Kurita Group focuses on improving the number, quality, and sales of its CSV business models, and we build the required systems to support these efforts. This enables us to continuously promote the creation and expansion of CSV businesses.

## **Increasing the Number of CSV Business Models**

The Kurita Group aims to increase the number of its CSV business models. This involves promoting innovation strategies and activities at subcommittees below the Sustainability Committee, as well as identifying ideas based on customer needs.

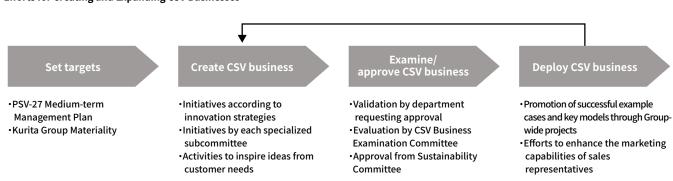
### Improving the Quality of CSV Business Models

The Kurita Group has established a CSV Business Examination Committee led by our Chief Technology Officer for the purpose of improving the quality of our CSV businesses. This committee mainly focuses on the novelty and advantages of business models in technical terms, as well as advantages in terms of intellectual property. Also, it examines whether to adopt new CSV businesses and whether to continue existing CSV businesses, based on orders and profitability. The final decision on CSV businesses that pass the examination is made by the Sustainability Committee, which is in charge of supervising and promoting the materiality initiatives of the Kurita Group.

### **Efforts to Bolster Expansion of CSV Businesses**

The Kurita Group has launched a group-wide project for managing global sales expansion, as we aim to strengthen the expansion of our CSV businesses. We appoint CSV business ambassadors in each region, who share successful examples and strengthen the deployment of key models. We also provide briefing sessions and example cases in order to improve the ability of our sales representatives to make proposals.

#### **Efforts for Creating and Expanding CSV Businesses**



Message from

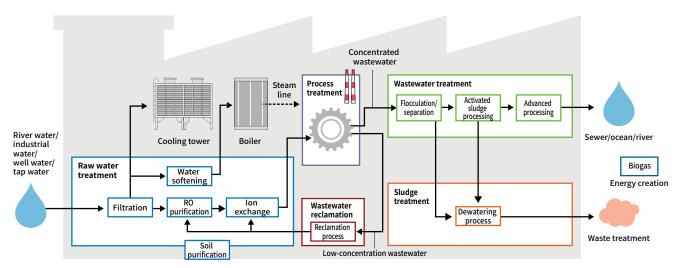
Management

## **Typical Examples**

#### **CSV Businesses in the Field of Water Treatment**

The Kurita Group is able to offer CSV business solutions across various aspects of the water treatment processes at our customers' factories. In addition to the water treatment processes described below, we also develop CSV businesses such as technologies for recycling used disposable diapers and recovering biogas from organic waste.

#### **Applicable Scope of CSV Businesses**



CSV Businesses	Applicable Fields
Novel Biodegradable Corrosion Control	● Cooling towers
RoClean Series	■ Raw water treatment and ● Wastewater reclamation
Kurita Dropwise Condensation Technology	Boiler to process treatment
PFAS removal technology for water/wastewater	■ Raw water treatment and ■ Wastewater treatment
CORR system	Wastewater reclamation and      Wastewater treatment
Sludge resource recovery	Sludge treatment

## Water Saving: CORR system, Standardized Wastewater Reclamation System/Reclaimed Water Supply Service

#### Water Supply Reduced 40%, Wastewater Reduced 30%, and Water Costs Reduced 8.4%

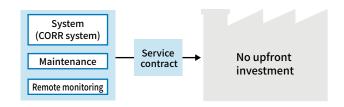
Industrial wastewater is typically purified through treatment facilities to minimize its impact on the surrounding environment before being released into a sewer or river. By reclaiming this wastewater, water use can be dramatically reduced. However, industrial wastewater normally contains a high level of impurities and exhibits significant fluctuations in water quality, which means that stable wastewater recovery requires advanced technology.

The CORR system provided by the Kurita Group is a standardized water reclamation system. It combines water treatment chemicals and water treatment facility technologies in a simple manner. The use of unique water treatment chemicals achieves stable wastewater recovery and contributes to saving water. We also install CORR systems owned by the Kurita Group at customer factories, which enables us to provide a reclaimed water service that covers everything from operation management to maintenance. This allows our customers to receive reclaimed water of the desired quantity and quality. The service contributes to reducing both total costs and the burden of work.

#### **CORR System**



#### **Overview of Reclaimed Water Supply Service**



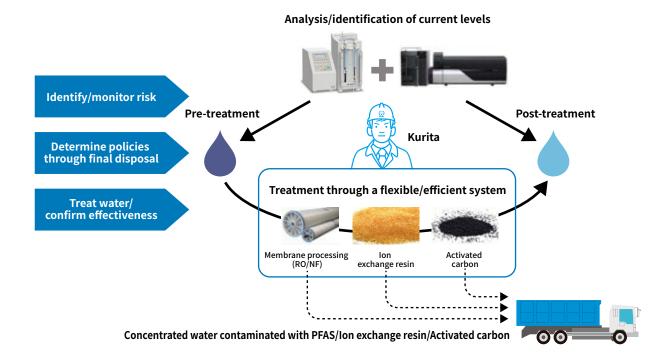
Message from

Management

## Water Saving: PFAS Removal Technology for Raw water/Wastewater Treatment

PFAS is the general term for artificially created organic fluoride compounds. Because these substances repel water and oil and have high chemical resistance and heat resistance, they are used in a wide variety of products, from industrial products to consumer products. However, some PFAS are feared to be carcinogenic and affect child development. In recent years, this has led countries mostly in Europe and North America to strengthen water quality regulations and manufacturing regulations. In April 2026, Japan is expected to enact legislation that will establish water quality standards regarding PFOS and PFOA, which are thought to adversely affect human health.

The Kurita Group considers PFAS mitigation to be an important social issue regarding water and the environment. By collecting and analyzing diverse information on the effect of PFAS in the business domain and considering countermeasures, we can provide optimal solutions that leverage the technologies and other expertise we have cultivated in the water treatment business. When treating water, we reduce the PFAS included in the raw water to a level compliant with water quality standards. When treating wastewater, we remove the PFAS included in the wastewater before discharging it, which prevents the PFAS from spreading out into the water resource environment and helps the circulation of water resources.



Message from

Management

## Reduction of Greenhouse Gas Emissions: Kurita Dropwise Condensation Technology

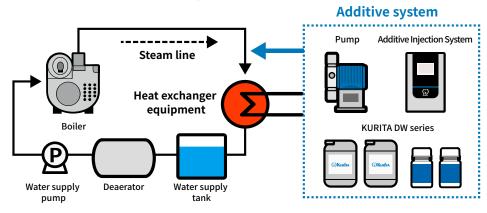
#### Boiler Fuel Use Reduced by 8% and Greenhouse Gas Emissions Reduced by 250t Annually\*

Many factories use steam heat exchangers to heat target materials. The heat transfer surface of these heat exchangers causes steam to condense in the process for supplying heat to the target material via the metal surface. The condensed steam forms a water film. A water film causes heat resistance and even a thin film can dramatically reduce the heat transfer efficiency, which leads to more steam being used.

Kurita Dropwise Condensation Technology makes the heat transfer surface water-repellent, which prevents the formation of water film and improves the heat transfer efficiency. This not only improves productivity, but also saves energy by reducing the amount of steam used and helps reduce greenhouse gas emissions derived from boiler fuel consumption.

Because Kurita Dropwise Condensation Technology works simply by adding a water treatment chemical to the steam, it can be adopted without stopping production facilities and without a large-scale investment.

#### **Kurita Dropwise Condensation Technology Additive System**



#### **Mechanism of Kurita Dropwise Condensation Technology**



<sup>\*</sup>Example of use in cardboard manufacturing

Please see the section below for more information on Kurita Dropwise Technology.

Kurita Dropwise Condensation Technology (Video) ▷

In the fiscal year ended March 31, 2024, Kurita received the Sasaki Award from the Japan Technical Association of the Pulp and Paper Industry for FINE STEAM, which is based on Kurita Dropwise Condensation Technology.

Kurita Receives the Sasaki Award from the Japan Technical Association of the Pulp and Paper Industry for FINE STEAM™ Based on Kurita Dropwise Condensation Technology

## Reduction of Greenhouse Gas Emissions: Novel Biodegradable Corrosion Control

#### Reduction of Greenhouse Gas Emissions across the Entire Supply Chain

Cooling water is used in cooling processes at factories and in air conditioning systems in office buildings. However, measures are required to address issues such as corrosion, scale, and slime, which can hinder stable equipment operation.

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

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



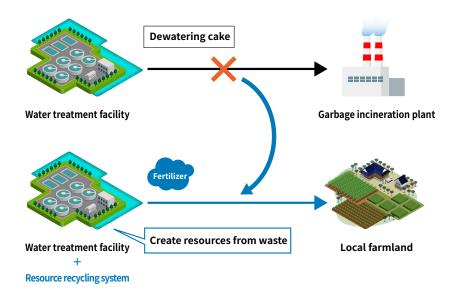
## **Resource Recovery: Recycling Sludge**

#### **Recycling Sludge as Animal Feed**

The sludge generated in the wastewater treatment process is normally incinerated or buried after being dehydrated or dried.

The Kurita Group now uses recycling facilities to treat sludge that was previously disposed of as waste. Now it is reclaimed as fertilizer and provided to local communities. The recycling process performs batch operation management of the water treatment facilities and recycling facilities. This helps optimize the amount of chemicals used, achieves integrated control of the sludge water content in the dehydration facilities and recycling facilities, and enables stable and efficient operation. This initiative promotes waste recovery and contributes to building a circular economy.

#### Sludge recovery



Message from

Management

## **Reduction of Resource Inputs: RoClean Series**

#### Extension of RO Film Life and Reduction of Environmental Impact

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

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

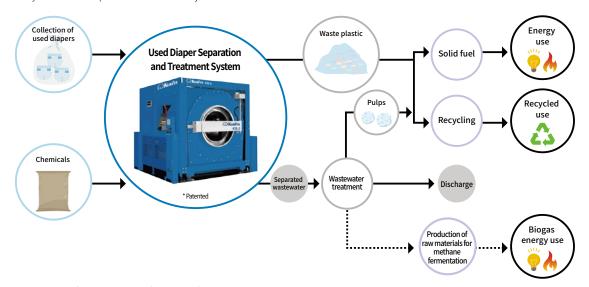
Through these benefits, the RoClean series helps maintain RO membrane performance and extend membrane life, contributing to the reduction of both waste generation and resource input.



### **Resource Recovery: Used Diaper Separation and Treatment System**

#### **Recycling Used Diapers**

In Japan, most used diapers are incinerated by waste disposal companies or local governments. As the elderly population grows, the amount of used diapers is expected to increase. The Used Diaper Separation and Treatment System enables used diapers to be washed and separated for recycling. The system incorporates a bag-puncturing function, which enables it to process diapers while still inside a plastic bag. This improves both sanitation and work efficiency. Used diapers are washed and taken apart by the system, which separates them into plastics and treated water containing pulp. These separated materials can then be reused as solid fuel or recycled plastic. These initiatives both promote the recovery of waste and help build a circular economy.



Please see the information below for more information on the Used Diaper Separation and Treatment System.

The Used Diaper Separation and Treatment System | Initiatives for Innovation |

Recycling used diapers! Used Diaper Separation and Treatment System (YouTube)

Started business development of "Used Diaper Separation and Treatment System", a sorting and processing device for used disposable diapers (Only in Japanese)

Demonstration experiment begins to realize the recycling of used disposable diapers in Kamakura City (Only in Japanese)  $\triangleright$ 

Kurita Enters Promotion Agreement with Hamamatsu City on the Recycling of Used Diaper (Only in Japanese) ▷

Message from

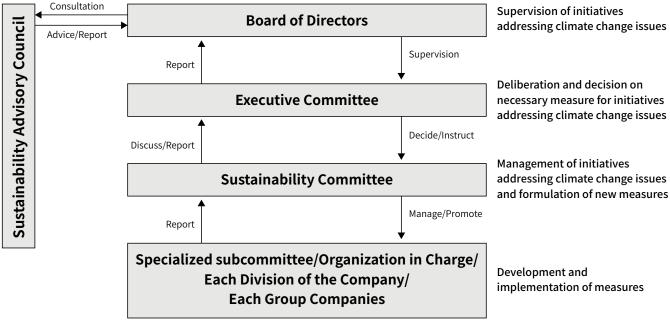
Management

## The Kurita Group's Initiatives Addressing Climate Change

The Kurita Group considers climate change to be a pressing issue facing the entire world, and therefore defines contributing to a decarbonized society as one of its materiality themes. We continuously work to reduce the greenhouse gas emissions emitted by our business activities and those of our customers, in line with the TCFD recommendations.

#### 1. Governance

The Kurita Group has established specialized subcommittees below the Sustainability Committee, which is chaired by the Corporate Officer and Executive General Manager of Sustainability Corporate Strategy Division, a Corporate Officer of the Company. One such subcommittee strives to enhance measures for reducing Scope 3 emissions and achieving greenhouse gas reduction targets via CSV businesses. The Sustainability Committee also supervises and promotes efforts for tackling climate change across the entire Kurita Group. It discusses or reports on the status of the initiatives addressing climate change to the Executive Committee twice a year in principle, and the Executive Committee deliberates and decides on necessary measures. Additionally, the Executive Committee reports on the status of initiatives to the Board of Directors, which oversees initiatives related to sustainability. The Sustainability Advisory Council examines and deliberates on the Company's approach to sustainability management from a multi-stakeholder, medium to long-term perspective, taking into account domestic and international circumstances surrounding sustainability, and provides advice and reports to the Board of Directors.



(As of April 1, 2025)

## 2. Strategy

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

Our Commitment to Materiality

Туј	pe	Risks and Opportunities	Time horizon	Financial Impact/Measures			
Policy and Legal	Risk	Introduction or increase of carbon tax.	Med to long term	<financial (as="" 03="" 2051)="" fy="" impact=""> •1.5°C: 2.2 billion yen*³ •4°C: None. <measures> •Scope1+2: By the fiscal year ending March 31, 2031, an estimated cost of approximately 0.8 billion yen will be invested, and reduce emissions by 80% compared to the base year through the adoption of renewable energy, purchase of renewable energy certificates, introduction of electric and hybrid vehicles, etc. •Scope 3: Reduce emissions by 30% compared the baseline year by the fiscal year ending March 31, 2031 through the promotion of CSV businesses**, procurement of low-carbon raw materials, etc.</measures></financial>			
,	Risk	Regulations for products and services with high GHG emissions.	Med to long term	<measures> <ul> <li>Decarbonize products and services through the use of digital technologies, design reforms, etc.</li> </ul></measures>			
	Opportunity	Dissemination of supportive policy incentives to the conversion to energy with low GHG emissions.	Med to long term	•Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric hybrid vehicles, etc.			
Technology	Risk/ Opportunity	Substitution of existing products and services with lower emissions options.	Short to long term	<ul> <li>Develop and expand CSV businesses that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture, battery-related technologies, etc.</li> </ul>			
Market	Risk	Decreased demand from fossil fuel-related sector.	Med to long term	<measures> •Shift business toward developing and expanding CSV businesses that contribute to the decarbonization of products and services through digital technologies as well as design and other reforms, in addition to energy and resource recovery, exhaust gas processing, CO<sub>2</sub> capture and utilization, battery-related technologies, etc.</measures>			
	Risk	Soaring costs of material and energy.	Med to long term	<measures> •Decarbonize products and services through the use of digital technologies, design reforms, etc. •Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric and hybrid vehicles, etc.</measures>			
	Opportunity	Increased demand in the electronic industry due to the acceleration of DX.	Med to long term	Develop and expand CSV businesses that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO <sub>2</sub> capture, battery-related technologies, etc.			
Physical Risks	Risk	Increased factory shutdowns and construction delays due to extreme weather events such as cyclones and floods.	Short to long term	<financial impact=""> •1.5°C and 4°C: About 15.7 billion yen/year at domestic production bases where risks are identified. <measures> •About 14 million yen has been invested to install waterstops at one site. •Continuous strengthening of business continuity in preparation for natural disasters such as flood control.</measures></financial>			
	Opportunity	Increased operating rate of cooling equipment.	Short to long term	<measures></measures>			
Resource Efficiency	Opportunity	Dissemination of efficient production and distribution processes.	Short to long term	Decarbonize products and services through the use of digital technologies, design reforms, etc.     Develop and expand CSV businesses that contribute to GHG emission reductions			
Linciency	Opportunity	Reduction of water usage.	Short to long term	through biomass power generation, energy and resource recovery, exhaust gas			
Energy	Opportunity	Dissemination of energy with low GHG emissions.	Short to long term	processing, CO₂ capture, battery related technologies, etc.			
Products and Services	Opportunity Opportunity	Conversion to distributed energy resources.  Increased demand for products and services with low GHG emissions.	Short to long term  Short to long term	<ul> <li>Purchase renewable energy certificates for sites that have relatively low GHG emissions.</li> <li>Financial Impact After FY 03/2028&gt;</li> <li>1.5°C: About 630 billion yen/year*5.</li> <li>4°C: None.</li> <li>Measures&gt;</li> <li>Decarbonize products and services through the use of digital technologies, design reforms, etc.</li> </ul>			
	Opportunity	Increasing diverse technical needs for reducing GHG emissions.	Short to long term	Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric and hybrid vehicles, etc.     Develop and expand CSV businesses that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO <sub>2</sub> capture, battery-related technologies, etc.			
Resilience	silience Risk/ Opportunity Substitution and diversification of fuel and water resources.		Short to long term	<ul> <li><measures></measures></li> <li>Decarbonize products and services through the use of digital technologies, design reforms, etc.</li> <li>Reduce Scope 1 and 2 emissions through the adoption of renewable energy, introduction of electric and hybrid vehicles, etc.</li> <li>Develop and expand CSV businesses that contribute to GHG emission reductions through biomass power generation, energy and resource recovery, exhaust gas processing, CO₂ capture, battery-related technologies, etc.</li> </ul>			

<sup>\*1</sup> One scenario has a 1.5°C temperature rise from the pre-industrial level, and the other scenario has the highest temperature rise predicted by the Intergovernmental Panel on Climate Change.

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

<sup>\*3 (</sup>Scope 1 and 2 + Scope 3 category 1 in the business operation area) x (Carbon price in the business operation area) and the long term is 7-2 years.

\*4 CSV businesses refer to products, technologies, and business models that contribute to water-savings, GHG emission reductions, resource recovery and resource input reductions more than conventional products, technologies, and business models.

\*5 This estimate calculates the Serviceable Available Market (SAM) for new CSV businesses that contribute to GHG emission reductions.

## 3. Risk Management

Message from

Management

The Executive General Manager of the Corporate Control and Administration Division supervises risk monitoring and management across the Kurita Group. The Executive General Manager strives to prevent risks from occurring by periodically analyzing and assessing risks to the Kurita Group and continuously monitoring those risks, based on a company-wide risk map. We have incorporated risks related to climate change in our company-wide risk map and promote the reduction of risks based on a company-wide risk management system.

### **4.Metrics and Targets**

The Kurita Group has defined efforts for tackling climate change as one of the materiality themes, and we strive to reduce our Scope 1, 2, and 3 emissions based on the long-term goal of achieving "net-zero" in accordance with the methodology of the SBTi\*<sup>6</sup>. This goal was certified by the SBT in April 2025 as a science-based target in line with the goals of the Paris Agreement. We have also set medium-term targets for reducing greenhouse gas emissions via our CSV businesses. These will enable us to help achieve a decarbonized society across our entire supply chain by developing and providing solutions that help reduce the greenhouse gas emissions of industry and society, while implementing low-carbon business activities.

In the baseline fiscal year ended March 31, 2020, Scope 1 + 2 emissions broke down to approximately 1.4% of Kurita Group  $CO_2$  emissions, while Scope 3 emissions accounted for 98.6%. Because the majority of our Scope 1 + 2 emissions are the Scope 2  $CO_2$  emissions caused by power generation, we are promoting the adoption of renewable energy and are steadily switching from gasoline-powered vehicles to hybrid and electric vehicles. Approximately 70% of our Scope 3 emissions are Category 11  $CO_2$  emissions caused by the use of products that we sell (mostly rotary machinery such as pumps used for transporting water). To ensure that we can also improve our competitive advantage, we utilize CSV businesses to provide our customers with lower-carbon solutions.

In the fiscal year ended March 31, 2025, we successfully reduced our Scope 1 + 2 emissions to 50.2% of the baseline fiscal year ended March 31, 2020. This was achieved with the renewable energy we adopted during the previous fiscal year and use of renewable energy and non-fossil certificates. Our Scope 3 emissions increased by 5.3% compared to the baseline fiscal year ended March 31, 2020 due to increased energy consumption of procured pumps.

	Mediu	ım- and long-term t	argets		Results* <sup>7</sup>			
Metrics	FY 03/2028	FY 03/2031	FY 03/2051	FY 03/2020	FY 03/2023	FY 03/2024	FY 03/2025	
Rate of reduction in Scope 1+2 emissions (compared to FY 03/2020)	73%	80%	Net-Zero	– (44 thousand t-CO <sub>2</sub> )	15.9% (37 thousand t-CO <sub>2</sub> )	21.2% (35 thousand t-CO <sub>2</sub> )	50.2% (22 thousand t-CO <sub>2</sub> )	
Rate of reduction in Scope 3 emissions (compared to FY 03/2020)	22%	30%	Net-Zero	– (3,101 thousand t-CO <sub>2eq</sub> )	10.2% (2,784 thousand t-CO <sub>2eq</sub> )	-35.9% (4,213 thousand t-CO <sub>2eq</sub> )	5.3% (2,936 thousand t-CO <sub>2eq</sub> )	
Avoided GHG emissions through CSV businesses	Meet or exceed 3,000 thousand t-CO <sub>2</sub>	-	_	279 thousand t-CO <sub>2</sub>	499 thousand t-CO <sub>2</sub>	733 thousand t-CO <sub>2</sub>	1,312 thousand t-CO <sub>2</sub>	

<sup>\*6</sup> This initiative encourages companies to set greenhouse gas emission reduction targets in line with scientific knowledge, with the goal of limiting global average temperature rises due to climate change to 1.5°C compared to pre-industrial levels.

<sup>\*7</sup> The actual figures were revised as of September 2025, primarily due to the inclusion of companies that newly began environmental improvement activities, as well as changes in calculation methods and errors in aggregation.

Message from

Management

## 1. Nature-related Efforts of the Kurita Group and Support for TNFD Recommendations

The Kurita Group aims to achieve a nature-positive impact by striving to conserve natural capital and maintain appropriate water environments as ecosystem services. Natural capital provides us with the ecosystem services that make our corporate business activities possible. From a sustainability standpoint, natural capital, such as the atmosphere, land, fresh water, and oceans, is critical to maintaining these ecosystem services. However, corporate business activities have a give-and-take relationship with nature. While corporate businesses are supported by ecosystem services, these business activities have a certain adverse impact on natural capital. The Kurita Group is highly aware of this relationship. That is why we conducted an assessment of our dependencies and impacts on natural capital as well as nature-related risks in the fiscal year ended March 31, 2025 using the LEAP (Locate, Evaluate, Assess, Prepare) approach recommended by the TNFD. We then selected priority sites that are particularly important from the perspective of environmental conservation. In addition, the Kurita Group has strengthened its cooperation with the Water Resilience Coalition (WRC), the Alliance for Water Stewardship (AWS), and other international initiatives that it takes part in. We are also engaging in on-site activities and taking collective action based on the Net Positive Water Impact (NPWI) guidance and AWS standard. The Kurita Group leverages the knowledge and practical capabilities accumulated through these activities to further strengthen initiatives at its own sites related to natural capital, as well as to support customer companies in reducing their environmental impact. Through these efforts, we aim to contribute to the realization of sustainability and a nature-positive outcome across the entire value chain.



## 2.TNFD General Requirements

## (1) Application of Materiality

The Kurita Group defines its materiality by identifying and evaluating risks, opportunities, and impacts, based on the concept of double materiality. This means both financial materiality, which pertains to the impact of sustainability issues on our corporate value, and impact materiality, which pertains to the impact our corporate activities have on society and the environment.

Our shared value themes are to solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society. They are closely related to natural capital. We define metrics and targets for contributing to the environment based on these themes. The metrics and targets are based on the results of our CSV businesses and efforts, such as the reduction of the environmental impact of our business sites.

## (2) Scope of Disclosures

provision of our products and services.

Our disclosures encompass direct operation risks and opportunities in downstream value chains.

For direct operation risks, we identified activities needing further investigation for two business categories: chemical production and facility production. We then conducted an assessment of dependencies and impacts. We also conducted a comprehensive risk assessment of all of our production and development sites.

For opportunities, we believe that the essence of our business is to contribute to solving social and environmental issues by reducing environmental impacts via the

### (3) Location of Nature-related Issues

We conducted an assessment of nature-related dependencies, impacts, and risks at all of our production and development sites that perform direct operations. We then selected 43 sites as priority sites based on the results.

We also focused on water resources, which are closely related to the business of the Kurita Group. This enabled us to identify 24 basins as priority basins, based on the results of assessing our nature-related dependencies, impacts, and risks, as well as the activity policy of the WRC. We define those basins as candidate basins for collective action.

## (4) Integration with Other Sustainability-Related Disclosures

Natural capital is essential for tackling climate change, conserving water resources, and achieving a circular economy. It is also closely related to the shared value themes outlined in the materiality of the Kurita Group.

In order to maintain the consistency of our sustainability information, we link our TNFD report, materiality report, and TCFD report to ensure that this information is disclosed in our sustainability report.

## (5) The Time Horizons Considered

We have defined the following time horizons for this assessment of nature-related impacts.

Short term: 1 to 3 years Medium term: 3 to 5 years Long term: 5 to 25 years

## (6) Engagement with Indigenous Peoples, Local Communities and Affected Stakeholders

The Kurita Group has signed the UN Global Compact, recognizing the importance of respecting human rights in its corporate activities. This philosophy enables us to promote active engagement with stakeholders and contribute to solving environmental and social issues.

We contribute to society through initiatives done in cooperation with external organizations that strive to conserve water resources and improve water and sanitation. We also contribute to the formation of sustainable local communities by increasing our interaction with local residents at the Kurita Innovation Hub in Tokyo.

In the future, we will always strive to appropriately identify and assess nature-related issues so we can continue striving to create sustainable value while strengthening cooperation with stakeholders, including indigenous peoples and local communities.

## 3.Governance

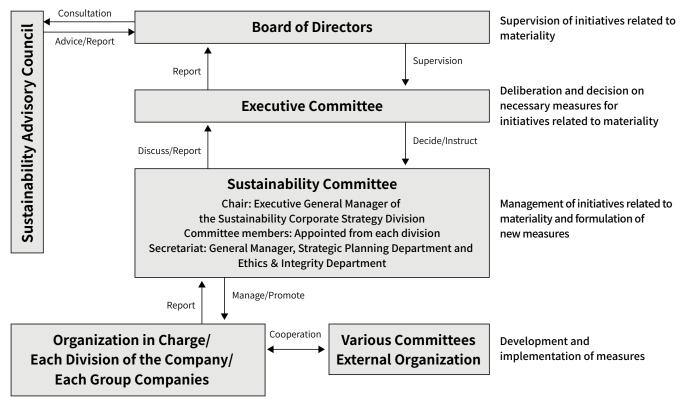
Message from

Management

The Kurita Group promotes the tackling of nature-related issues in tandem with our materiality initiatives. We have appointed departments in charge of each materiality indicator, which deploy related activities. The progress of these activities, including the progress of the LEAP approach, is discussed by the Sustainability Committee, chaired by the Executive General Manager of the Sustainability Corporate Strategy Division, a Corporate Officer of the Company. The Sustainability Committee is in charge of supervising and promoting materiality efforts across the entire Kurita Group.

We have also established specialized subcommittees below the Sustainability Committee. These help us enhance our efforts for achieving the metrics and targets of shared value themes closely related to achieving nature-positive impacts (solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society). The status of our materiality efforts is generally discussed or reported at Executive Committee meetings twice a year. The Executive Committee determines the required measures to enact upon deliberation, and reports on the status of materiality efforts to the Board of Directors, which supervises materiality efforts overall. The Sustainability Advisory Council provides advice to the Board of Directors. It investigates how the Kurita Group should approach sustainability management from a multi-stakeholder perspective in the medium to long-term, based on sustainability trends both in Japan and around the world. It then reports its findings to the Board of Directors and provides related advice.

The amount of water saved, the reduction in greenhouse gas emissions, and the increase in resource recovery or reduction of resource inputs achieved through CSV businesses, along with the achievement rate of CSV business sales targets, are actively used as performance evaluation indicators. These indicators are applied to performance-linked remuneration for our Executive Officers, Corporate Officers, and representatives of certain Group companies.



(As of April 1, 2025)

## 4.Strategy

The Kurita Group has made compatibility with natural capital a cornerstone of its corporate activities. This is reflected in our corporate philosophy, "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony," and our vision of "Pioneering 'new value for water' to contribute to the realization of a sustainable society."

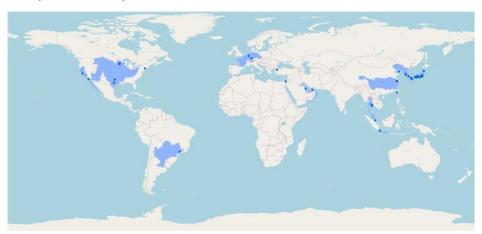
We promote CSV businesses because they enable us to achieve business growth and resolve social issues based on the above philosophy. These businesses focus on providing products and services that save water, reduce greenhouse gas emissions, and contribute to recycling waste into resources or reducing resource inputs at our customers' business sites.

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

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

The priority sites and basins identified using the LEAP approach are listed below. See Section 5, "Risk and Impact Management" for more information about the methodology and results of our assessments.

#### **Priority Sites and Priority Basins**



Message from

Management

## 5. Risk and Impact Management

## (1) Process for Identifying and Assessing Nature-related Dependencies, Impacts, Risks, and Opportunities

The Kurita Group conducts step-by-step assessments based on the LEAP approach recommended by the TNFD in order to identify nature-related dependencies, impacts, risks, and opportunities. This process involves qualitative and quantitative analysis, combining multiple external tools and original methodologies tailored to the features of each business and business site, the natural capital used, and local ecological risks.

The target of the assessments, methodologies used, and insights gained are systematically organized in the table below. The results of these assessments are used for identifying priority business sites and key themes, confirming the adequacy of existing activities, and investigating business opportunities.

	Goal	Assessment target	Description/tools used	Hints gained/utilization	Relevant LEAP steps
(1)-1	Understand dependency/ impact for each business category	All businesses (GICS categories) of Kurita Group	Dependency/impact screening via ENCORE	Identify businesses with high dependency on natural capital and understand major impact factors	Locate
(1)-2	Understand nature-related issues of customer industry	Value chain (downstream)	Assessment of dependent ecosystem services and major impact factors of each industry	Use for checking validity and scalability of solutions providable to customers and investigating business opportunities	Locate, Evaluate
(1)-3①	Understand nature-related risks of our business sites based on geographical position	All production/ development sites of Kurita Group	Nature risk assessment using the WRI Aqueduct, WWF Biodiversity Risk Filter, and Integrated Biodiversity Assessment Tool	Use for identifying priority sites	Locate, Evaluate
(1)-3②	Quantify business risks regarding natural capital	All production/ development sites of Kurita Group	Unique assessment method (19 indicators)	Use for identifying priority sites	Evaluate, Assess
(1)-4	Understand risk/impact characteristics for each watershed	Target watershed for assessment	Analysis of high-impact watersheds in terms of water use/water pollution, CEO Water Mandate (100 Priority Basins)	Use for identifying priority basins	Locate, Assess

Message from

Management

## (1)-1 Identify the Dependencies and Impacts of Each Business Category

We divided the business activities of the Kurita Group into four sectors: facility business, chemical business, recurring contract-based services in the electronics industry segment, and other environment-related businesses. We then assessed the nature-related dependencies and impacts of each sector. These sector categories are based on the Global Industry Classification Standard (GICS) formulated by MSCI and S&P Dow Jones Indices.

The assessment of our ecosystem service dependencies found that the level of dependency in all items of all sectors were limited to a low to medium level. The assessment of our impact on nature found that our facility business, chemical business, recurring contract-based services in the electronics industry segment, and other environment-related businesses have a high to very high impact on the natural environment in terms of water use, use of land-based ecosystems, greenhouse gas emissions, water pollutants, and soil pollutants, and soild waste, as indicated in the table below.

		Business category	Facility	Cher	mical	Recurring contract- based services in the electronics industry segment	Other environment-related businesses
	GICS industry category		Industrial machinery	General chemistry	Special chemicals	Semiconductor	Environment-related
		Animal power					
	Supply	Animal/vegetable-derived raw materials					
	services	Genetic material					
		Groundwater					
		Surface water					
		Degradation of pollutants					
ses		Pollution control					
Ž		Climate adjustment					
n se		Dilution of pollutants					
sten		Disease control					
ecosys	Adjustment services	Filtering/accumulation of pollutants					
Dependent ecosystem services		Protection from flooding/ heavy rainfall					
per		Habitat maintenance					
De		Prevention of erosion/landslides					
		Pollution control					
		Pest/invasive species control					
		Pollination					
		Soil quality					
		Ventilation					
		Water flow buffering					
		Water quality					
	Water use						
	Use of other						
		pased ecosystem					
SIC		vater ecosystem					
gg	Use of marin						
ಭ		greenhouse gases					
Impact factors	Air pollutants other than greenhouse gases						
=	Water polluta	ants					
	Soil pollutan	ts					
	Solid waste						
	Lifestyle disr	uption					

#### Legend

Very high
High
Medium
Low
Very low
N/A

Message from

Management

## (1)-2 Identify Nature-related Issues of Customer Industries

We assessed the nature-related dependencies and impacts of the sectors our customers are involved in that have relatively high water use. These include electronics, paper/pulp, oil refining/petrochemicals, steel, automobiles, and food/drink. We found that many of these sectors are highly dependent on nature, or highly impact it, in terms of water use, water pollution, greenhouse gas emissions, and waste.

		Business category	Electronics	Paper/pulp	Oil refining/ petrochemicals	Steel	Automotive	Food/Drink
		Animal power						
		Animal/vegetable-derived raw materials						
	Supply services	Genetic material						
	Scrvices	Groundwater						
		Surface water						
		Degradation of pollutants						
Se		Pollution control						
Σ̈		Climate adjustment						
ı sel		Dilution of pollutants						
sten		Disease control						
osò		Filtering/accumulation of pollutants						
Dependent ecosystem services		Protection from flooding/heavy rainfall						
der	Adjustment	Habitat maintenance						
per	services	Prevention of erosion/landslides						
۵		Pollution control						
		Pest/invasive species control						
		Pollination						
		Soil quality						
		Ventilation						
		Water flow buffering						
		Water quality						
	Water use							
	Use of other	resources						
	Use of land-b	pased ecosystem						
γ	Use of freshw	vater ecosystem						
g	Use of marin	e ecosystem						
ct fa	Emission of g	reenhouse gases						
Impact factors	Air pollutants	other than greenhouse gases						
=	Water polluta	ants						
	Soil pollutan	ts						
	Solid waste							
	Lifestyle disru	uption						

#### Legend

Legenu			
	Very high		
	High		
	Medium		
	Low		
	Very low		
	N/A		

Message from

Management

Other Efforts to

### **TNFD Report**

## (1)-3 Identification of Priority Sites

We conducted a nature-related risk assessment based on the geographical location of our operation sites, as well as a quantitative assessment of our impacts and risks regarding natural capital. This enabled us to identify our priority sites in order to effectively and strategically promote highly impactful environmental improvement activities.

#### (A) Identify Nature-related Risks of Kurita Group Business Sites Based on Geographical Location

We then focused on water resources and biodiversity to assess the risks facing all the production and development sites of the Kurita Group, based on the results of assessing dependencies and impacts (see (1)-1). We conducted the risk assessment for water resources based on the Aqueduct Water Risk Atlas provided by the World Resource Institute (WRI) and the risk assessment for biodiversity based on the WWF Biodiversity Risk Filter provided by the World Wide Fund for Nature (WWF).

The assessment found that several of our production/development sites are located in areas with high to extremely high water resource and biodiversity risk, as indicated in the table below. The table outlines areas where the Aqueduct assessment found high or extremely high risk or the Biodiversity Risk Filter assessment was 3.4 or higher.

#### The number of our production/development sites which are located in areas with high to extremely high water resource and biodiversity risk

		Biodiversit	y Risk Filter			
Water stress	Depletion	Water quality	Eutrophication	ESG risks	Physical risks	Reputation risks
16	6	9	44	9	7	26

#### (B) Quantification of Business Risks regarding Natural Capital

We selected water use, water pollution, and pollution caused by solid waste as important impact factors. This was based on the results of identifying the dependencies and impacts of each business category (see (1)-1), identifying the nature-related risks of Kurita Group business sites based on geographical location (see (1)-1-(A)), and the materiality of the Kurita Group. Next, we conducted a scored evaluation on solving water resource issues and reducing waste. We were then able to select a total of 43 sites as priority sites on which to focus our efforts for reducing environmental impacts, based on thresholds deemed high in terms of impact and risk.

#### Important Impacts and Risk Factors for the Kurita Group

		Water intake intensity				
ces	Scope of impact on	Water resource shortage	Level of water stress			
sour	nature due to the Kurita Group striving to reduce	(quantitative)	Level of water depletion risk			
Solve issues related to water resources	environmental impact	Water resource shortage (qualitative)	Level of water pollution risk			
d to			Increased costs for water intake and discharge			
elate		Courses	Decline in operations due to water shortages			
es re	Level of risk that may impact the business	Government policies	Decline in operations due to regulations			
issu	activities of the Kurita		Legal violations			
olve	Group		Cessation/reduction of dealings with customers			
S		Market factors	Cessation/reduction of investment by shareholders and investors			
	C('	Amount of industrial waste				
	Scope of impact on nature due to the Kurita	Resource depletion				
_	Group striving to reduce environmental impact	Land scarcity				
ri <u>o</u>	environmental impact	Environmental pollution				
Waste reduction			Rising expenses for treating industrial waste			
ste	Level of risk that may	Government policies	Adoption/tightening of regulations on industrial waste			
Wa	impact the business		Legal violations			
	Group		Cessation/reduction of dealings with customers			
		Market factors	Cessation/reduction of investment by sharehold and investors			

#### Number of priority sites by region

Region	Number of priority sites
Japan	17
Rest of Asia	11
North and South America	9
EMEA	6
Total	43

Message from

Management

## (1)-4 Identification of Priority Basins and Regional Risk/Impact Features

Solve issues related to water resources is one shared value theme of the materiality at the Kurita Group. In order to promote environmental conservation activities in basins related to our business sites, we have selected 24 priority basins by following the procedure indicated below.

#### (A) Identification of Target Basins

We identified basins that face issues regarding water resources and have a certain level of impact on the business activities of the Kurita Group. We then selected candidates for priority basins.

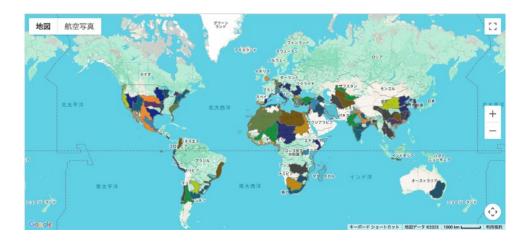
#### (B) Identification of Priority Basins

We selected the identified basins that belong to either or both of the following categories as priority basins.

#### - The top 10 basins of the quantitative impacts regarding water use and water pollutants

Impact factor	Severity assessment	Quantitative indicator	
Water use	High to very high	Water intake intensity × water stress risk Water consumption × water depletion risk	
Use of freshwater ecosystems	None		
Release of water pollutants	High to very high	Water discharged × water pollution risk Water discharged × eutrophication risk	

#### - Basins included in the 100 priority basins requiring priority action listed in the Water Action Hub online platform operated by the CEO Water Mandate



### Number of priority basins by region

Region	Number of priority basins		
Japan	5		
Rest of Asia	10		
North and South America	6		
EMEA	3		
Total	24		

Other Efforts to

### **TNFD Report**

Message from

Management

## (2) Natural Capital Initiatives

This section introduces initiatives for managing nature-related dependencies, impacts, risks, and opportunities at the Kurita Group.

### (2)-1 Contribution to Natural Capital via CSV Businesses

The Kurita Group actively promotes CSV businesses, which it defines as those pertaining to products, technologies, or business models that can achieve a greater environmental contribution in terms of saving water, reducing greenhouse gas emissions, and recycling waste into resources or reducing resource inputs. We contribute to the reduction of the environmental impact of our customers by actively promoting our CSV businesses. Please see the following for more information.



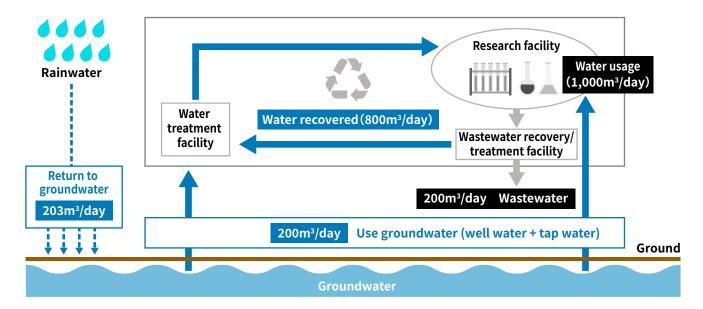
## (2)-2 Reduction of Environmental Impact at the Kurita Group

This section introduces examples of initiatives to reduce the environmental impact of our priority sites.

#### **Example: Zero Water Building Project at the Kurita Innovation Hub**

At the Kurita Innovation Hub, the Kurita Group research and development center, we promote activities for achieving a Zero Water Building, which involves returning to the groundwater an amount of water equal to that which we intake. The hub has adopted an advanced wastewater recovery system, which minimizes water intake by promoting the recovery and reuse of water. The system also collects rainwater in louvers on the outside of the building to replenish groundwater via infiltration storage tanks, which ensures that the water intake intensity is less than or equal to the amount of groundwater that is replenished.





## (2)-3 Collaboration with International Initiatives and Collective Actions

As part of our activities for the Water Resilience Coalition, which we joined in the fiscal year ended March 31, 2021, we are implementing collective actions in the following three basins. This helps us help solve water resource issues.

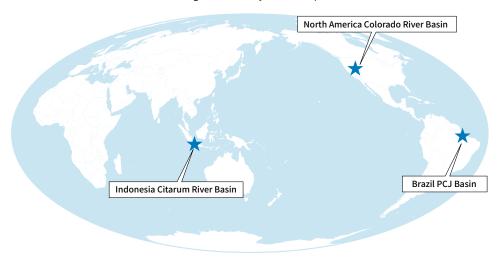


Other Efforts to



#### **Areas of Collective Action Activities**

We are working to solve water resource issues by promoting collective actions in basins facing water scarcity and water pollution.



We also joined the Alliance for Water Stewardship (AWS) in the fiscal year ended March 31, 2025, and joined the Japan Water Stewardship (JWS) as a founding member. The JWS is a leadership group composed of the Japanese member companies of the AWS. Our activities for the AWS and JWS involve promoting the AWS standard\* at our priority sites and the basins where those sites are located. Our activities for the JWS also include efforts to mainly generate interest in water resource problems in Japan and to promote collective actions.

\*This standard is an international framework for managing water resources while collaborating with stakeholders on a catchment basis, in order to ensure social and cultural fairness of water use, environmental sustainability, and economic profit.



## (2)-4 Efforts for Solving Nature-related Issues via Social Contribution Activities

Our corporate philosophy is to "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony." We define corporate citizenship activities as initiatives for conserving water and the environment and achieving prosperous lifestyles that do not seek profit. By actively engaging in these activities on a continuous basis, we aim to gain trust from society and obtain new knowledge. Please see the following for more information about our initiatives.

Corporate Citizenship Activities ▷

Message from

Management

## **6.Metrics and Targets**

This section describes the TNFD core global disclosure metrics that we use.

Metric no.	Impact factor	Indicator	Target fiscal year	Reference
-	Climate change	Greenhouse gas emissions	Fiscal year ending March 31, 2051	ESG data Materiality metrics and targets
C2.0		Pollutants released to soil	-	ESG data
C2.1	Pollution/pollution removal	Water discharged	-	ESG data
C2.2		Weight of hazardous and non-hazardous waste generated	Fiscal year ending March 31, 2028	ESG data Materiality metrics and targets
C2.4		Non-greenhouse gas air pollutants	-	ESG data
C3.0	Resource use/replenishment	Water withdrawal and consumption from areas of water scarcity	Fiscal year ending March 31, 2028	ESG data Materiality metrics and targets

The Kurita Group has identified its shared value themes as to solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society. We promote and robustly drive nature-related initiatives, define corresponding metrics and targets, and promote activities to achieve those metrics and targets. Please see the following for more information.

Solve issues related to water	resources >
Contribute to the realization	of a decarbonized society >
Contribute to building a circ	ular economy society >
Environmental Managemen	t >>

Report and Data

Other Efforts to

## 4. Develop and Disseminate Innovative Products, Technologies, and Business Models

We contribute to sustainable development of society by striving to develop and disseminate innovative products, technologies, and business models that help solve social issues, through collaboration of various people and organization inside and outside the Group.

## **Kurita Group Approach**

Message from

Management

Our vision is to find the necessary balance between industrial development and global environmental conservation to bring mankind into endless harmony with nature. We strive to develop and promote innovative products, technologies, and business models through broad individual and organizational partnerships inside and outside the Kurita Group. This approach aims to help realize a sustainable society worldwide.

## Contribution to Achieving the SDGs













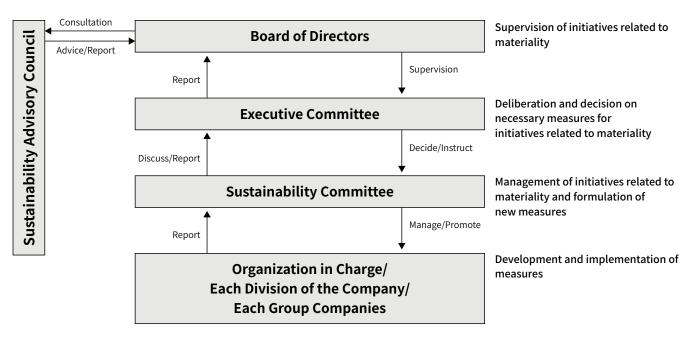






## **Promotion and Governance System**

The Kurita Group has identified developing and disseminating innovative products, technologies, and business models as one materiality issue. The Sustainability Committee, chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. The Committee reports or submits proposals on the progress of these initiatives to the Executive Committee, which deliberates and determines necessary measures. The Executive Committee then reports the status of these initiatives to the Board of Directors, which is responsible for overseeing all materiality initiatives.



(As of April 1, 2025)

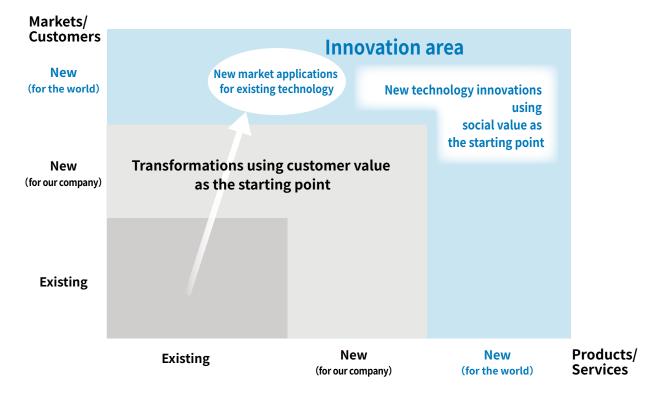
## **Targets and Results**

Message from

Management

The Kurita Group is committed to developing and disseminating innovative products, technologies, and business models by setting targets related to investment rate in innovation areas\*, rate of the number of themes in innovation areas, and number of stakeholder engagements related to innovation areas. Targets and results for this materiality are shown as below.

Innovation areas in Deloitte 7cells<sup>SM</sup> (Deloitte's approach to formulating growth strategies)



Metrics	Targets (Upper row) and Results (Lower row)					
metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Investment rate in innovation areas	Meet or exceed 15%	Meet or exceed 20%	Meet or exceed 25%	Meet or exceed 30%		
	Achieved (18%)	Achieved (22%)				
Rate of the number of themes in innovation areas	Meet or exceed 20%	Meet or exceed 23%	Meet or exceed 30%	Meet or exceed 30%		
	Achieved (22%)	Achieved (25%)				
Number of stakeholder engagements related to innovation areas	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year	Meet or exceed the previous year		
	Achieved	Achieved				

<sup>\*</sup>This refers to the "innovation area" in Deloitte 7cells<sup>SM</sup> (Deloitte's approach to formulating growth strategies).

#### Other Efforts to Sustainability

Report and Data

## 4. Develop and Disseminate Innovative Products, Technologies, and Business Models

## **Evaluation of Results and Outline of Activities**

#### **Investment Rate in Innovation Areas**

The Kurita Group has set the ratio of investment in each innovation area as a specific target to sustain a specific level of investment. The seven innovative business model concepts advocated by Deloitte 7cells<sup>SM</sup> guide investment across these seven innovative areas to bolster the development and promotion of products, technologies, and business models in those areas.

The 22% ratio of investment during the fiscal year ended March 31, 2025, exceeded our 20% target.

#### **Rate of the Number of Themes in Innovation Areas**

The Kurita Group has set a specific target for the ratio of themes in each innovation area. The seven innovative business model concepts advocated by Deloitte 7cells<sup>SM</sup> guide development across these seven innovative concepts to bolster the development and promotion of products, technologies, and business models in these areas. The 25% ratio for each theme during the fiscal year ended March 31, 2025, exceeded our 23% target. Our selection criteria for development themes also consider Kurita Group materiality. We evaluate how such development can help us solve issues related to water resources, contribute to the realization of a decarbonized society, and contribute to building a circular economy society.

We will continue to cultivate and strengthen new ideas in each of these innovation areas.

### Number of Stakeholder Engagements Related to Innovation Areas

The Kurita Group always strives to fully grasp the expectations and concerns of stakeholders during development. This insight aims to guide the development and promotion of innovative products, technologies, and business models in the right direction. That is why the Kurita Group has set a target to continue expanding stakeholder engagement across these innovative areas. Our stakeholder engagement actively strives to connect with every stakeholder, from our customers and business partners to research and development institutes.

We had record-high year-on-year engagement in the fiscal year ended March 31, 2025, shattering the target. Through our relationships with stakeholders inside and outside the Kurita Group, we will remain steadfast in our efforts, whether to provide even higher-quality products and technology or forge ahead with new husinesses

## **Other Related Initiatives**

#### **Standout Initiatives**

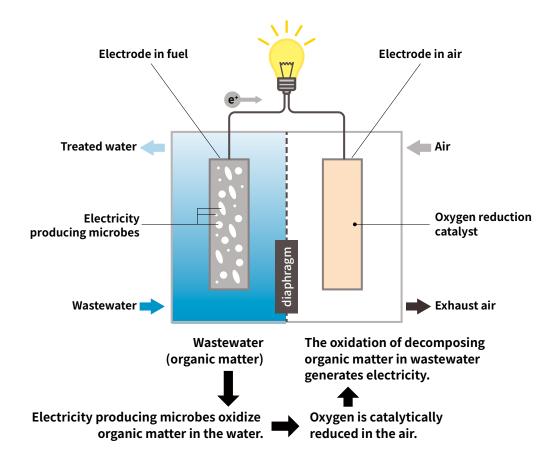
Message from

Management

#### Microbial fuel cells

The microbial fuel cell that the Kurita Group is developing uses the technology of microorganisms called electricity-generating bacteria under anaerobic conditions without oxygen to decompose organic matter in wastewater and simultaneously convert it into electrical energy. Because it is an anaerobic process, in addition to reducing the power consumption required for aeration, it is possible to simultaneously save energy and create energy by collecting and using the electricity generated. In the fiscal year ended March 31, 2025, the Company verified the feasibility of power generation by successfully upsizing a practical microbial fuel cell for use in real wastewater. We demonstrated the power generated could continuously operate electrical equipment while gaining further insight necessary to achieve practical use in wastewater treatment systems.

#### Microbial Fuel Cell Battery System



Please see the webpages below for more information about this initiative.

Microbial Fuel Cells >

Kurita Confirms Continuous Operation of Electrical Devices by Electricity Generated from Actual Wastewater in On-site Demonstration Test of Microbial Fuel Cell 🖂

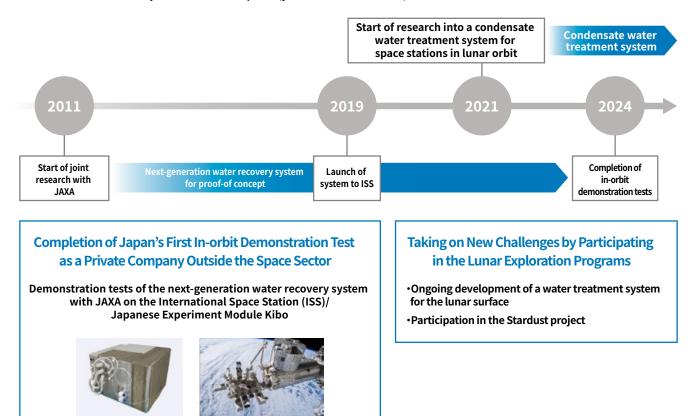
#### Water treatment system for use in space

Message from

Management

The Company aims to bring its terrestrial water treatment technologies into space. We have been working with the Japan Aerospace Exploration Agency (JAXA) to successfully demonstrate the viability of a water recovery system for use on the International Space Station (ISS). We announced JAXA had selected Kurita Water Industries through the open Elemental Prototype Testing, etc. of Water Purification and Electrolysis Processes for the Realization of a Lunar Propellant Production Plant competition for two consecutive years. We are also working to develop a compact ultrapure water production system for use in space.

#### Vision for a water treatment system in the lunar sphere (joint research with JAXA)



#### Strengthening initiatives to reduce environmental impact in semiconductor manufacturing processes

The Kurita Group is engaged in research and development related to advanced semiconductor manufacturing through personnel dispatch and collaboration with imec (Interuniversity Microelectronics Centre), a world-leading research and innovation center in nanoelectronics and digital technologies. The Group also participates in the industry-wide program "SSTS (Sustainable Semiconductor Technologies and Systems)" led by imec, and promotes research and development aimed at reducing environmental impact in semiconductor manufacturing processes.

#### **Kurita Group Research & Development Center**

Message from

Management

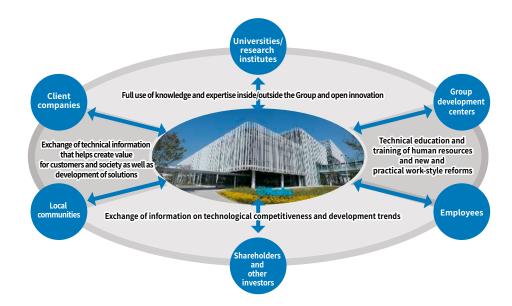
The Kurita Group spearheads innovation through its network of research and development centers worldwide. Each center works closely with one another in an effort to bring innovative ideas into reality.



The Kurita Innovation Hub (KIH), located in Akishima City, Tokyo, is central to our research and development worldwide. Here, we aim to spark innovation that helps to solve problems in industry and society through engagement and cooperation with our diverse stakeholders.

Moreover, the Company built KIH as a facility that prioritizes eco-friendliness. A wide range of measures reduces its  $CO_2$  emissions and other environmental impacts. The entire facility maximizes water saving and wastewater recovery while allowing water to seep into the soil and return back to the water sources. As a "Zero Water Building," KIH has proven its plans and design ensure a total water consumption of zero or less than zero after deducting the volume of water reuse and seepage into the soil. The eco-friendly design also employs other measures, such as 100% use of renewable energy.

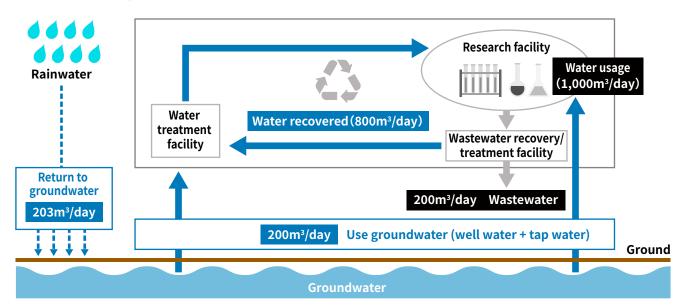
#### **KIH Vision**



#### KIH Zero Water Building Initiative

Message from

Management



For other initiatives related to the development and dissemination of innovative products, technologies, and business models, please see the below.

Integrated Report ▷

CSV Businesses ▷

igwedge Kurita Group Website: Innovation igtriangle

## 5. Strategic Development and Utilization of Human Resources

Secure, develop and utilize diverse human resources who understand our Corporate Philosophy to remain a corporate group where each individual person demonstrates their capabilities and which works to maximize customer value and create shared value with society.

## The Kurita Group Approach

For the Kurita Group, which provides diverse solutions to society and industry with the aim of continuously pioneering "new value for water," human resources are the source of its sustainable growth.

The Kurita Group aims to secure, develop, and utilize diverse human resources who understand our Corporate Philosophy to remain the group where each individual person demonstrates their capabilities and which works to maximize customer value and create shared value with society.

### What We Aim for in Our Human Resources Strategy (D&I Vision)

The Kurita Group has defined the state of personnel and organizations when realizing the vision: "the corporate group that continues to create unique value through interaction among diverse people who care about water and the environment and who accept each other's differences."



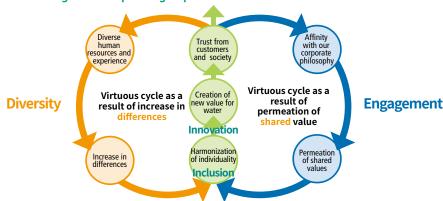
## organizations when realizing vision

#### **D&I Vision**

The corporate group that continues to create new value of water through interaction among diverse people who care about water and the environment and who accept each other's differences.

#### Schematic Flywheel Representation of D&I Vision

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



## **Contribution to Achieving the SDGs**





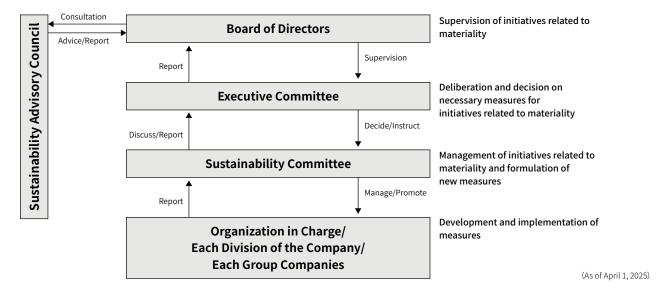




## **5.Strategic Development and Utilization of Human Resources**

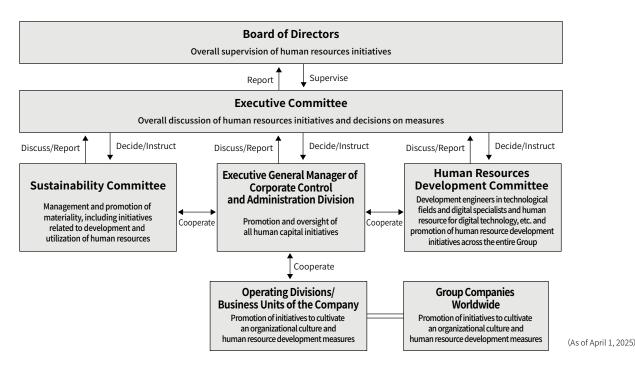
## **Promotion and Governance System**

The Kurita Group has identified Strategic development and utilization of human resources as one materiality issue. The Sustainability Committee, chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. The Committee reports or submits proposals on the progress of these initiatives to the Executive Committee, which deliberates and determines necessary measures. The Executive Committee then reports the status of these initiatives to the Board of Directors, which is responsible for overseeing all materiality initiatives.



## **Promotion System for Human Resource Strategy**

All initiatives related to the Kurita Group's human capital are carried out under the supervision of the Executive General Manager of Corporate Control and Administration Division, who is also an Executive Offcer. Measures aimed at fostering corporate culture and initiatives for human resource development are implemented in cooperation with each division, business unit and Group Company. In addition, measures to develop and utilize human resources are overseen and deployed by the Sustainability Committee in collaboration with the Human Resources Development Committee. The Executive General Manager of Corporate Control and Administration Division, Sustainability Committee and Human Resources Development Committee report on the status of human capital initiatives submitted to the Executive Committee, which discusses their content and makes decisions on necessary measures. The Executive Committee also reports the status of human capital initiatives to the Board of Directors.



Other Efforts to

## 5. Strategic Development and Utilization of Human Resources

## **Targets and Results**

Message from

Management

The Kurita Group has set targets for employee engagement scores, the rate of women, foreigners and experienced personnel among executive of the Company, and full rate of human resources for development, digital, and intellectual property and is working to strategically develop and utilize human resources. The targets and results for this materiality are as follows.

Metrics	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Engagement score	a.50% b. Meet or exceed the previous survey	_*1	a.65% b. Meet or exceed the previous survey	a.75% b. Meet or exceed the previous survey		
(a. Rate of companies above the average of all industries, b. Score of each company surveyed)	A 1: 1/E10/)	-				
Rate of [women, foreigners, and experienced personnel] among executives of the Company	30%	Meet or exceed the previous year	35%	40%		
	Not Achieved (29.4%)	Achieved (35%)				
Fill rate of human resources for development, digital, and intellectual property*2	65%	70%	75%	80%		
	Achieved (65%)	Achieved (73%)				

<sup>\*1</sup> We use the results of engagement surveys to consider and roll out various measures as well as assess our level of engagement. Our next biannual engagement survey is schedule for the fiscal year ending March 31, 2026.

## **Evaluation of Results and Outline of Activities**

### **Engagement Score**

The Company utilizes of engagement surveys to improve employee engagement. These surveys help us understand the current state of engagement and serve as a basis for identifying potential issues and implementing appropriate measures. Moreover, our engagement surveys not only evaluate the short-term daily motivation but also act as a platform to identify, analyze, and measure medium to longterm problems. The Company conducts these surveys once every two years to consistently verify the progress and effectiveness of our current efforts. The survey results provide the basis for us to take action across the board, from visualizing the current state of each organization to identifying specific problems and devising and rolling out measures. Our aim is to foster a work-friendly environment that better motivates our employees. The Company conducted its second and most recent survey in the fiscal year ended March 31, 2024. This second survey also expanded the scope of the first survey from 4 to 44 companies. The 44 companies that took the survey scored an average of 41%, while 51% of those companies exceeded the average for all industries. Each metrics surpassed our target for the fiscal year ended March 31, 2024. We recognize that each company has traits unique to its country and region. To improve employee engagement across the entire Group, the Company is working to identify problems related to understanding the unique background of each organization and analyzing the root causes of those problems in order to plan and take the appropriate steps to promote engagement. As the final year of the PSV-27 plan, we are aiming to have at least 75% of our Group companies exceed the average engagement score across all industries in each country in the fiscal year ending March 31, 2028.

## Rate of [women, foreigners, and experienced personnel] Among Executives of the Company

The Kurita Group aims to drive innovation through the unique experiences, expertise, and skills of people with diverse backgrounds. Our management team actively works to ensure diversity throughout the organization. We have set the ratio of women, foreign nationals, and experienced employees for executive officers of the Company as a target. In the fiscal year ended March 31, 2025, 35% of our executive team consisted of women, foreign nationals, and experienced employees, which surpassed our target and the 29.4% ratio last year. Going forward, we will continue to expand human resource data and networks to ensure the diversity of management teams throughout the Kurita Group toward the target set for the fiscal year ending March 31, 2028.

## Fill Rate of Human Resources for Development, Digital, and Intellectual Property

A wide range of expertise is essential to realize creative solutions through water knowledge brought together by the Kurita Group. That is why utilize and retrain professionals specializing in water treatment technologies (development specialists), professionals specializing in digital technologies to promote digital transformations (digital specialists), and professionals specializing in intellectual property who can support technological development (intellectual property specialists). In the fiscal year ended March 31, 2025, we had a 73% fill rate, which surpassed our 70% target. In the future, our human resource divisions will continue to work with all other relevant divisions to cultivate talented human resources in line with our human resource strategies.

For more details on our efforts regarding fill rate of human resources for development, digital, and intellectual property, please refer to the integrated report.



<sup>\*2</sup> The calculation is based on the actual number of personnel compared to the target for the fiscal year ending March 31, 2028.

## 5. Strategic Development and Utilization of Human Resources

## **Other Related Initiatives**

Message from

Management

## Percentage of Employees Subject to a Fair Personnel System and Performance Evaluation

To maximize the potential of each employee, it is necessary to fairly evaluate each individual according to their role and performance, and to provide appropriate treatment, training, and utilization that match the evaluation. At the Company, we strive to ensure transparency and fairness in evaluations by having employees review their achievements and challenges with their supervisors through interviews.

#### Ratio of Employees Subject to the Personnel Evaluation System at the Company (%)

Category	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Management	100	100	100	100	100
Non-management	100	100	100	100	100

#### Introduction of a Self-Reporting System and Implementation of Transfer Survey

The Company has introduced the Self-Reporting System which allows employees to express to the Company their perspectives on their duties and workplaces, as well as their intentions regarding development and utilization of their abilities. Once a year, supervisors discuss with employees about their suitability for their current duties, their transfer preferences for future career development, their family situations, and other matters. This enables the Company to understand the employee's perspectives and the results are used for talent development and organizational revitalization. Additionally, employees can request career advancement through the Transfer Survey and Career Registration System.

## **Creating a Corporate Culture that Facilitates Work**

The Kurita Group is committed to creating a working environment where each employee can work with peace of mind. The Company has systems in place to support employees balancing work with life events such as childcare and nursing care, as well as flexible work styles such as telecommuting and remote work. Additionally, by promoting the creation of an environment in which diverse human resources can work comfortably, we are disseminating and promoting the use of these systems to executives and employees.

#### Parental Leave and Shortened Working Hours for Childcare

In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, we have established a workplace that supports employees who need to balance work with raising children. In principle, employees can take childcare leave until the child reaches two years of age, but the period can be extended in certain specified conditions. Furthermore, employees may choose to work for shorter hours until the end of March of their child's third year of elementary school. In addition, we are working to improve our system by introducing childcare leave at birth and allowing employees to take their childcare leave in installments.

#### Caregiving Leave, Work Less Hours for Caregiving, and Short-term Caregiving Leave Systems

The Company offers a Caregiving Leave system to employees who have family members requiring care and who wish to continue working after caregiving. The system can be used for up to one year (365 days) in principle. Moreover, for each eligible family member requiring care, the Company offers employees a cumulative total of up to 12 months of working less hours to provide caregiving. In addition, when employees apply for leave to provide caregiving or other care to family members who need it, they can receive five days of special paid leave for each eligible family member per year, up to a maximum total of 10 days in the case of two or more eligible family members.

#### Status of System Use (Number of People)

		FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Caregiving leave system	Male	0	0	2	0	0
	Female	0	0	0	0	0
Work less hours for caregiving system	Male	0	0	0	0	0
	Female	0	0	0	0	0
Short-term caregiving leave system	Male	9	11	9	13	14
	Female	2	3	3	4	7

## 5. Strategic Development and Utilization of Human Resources

#### **Short-term Nursing Leave System**

Message from

Management

The Company has a leave system for nursing care, under which employees with children up to the third grade of elementary school can take paid leave when their child requires nursing due to injury or illness, or for purposes such as vaccinations, health checkups, or attending entrance and graduation ceremonies. Employees may take up to five days of paid leave per year if they have one child, or up to ten days per year if they have two or more children.

#### **Leave System Due to Spouse Being Transferred**

The Company offers a leave of absence system for up to three years, to allow employees to accompany their spouses transferring overseas and provide support in terms of daily life and mental well-being.

#### Status of System Use (Number of People)

		FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Leave system due to	Male	0	0	0	0	0
spouse being transferred	Female	0	0	1	2	2

#### **Volunteer Leave System**

The Company has a volunteer leave system for all employees, enabling them to take up to two days of paid volunteer leave per year.

#### Status of System Use (Number of People)

		FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Volunteer Leave System	Male	1	0	0	0	5
	Female	0	0	0	0	0

#### **Work Style Reforms**

As a work style reform initiative, we are creating workplace environments that allow for more flexibility by amending the practice of working long hours and promoting working remotely.

#### **Policy**

#### 1.Transform the mindset of workers

Increase individual employee awareness of time and train them to perform their work efficiently.

#### 2. Reform work processes

Review work flow and operating procedures, reduce waste and promote standardization to make work more efficient.

#### 3. Organize working environment and rules

Establish work rules that set out a balance between working and breaks and create an environment that supports flexible work styles.

#### **Amending the Practice of Working Long Hours**

The Company is taking the following initiatives to rectify the issue of working long hours. From fiscal year ended March 31, 2024, as part of the "Initiatives to Address Long Working Hours through Work Transformation", we are reviewing work procedures and promoting awareness-raising efforts that will lead to behavioral change.

- (1) Introduced working intervals program
- (2) Lights turned out when employees should leave the office
- (3) Stricter control of working hours for employees who manage their own hours
- (4) Promotion of annual paid leave

In addition, the Company has established an agreement with the labor union that sets upper limits on overtime and holiday work hours. If these limits are to be exceeded, employees are required to submit a special application in advance and undergo a corresponding health checkup.

## **5.Strategic Development and Utilization of Human Resources**

#### **Promoting Working Remotely**

Message from

Management

The Company is carrying out the following initiatives to promote working remotely.

- (1) Introduce work-at-home system
- (2) Develop and maintain infrastructure for working remotely (personal computers, smartphones, etc.)
- (3) Promote online company events, internal training, and internal/external meetings, etc.
- (4) Online training to improve IT skills
- (5) Promote paperless administration and introduce digital signatures (approval seals)
- (6) Provide work-at-home benefits

#### **Flextime System**

The Company has introduced a flextime system.

- Prescribed working hours: 8:45-17:15 (with a break from 12:00 to 13:00)
- Flextime system available (can be used after six months of employment)
- Core time: 10:00-15:00
- Flexible time: 7:00-10:00, 15:00-20:00

#### **Employee Stock Ownership Plan**

The Company has an employee stock ownership plan that enables employees to build assets (savings) by continuously purchasing shares of the Company. In addition, the Company provides incentive payments to participants.

#### **Property Accumulation Savings Plan**

The Company offers a property accumulation savings plan that enables employees to save for purchasing a home, renovating or expanding their residence, or receiving pension payments after the age of 60. Employees can save for the future by having deductions made from their monthly salary and biannual bonuses.

#### **Retirement Benefit Plans**

The Company and certain Group companies have adopted both funded and unfunded defined benefit plans, as well as defined contribution plans, to provide retirement benefits for employees. Nearly all employees are covered by these plans. While these retirement benefit plans are exposed to general investment risks, interest rate risks, and inflation risks, we consider these risks to be insignificant. The funded defined benefit plans are managed by pension funds that are legally separate from the Kuria Group. The boards of these pension funds and the asset management institutions entrusted with pension management are legally required to act in the best interests of plan participants and are responsible for managing plan assets in accordance with prescribed policies.

#### **Dialogues with the Labor Union**

The Company not only strives to foster sustainable growth but also maintains a sound and fair relationship with various labor unions. Labor and management must each do their utmost to improve working conditions and better the economic and social standing of all union members. That is why the Company enters into labor agreements with labor unions. We also hold management consultation meetings and continually engage in various other dialogues to share management information and exchange ideas. In the fiscal year ended March 31, 2025, we mainly conducted collective bargaining sessions regarding wage negotiations and revisions to the personnel system.

Report and Data

## 5. Strategic Development and Utilization of Human Resources

and Materiality

## Fostering an Organizational Culture that Embraces and Leverages Diversity

#### **Career Development Workshop**

The Kurita Group is working to increase the proportion of women in management and key positions involved in business execution, setting specific targets and promoting initiatives to achieve them. As of December 2024, the percentage of female managers was 4.7%, and we are continuing our efforts toward our target of 10% by the fiscal year ending March 2028. In the fiscal year ended March 2025, we held a career development workshop mainly for female career-track employees. The workshop aimed to help those aspiring to become section managers or senior specialists clarify their vision of these roles and what they hope to achieve in their departments, enabling them to develop a concrete vision for their future careers. Department managers and professional staff participated as supporters, and the workshop was conducted in an interactive, dialogue-based format. Going forward, we will provide opportunities for younger employees to consider their career development, thereby strengthening the pipeline of future female management candidates.

#### **Networking Group**

The Kurita Group has established and operates networking groups for employees, introducing internal and external training programs related to the promotion of women's participation and providing opportunities for information exchange.

#### Wage Difference Between Male and Female

The Company applies the same wage standards regardless of gender. However, differences in average wages arise due to the distribution of employee qualifications and age groups. Particularly in the age group of 40 and above, the ratio of men in manager-equivalent positions (including managers)\*1 is higher compared to women, resulting in comparatively higher average wages for men. On the other hand, the gender wage gap\*2 in manager-equivalent positions is about the same level at 99% for general managers and 98% for section managers. The Company will actively work to ensure diversity by increasing the proportion of female hires, supporting women in their career development, and promoting women to key positions.

Additionally, among the Company's part-time and fixed-term employees, a higher proportion of male contractors held more specialized positions, such as construction management and executive positions in consolidated subsidiaries, leading to relatively higher average wages for men.

#### Wage difference between male and female Workers at the Company (%)\*2

	FY 03/2021	FY 03/2024	FY 03/2025
All employees	68.0	68.8	68.1
Of which, full-time employees	67.5	68.5	67.6
Of which, part-time and fixed-term workers	65.9	67.0	73.3

<sup>\*2</sup> The formula of the calculation is ["average females' annual salary" ÷ "average males' annual salary"].

#### Targets and results for female managers (%)

			FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2028 Goal
			11.5	13.2	13.2	14.7	15.7	-
	The Kurita Group	The Company	2.4	2.7	4.1	4.2	4.9	about 10
Percentage of female managers		Group companies in Japan	5.5	5.3	5.1	5.6	5.1	_
		Group companies overseas	19.0	22.3	21.9	23.7	24.5	_
Female ratio among all employees		The Kurita Group	24.5	25.0	25.3	25.4	25.7	-
	New graduate recruitment	The Company	33	24	31	35	29	-
Percentage of women employed in general positions	New graduates and experienced personnel recruitment	The Company	33	28	29	26	21	about 30-40

In addition to being certified as Platinum Kurumin and Eruboshi (3-star rating) by the Minister of Health, Labour and Welfare of Japan, we have also been selected to be included in the MSCI Japan Empowering Women Index. Click below for more information.

Kurita Group's Sustainability and Materiality (External Evaluation)

<sup>\*1</sup> Management-level equivalent: Refers to individuals who either hold a management position or possess a qualification grade equivalent to management

## **5.Strategic Development and Utilization of Human Resources**

#### General Employers Action Plan Based on the Act on Promotion of Women's Participation and Advancement in the Workplace

In the plan for the period from April 2023 to March 2028, the Company has set the following numerical targets.

#### (1) Providing career opportunities for female workers

- Percentage of women in career track employment (new graduates/experienced professionals): About 30-40%
- •Percentage of management positions held by women: About 10%

#### (2) Development of an employment environment that contributes to balancing work life and family life

- •Childcare leave uptake rate among male employees\*: About 80-90%
- Duration of childcare leave taken by male employees: About 2-8 weeks

<sup>\*</sup>The childcare leave targets for male employees are addressed in the General Employer Action Plan based on the Next Generation Nurturing Support Measures Promotion Act.

Initiative	Measures Taken
Increasing the proportion of female hires	When seeking to hire new graduates and experienced professionals, provide opportunities for candidates to meet with female employees of the Company. In addition, review the recruitment page on our website and provide information to motivate women to actively build their careers.
Career Development Support	Carry out career development workshops tailored for three stages until promotion to a management position, and a career development workshop that focuses on expertise, with the participation of executives and the supervisors of female employees.
Systematically appointing women and expanding their roles	Share the plan for appointing women to management positions with related parties and update. While assigning female employees to roles that have few female workers, we will strive to support their efforts so that women can become firmly established throughout our workforce.
Establishing internal and external networking opportunities for women	Promote the sharing of knowledge of women both inside and outside the company who have balanced work and family. Alongside this, support networking to enable female employees to seek advice about their concerns.

#### Action Plan Based on the Act on Advancement of Measures to Support Raising Next-Generation Children

In the period from April 2023 to March 2028, the Company will conduct the following initiatives in stages.

Initiative	Measures Taken
Promote understanding of childcare leave for male employees	Use videos and training for managers, male employees who themselves are eligible for childcare leave, and colleagues to foster an environment where such leave can be taken easily.
Promote understanding of childcare-related systems	Promote understanding and use of the system through explanatory videos, expansion of the handbook for introducing childcare-related systems, and internal communications.
Share information about childcare leave of male employees	Provide a place for sharing insights from employees who have used the system, and use internal communications to promote success stories throughout the organization.
Promote use of annual paid leave	Reduce factors that hinder employees from taking paid leave; in parallel with this, promote activities to encourage taking paid leave.

#### **Employment of Personnel with Disabilities**

With the goal of fulfilling its social responsibility to employ people with disabilities, the Company and the Group Companies in Japan are working to create an environment and system in which people with disabilities can play an active role, and are providing employment opportunities for people with disabilities in a wide range of fields. In April 2013, With Kurita Ltd. was established with the goal of securing employment opportunities for people with disabilities. As of May of the same year, With Kurita has been approved as a special subsidiary company under the Act on Employment Promotion, etc. of Persons with Disabilities.

#### Status of Employment of Personnel with Disabilities at the Company and Group companies in Japan\*

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Number of people employed	68	72	73	70	74
Employment rate (%)	2.4	2.5	2.6	2.5	2.6

<sup>\*</sup> The number of employees with disabilities in group companies deemed to be subject to group application under the Employment Rate System for Persons with Disabilities.

Report and Data

## **5.Strategic Development and Utilization of Human Resources**

#### **Securing Employment Opportunities for Senior Personnel**

In conjunction with the enforcement of the amended Act on Stabilization of Employment of Elderly Persons from 2006, the Company has established a system to secure employment opportunities for people who have retired having reached the mandatory retirement age. These employment opportunities are offered for up to a maximum of five years from the time of mandatory retirement (60 years old) in accordance with the 2013 amendment to the Act on Stabilization of Employment of Elderly Persons.

# Establishment of SOGIE Minority Related Consultation Desk, Formulation of Regulations Regarding Same-Sex and Common-Law Partners

The Company and the Group Companies in Japan have set up an external SOGIE\* minority related consultation desk where employees (including dispatch staff) can be consulted anonymously. The purpose is to reduce the psychological burden in daily life and to enable manager and colleagues to respond appropriately to them based on advice from qualified persons such as psychological counselors.

We also extend the various personnel systems provided to executives and employees to same-sex and common-law partners as well.

#### **Recruitment Goals and Results for Experienced Personnel**

Our recruitment goals and achievements for experienced personnel are as follows:

#### Our situation (%)\*1

	FY 03/2023	FY 03/2024	FY 03/2025	April 2031 Goal
Ratio of experienced employees	10.6	12.8	17.6	About 30

 $<sup>^{\</sup>star}1$  As of December 1 for each fiscal year

#### **Employment of Foreign Nationals**

The Company seeks to recruit diverse human resources without regard to nationality. We employ foreign nationals, mainly from among overseas students studying in Japan.

#### Status of Employment of Foreign Nationals at the Company

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Number of people employed	19	19	19	21	27

For other initiatives related to human resources, please refer to this sections.



ESG Data ▷

<sup>\*</sup>A term that combines Sexual Orientation, Gender Identity, and Gender Expression.

Other Efforts to

# 6. Provide Highly Safe and Quality Products and Services

We create products and services and continue to make improvement for securing quality and safety, based on information obtained from diverse points of contact with sites, thus increasing social confidence.

## The Kurita Group Approach

Message from

Management

In order for the Kurita Group to continue its business and grow as a company, we must maintain its status as a trusted supplier for its customers.

Therefore, the Kurita Group is working continuously to make improvements for securing quality and safety based on information obtained from diverse points of contact with sites, thus increasing social confidence.

The Kurita Group revised the "Kurita Group Product Quality Policy" in April 2024. Our basic policy "The Kurita Group will continually provide safe and secure products and services that contribute to solving customer and societal issues, thereby winning unshakable trust", expresses our commitment to delivering value not only to customers but also to society, and demonstrates our stance of meeting the high expectations for quality reliability. Based on this policy, we are committed to enhance the trust of society through promoting quality improvement activities and improve the quality of the products and services to customers.

Kurita Group Product Quality Policy ▷

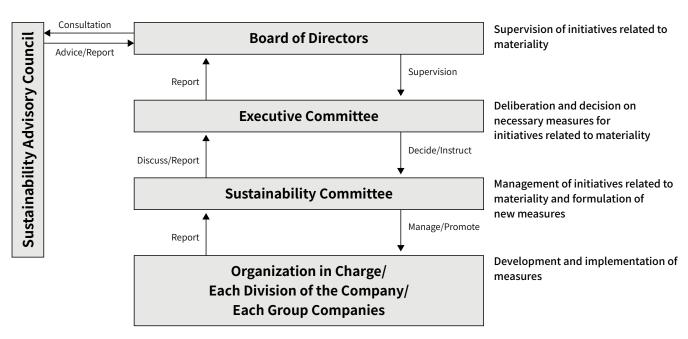
#### **Contribution to Achieving the SDGs**





## **Promotion and Governance System**

The Kurita Group has identified providing highly safe and quality products and services as one materiality issue. The Sustainability Committee, chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. The Committee reports or submits proposals on the progress of these initiatives to the Executive Committee, which deliberates and determines necessary measures. The Executive Committee then reports the status of these initiatives to the Board of Directors, which is responsible for overseeing all materiality initiatives.



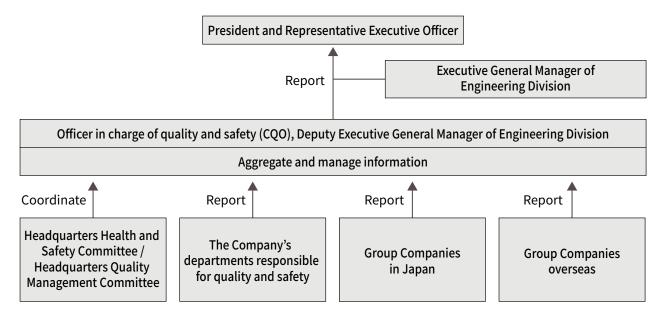
(As of April 1, 2025)

Other Efforts to

## 6. Provide Highly Safe and Quality Products and Services

## **Quality Management System Framework**

At our company, we have established a Headquarters Quality Committee chaired by the Chief Quality Officer (CQQ), who is an executive officer responsible for quality and safety. In addition, each department under the headquarters has also set up its own Quality Committee. In the fiscal year ended March 31, 2025, we established our activity policy to optimize the quality management system and reinforce our business foundation, with the aim of further enhancing the value provided by the Kurita Group. In line with changes in the business environment and operations, we focused on reviewing and optimizing the quality management system, revitalizing the PDCA cycle starting from internal audits, and implementing initiatives that address the key issues of each business segment.



(As of April 1, 2025)

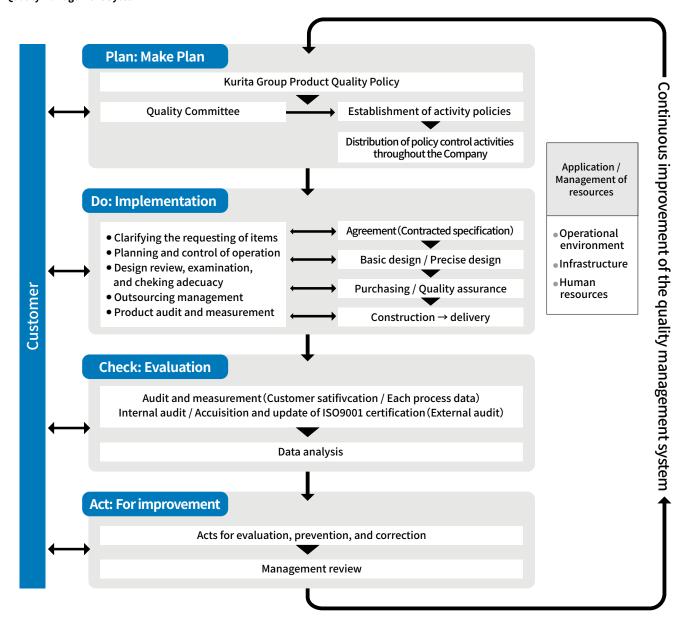
## **Operation of Quality Management System**

The Kurita Group is committed to the establishment and operation of a quality management system in accordance with ISO9001 at the Companies that have production processes such as procurement, manufacturing, and construction to provide products and services. Companies subject to the quality management system regularly carry out documentation maintenance, goal setting and implementation of initiatives, and internal audits conducted by the Quality Committee. In addition, our Quality Assurance Department conducts an annual review of the companies subject to the quality management system, the status of ISO 9001 certification, and the operation of the quality management system, striving to maintain and improve the quality control framework. Furthermore, our Quality Assurance Department conducts on-site inspections at certain Group companies.

#### **Quality Management System**

Message from

Management



Please see the sections below for the status of ISO 9001 certification.

ESG Data ▷

# **Targets and Results**

Message from

Management

The Kurita Group is committed to providing highly safe and quality products and service by setting targets related to reduction rate in the recurrence rate of accidents that affect customers and society. Targets and results for this materiality are shown as below.

Metrics	Targets (Upper row) and Results (Lower row)					
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028		
Reduction rate in the recurrence rate of	30% (The Company)	30% (The Company)	20% (The Company, Group companies in Japan)	20% (The Kurita Group)		
accidents that affect customers and society	Achieved (37%)	Not Achieved (-6%)				

## **Evaluation of Results and Outline of Activities**

## Reduction Rate in the Recurrence Rate of Accidents that Affect Customers and Society

The Kurita Group does everything in its power to decrease the recurrence rate of accidents that affect our customers and society.

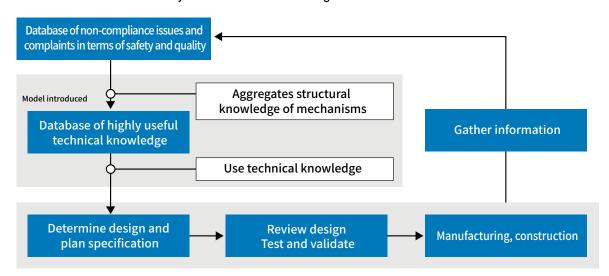
In the fiscal year ended March 31, 2025, we analyzed the causes of incidents from both quality and safety perspectives, and implemented effective recurrence prevention measures to reduce the recurrence rate. Specifically, we conducted root cause analyses of the incidents that occurred, and continued to register safety-related cases in the labor accident recurrence and prevention model "Kurita-Safety Approach Tool (K-SAT)\*1," and quality-related cases in the "Stress-Strength Model (SSM)\*2."

In addition, for cases such as fires or chemical pipe damage that could lead to significant harm, we posted the information on the Company and domestic Group companies' intranet to ensure thorough awareness across the group. However, due to the impact of recurring incidents caused by insufficient risk assessment—such as inappropriate work procedures—the actual recurrence rate fell short of the target, showing a 6% decrease compared to the previous fiscal year.

Going forward, we will review past recurrence prevention measures for incidents, reassess those with low effectiveness in preventing future occurrences, and promote the implementation of more effective initiatives.

Conducting Business Activities Respecting Human Rights (Analysis of the Root Causes of Occupational Accidents and Prevention of Recurrance)

#### Loss Cost Recurrence Prevention Cycle for Nonconformities using SSM



<sup>\*1</sup> Please see the section below for more information about K-SAT.

<sup>\*2</sup> Yasuhiko Tamura from the Institute of Structured Knowledge Yielding Co., Ltd. developed the Stress-Strength Model (SSM) as a system to structurally identify and build a shared knowledge database of the mechanism causing defects. SSM prevents quality control issues as a quality management approach mainly used in the manufacturing sector

## Other Related Initiatives

#### Safety Evaluation of Products

When using a new chemical substance in product development, the Company assesses the environmental and health risks based on internal standards. In addition, when we manufacture a product, we submit mandatory notifications and reports following laws and regulations, including the Industrial Safety and Health Act, the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., and the Fire Service Act.

## **Sharing Information Related to Product Safety**

To ensure the appropriate provision of information to customers, the Company uses GHS\*1- compliant SDS\*2 and labels to inform them of applicable laws and hazards of the product and provide other information. As part of our safety measures during product transportation, we issue Yellow Cards\*3 containing essential emergency response information. In addition, we also affix labels to containers that follow the Yellow Card format\*4. In the fiscal year ended March 31, 2025, there were no violations related to product labeling or safety within the Kurita Group.

- \*1 GHS stands for the Globally Harmonized System of Classification and Labeling of Chemicals. Under this system, physical hazards and health/environmental hazards of chemicals are classified based on international standards, and products classified as hazardous ones are stated on SDSs and indicated on the containers. GHS has been introduced in many countries in accordance with a recommendation by the United Nations. In Japan, compliance with GHS is required by the Industrial Safety and Health Act.
- 12 SDS (Safety Data Sheet), is a sheet on which a product's hazards, applicable laws, how to handle and transport the product, emergency measures, and other information are presented in a specific format. The Company creates SDSs for all of its products, commodities, and developed articles and provides them to its customers.
- 3 A yellow card containing information on accident measures as a safety measure when transporting chemical substances. This card is taken along by the transport operator when a chemical is transported on a tanker truck or the similar vehicle.
- \*4 A Yellow Card cannot be used in the case of consolidated transport or transport of small lot products. Therefore, in such a case, the Company affixes a label indicating safety information (United Nations Number and Emergency Response Guide Number of the chemical name) on each container.

## **Quality Surveys**

The Company conducts quality surveys for employees as part of its quality management system. We use these quality surveys as a measure to help us review our quality management, which deeps understand and drives the effectiveness of quality controls. The Quality Committee incorporates the findings of the surveys into its initiatives as well to fully enhance quality management system.

In the fiscal year ended March 31, 2025, the Company conducted biannual surveys and used the results to provide feedback to the Quality Committee, helping improve its initiatives. The survey results were also shared via the Group's intranet to promote the sharing and enhancement of quality awareness.

## **Employee Training**

At the Kurita Group, we have established and operate an internal information-sharing website to enhance employees' awareness and knowledge of quality, and we continuously disseminate information related to quality.

The Company provides training to employees at each Group company involved in the configuration and operation of quality management systems. The training program covers a wide range of topics, including basic knowledge of water treatment chemicals, technical courses on water supply and wastewater, education on safety and legal compliance, as well as communication skills and problem-solving methods.

#### **Number of Participants in Training**

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Number of participants	1,906	3,042	2,382	3,353	3,324

#### **Emergency response measures**

In the Kurita Group, as an emergency response measure in the event of a problem concerning the safety of products or services, we have established and operate an emergency contact system. This enables the responsible department to promptly grasp the situation and respond in coordination with relevant parties. Some organizations conduct regular tests of these systems.

## **Chemical Substance Management**

Message from

Management

The Kurita Group is engaged in chemical substance management in accordance with international frameworks. Based on the revised Industrial Safety and Health Act enacted in April 2024, the Kurita Group has adopted a policy to gradually reduce and eliminate the use of regulated chemical substances—even in cases where their use poses no immediate safety concerns as long as legal obligations are met. This approach aims to achieve "inherent safety" by removing the risk factors themselves. In our European group companies, suppliers are required to complete and sign questionnaires to ensure compliance with various regulations, including the REACH regulation\*.

\*The REACH regulation, issued in the EU in 2007, stands for Registration, Evaluation, Authorization, and Restriction of Chemicals.

## **Strengthening of Internal Audits**

At the Kurita Group, internal audits are conducted with the aim of "maintaining and continuously improving the quality management system, starting from audits, to solve challenges faced by customers and society." In order to enable each organization to autonomously improve its quality management system, we regularly review the internal audit framework related to quality, as well as the content of education and training programs. Going forward, we will continue to conduct internal audits led by the quality committees of each organization, striving to enhance quality through the identification of issues and implementation of improvements.

#### **Quality Survey Conducted by External Institution**

Since fiscal year ended March 31, 2021, the Company has engaged an external institution to conduct quality surveys, covering Group companies in Japan involved in production. The surveys cover the quality control systems and operation status of each company. Based on the survey's findings, quality-related issues were identified, and improvement measures were formulated as we continue to raise quality levels at Group companies in Japan.

## **Using Change Point Management to Prevent Abnormalities**

The Company focused on Change Point Management as a quality improvement initiative. The Company has examined the problem in advance and formulated me to tasks such as those that fall under "first time, change, or after long time," which have high probabilities of causing abnormalities or defects. We will continuously be committed to this effort to prevent mistakes and to quickly address changes when they arise.

## Response to Defects/Prevention of Recurrence and Simple Prevention

Defects that arise prior to installation at customers and opinions received from customers are entered to internal "problem information" database and shared widely throughout the Company. Additionally, we will curb the occurrence of defects by conducting investigations and audits of the causes of nonconformities, and by establishing and utilizing a Stress- Strength Model (SSM), a system to prevent defects and stop issues from reoccurring.

#### Number of Recall Cases\* (cases)

	FY 03/2025
Number of Recall Cases (cases)	0

<sup>\*</sup>The number of recalls regulated by laws such as the Consumer Product Safety Act, the Food Sanitation Act, the Consumer Safety Act, and the Road Transport Vehicle Act.

**Report and Data** 

We aim to respect human rights of all the people as an initiative on "humanity" in "an environment in which nature and humanity are in harmony," based on international norms related human rights.

## The Kurita Group Approach

As a company that conducts business globally, the Kurita Group recognizes that respect for the human rights of all of our stakeholders is essential for conducting business activities. Because we aim to achieve an environment in which nature and humanity are in harmony as part of our corporate philosophy, we promote business activities that respect human rights in accordance with international standards.

We have established the Kurita Group Human Rights Policy to supplement our corporate philosophy and the Kurita Group Code of Conduct. The Kurita Group Human Rights Policy states that we will respect human rights as set forth in the International Bill of Human Rights and the fundamental rights and principles set forth in the ILO Declaration on Fundamental Principles and Rights at Work. We also make clear the need to promote efforts to respect human rights based on the United Nations Guiding Principles on Business and Human Rights.

\*The establishment, revision, and abolition of the Kurita Group Human Rights Policy are to be decided by the Board of Directors.

Kurita Group Human Rights Policy⊳

To ensure that our efforts for respecting human rights are reflected across the entire supply chain, we request our business partners to consider human rights and ask for their understanding and cooperation. We also confirm compliance via periodic monitoring surveys.

We have established the Kurita Group Sustainable Procurement Guidelines, which require us to strive for appropriate procurement activities. This includes efforts to ensure that our business partners comply with regulations regarding conflict minerals, as well as the disclosure of information based on customer requests. We have also formulated Guidelines for the Acceptance of Foreign Workers, which detail rules to comply with when accepting foreign workers. We explain the human rights efforts of the Kurita Group to our business partners and request them to comply with these guidelines.

Kurita Group Sustainable Procurement Guidelines  $\triangleright$ 

Policy Guidelines for the Employment of Foreign Workers (Japanese Only)

## **Contribution to Achieving the SDGs**





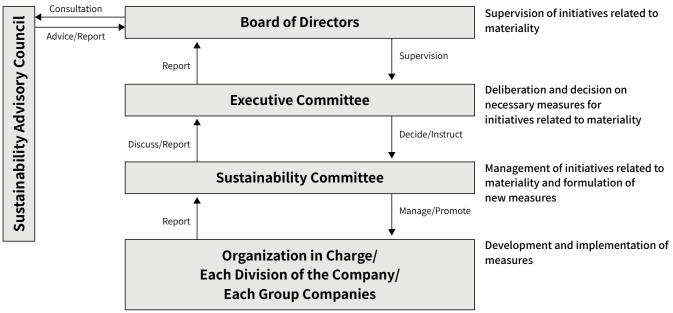






# **Promotion and Governance System**

The Kurita Group has identified conducting business activities respecting human rights as one materiality issue. The Sustainability Committee, chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. The Committee reports or submits proposals on the progress of these initiatives to the Executive Committee, which deliberates and determines necessary measures. The Executive Committee then reports the status of these initiatives to the Board of Directors, which is responsible for overseeing all materiality initiatives.



(As of April 1, 2025)

# **Targets and Results**

The Kurita Group is committed to conducting business activities respecting human rights by setting targets for conducting human rights due diligence on suppliers, the accident severity rate, rate of participation in human right-related training, and the establishment of a liaison for remedies from human rights violations. Targets and results for this materiality are shown as below.

Metrics	Targets (Upper row) and Results (Lower row)						
metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028			
Conducting human rights due diligence on suppliers	Continuous implementation	Continuous implementation	Continuous implementation	Continuous implementation			
Conducting human rights due diligence on suppliers	Achieved	Achieved					
	0.005 or less	0.005 or less	0.005 or less	0.005 or less			
Accident severity rate*1	Not Achieved (0.041) *2	Not Achieved (0.013)					
	100%	100%	100%	100%			
Rate of participation in human rights-related training	Achieved (100%)	Achieved (100%)					
Establishment of a liaison for remedies from human	_	_	_	Completed			
rights violations (grievance mechanism)*3	-	-					

<sup>\*1</sup> The scope covers the Company, the Group companies in Japan, and their subcontractors. Regarding metrics and targets outside Japan, we will set them separately in fiscal year ending March 31, 2026, taking into account local laws and regulations, and will start working on them from fiscal year ending March 31, 2027, and the start working on them from fiscal year ending March 31, 2027, and the start working on them from fiscal year ending March 31, 2027, and the start working on the start working of th

<sup>\*2</sup> The actual figures were revised as of September 2025 to reflect the estimated number of lost workdays as of the end of March 2025.

<sup>\*3</sup> Conduct surveys, etc. from the fiscal years ended March 31, 2024 to March 31, 2026 would be prepared for establishment by the fiscal year ending March 31, 2028. After establishment, set targets related to raising awareness.

## **Evaluation of Results and Outline of Activities**

## **Conducting Human Rights Due Diligence on Suppliers**

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

In the fiscal year ended March 31, 2025, we conducted a survey using CMRT and EMRT\* to discover if there are any concerns related to conflict minerals. This survey investigated the history of raw materials at our suppliers from which we procure a large volume of electronic components. Our assessment also looks into the procurement volume and volume of minerals originating from high-risk areas that our products contain.

We also conducted online interviews with five of our suppliers that accept foreign technical intern trainees, who are thought to be at particularly high risk. We then had external experts conduct on-site audits for two of those companies deemed to require further investigation. The investigation also included a review of examples of good practices. Feedback from the employer, document reviews, on-site visits, and interviews with the foreign technical intern trainees fully grasped the actual situation at each company. Our findings reveal that some of the suppliers had used agencies that may have collected fees from foreign technical intern trainees before they came to Japan that exceeded those provided for by the foreign technical intern trainee policy. In light of this discovery, we not only conducted online interviews to follow up with suppliers but also requested each to verify the collection status of these fees before bringing in any new foreign technical intern trainees.

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

## **Accident Severity Rate\*1**

The Kurita Group positions occupational health and safety as an important part of our business activities. We believe that ensuring the safety of our employees and supporting their health leads to respect for the human rights of our employees and their families. That is why we strive to maintain a certain accident severity rate at manufacturing/installation sites in Japan. This enables us to accurately understand and reduce the occurrence of severe workplace accidents. In the fiscal year ending March 2025, through the Safety and Health Committee, we focused on cultivating a workplace culture where individuals enhance their sensitivity to potential hazards and voluntarily comply with laws and regulations. To achieve this, we prioritized education and training programs tailored to the characteristics of each business operation, including hazard simulation exercises and VR-based experiences. Additionally, we conducted a safety awareness survey to accurately assess the organizational climate within each division. In construction and manufacturing sites, we also worked to eliminate occupational accidents by utilizing the Kurita Safety Alert Tool (K-SAT) to improve work procedures and risk assessments based on past incident cases. Furthermore, as part of our continued efforts to prevent the recurrence of heat-related illnesses, we distributed wearable devices to each site that can measure core body temperature and issue alerts. This initiative, carried over from the previous fiscal year, was aimed at preventing workplace accidents caused by heatstroke. However, although the recurrence rate of workplace accidents has been reduced, preventive measures including those for incidents without lost workdays remain insufficient, and due to the frequent occurrence of workplace accidents at domestic Group company sites, the target was not achieved. In FYE 2025, we analyzed the causes of workplace accidents that occurred at the Company and Group companies in Japan using the 4M classification method\*<sup>2</sup>. The analysis revealed that "Media" (work-related information and environment) and "Management" accounted for 70% of the causes. This finding highlighted the need to enhance the effectiveness of our current risk assessments by improving the identification of hazards in on-site operations, implementing appropriate risk mitigation measures, and evaluating residual risks. It also confirmed the importance of raising individual safety awareness so that risks can be recognized during daily operations. Going forward, we will continue working to improve the effectiveness of risk assessments and further enhance safety awareness among all employees.

Report and Data

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

<sup>\*1</sup> Accident severity rate refers to the proportion of work days lost per 1,000 total hours of work. The number of lost workdays due to occupational accidents is reflected in the fiscal year in which the incidents occurred.

<sup>\*2</sup> The 4M classification refers to four categories that contribute to accidents and incidents—Man (human factors), Machine (equipment and materials), Media (work-related information and environment), and Management (organizational control and oversight).

Other Efforts to

## 7. Conduct Business Activities Respecting Human Rights

## Rate of participation in human rights-related training

The Kurita Group believes that heightening the awareness and recognition of human rights in our officers and employees will lead to reduced human rights risks in our business activities. That is why we continuously conduct human rights training each year.

In the fiscal year ended March 31, 2025, we conducted training for officers, employees, and dispatch workers at the Company and domestic Group companies. The theme of the training was Eliminating Harassment in the Workplace. We achieved our target of a 100% rate of participation, with all officers, employees, and dispatch workers undergoing the training.

#### **Number of Participants in Human Rights-related Training**

Message from

Management

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Theme	Anger Management	Diversity & Inclusion	Human Rights Violations in the Age of Social Media	Business and Human Rights	Eliminating Harassment in the Workplace
Number of participants	2,095	4,778	4,754	4,802	4,916

## Establishment of a liaison for remedies from human rights violations (grievance mechanism)

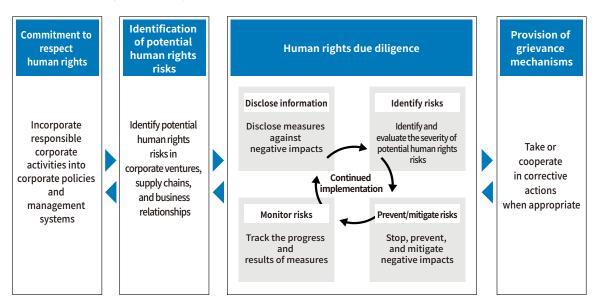
The Kurita Group believes in the importance of maintaining a mechanism that enables individuals and groups to share concerns or grievances regarding the negative impacts of corporate activities on human rights and request relief or remediation. We aim to complete the establishment of a grievance mechanism regarding human rights violations in accordance with Principle 31 of the Guiding Principles on Business and Human Rights by the fiscal year ending March 31, 2028. In the fiscal year ended March 31, 2025, we conducted hearings on candidate business partners to investigate the primary targets for relief, languages to support, and corrective measures to take. We will strive to launch the grievance mechanism as soon as possible, so that we can establish a system that enables a wider range of stakeholders to report and seek relief for grievances than the current Kurita Group internal reporting desk and human rights due diligence efforts can.

# Other Related Initiatives **Human Rights Due Diligence Efforts**

The Kurita Group strives to promote human rights due diligence initiatives based on international standards, such as the OECD Due Diligence Guidance for Responsible Business Conduct.

In the fiscal year ended March 31, 2025, we did our due diligence into human rights, while expanding the scope for the investigation to respond to the potential human rights risks. We also worked on preparing a grievance mechanism.

#### **Process for Human Rights Due Diligence**



## **Identifying Potential Human Rights Risks**

The Kurita Group divides our value chain into raw materials, suppliers, the Kurita Group, and customers. This enables us to identify and appropriately respond to potential human rights risks in our value chain. In the fiscal year ended March 31, 2022, we asked an external expert to conduct a hearing with our managers working in various positions in different countries and regions around the world to find any potential risks. We determined the potential human rights risks to focus our efforts based on the opinions of E&S Committee (former name of the Sustainability Committee) members, according to the impact of the human rights risks identified by the hearing.

Since the fiscal year ended March 31, 2023, the Kurita Group has been working to address human rights risks associated with identified potential risk items, in collaboration with  $external\ experts.\ To\ advance\ these\ efforts, we\ receive\ evaluations\ from\ an\ external\ attorney\ specializing\ in\ human\ rights\ to\ confirm\ the\ appropriateness\ of\ our\ response\ measures.$ 

#### **Identifying Potential Human Rights Risks**

Message from

Management

		Raw materials	Suppliers	Kurita Group	Customers
-	Potential man rights risks	•Procurement of conflict minerals, etc.	Violations to worker rights Dangerous work/occupational accidents (accidents due to machinery, falling, tripping, chemicals, etc.) Proper management of hazardous substances	Workplace environment (religious considerations, harassment, long working hours)     Dangerous work/occupational accidents (accidents due to machinery, falling, tripping, chemicals, etc.)     Proper management of hazardous substances	•Business relationships with customers at risk of violating human rights
Response to human rights risks	FY 03/2023 FY 03/2024	•We select suppliers from the standpoints below based on a written survey in the fiscal year ended March 31, 2023. The Company also placed particular emphasis on electronic components and conducted a traceability survey for specific minerals.  (1) Systems to fully trace raw materials back to smelters  (2) Both the quantities and applications of raw materials are important to our products.	External experts have been conducting on-site audits for us since the fiscal year ended March 31, 2023. The investigations gained feedback from employers as well as conducted document reviews, on-site visits, and interviews with workers.  Our on-site audits did not identify any risks to the human rights of workers from Japan.  Our audits did identify the risks of violating the rights of foreign workers below.  (1) Risk of a collection of fees higher than provided for by the foreign technical intern trainee policy by agencies from foreign intern trainees before dispatching them to Japan  (2) Safety Data Sheets (SDS) not including the native language for information on chemical substance management  (3) Safety management at home  We briefed and rose supplier awareness about the human rights initiatives of the Kurita Group.  We established and distributed policies on accepting foreign works to our suppliers and asked for their commitment in following these policies.	Our integrity survey verified that there were no human rights violations due to a lack of religious accommodations in the Kurita Group.  We independently reviewed reports of harassment received by our internal whistle-blower and consultation desk and verified all necessary corrective actions had been taken.  The Company verified the Kurita Group is prioritizing employee health management. Although employees do work long hours, we make sure to adhere to all laws, regulations, and labor-management agreements as well as recommend any employee who works a lot of overtime consult with an industrial physician.  External experts have been conducting on-site visits to survey the Company, Group companies in Japan, and worksites in Japan up until the fiscal year ended March 31, 2024. These investigations verified sufficient safety measures had been put in place for dangerous work and to prevent occupational accidents.  We reviewed the level of hazardous substance management at Kurita Group research and development facilities and verified proper control measures.	•We started to conduct surveys for companies and organizations where we have concerns about human rights violations in the fiscal year ended March 31, 2023. External experts advised us that some of these customers would require further examination.
Response t	FY 03/2025	We surveyed the history of raw materials for conflict minerals from suppliers that we procure a large volume of electronic components     We verified almost no procurement issues with tin, tantalum, tungsten, and gold.     Compliance rates with cobalt and mica were low.     We examined the procurement of aluminum, silica, and copper as these come with ever higher risks, but no follow was done because the investigation found very minimal procurement of these minerals.	We conducted online interviews and onsite audits through experts with five of our suppliers that accept foreign technical intern trainees, who are thought to be at particularly high risk. Feedback from the employer, document reviews, on-site visits, and interviews with the foreign technical intern trainees fully grasped the actual situation at each company.  We discovered that some of these suppliers were at risk of using agencies that may have collected fees from foreign technical intern trainees before they came to Japan that exceeded those provided for by the foreign technical intern trainee policy.  We have asked these suppliers to follow up on the findings of our on-site audits the previous fiscal year through online interviews and requested verification of the fees collected before hiring any new foreign technical intern trainees.	Our integrity survey verified that there were no human rights violations due to a lack of religious accommodations in the Kurita Group. The integrity survey received feedback that people felt harassment and long working hours were risks that we face. Therefore, we investigated specific reports of harassment received by our internal whistle-blowing and consultation desk and took the necessary corrective action. The Company saw numerous responses about long working hours still being a risk in Japan. However, our initiatives to reduce overtime did seem to help reduce the number of these responses compared to the previous fiscal year. The Health and Safety Committee played a central role in initiatives, such as those to eliminate occupational accidents and reduce the accident severity. We have verified that these efforts have been successful. We verified initiatives improved the way employees handle hazardous substances. This included seeking opinions about hazardous substances from every employee working in Japan.	•We followed through with additional investigations of customers where further examination had been deemed necessary in previous years. External experts advised us to continue gathering and reviewing information, even though an urgent response is not necessary.

Our efforts have been included as a good practice in the detailed version of the Research on Business and Human Rights report issued by the Ministry of Justice.

Research on Business and Human Rights Report by the Ministry of Justice (Only in Japanese) >

## Initiatives to respond to human rights risks of employees

Our recruitment process also states that workers must not be made to pay any fees or commissions. We make this request to our human resource placement companies and dispatch companies each year, and operate a system for confirming that no such payments are made. We also make sure to clarify the employment conditions with every employee in a language that they understand.

The results of the human rights risk assessment of the Kurita Group are indicated below.

#### **Evaluation of Employee Human Rights Risks**

Message from

Management

		FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Child Labor	Number of business sites with significant risks regarding child labor	0	0	0	0	0
	Number of business sites with significant risks of hazardous work undertaken by people aged under 18	0	0	0	0	0
Forced Labor	Number of business sites with significant risks regarding forced labor	0	0	0	0	0

The number of discrimination incidents (including harassment) reported at the Kurita Group is indicated below. Our Human Resources and Legal Departments conduct fact-finding investigations that ensure anonymity. When the evidence in a given case shows any discrimination or harassment, the relevant employees are given guidance or warnings, as appropriate.

#### **Number of Consultations Regarding Discrimination**

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
The Company	4	3	10	5	13
Group companies in Japan	10	16	4	6	23
Group companies overseas	2	0	0	0	7
The Kurita Group	16	19	14	11	43

# **Occupational Health and Safety**

The Kurita Group recognizes that, due to the nature of our business, employees may face safety risks in work involving the assembly, delivery, and installation of water treatment facilities and the manufacturing and delivery of water treatment chemicals. The Kurita Group emphasizes safety and health, with occupational health and safety as the top priority for our business. We work to ensure the health and safety of our officers and employees, while striving to create a more comfortable workplace environment. The Kurita Group has defined the Kurita Group Occupational Health and Safety Policy to continuously promote initiatives related to health and safety based on this policy.

Kurita Group Occupational Health and Safety Policy  $\triangleright$ 

#### **Promotion System**

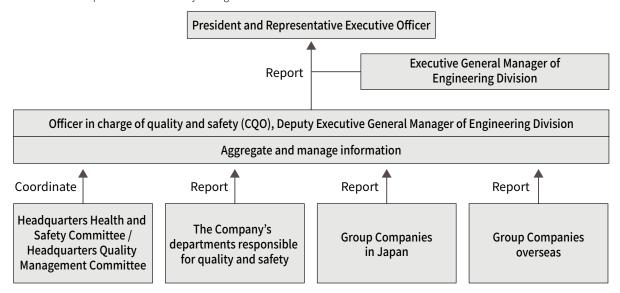
Message from

Management

The Kurita Group positions manufacturing/installation site safety and the prevention of workplace accidents as key issues. We put in place systems to promote occupational health and safety in accordance with occupational health and safety laws and other relevant regulations as well as the ISO 45001 standards.

We have established the Headquarters Health and Safety Committee as a joint labor-management committee, which is led by the Chief Quality Officer (CQO) who is the Executive Officer in charge of quality and safety. Below that is the Health and Safety Committee at each of our offices, operating divisions, and domestic Group companies. Each Health and Safety Committee debates issues regarding the workplace environment and the prevention of workplace accidents. This enables it to maintain and improve the health and safety of our employees.

The directors in charge of these efforts report to the Executive Committee regarding the activity policy, the activity results, the health and safety targets, and progress toward those targets. Our on-site safety efforts are supported by the Safety Promotion Department, which is the dedicated Kurita Group department for safety. The Safety Promotion Department plans and implements measures for preventing workplace accidents and assists the efforts of each Health and Safety Committee in order to promote effective safety management.



(As of April 1, 2025)

In the fiscal year ended March 31, 2025, we pledged to cultivate a workplace culture where every one of our employees is aware of their responsibility for achieving a safe and secure workplace environment and thinking and acting on their own, and thereby eliminate workplace accidents and promote the physical and mental security for all as policy of the Headquarters Health and Safety Committee. This reinforces our focus on preventing workplace accidents and ensuring workplace health and safety.

Moreover, our companies for which the ISO 45001 applies have either acquired the certification or adopted a safety and health management system that adhere to those standards. At business sites and companies within the applicable scope, we have implemented ISO 45001 or equivalent occupational health and safety management systems. Each site and company continuously conducts risk assessments by identifying workplace hazards, implementing countermeasures, evaluating residual risks, and communicating the results to relevant personnel. These activities are carried out through the formulation, review, and reflection of occupational health and safety action plans, and are operated by each Safety and Health Committee and Group companies in Japan engaged in on-site operations.

Please see the section below for the acquisition status of our companies.

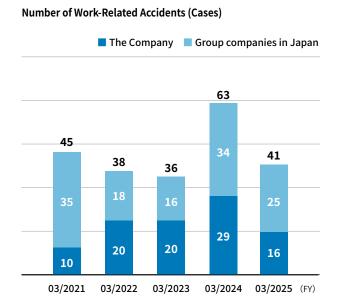


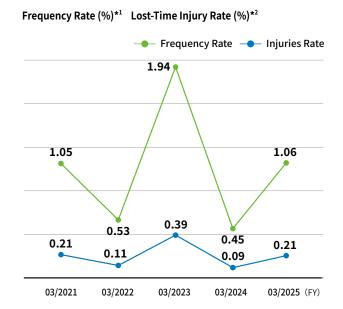
## **Occupational Accidents**

Message from

Management

We track the number of occupational accidents that occur at the Company and Group companies in Japan.



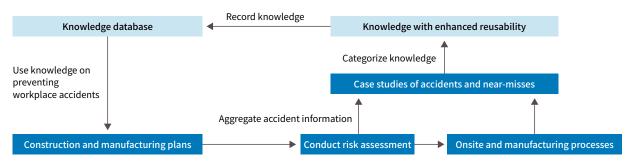


Rates are for the Company up until the fiscal year ended March 31, 2024, and the Company and its Group companies in Japan starting the fiscal year ended March 31, 2025.

## **Work-Related Accident Cause Identification and Recurrence Prevention**

To prevent the recurrence of serious occupational accidents that have occurred in the past, we operate the Kurita-Safety Approach Tool (K-SAT). K-SAT as a tool that accumulates knowledge learned from past work-related accidents in the system, allowing personnel to extract and utilize the information they need. By using this tool, we will develop knowledge from past work-related accidents into risk assessments that contain no omissions. By ensuring that decided measures are implemented onsite, we will strive to prevent the recurrence of work-related accidents.

#### System to Anticipate and Prevent Work-Related Accidents (K-SAT) K-SAT cycle



<sup>\*</sup>A mechanism for structurally identifying and rendering the mechanisms of defects into shareable knowledge, to be used to prevent defects and stop issues from reoccurring. A quality management approach mainly used in the manufacturing sector developed by Yasuhika Tamura of the Institute of Structured Knowledge Vielding Co. Ltd

## **Implementation of Risk Assessments**

The Kurita Group conducts risk assessments as part of its safety management efforts. These assessments quantitatively estimate the risk of disasters caused by potential hazards, determine the priority of countermeasures, and evaluate whether the residual risk after implementing mitigation measures remains at an acceptable level. There are two types of risk assessments: one conducted during the design phase of equipment and devices, and another conducted during the planning phase of on-site operations. Both types are carried out in the planning stage prior to the start of work.

<sup>\*1</sup> This rate indicates the number of lost time injuries occurring in a workplace per one million hours worked.

<sup>\*2</sup> This rate indicates the number of lost workdays due to occupational injuries per 1,000 actual working hours.

## **Response to Tasks Involving Specific Hazards**

At the Kurita Group, some employees engage in tasks that involve specific hazards, such as analytical and experimental work using organic solvents. For these operations, appropriate exposure prevention measures are implemented, including the installation of local exhaust ventilation systems and the use of personal protective equipment. In addition, based on actual usage records, special health examinations are conducted as needed to support employee health management.

## **Safety Patrol Activities**

Message from

Management

The Company and Group companies in Japan work to share the value of making safety the highest priority in carrying out business, and to foster a culture in which employees take personal responsibility for safety. In light of the most frequent occupational accidents to occur, the Company worked together with its business partners to prioritize initiatives for preventing chemical burns, falls, injuries caused by getting caught in machinery, heat stroke, and other occupational accidents unique to our businesses. In the fiscal year ended March 31, 2025, the Safety Promotion Department conducted 693 in-person and remote safety patrols on new and existing Kurita Group business and project sites with a high risk of occupational accidents. We not only found and addressed risks on each site but also heightened safety awareness of employees who work throughout the Kurita Group and for our business partners. These safety patrols gave on-site safety measures a score as well to provide feedback to our employees and partner companies before providing guidance and taking corrective action to improve overall safety.

#### **Number of Safety Patrols**

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Japan	523	567	491	605	675
Overseas	22	8	4	3	18
Total	545	575	495	608	693

## **Establishment of Safety Work Rules and Implementation of Safety Education**

The Kurita Group is working to strengthen safety management systems at construction sites, including those involving subcontractors, for tasks such as construction work, service, and maintenance. Specifically, we have established the "On-site Construction Safety Work Rules" to ensure safe execution of operations such as working at heights and handling chemicals. These rules are shared across the Group and with subcontractors to promote comprehensive improvements in safety management. Contracts and orders with subcontractors for construction work include conditions requiring compliance with safety rules, implementation of safety education, and participation in safety patrols. In addition, it is clearly stated in contract and order documents that pre-entry safety training must be provided to all new site workers before work begins. After issuing orders, kickoff meetings are held to confirm the subcontractors' risk management records and safety performance.

The Kurita Group also provides safety education to employees, including training on chemical handling, and shares information on accident cases, recurrence prevention measures, and safety initiatives via the Group's intranet. In the fiscal year ending March 2025, the Head Office Safety and Health Committee hosted a "Safety Convention," attended by Kurita Group employees and business partners. The convention featured reports on occupational accident occurrences and case studies, sharing of safety and health activity policies, and a seminar on heatstroke prevention by an external lecturer, all aimed at raising safety awareness and preventing workplace accidents.

#### Number of Participants in Safety Education\*

Training name	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Training on handling fires	138	52	156	87	210
Training on handling chemicals	238	62	141	170	376
Safety training for new employees	84	70	64	101	134
Safety training for employees with overseas national	9	0	0	0	0
Special training on full-harness type fall prevention devices	12	55	13	35	23
Others	35	23	0	0	0
Total	516	262	374	393	743

<sup>\*</sup>The figures pertain to the Company between the fiscal years ended March 31, 2021 to March 31, 2024, but cover the Kurita Group in the fiscal year ended March 31, 2025.

**Report and Data** 

Other Efforts to

## 7. Conduct Business Activities Respecting Human Rights

## **Health and Safety at Plants**

Message from

Management

The Kurita Group strives to ensure workplace health and safety through its health and safety committees. In the fiscal year ended March 31, 2025, the Company worked together with each plant to improve the effectiveness of health and safety management systems. These efforts reviewed mandates of laws and regulations related to occupational health and safety as well as strove to ensure uncompromising compliance. We also verified our plants in Japan had appropriately appointed statutory health and safety managers. To ensure even greater health and safety, each plant also actively solicited employees to share ideas on raising awareness about dangerous areas and corrective measures to overcome long working hours. These efforts to identify and address health and safety risks did result in safer and healthier workplace environments.

#### **Health Management**

The Kurita Group promotes integrated and strategic health initiatives based on the Kurita Group Occupational Health and Safety Policy. By doing so, we aim to improve the health management awareness of every single employee and achieve a workplace environment where our employees can work with peace of mind.

#### **Kurita Group Health Declaration**

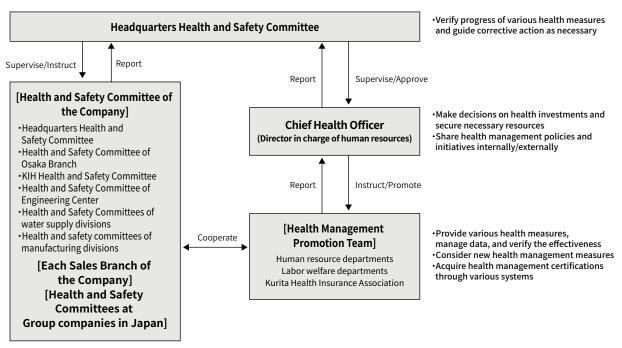
·Verify progress of various health measures and guide corrective action as necessary

The Kurita Group conducts health management, with occupational health and safety positioned as the highest priority for our business. We aim to achieve a sustainable society by utilizing the water knowledge we have cultivated since the founding of the company to solve social issues related to water and the environment. The sound physical and mental health of our employees is essential for achieving this goal. The entire Kurita Group works together to promote the health awareness of our employees and our families, and the creation of a workplace where our employees can work with peace of mind.

Director in Charge of Human Resources Shuji Shirode

#### **Promotion System**

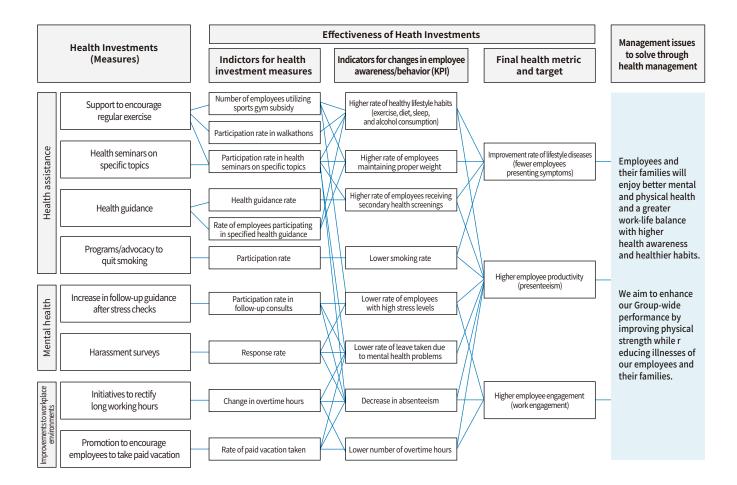
The Kurita Group promotes health management initiatives with the Director in charge of human resources appointed as the Chief Health Officer. The Chief Health Officer makes decisions regarding health investment, shares information on health management both within and outside the Company, and reports to the Headquarters Health and Safety Committee. The Headquarters Health and Safety Committee supervises and makes decisions on initiatives regarding health. The Health Management Promotion Team coordinates with the Headquarters Health and Safety Committee and Group companies to execute initiatives regarding health and verify the effectiveness of those initiatives.



(As of October 1, 2025)

#### **Health Management Strategy Map**

The Kurita Group aims to ensure the physical and mental health of our employees and their families. This provides the foundation to ensure fulfilling work and private lives, and improves the performance of the entire organization. We also enhance health investment initiatives, focusing on key measures of health assistance, mental health, and improvements to the workplace environment. We set relevant metrics to verify the effectiveness of those initiatives.



#### **Targets and Achievements**

The Kurita Group sets targets regarding health-related initiatives and monitors progress toward achieving them.

#### Main Targets and Results\*1

		Achiev	ements		Targets		
	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2028	FY 03/2031	
Rate of employees receiving regular health examinations (%)	100	100	100	99.8	100	100	
Rate of employees receiving secondary health examinations (%)	91.4	92.7	89.8	90.3	95	100	
Rate of employees receiving special health examinations (%)	100	100	100	100	-	-	
Rate of employees maintaining proper weight (%)	61.7	62.1	61.1	60.0	63.0	65.0	
Rate of employees with risk of high blood pressure (%)	26.6	26.1	27.9	25.4	25.0	22.0	
Rate of employees with risk of diabetes (%)	18.6	18.8	16.6	16.7	16.0	15.0	
Rate of employees with risk of dyslipidemia (%)	24.6	23.6	22.5	22.4	22.0	20.0	
Rate of smokers*2 (%)	23.0	21.8	21.6	20.7	15.0	10.0	
Rate of employees having regular exercise (%)	27.3	30.6	30.6	32.2	45.0	50.0	
Rate of employees with proper sleeping habits (%)	74.2	74.3	71.9	71.1	75.0	80.0	
Rate of employees with a habit of consuming alcohol (%)*3	20.3	23.8	26.3	21.3	20.0	18.0	
Number of employees utilizing sports gym subsidy	14	10	10	108	150	180	
Rate of employees participating in specified health guidance programs (%)	63.5	62.8	59.5	55.7	60.0	65.0	
Rate of employees participating in specified health guidance programs for the young (%)	32.1	31.7	55.1	40.0	50.0	60.0	
Rate of paid vacation days taken (%)	58.4	64.1	68.7	66.1	70.0	73.0	
Rate of employees taking stress checks (%)	98.6	98.6	96.0	96.5	100.0	100.0	
Rate of employees with a high stress level (%)	7.3	8.1	6.4	5.5	5.0	4.5	
Rate of employees participating in health promotion seminars (such as exercise, sleep, alcohol consumption, shoulder/lower back pain, eye strain, hay fever, and smoking) (%)	42.8	28.1	37.8	15.4	50.0	55.0	
Absenteeism (days)*4	-	-	3.1	3.45	-	-	
Presenteeism (%)*5	-	-	16.5	15.5	-	-	

<sup>\*1</sup> The targets and achievements are for the Company.
\*2 The Company added the following answer to the survey in the fiscal year ended March 31, 2025: "I used to smoke but have not for the last month." Please note that responses selecting this option are not counted as smokers.

<sup>\*3</sup> The Company deemed anyone who responded that they drink "sometimes or every day" and indicated having two or more drinks per day as a habitual drinker in the fiscal years ended March 31, 2022 to 2024. In the fiscal year ended March 31, 2025, we counted anyone who responded that they drink "once a week" and indicate drinking two or more drinks per day as habitual drinkers.

<sup>\*4</sup> This metric indicates the average number of days missed or leave taken per employee.

\*5 This metric indicates employees who are still at work but have lower performance due to mental of physical illnesses. The survey measures this by subtracting the answers from 100% and averaging the results after asking employees to: "Please rate your work performance over the last four weeks between 1 and 100 if 100% is reaching your full potential without sickness or injury.

# 8. Conduct Fair Business Activities

We take actions with fairness, transparency, and integrity and work fairly, thus making people working for Kurita Group prouder of their work and continuously increasing social confidence.

## The Kurita Group Approach

Message from

Management

The Kurita Group has built a history as a global company trusted by its stakeholders. We have done so by continuing to create and provide value via water, and thereby help solve the issues facing society and industry. Our values embody this process and put the foundation of the Kurita DNA into words to define what we must do to achieve our corporate philosophy.

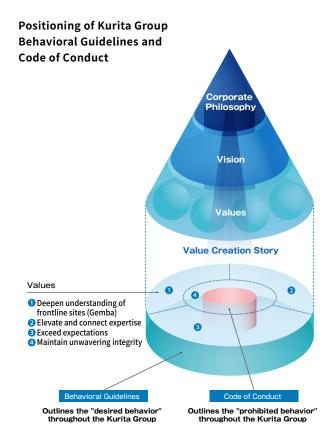
We have formulated the Kurita Group Behavioral Guidelines to align the trajectory of actions that reflect these values throughout the Group. The Kurita Group Code of Conduct defines how our directors and employees should act, regardless of language, custom, or culture. We also actively promote integrity activities\* across the entire Kurita Group.

We take action with fairness, transparency, and integrity and work fairly, thus making people working for the Kurita Group prouder of their work and continuing to be highly rated as a company by customers, business partners, employees, shareholders and other investors, and local communities around the world.

\*Integrity activities are those for responding to broader social norms and values based on the idea of following one's conscience to do what is right and good. Integrity activities also include general compliance activities.

Kurita Group Code of Conduct ▷

Kurita Group Behavioral Guidelines >



To ensure that the entire Kurita Group promotes fair business activities, we have established the following related policies, which we promote in our corporate activities.

## **Approach to Anti-Bribery**

The Kurita Group has established the Kurita Group Anti-Bribery Policy as a group-wide policy to promote fair business activities and prevent bribery. The policy defines basic anti-bribery principles. The Kurita Group complies with the rules established therein and is committed to reducing the risk of bribery. We also established the Group Guideline on Anti-Bribery in the fiscal year ended March 31, 2021, which clarifies the specific details of the policy.

The Kurita Group Anti-Bribery Policy and Group Guideline on Anti-Bribery also clearly state that bribery through intermediaries, agents, or other representatives is prohibited.

Kurita Group Anti-Bribery Policy ▷

Group Guideline on Anti-Bribery ▷

Other Efforts to

#### 8. Conduct Fair Business Activities

## **Approach to Compliance of Antitrust Laws**

The Kurita Group has established the Kurita Group Antitrust Policy as a groupwide policy to conduct fair trade and prevent executives and employees of Kurita Group from violating antitrust laws globally. The policy defines basic principles concerning compliance with antitrust laws and other similar regulations in each country or region. We also established the Group Guideline on Antitrust Policy in the fiscal year ended March 31, 2021 on the rules that clarifies the specific details of the policy based on the business characteristics of Kurita Group.

The establishment, revision, and abolition of the Kurita Group Code of Conduct, Kurita Group Anti-Bribery Policy, and Kurita Group Antitrust Policy are to be decided by the Board of Directors.

Kurita Group Antitrust Policy ▷

Message from

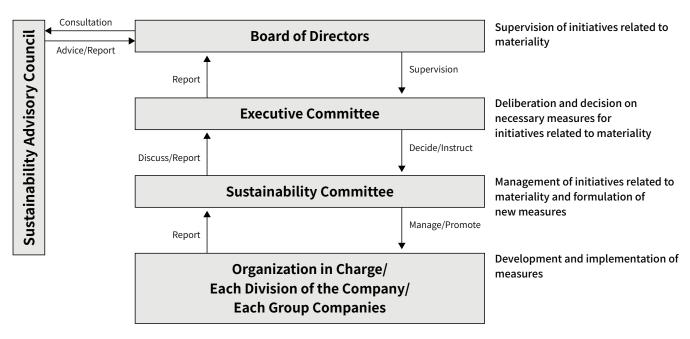
Management

## **Contribution to Achieving the SDGs**



# **Promotion and Governance System**

The Kurita Group has identified conducting fair business activities as one materiality issue. The Sustainability Committee, chaired by the Corporate Officer and Executive General Manager of the Sustainability Corporate Strategy Division, oversees and promotes Group initiatives. The Committee reports or submits proposals on the progress of these initiatives to the Executive Committee, which deliberates and determines necessary measures. The Executive Committee then reports the status of these initiatives to the Board of Directors, which is responsible for overseeing all materiality initiatives.



(As of April 1, 2025)

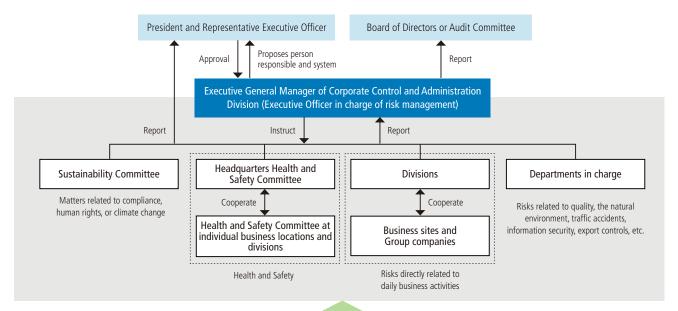
#### 8. Conduct Fair Business Activities

## **Risk Management System for Compliance**

The Sustainability Committee has formulated the Integrity Activity Policy and priority measures, which are rolled out to all employees via our various divisions and committees and related organizations of Group companies. The current status and results of these activities are periodically reported to the Board of Directors, and we continuously strive to improve our results.

When the Executive General Manager of Corporate Control and Administration Division determines that a major compliance incident has occurred or is suspected to have occurred, they swiftly report to the President and the chairperson of the Audit Committee, and plan and implement both corrective measures and measures to prevent recurrence. The President or the chairperson of the Audit Committee reports to the Board of Directors and the Audit Committee on the status of those measures as necessary.

#### **Risk Management System**



Monitoring implementation status and improvement status

Internal Auditing Departmen

Other Efforts to

#### 8. Conduct Fair Business Activities

## **Internal Whistle-blowing and Consultation Desk**

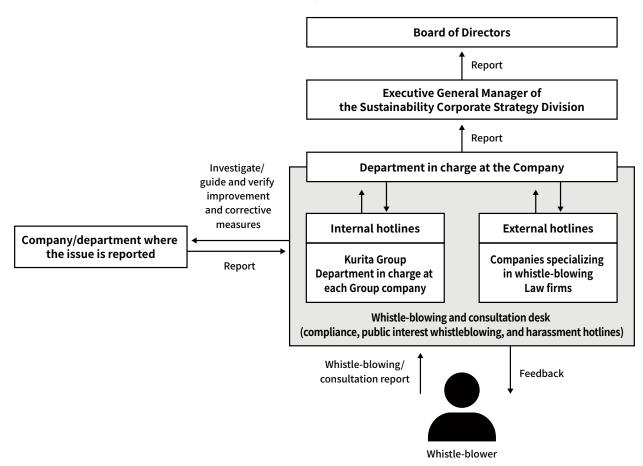
The Kurita Group seeks to provide an environment where everyone can work with peace of mind. To this end, we have established rules for operating internal reporting hotlines where Kurita Group directors, employees, dispatch staff, and employees of our suppliers (whistle-blowers) can directly provide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

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

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

The Kurita Group aims to use these systems to protect whistle-blowers and swiftly detect malfeasance in order to ensure a fair and comfortable workplace environment.

#### Overview of Compliance Hotline and Public Interest Whistle-blowing Hotline System



Please see the ESG Data section below for the operational status of the hotlines.

ESG Data ▷

#### 8. Conduct Fair Business Activities

# **Targets and Results**

The Kurita Group is committed to conducting fair business activities by setting targets related to rate of participation in whistle-blowing system related training, rate of participation in training related to laws and internal rules for anti-bribery and antitrust, etc., and number of violations of anti-bribery and antitrust laws. Targets and results for this materiality are shown as below.

Metrics		Targets (Upper row) and Results (Lower row)						
Metrics	FY 03/2024	FY 03/2025	FY 03/2026	FY 03/2028				
Rate of participation in	100%	100%	100%	100%				
whistle-blowing system related training	Achieved (100%)	Achieved (100%)						
Rate of participation in training related to laws	100%	100%	100%	100%				
and internal rules for the compliance of anti-bribery and antitrust laws, etc.	Achieved (100%)	Achieved (100%)						
Number of violations of	0 cases	0 cases	0 cases	0 cases				
anti-bribery and antitrust laws	Achieved (0 cases)	Achieved (0 cases)						

## **Evaluation of Results and Outline of Activities**

## Rate of participation in whistle-blowing system related training

The Kurita Group provides annual training to all directors, employees, and dispatch staff to promote understanding and motivation regarding the use of the available hotlines. In the fiscal year ended March 31, 2025, we conducted training for all new employees including dispatch staff, and achieved our target rate of 100% attendance. Our integrity survey also found that efforts such as posting information on the Company intranet and workplace dialogues have succeeded in improving recognition of the whistle-blowing and consultation desk.

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

# Rate of participation in training related to laws and internal rules for the compliance of anti-bribery and antitrust laws, etc.

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

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

## Number of violations of anti-bribery and antitrust laws

The Kurita Group sets targets for the number of violations of anti-bribery and antitrust laws that have occurred, which are used as indicators of our achievements regarding the prevention of bribery and compliance with antitrust laws.

In the fiscal year ended March 31, 2025, we conducted integrity activities to build awareness of the Kurita Group Code of Conduct as we aimed to foster understanding about legal compliance. As a result, we achieved our target of zero violations of anti-bribery and antitrust law. Moving ahead, we will continue to promote integrity activities, including further awareness-building regarding the Kurita Group Code of Conduct, and thereby strive to prevent any legal violations before they occur.

#### 8. Conduct Fair Business Activities

## **Other Related Efforts**

## **Promotion of Integrity Initiatives**

The Kurita Group always promotes integrity efforts. In light of the results of initiatives in the previous fiscal year, our activity policy in the fiscal year ended March 31, 2025 encouraged everyone to raise their hand and speak up in order to cultivate an organizational culture that lets people do what they think is right. We are raising awareness about the Kurita Group Behavioral Guidelines and Code of Conduct based on this activity policy. Our Group also focused on efforts to cultivate a workplace culture that respects one another's work and unique personalities.

#### Workplace dialogues

In the fiscal year ended March 31, 2025, the Kurita Group aimed to bring greater understanding of the Kurita Group Values, Kurita Group Behavioral Guidelines, and Kurita Group Code of Conduct. That is why we held workplace dialogues with all of Kurita Group employees and dispatch staff. The workplace dialogues also gave us a chance to raise awareness about how to use our whistle-blowing and consultation hotlines.

#### Implementation of integrity survey

The Kurita Group conducts an Integrity Survey of all employees and dispatch staff once a year. This enables us to confirm the results of integrity activities, create opportunities for respondents to reflect on their awareness and behavior, and identify the risk of latent legal or regulatory infringements, which help reduce risks in the future. The survey primarily focuses on the level of penetration for the Kurita Group Behavioral Guidelines and Kurita Group Code of Conduct, as well as workplace culture, the result of integrity activities, and the risk of Basic Policy and Business Policy violations. The results of the survey are reflected in our risk mitigation measures and other initiatives. It should be noted that this survey is conducted in such a way as to guarantee the anonymity of respondents.

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Survey candidates (persons)	7,503	7,531	7,630	8,424	8,268
Respondents (persons)	7,413	7,386	7,512	7,839	8,079
Response rate (%)	98.8	98.1	98.5	93.1	97.7

We also provide other education and training on human rights. Please see the section below for more information.

Conduct Business Activities Respecting Human Rights  $\triangleright$ 

## **Response to Serious Compliance Issues**

The executive officer who chairs the Sustainability Committee (Executive General Manager of Sustainability Corporate Strategy Division) immediately reports any problems in the Kurita Group that are or could become serious compliance issues to the President and Representative Executive Officer and Chair of the Audit Committee, and plans and executes corrective and preventative measures. The President and Representative Executive Officer and Chair of the Audit Committee appropriately report the progress of these measures to the Board of Directors and Audit Committee.

The Company also considers whether to terminate any officer or employee involved with serious compliance issues based on a review of the evidence. We adhere to the standards and procedures stipulated in our internal regulations if termination is found to be necessary.

The Kurita Group also reviews whether correspondence, reports, or disclosure to external parties is necessary to ensure proper external disclosure.

In the fiscal year ended March 31, 2025, the Kurita Group did not have any serious compliance violations requiring external disclosure, including incidents related to the handling of personal information.

#### **Requests for Business Partners**

Please see the section below for more information on our helpline for business partners and information on the integrity survey.

Building Good Relationships with Business Partners ▷

We report on activities aimed at promoting fair trade and considering social, human rights, and environmental aspects within the supply chain.

# The Kurita Group Approach

The Kurita Group advocates procurement that emphasizes the social responsibilities of everyone in the supply chain to realize corporate growth alongside a sustainable society. We believe the key is to aim for mutual prosperity through relationships founded in trust.

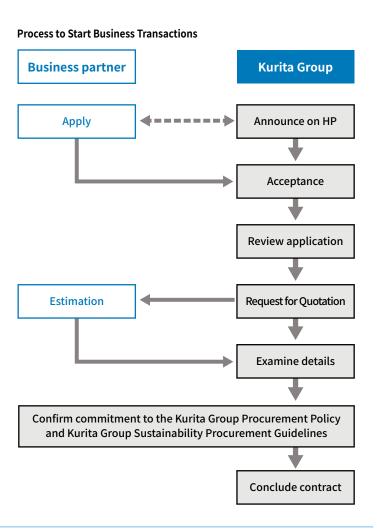
The Kurita Group has put in place a Kurita Group Procurement Policy to standardize procurement throughout the corporate group. We have also established Kurita Group Sustainability Procurement Guidelines that include our stance on a variety of subjects. For example, our basic policies on respecting human rights prohibit forced and child labor, discrimination, and the procurement of any conflict minerals. Our basic policy on global environmental conservation pursues uncompromising compliance with all environmental laws and regulations. These guidelines also advocate for fair business practices, basic policies on anticorruption and bribery, and uncompromising compliance with all other laws, regulations, and social norms.

The Company has rolled out Procurement Operation Regulations based on the Kurita Group Procurement Policy, which also serves to act as the procurement standards for all goods, equipment, utilities, and services necessary for its business operations. These regulations ensure proper procurement practices that fulfill our social responsibilities, which improve corporate value and contribute to a sustainable society. We distribute the Kurita Group Procurement Policy that advocates-procurement that emphasizes corporate social responsibility throughout the supply chain to all business partners. Each business partner reviews and affirms their understanding of this policy, which further strengthens these relationships.

Kurita Group Procurement Policy

Kurita Group Sustainability Procurement Guidelines

The Kurita Group not only asks its business partners to understand its sustainability procurement guidelines, but also to put those guidelines into practice. We expect each business partner to provide us with accurate information. Whenever the Kurita Group enters into a new business relationship or revises these guidelines, we make sure to brief everyone on the Kurita Group Procurement Policy and Kurita Group Sustainability Procurement Guidelines. Our business partners provide us with a written acknowledgment to confirm their intent to adhere to these policies and guidelines as well. It is only after receiving this acknowledgment and confirmation in writing that the Kurita Group will enter into a new business relationship. Our basic partnership agreements and master construction contracts include terms and conditions that require uncompromising compliance with all laws and social norms.



## **Status of Business Dealings**

Message from

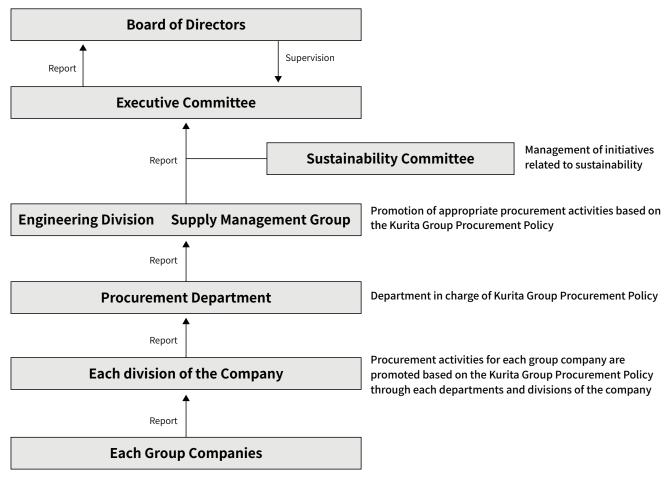
Management

The status of business dealings with the Company's business partners is as follows.

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Number of business partners	1,806	1,729	2,229	1,284	1,323
Transaction amount (Millions of yen)	70,198	81,632	78,985	88,392	80,629
Japan (%)	90.8	92.4	93.7	96.4	97.5
Overseas (%)	9.2	7.6	6.3	3.6	2.5

# **Promotion and Governance System**

The Kurita Group is working to promote appropriate procurement activities based on Kurita Group Procurement Policy. Senior General Manager of Supply Management Group, Engineering Division is in charge of promoting procurement activities, while Group companies are promoting the efforts through the Business Administration Department of each division.



(As of April 1, 2025)

# **Engagement with Business Partners**

Message from

Management

The Kurita Group incorporates multiple methods of engagement with its business partners, depending on the theme, in order to appropriately understand and evaluate their actual status and to achieve smooth communication with them.

In the fiscal year ended March 31, 2025, we investigated the record of raw materials of suppliers with large procurement amounts of electronic parts as investigation for conflict minerals. We also conducted on-site audit by outside experts for business partners with a large number of Technical Intern Trainee in order to understand human rights risks and take responsive measures.

## Understanding and Evaluating Actual Situation of Business Partners by Using the Platform of EcoVadis\*

The Company began using the EcoVadis platform in the fiscal year ended March 31, 2022 to expand the scope of its evaluations, ensure reliable results, and lower the burden placed on its business partners. These evaluations have proven to give us a more precise understanding of the sustainability and resilience of our business partners. As of September, 2025, 157 business partners have provided information to us through the EcoVadis platform.

The Kurita Group follows up to encourage our business partners to take corrective actions to any risks identified through these evaluations. We also hold supplier meetings with business partners who do not surpass a certain EcoVadis sustainability rating.

#### **Internal Audits of Business Partners**

The Company strives to promote quality control and fair business practices. As a means to this end, our procurement and quality assurance departments conduct any necessary audits of our business partners. All new business partners as well as any business partners for whom an audit is deemed necessary fill out internal control questionnaires and undergo on-site audits to ensure fairness in all transaction.

## Conducting Questionnaire Surveys to Ensure the Appropriateness of Transactions, Including Observation of the Subcontract Act and Management of Confidential Information

The Company must always adapt its compliance efforts to a variety of laws and regulations to ensure proper business dealings. Strict management of confidential information is only one aspect of this compliance. In Japan, the Company and all Group companies must fully understand our compliance activities because every transaction must strictly adhere to the Subcontract Act. We conduct these internal control questionnaires once a year for subcontractors mandated by the Subcontract Act to verify the level of each company's compliance as well as take corrective action as necessary. The Company will continue to review the findings and effectiveness of these internal control questionnaires.

#### Status of business partner compliance survey implementation

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025
Number of companies surveyed	1,286	1,562	1,454	1,364	1,349
Number of respondents	884	1,085	936	726	822
Response rate (%)	68.7	69.5	64.4	53.2	60.9

<sup>\*</sup>The EcoVadis platform evaluates the sustainability of procurement by suppliers through four CSR categories: the environment, labor and human rights, ethics, and sustainable material procurement. EcoVadis tailors the content and quantity of its questions by industry, corporate scale, country, and region. The answers to the various questions provide visual results on the performance of a company, which helps increase understanding of areas for improvement and supports continuous enhance

## **Establishment of Public Interest Whistle-Blowing and Helpline**

The Company has established the Public Interest Whistle Blower Protection Rules and strives to quickly discover misconduct. In accordance with these rules, an advising and reporting liaison that makes use of an independent organization was established, and business partners can use this. Helpline for business partners was also launched so that business partners can seek advice on issues such as concerns and worries they have about business with the Kurita Group.

There were no cases in which the helpline was used in the fiscal year ended March 31, 2025. We will work to enhance awareness of the Helpline, and gain a proper understanding of the process for necessary measures such as fact-checking, corrections, remedial actions, and preventive measures to ensure that the helpline installed is fully functional.

#### Status of Use of Business Partners Helplines

	FY 03/2021	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	
Number of cases	0	0	0	0	0	



#### **Further Communication with Business Partners**

The Company provides opportunities for communication with business partners and strives to strengthen its partnerships with them. The main initiatives conducted in the fiscal year ended March 31, 2025 were as follows.

Initiative	Purpose/Description	Number of Participating Companies		
Safety conference	Health and safety activity during the fiscal year ended March 31, 2024 to present examples of occupational accident and explain initiatives taken by safety promotion departments	55 companies (24 additional companies participated online)		
Kurita Partner Research (KPR) report publication and distribution	Sharing of information on labor rights, requests for cooperation, introduction of water resource and procurement initiatives, provision of contact information for persons in charge of procurement, etc.	107 companies		
Individual audits of human rights issues related to foreign technical trainee interns	Audits confirm whether there are any human rights issues related to foreign technical trainee interns	5 companies		
Procurement history survey for conflict minerals	Confirm whether mineral procurement may risk violations to human rights	1 company		

Moreover, the Company focuses on engagement intended to address social issues within the supply chain. We have drafted a Declaration of Partnership Building\* as part of this engagement.

Declaration of Partnership Building (Only in Japanese)

# **Education of Procurement Personnel**

The Kurita Group considers an uncompromising stance on compliance with laws and regulations vital. That is why we want to instill knowledge about laws and regulations as well as social issues in every employee handling procurement.

Our training and e-learning programs for all employees cover laws and regulations as well as human rights. Every employee newly assigned to a procurement department undergoes separate training to learn about the Kurita Group Procurement Policy and Kurita Group Sustainability Procurement Guidelines. This type of education builds a higher level of awareness and understanding about these policies.

<sup>\*</sup>The Company uses a Declaration of Partnership Building as an external commitment signed by the President to ensure mutual prosperity, streamline business dealings, and enhance sustainability throughout the supply chain from an outsourcing standpoint. Everyone can participate in the declaration publicized on an official online portal, regardless of corporate scale.

# **Corporate Citizenship Activities**

The Kurita Group is actively involved in five types of corporate citizenship activities. We promote science and technology, address water resource and public health issues, cultivate the next generation, help recover and rebuild disaster-stricken areas, and revitalize local communities.

# The Kurita Group Approach

Our corporate philosophy is: "Study the properties of water, master them, and we will create an environment in which nature and humanity are in harmony." In line with this philosophy, we define corporate citizenship activities as initiatives that are not aimed at direct profit, but rather at contributing to the conservation of water and the environment and helping people live more prosperous lives. We also actively promote such ongoing initiatives as a means to earn trust from society and cultivate new knowledge.

The Kurita Group Corporate Citizenship Activities Policy prioritizes five key areas:

- Promotion of science and technology
- •Improvement of issues related to water resources and public health
- ·Cultivation of the next generation
- •Recovery and reconstruction of disaster-stricken areas
- · Revitalization of local communities

We promote these activities according to the systems, roles, and expenditures outlined by the Group Guidelines on Corporate Citizenship Activities.

Effective promotion of corporate citizenship activities must go beyond simply monitoring direct quantitative outputs, such as the number of people who benefit. The Kurita Group strives to visualize short to medium-term changes in the behavior and conditions of beneficiaries as well as our medium to long-term social impact. The Executive Committee receives annual reports on these activities that include the outputs, outcomes, and impact.

The potential synergy between our corporate citizenship activities and business approach became even clearer in the fiscal year ended March 31, 2025. This realization has given us a stronger foothold toward future growth that is capable of creating new value going forward.

Kurita Group Guidelines on Corporate Citizenship Activities >

## **Corporate Citizenship Activities**

Message from

Management

#### Outputs, outcomes, and impacts in each priority area of Corporate Citizenship Activities

Driority Aves		0	Outo	ome *2	Impact *3		
Priority Areas	Activities	Output*1		Effects Brought to Kurita		Effects Brought to Kurita	
Promotion of Science and Technology	Support for The Kurita Water and Environment Foundation's subsidy program for surveys and research on water and the environment, and support for international exchange support programs, etc.	Donations to The Kurita Water and Environment Foundation	Progress of research by those who have received grants or support		Contributing to the development of society and the creation of a sustainable global environment by increasing the number of students engaged in water and environmental research		
Improvement of Issues Related to Water Resources and Public Health	Support for improving freshwater resources such as rivers and lakes, as well as oceans, and construction and repair of sanitation facilities for people facing water and sanitation problems	Implementation of Collective Actions     Support for the Construction and Repair of Water and Sanitation Facilities     Implementation of eelgrass cultivation program     Implementation of wetland restoration programs	Reduction of water usage Water resource conservation Solving water and sanitation issues Reduction of incidence of water borne diseases Restoration of habitats for plants and animals Creation of an environment with CO2 absorption and storage capabilities	•Acquiring new point of contacts with sites and creating interactions with diverse organizations and people •Improving employee engagement by allowing employees to reaffirm the meaning of working for the Kurita Group through interactions with external people such as NPOs, children, pupils and students.	Building global water resilience     Improving health and disease prevention, resolving and preventing conflicts, promoting education and economic activity, reducing CO2 emissions, addressing gender-related issues, and conserving ecosystem services and biodiversity	**Contributing to the acquisition and creation of new "water knowledge"     **Creating opportunities for joint development with external organizations     **Enhancing stakeholder evaluations by improving social recognition and brand image	
Fostering the Next Generation	Implementing experiential learning events, providing on-site classes, and sponsoring contests for children and students who will lead the next generation	Providing on-site classes for elementary school students     Organizing summer vacation independent research contest     Sponsoring the contest and presenting the Kurita Water Industries Prize     Providing learning opportunities such as field trips and work experience	Fostering interest and curiosity in science among children and students	Increasing opportunities for employees to become aware of issues faced by various people and take action to resolve them Building good relationships between the Kurita Group and external communities	Contributing to the development of society and the creation of a sustainable global environment by increasing the number of children engaged in water and environmental research		
Recovery and Reconstruction of Disaster- Stricken Areas	Support for disaster stricken areas when disasters or conflicts occur that have a major impact on people's lives and economic activity	Donating funds to external organizations involved in disaster relief efforts	Restoring the living environment for people facing difficulties due to disasters		•Reconstructing the environment so that disaster victims can return to a fulfilling life		
Activating local communities	Participation and supporting cleaning activities, tree planting, sports events, etc. in the areas where each base is located	Conducting cleaning activities     Tree planting     Collection of used stamps and plastic bottles     Calendar recycling     Donations or sponsorship funds     Goods donations     Co-operation of regional events	•Raising awareness of local residents about the environment, crime prevention, resource circulation, etc.		•Improving living conditions by solving local issues		

<sup>\*1</sup> Output: The direct results of an activity that can be expressed quantitatively, such as the number of people who have received benefits.
\*2 Outcome: A change in a beneficiary's behavior or condition in the short to medium term.
\*3 Impact: Mid to long term social change

Please see the section below for expenditures and results data for our corporate citizenship activities.

ESG Data  $\triangleright$ 

## **Corporate Citizenship Activities**

# **Promotion of Science and Technology**

The Kurita Group will contribute to the promotion of science and technology related to water and the environment by supporting the programs of the Kurita Water and Environment Foundation (KWEF)\*, including programs to subsidize surveys and research on water and the environment and programs to support international exchange.

\*Kurita Water Industries Ltd. established KWEF in 1997, with the aim of contributing to the promotion of science and technology relating to water and the environment. (It was converted to a public interest incorporated foundation in 2009.)

#### **Achievements and Cumulative Totals**

		FY 03/2023		FY 03/2024		FY 03/2025		Cumulative*	
		Number of projects	Grant amount (Millions of yen)	Number of projects	Grant amount (Millions of yen)	Number of projects	Grant amount (Millions of yen)	Number of projects	Grant amount (Millions of yen)
Research grants	grants	155	129.3	185	133.0	164	136.9	2,069	1,434.7
	Domestic research grants	81	99.9	56	81.0	72	99.7	1,330	1,129.0
	International conference grants	1	0.2	4	2.0	4	2.0	146	52.1
	Overseas research grants	73	29.2	125	50.0	88	35.2	593	253.5
Kurita Outstanding Research Award		6	_	3	_	6	_	102	5.2
	Kurita Prize	20	_	15	_	20	_	374	40.9

<sup>\*</sup>Cumulative total since the establishment of KWEF in 1997

## **Research Grant Program**

Each year, KWEF provides grants to young researchers in Japan and Asia working in the fields of water and water environments to subsidize the cost of research activities and attending international conferences.

Since the fiscal year ended March 31, 2008, KWEF has been presenting the Kurita Outstanding Research Award to researchers among the grant recipients who, out of all support recipients, have achieved outstanding results.

## **Commendation Programs**

KWEF awards a JSWE-KURITA Award to master's course students who made outstanding research presentations at the annual conference of the Japan Society on Water Environment (JSWE), held each spring.

KWEF also presents two awards: The SES Environmental Research Award for Ph.D. Students (Kurita Research Award), which promotes collaborative research by young researchers, as well as supporting their research and other activities; and the SES Environmental Activity Award for High School Students (Kurita Activity Award), which supports the activities of promising high school students.

## **International Exchange Support Program**

To support international exchange related to promotion of science and technology in fields related to water and environment, KWEF supports the Nepalese NPO, Center of Research for Environment, Energy and Water (CREEW).

# Improvement of Issues Related to Water Resources and Public Health

The Kurita Group coordinates with many external organizations to address a broad spectrum of issues. We always lend a hand wherever help is necessary to tackle freshwater and saltwater issues, whether river, lake, ocean, or sea. A wide range of people directly struggle with water and public health issues. The Kurita Group assists in not only setting up new water and sanitation systems but also maintaining those already in operation. Our expertise in these fields improves people's access to water as well as prevents the spread of infections.

In the fiscal year ended March 31, 2025, the Kurita Group coordinated with the Water Resilience Coalition (WRC)\*1, Alliance for Water Stewardship (AWS)\*2 and other international initiatives to take collective action. We also donated funds to various non-profit organizations to build water and sanitation systems in developing nations and conflict-torn regions. Our employee volunteer programs strove to rejuvenate wetlands and cultivate eelgrass, which releases oxygen and prevents red tides by absorbing excess nutrients and purifying seawater.







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

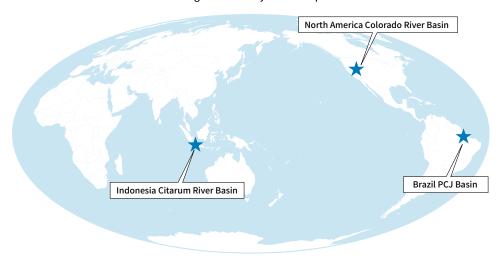
#### **Collective Actions**

The Kurita Group cooperates with WRC, AWS, and other international initiatives to take part in collective actions. These types of initiatives align with our goal to help resolve water resource issues.

Our participation in collective actions this fiscal year strove to build on our work in the previous fiscal years. We took on problems in the Colorado River Basin in the United States, the PCJ Basin in Brazil, and the Citarum River Basin in Indonesia during this fiscal year. Our initiatives to help solve water resource issues in the Colorado River and PCJ Basins broadened these collective actions. These initiatives were done through the Impact Together campaign, which launched in the fiscal year ended March 31, 2023. This campaign takes a two-pronged approach as a total conservation initiative for water basins. The first helps lower water consumption by offering customers with sites in these basins more effective solutions to save water. The second subsidizes initiatives to preserve the water resources in these basins by allocating funds equivalent to the expected water savings. Our collective action in the Citarum River Basin constructed a water treatment facility for residential use. The new system is helping to eliminate pollution in the basins as a solution to water and sanitation issues.

#### **Areas of Collective Action Activities**

We are working to solve water resource issues by promoting collective actions in basins facing water scarcity and water pollution.



In October 2024, the Company also participated in establishing Net Positive Water Impact (NPWI), launched from WRC as technical guidance to help ramp up efforts to preserve the water resources used by companies.

We began taking part in the AWS in the fiscal year ended March 31, 2025, as well. The Kurita Group also joined the Japan Water Stewardship (JWS) Leadership Group as a founding member. Through these activities, the Kurita Group has been advocating initiatives in basins requiring immediate action in accordance with the AWS standards. Moreover, we have been raising awareness about water resource issues in Japan and promoting greater collective action, alongside the AWS and JWS.

Please see the sections below for more information about the Impact Together campaign.

Impact Together | Colorado River Basin Project ▷

Impact Together | PCJ River Basins Project

In addition, the Kurita Group also assists in the development and promotion of the Water Action Hub free online platform developed and operated by the CEO Water Mandate, the parent organization of WRC, to support water conservation efforts of companies and organizations. The Water Action Hub aims to promote and broaden collective actions to solve water resource issues as a comprehensive and feature-rich platform that helps companies and organizations build partnerships, share their insights, search for beneficial information on solving water resource issues, and much more. Through this initiative, the Kurita Group is expanding and ramping up its water resource conservation efforts.



Report and Data

# **Support for New Construction and Repair of Water and Sanitation Facilities**

The Company has provided financial support to Reach Alternatives (REALs) since the fiscal year ended March 31, 2019. During the fiscal year ended March 31, 2025, this financial support enabled REALs to repair various facilities that supply water to the Idlib camps that house about 4,000 Syrian refugees.

Our financial support of WaterAid Japan, a specified nonprofit corporation, has also been directly benefiting people suffering from water and sanitation issues since the fiscal year ended March 31, 2019. In the fiscal year ended March 31, 2025, these funds helped WaterAid Japan set up water supply, management, and purification systems as well as handwashing stations in Buzar, India. More than 10,000 people living in the Bihar district benefited from these new amenities. WaterAid also took this opportunity to train residents on how to maintain each system, while running a campaign to raise awareness about saving and conserving water.

These initiatives do much more than provide the local people with better access to safe water and restrooms. Each effort also helps them learn how to properly deal with wastewater from cooking, bathing, and laundry. The benefits spread beyond the access to safe groundwater and a more sanitary living environment to address other community issues as well. The refugee camps saw fewer deaths due to internal conflicts, as well as a decline in child abuse and sexual assaults on women.







Handwashing station at a school in Bihar, India

# **Employee Volunteer Programs**

The Kurita Group plans and hosts a variety of employee volunteer programs. We announce each action through our internal newsletter and in other various ways to encourage as many employees as possible to volunteer.

#### **Eelgrass Cultivation Program**

The Kurita Group has been running an annual eelgrass cultivation program. As a blue carbon initiative, employees and their families can volunteer to help plant eelgrass, which can combat climate change. A total of 59 people, including our employees and their families, volunteered in the fiscal year ended March 31, 2025. Everyone successfully harvested and planted eelgrass seeds across a 25 m² Tokyo Bay seabed in Kanazawa, Yokohama. This eelgrass acts as a carbon sink due to its ability to purify seawater and absorb and store CO<sub>2</sub>. The seaweed should also help preserve and revitalize the ecosystem by fostering a habitat for fish and other marine life to find shelter and breed.





Volunteers cultivating eelgrass

#### **Wetland Restoration Program**

The Kurita Group consistently hosts a wetland restoration program with volunteers made up of its employees and their families. In the fiscal year ended March 31, 2025, there were a total of 47 volunteers. The initiative worked to transform a 20 m² section of land back into wetlands at Noyamakita-Rokudoyama Park in Tokyo.

Of course, wetlands are vital habitats for endangered species and a variety of other animals. The unique environment is also capable of storing an abundance of CO<sub>2</sub>, effectively combating climate change too. That is why this initiative to revitalize wetland ecosystems can both help protect biodiversity and prevent global warming.





Volunteers restoring the wetlands

Message from

Management

# **Fostering the Next Generation**

The Kurita Group strives to act as an advocate for the young children and students who are our future. Through hands-on learning events, on-site classes, and contest sponsorships, we hope to cultivate an interest in the sciences while raising awareness about issues related to water.

We hosted a broad spectrum of events during the fiscal year ended March 31, 2025. These events included hosting on-site classes and an open research contest for elementary school students, raising awareness through Life Lessons with Professor Poop (Unko Keihatsu Doriru) workbooks, and offering field trips and work experiences to students of all ages from elementary school through university.

## **Contest Sponsorship**

The Kurita Group sponsors the Japan Science & Engineering Challenge (JSEC) in the hope of elevating science and math education. This, in turn, should increase the level of science and technology as a whole. The Asahi Shimbun Company and TV Asahi Corporation have been leading this open science and engineering research contest for high school and technical college students in Japan since 2003. The JSEC brings together research projects from a wide range of fields. Experts review the various papers and presentations to bestow the most outstanding research with a plethora of awards. The Company has been sponsoring the JSEC since 2019 as part of its corporate citizenship activities to foster the next generation. We present students with particularly exceptional research on water and the environment with the Kurita Water Industries Award.



JSEC 2024 award ceremony

The JSEC 2024 received 404 entries from high school and technical college students from throughout Japan. This is the highest number of contest entries in its 22 years. Preliminary and primary judging took place to choose the students who went on to the final round,

which took place at the Miraikan from December 8-9, 2024. When all was said and done, Yoshifumi Kudo, a junior at Asano High School in Kanagawa, took home the Kurita Water Industries Award for his research to verify the long-term impact that spreading biochar has on the carbon balance and carbon sequestration of forest ecosystems.

As an award for the runner-ups, the Company also gave students who came close to winning the chance to meet and exchange ideas with Kurita Group researchers. The opportunity provided these individuals with a glimpse into corporate research and development. We hope this type of venue will help each student on their career path and in future research endeavors. All JSEC 2024 winners were also able to represent Japan at the International Science and Engineering Fair in May 2025.

# **On-site Classes and Open Research Contest**

The Company has been coordinating with After School, a specified nonprofit corporation, to offer fun, hands-on learning programs to elementary school students on the importance of water. Together with this non-profit organization, we held 11 different classes during the fiscal year ended March 31, 2025. The Kurita Group enlisted 14 of its employees as instructors who taught 297 students across all 11 classes.





Students taking part in an on-site class

We also worked with After School during this fiscal year to host the With Water Mirai Project open summer research contest for the first time. The With Water Mirai Project aims to nurture interest in water and all of nature by offering an opportunity to any elementary school student who is struggling to decide on a summer research project. This contest asks students from throughout Japan to submit research in one of three different categories: Water × Science/Water × Art, Water × My Home Town, or the Open category. A total of 319 employees from the Kurita Group acted as judges to vote and select the winning entries.

Please visit the link below for more information on the With Water Mirai Project.

With Water Mirai Project | NPO After School (Only in Japanese)

Please visit the link below for the contest winners.

2024 With Water Mirai Project | Winners | NPO After School (Only in Japanese) >

These initiatives aim to raise awareness about environmental issues among every child who participates and ensure equal educational opportunities for all children. As an indirect benefit, we hope that this after-school program will also be a place for children after school, which in turn may lower the crime rate.

Message from

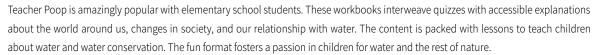
Management

# Field Trips and Work Experiences for Students of All Ages

The Kurita Group hosts filed trips for elementary and junior high school students as well as offers work experience to high school students. The goal of these programs is to create opportunities for young children and students to not only learn about water and environmental issues but also inspire interest and passion for the sciences.

## **Life Lessons with Teacher Poop Workbooks**

The Company collaborated with BUNKYOSHA Co., Ltd. to publish a series of Life Lessons on Water with Kurita & Teacher Poop workbooks. These educational materials aim to promote understanding about the importance of water.





**Report and Data** 

# **Recovery and Reconstruction of Disaster-Stricken Areas**

The Kurita Group supports regions stricken by disasters and armed conflicts wherever and whenever it can. Our efforts aim to help the people whose lives and prosperity are greatly affected by these catastrophes. The torrential rains that struck Noto Peninsula in September 2024 is one such disaster. The Kurita Group donated 5 million yen to the Japan Platform, a non-profit organization, for use in its relief efforts (earthquake/torrential rains) following the torrential rains in Noto Peninsula.

# Revitalization of local communities

As a member of many local communities, the Kurita Group will contribute to the revitalization of each of these local communities by participating in and supporting community activities such as cleaning, tree planting, and sports events.

In the fiscal year ended March 31, 2025, Kurita Water Industries' rugby team, Kurita Water Gash Akishima, held rugby clinics and conducted local contribution activities in response to the needs of each region in which the Kurita Group operates.

# **Kurita Water Gush Akishima Holds Rugby Clinics**

As part of our community outreach efforts, the Kurita Water Gush Akishima rugby team held rugby clinics again this year. The clinics in the fiscal year ended March 31, 2025 introduced the sport of rugby to elementary students from Akishima City and Nishitama District in Tokyo Metropolis, Atsugi City in Yokohama Prefecture, Sendai City in Miyagi Prefecture, and Iwaizumi City in Iwate Prefecture. These types of rugby events give kids the opportunity to not only get some exercise and learn a little about staying healthy, but also nurture an interest in physical education.





Children taking part in the rugby clinic

Message from

Management

# **Community Contribution Activities Conducted at Business Sites in FY 03/2025**

The Kurita Group engages in a variety of community contribution activities to help revitalize the regions where our business sites are located.

Category	Business sites where activity was conducted
Tree planting	Kurita Water Industries Ltd., KURITEC SERVICE CO., LTD., Kurita do Brasil LTDA.
Used stamp and plastic bottle collection	Kurita Water Industries Ltd., KURITAZ Co., Ltd.
Clean-up activity	Kurita Water Industries Ltd., Kurita East Japan Co., Ltd., KURITEC SERVICE CO., LTD., KURITAZ Co., Ltd., Kurita Chemical Manufacturing Ltd., Kurita West Japan Co., Ltd., Land Solution Inc., Kurita (Taiwan) Co., Ltd., Kurita Europe GmbH
Monetary contributions	KURITEC SERVICE CO., LTD., KURITAZ Co., Ltd., Kurita-GK Vietnam Co., Ltd., Kurita Europe GmbH, Kurita do Brasil LTDA., Kurita (Taiwan) Co., Ltd., KURITA HANSU Water Industries Ltd., Kurita America, Inc.
Goods donations	Kurita do Brasil LTDA.
Co-operation of regional events	Kurita Water Industries Ltd., KURITAZ Co., Ltd., KURITEC SERVICE CO., LTD., Kurita Europe GmbH, Kurita America, Inc.
Recycling of calendars	Kurita East Japan Co., Ltd.

A collection of data related to the environment, society, and governance.

#### 1. Environment\*1

\* -: No data N/A: Items with no emissions, etc. due to business charcteristic

						FY 03/2022					FY 03/2023					FY 03/2024					FY 03/2025		
		Topic			lanan	•				lanan	·									lanan	· · ·		
		торіс		Kurita Water Industries Ltd.	Japan Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Japan Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Japan Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Japan Group Companies	Total	Overseas Group Companies	Kurita Group
				0	0	0	1,798	1,798	0	0	0	1,713	1,713	0	0	0	1,500	1,500	0	0	0	1,481	1,48
		Surface water	Rainwater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Groundwater		387	260	647	18	665	572	238	809	17	826	619	173	792	15	806	580	165	745	14	75
		Seawater		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Produced wate	r		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			Municipal Water	70	148	217	155	373	37	138	175	245	420	39	132	171	265	435	49	130	179	252	43
			Water discharge from other organizations	0	0	0	11	11	0	0	0	8	8	0	0	0	9	9	0	0	0	8	
	All areas		Surface water	26,267		26,267	0	26,267	26,042	0	26,042	0	26,042	25,567	0	25,567	0	25,567	25,546	0	25,546	0	25,5
		Third-party water	Groundwater	1,881	0	1,881	0	1,881	1,837	0	1,837	0	1,837	1,138	0	1,138	0	1,138	1,674	0	1,674	0	1,6
		Water	Seawater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,0
			Produced water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			Subtotal	28,219	148	28,366	166	28,532	27,917	138	28,055	252	28,307	26,743	132	26,875	274	27,149	27,269	130	27,399	260	27,6
		Total		28,606	407	29,013	1,982		28,488	376	28,864	1,982	30,847	27,362	304	27,667	1,789	29,455	27,848	295	28,144	1,755	29,8
		Only ultrapure	water supply business sites	28,150	0	28,150	0	28,150	27,882	0	27,882	0	27,882	26,706	0	26,706	0	26,706	27,234	0	27,234	0	27,2
Water withdrawal		Others		455	407	863	1,982	2,845	606	376	982	1,982	2,965	656	304	961	1,789	2,749	615	295	910	1,755	2,6
(1,000 m <sup>3</sup> )		Curfeesunter		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Surface water	Rainwater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Groundwater		0	0	0	3	3	0	0	0	3	3	0	0	0	3	3	0	0	0	4	
		Seawater		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Produced wate	r		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			Municipal Water	0	0	0	14	14	0	0	0	48	48	0	0	0	119	119	0	0	0	98	g
	All areas with water stress*2		Water discharge from other	0	0	0	0	0	0	0	0	0	0	0	0	0	9	9	0	0	0	8	
	stress		organizations			0	0		0	0		0	0			0	0	0	0	0	0		
		Third-party water	Surface water Groundwater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		water	Seawater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
			Produced water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				0	0	0	14	14	0	0	0	48	48	0	0	0	128	128	0	0	0	106	10
		Total		0	0	0	17	17	0	0	0	51	51	0	0	0	131	131	0	0	0	110	11
	Percentage of water i		with water stress out of all regions,	0.00		0.00	0.05	0.50				0.50	4.70							0.00			
	excluding those with			0.00	0.00	0.00	0.85	0.59	0.00	0.00	0.00	2.58	1.73	0.00	0.00	0.00	7.33	4.77	0.00	0.00	0.00	6.28	4.1
		Surface water		8,232	325	8,557	1,772	10,329	8,239	292	8,532	1,546	10,077	8,618	223	8,841	1,502	10,344	9,720	212	9,932	1,483	11,41
		Groundwater		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Seawater			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Third wash		17,044	63	17,108	108	17,216	16,623	66	16,689	179	16,868	14,917	65	14,982	206	15,188	14,488	63	14,550	185	14,73
Water discharge (1,000 m³)	All areas	Third-party water	Third-party water sent for use to other organizations	17,044	63	17,108	108	17,216	16,623	66	16,689	179	16,868	14,917	65	14,982	206	15,188	14,488	63	14,550	185	14,73
		Total		25,276	389	25,665	1,880	27,545	24,862	359	25,221	1,725	26,946	23,535	288	23,823	1,708	25,531	24,207	275	24,482	1,668	26,15
		Only ultrapure	water supply business sites	24,879	0	24,879	0	24,879	24,340	0	24,340	0	24,340	22,968	0	22,968	0	22,968	23,670	0	23,670	0	23,67
		Others		397	389	786	1,880	2,666	522	359	881	1,725	2,605	567	288	855	1,708	2,563	538	275	813	1,668	2,48
	All areas with water s	tress*2		0	0	0	11	11	0	0	0	35	35	0	0	0	87	87	0	0	0	65	6
		Total		3,329	19	3,348	102	3,450	3,626	17	3,644	257	3,901	3,828	16	3,844	81	3,924	3,641	20	3,661	87	3,74
	All areas	Only ultrapure	water supply business sites	3,271	0	3,271	0	3,271	3,542	0	3,542	0	3,542	3,738	0	3,738	0	3,738	3,564	0	3,564	0	3,56
Water consumption	Water withdrawal -	Others		58	19	77	102	179	84	17	102	257	359	89	16	105	81	186	77	20	97	87	18
(1,000 m <sup>3</sup> )	Water discharge		r storage, if water storage has been ving a significant water-related impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	All areas with water s	tress*2		0	0	0	5	5	0	0	0	16	16	0	0	0	45	45	0	0	0	45	4
	Municipal Water			68	148	216	155	371	35	138	173	245	417	37	132	169	265	434	35	130	165	252	41
	Groundwater			387	260	647	18	665	572	238	809	17	826	619	173	792	15	806	580	165	745	14	7:
Water withdrawal*3 (1,000 m³)	Surface Water + Seaw	vater		0	0	0	1,798	1,798	0	0	0	1,713	1,713	0	0	-	1,500	1,500	0	0	-	1,481	1,48
,_,_,,	Waste water from and	other organization			0	0	11	11	0	0	0	8	8	0	0	0	9	9	0	0	0	8	
	Total			455	407	863	1,982	2,845	606	376	982	1,982	2,965	656	304	961	1,789	2,749	615	295	910	1,755	2,6
Makerine	Total			55,544	2	55,546	11	55,558	51,924	3	51,927	10	51,937	54,991	1	54,992	6	54,998	51,192	1	51,193	5	51,1
Water recycling volume* <sup>3</sup> * <sup>4</sup>		Only ultrapure	water supply business sites	54,927	0	54,927	0	54,927	50,967	0	50,967	0	50,967	53,875	0	53,875	0	53,875	50,074	0	50,074	0	50,0
		Others		617	2	619	11	630	957	3	960	10	970	1,115	1	1,117	6	1,123	1,118	1	1,119	5	1,1
	Sewage			4	63	67	70	137	113	66	179	129	308	90	65	155	176	331	72	63	135	161	29
Water discharge*³	Surface Water			393	325	719	1,772	2,490	409	292	701	1,546	2,247	477	223	700	1,502	2,203	465	212	678	1,483	2,16
(1,000 m <sup>3</sup> )		arged to wastewater	treatment facilities by industrial parks or		0	0	38	38	0	0	0	51	51	0	0	0	30	30	0	0	0	24	2
	public bodies			207	200	700	1.000		F00	250	001			507	200	055			500	375	0.0	1.000	
	Total			397	389	786	1,880	2,666	522	359	881	1,725	2,605	567	288	855	1,708	2,563	538	275	813	1,668	2,4

\* -: No data N/A: Items with no emissions, etc. due to business charcteristic

													I									ess charclensuc
					FY 03/	/2022	1			FY 03/2023	T	T			FY 03/2024	I	T			FY 03/2025		
		Topic	Kurita Water	Japan	1	Overseas Gro		Kurita Water	Japan		Overseas Group	Kurita Group	Kurita Water	Japan		Overseas Group	Kurita Group	Kurita Water	Japan		Overseas Group	Kurita Group
			Industries Ltd.	Group Companies	Tot	tal Companie		Industries Ltd.	Group Companies	Total	Companies	·	Industries Ltd.	Group Companies	Total	Companies	·	Industries Ltd.	Group Companies	Total	Companies	
		CO <sub>2</sub>	2	3		5	9 14	2	3	4	9	13	1.6	3	4	9	13	1.9	3	5	8	13
		N <sub>2</sub> O																				
	Scope1	HFC																				
	(1,000 t)	PFC		-		-	-		-		-	-		-		-	-		-		-	-
		NF3																				
		Others																				
	Scope2 (1,00		7	9			12 28		8	13	11	24	3	8	11	11	22	0	5	6	3	9
	Scope1+2(1,		10	12		21	21 42	2 6	11	17	20	37	4	11	15	19	35	2	8	11	11	22
		Purchased goods and services     Upstream transportation and distribution					635					688					690					705
		Downstream transportation and distribution					555					555					030					.05
GHG emissions*5		2. Capital goods					17	7				22					22					31
di la cilissions		3. Fuel- and energy-related activities(not included in scope 1 or scope 2)										8					8					8
		5. Waste generated in operations 6. Business Travel										1					10					1
	62	Of which, emissions associated with accommodation during business trav	el				0	)				0					0					0
	Scope3 (1,000 t-CO <sub>2</sub> )	7. Employee commuting					3	3				4					4					4
		8. Upstream leased assets					in Scope1 and Scope 2					cope1 and Scope 2					Scope1 and Scope 2					ope1 and Scope 2
		10. Processing of sold products 11. Use of sold products				ı	Io applicable products 1,534				NO a	pplicable products 1,705				NO 2	applicable products 3,133				по ар	pplicable products 1,838
		12. End-of-life treatment of sold products					2	2				1					2					2
		13. Downstream leased assets					288					325					347					342
		14. Franchises 15. Investments				N	No franchises ot an applicable sector				Not as	No franchises n applicable sector				Not a	No franchises in applicable sector				Not an	No franchises applicable sector
		Total					2,520				1,500	2,784				1,50	4,213				1100 011	2,936
	Total(1,000 t						2,562					2,822					4,248					2,958
CO <sub>2</sub> emissions intensity pe		t / million yen)*5*6 electricity (other than renewable energy)	0.08				.16 0.15 .46 625			0.10 295		0.11 530	0.03	0.16 182	0.08	0.10 201	0.09		0.11	0.04	0.05	0.05 176
		electricity (other than renewable energy)	100	213		0	0 0	) 182		192		192	201	24	225	201	225		85	320	153	473
	Gas	<i>O</i> /	4	0.3		4	57 61	_		17			16	0.3	16	46	62		0.3	24	44	68
Energy consumption (TJ) $^{\star 5\star 6}$	Oil		30			70	95 164		41	54	95	149	11	40	51	97	147	10	41	51	90	141
	Purchased e Renewable e	energy (steam, chilled water)	0	0.7			29 29 1.0 1.5		0.6	0.6		27 1.5	0	1	1	30	31	0	1	1	28	29
	Total	energy	200		_		1.0 1.3			559		966	283	247	530	375	905	281	256	537	352	888
Energy use intensity per ur	it of sales (GJ/	/ million yen)*5*6	1.6	6.8			3.3 3.1	2.6	4.1	3.2		2.8	2.2	3.5	2.7	2.0		2.3	3.4	2.7	1.7	2.2
		Waste Onsite diverted from Offsite	20			21	0.3 21	19	1	20	0.4	20	16	1	17	0.5	17	22	1 10	22	0.4	23
		diverted from Offsite disposal Total	24			25	0.3 25	5 25	1	26	0.4	26	18	14	15	0.5		23	10	34	0.4	34
	Non-hazardou waste	US Onsite	0.5			1	1 2	2 1	0	1	2	3	0	0.3	0.5	1	1	0	0.3	0.4	1	1
	Waste	Waste directed Offsite to disposal	1	-		-	-	- 2	2	4	-	4	1	3	4	-	4	1	2	3	-	3
		Total Total	26		-	31	1 32	2 27	3	32	2	34	20	3 17	37	1	5	1 24	13	3	1	38
Waste generated (1,000t)		Waste Onsite	20	0.3			.21 32	3 2	0	2	0.2	2	20	0.3	2	0.7	36	24	0.3	2	0.9	3
,		diverted from Offsite	0.03	-		0.03	- 0.03	0.2	0.0001	0	-	0.24	0.5	0.002	0.5	-	1	1.6	0.006	1.6	-	2
	Hazardous	disposal Total	2			3	0.2 3	3 2	0	2	0	3	2	0.3	2	0.7	3.2		0.4	4	0.9	4.7
	waste	Waste directed Onsite	0.01			0.1	- 0.1	0.0		0	1	3	0.0	0.16	0.17	1	3	0.0	0.10	0.12	1	3
		to disposal	0.1			2	1 2	2 0.0		2	1	3	0.02	2	2	1	3	0.04	2	2	1	3
		Total	3			5	1 5	5 2		4	1	5	2	2	4	1		3	2	6	2	8
	Total	to.	28			36 26	2 38			36 25		40	22 18	20	41		24	27	15	43	3	46 30
Industrial waste (1,000 t) (including hazardous or toxic	Internal Was Waste of Cor		23	4		9	- 28	8 22		25		11	3	17	20		20		12	16	- 3	16
waste)	Total		28			36	2 38			36		40	22	20	41	3	44	27	15	43		46
		(0 t) *7 (including hazardous or toxic waste)	23			24	0.5 24			22	1	23	18	1	19	1	20	23	1	24	1	26
Recycling rate (%)*8	posal (incinera	ation and landfill 1,000 t)*7 (including hazardous or toxic waste)	0.5			90	2 4	1.0		88	17	79	98.9	36.8	89.3	40.7	83.4	99.3	36.8	91.3	38.7	<u>4</u> 85.5
Packing materials (t)			N/A			342	- 342			301		301	N/A	280	280		280		285	285	- 33.1	285
Packaging materials recycl			N/A		_	1,300	- 1,300			1303		1,303	N/A	1,254	1,254	-	1,254		1,738	1,738	-	1,738
Materials for chemicals (1,1 Production of chemicals (1			N/A N/A			20 32	- 20			19		19	N/A N/A	19	19		19	N/A N/A	19 27	19 27	-	
Emissions of ozone-deplet			IN/A	1 32	N/A		] 32	IN/A	31	N/A		1 31	N/A	30	N/A		1 30	N/A	21	N/A		
NOx emissions (kg)*10			0.2			0.2	I/A 0.2			0.0					N/A					N/A		
SOx emissions (kg)*10		1	0.5	N/A		0.5	I/A 0.5	0.0	N/A	0.0	N/A	0.0			N/A					N/A		
Emissions of hazardous air Emissions of PRTR-regulat			0.02	0.3	-	0.4	I/A 0.4	N/A	0.4	- 0.4	N/A	0.4	N/A	0.5	- 0.5	N/A	0.5	N/A	0.4	- 0.4	N/A	0.4
Volatile organic compound			0.02	1 0.3	N/A		7/ 0.4	. IN/A	0.4	N/A	I N/A	1 0.4	IV/A	0.0	N/A	I IN/A	1 0.3	N/A	0.4	N/A	]	0.4
Soot and dust emissions (k	g) *13			N/A		5	I/A 5	1	N/A	1	N/A	1			N/A					N/A		
Soil and groundwater		es Where Soil or Groundwater Contamination Has Been Found			Unver	ritied				Unverified Not detected					Unverified Not detected					Unverified Not detected		
pollution	Substance Number for r	major violations of environmental laws and regulations	0	0		0	0 0	0	0.1	Not detected 0	0	0	0	0	Not detected 0	1	1	0	0	Not detected 0	0	0
環境法規制の違反		ary volme of significant fines (1,000 yen)	0			0	0 0	0	0	0	0	0	0	0	0	236,000	236,000	-	0	0	0	0
	Number of o		1	4			14 19		6	7	16	23	1	6	7	16			6	7	17	24
ISO14001		certified sites	100.0	21.1		26 25.0 5	30 56 6.0 42.2		26.1	31 29.2	39 50.0	70 41.1	100.0	24	27	31 48.5	58 40.4		24 35.3	27 38.9	30 44.7	57 42.9
		overage rate (%) es coverage rate (%)	100.0	29.2			1.3 25.2			29.2				25.8	19.0				19.8	16.1	24.2	19.5
			_					, ,,,,														

<sup>1</sup> The scope of data collection for items other than "Violation of Environmental Laws and Regulations" covers all locations where environmental impact cannot be calculated due to tenant occupancy, etc. "2. Scope includes locations in areas with a water stress rating of high or higher in the Agueduct Water Risk Atlas provided by the World Resources Institute. In FY 03/2025, the scope included J1 such locations, "3. Data collected based on the previous method has been provided for continuity, "4. Along with the disclosure of water intake, discharge and consumption volumes at ultrapure water supply business sites.

15. Figures for FY 03/2020 to FY 03/2020 to FY 03/2024 have been revised to reflect the inclusion of CO<sub>2</sub> emissions from companies integrated through recent M&A activities since the base year of the target, in accordance with the GHG Protocol, as well as updates based on the confirmation of electricity purchases accounts for the bulk of the Group total, so TJ and MWh conversions are in accordance with the Frotosol, as well as updates based on the revised electricity purchases described below, as defined by the Act on the Rational Useo Energyin Japan Purchased electricity purchases described production single-energy indudes the described production conversity of moderate about intervent them are continued to the previous method has been provided for continuity. "4 Along with the disclosure of water intake, discharge and consumption volumes at ultrapure water supply business sites.

15. Figures for FY 03/2020 to FY 03/

#### 2. Social

#### **Employees**

\* -: No data

					FY 03/2022					FY 03/2023					FY 03/2024					FY 03/2025		
	Торіс			Japan		Overseas Group			Japan		Overseas Group			Japan		Overseas Group			Japan		Overseas Group	
			Kurita Water Industries Ltd.	Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	oup Companies	Total	Companies	Kurita Group
		20's	166					156					157					140				
		30's	346					332					328	-				348				
		40's	430					382					355	-				376				
	Male	50's	438			-		461		=			475	-		-		479			=	
		60's 70 and over	32					1					29	-				24				
		Subtotal	1,416					1,363					1,344					1,367				
Number of employees		20's	63					70					75					72				
		30's	66					66					78					91				
		40's	69					61					55	-				54				
	Female	50's	56			-		61		=			71			-		76			=	
		60's	3					3					2					1				
		70 and over	0					0					0					0				
	Total	Subtotal	257 1,673	2,130	3,803	3,858	7,661	261 1,624	2,252	3,876	3,908	7,784	281 1,625		3,950	4,031	7,981	294 1,661	2,547	4,208	4,241	8,449
Number of temporary staff	TOTAL		452	250	702		758		280	747	74	821			805		1,089	610	573	1,183		1,711
	Male		322	300	622		1,130		334	636	509	1,145			637		1,193	311	333	644		1,265
Number of management staff*1	Female		9	17	26		172		18	31	143	174			33		206	16	19	35	201	236
	Total		331	317	648	654	1,302	315	352	667	652	1,319	310	360	670	729	1,399	327	352	679	822	1,501
Ratio of female employees (%)*1	Employees		15.4	28.0	22.9		24.9		27.7	23.1	27.6	25.3			24.1		27.6	17.7	27.7	23.7	27.6	25.7
	Managements	staff in employees	2.7	5.4	4.0		13.2		5.1	4.6	21.9	13.2			4.9		17.7	4.9	5.1	5.2		15.7
		Under 30	34	56	90			32	48	80			32		99			31	51	82	-	
	Male	30-49	9	27 54	36 55		-	17	52 65	69 73	-		42	73	84		-	58	46 69	104 72	-	
Number of employees hired		50 and over Under 30	13	20	33			14	16	30			18		37			11	24	35		
	Female	30-49	4	8	12	-	_	1	58	59	=		9	51	60	-	_	9	48	57	-	
	T Citate	50 and over	0	7	7			0	20	20			0	17	17	-		1	18	19	1	
		Under 30	2.0	2.6	2.4			2.0	2.1	2.1			2.0		2.5			1.9	2.0	1.9		
	Male	30-49	0.5	1.3	0.9		-	1.0	2.3	1.8	-		2.6	1.8	2.1	1	-	3.5	1.8	2.5	] .	
Ratio of new employment to employees (%)		50 and over	0.1	2.5	1.4			0.5	2.9	1.9			0.4	3.1	2.0			0.2	2.7	1.7		
natio of new employment to employees (70)		Under 30	0.8	0.9	0.9	-		0.9	0.7	0.8			1.1		0.9	_		0.7	0.9	0.8		
	Female	30-49	0.2	0.4	0.3	-	-	0.1	2.6	1.5	-		0.6		1.5	-	-	0.5	1.9	1.4	-	
		50 and over	0.0	0.3	0.2			0.0	0.9	0.5			0.0		0.4			0.1	0.7	0.5		
	Male	Under 30 30-49	14	13	20 52	-		10	16 36	26 58			12	26 38	32 50	-		19	16	21 67	-	
	Iwale	50 and over	54	88	142	-	-	54	96	150	-		54		155	-	-	50	79	129	1	
Number of employee turnover		Under 30	2	2	4			1	7	8			1	17	18			1	6	7		
	Female	30-49	1	19	20		-	1	26	27	=		0	42	42	-	-	1	26	27	1 .	
		50 and over	1	33	34			5	30	35			5	35	40			6	39	45	1	
		Under 30	0.4	0.6	0.5			0.6	0.7	0.7			0.4		0.8			0.3	0.6	0.5		
	Male	30-49	0.8	1.8	1.4	-	-	1.4	1.6	1.5	-		0.7		1.3	-	-	1.1	1.9	1.6	-	
Ratio of employee turnover to employees (%		50 and over	3.0	4.1	3.7			3.3	4.3	3.9			3.3		3.9			3.0	3.1	3.1		
	Female	Under 30 30-49	0.1	0.1	0.1	-		0.1	0.3	0.2	-		0.1		0.5	-		0.1	1.0	0.2	-	
	remale	50 and over	0.1	1.5	0.9	-	-	0.1	1.3	0.7	-		0.3		1.0		-	0.4	1.5	1.1	-1	
	Corporate cir		2					4					2					5			1	
	Personal circ		27					32					24					26				
Number of resignees and reasons	Retirement		25			-		33		-			31			-		35			-	
	Other		25					24					21					16				
	Corporate cir	cumstances	0.1					0.2					0.1	-				0.3				
Turnover rate by reasons to employees (%)	Personal circ	umstances	1.6			=		2.0		-			1.5	-		=		1.6			=	
	Retirement		1.5					2.0					1.9	-				2.1				
	Other Male		1.5 17.9					1.5					1.3 17.8					1.0				
Average years of service	Female		16.2			-		15.8		=			15.2			-		14.8			=	
	Number		19					19					21					27				
Employment of foreign (non-Japanese) employees						-				-				-		-					-	
	Rate (%)		1.1					1.2					1.3					1.6			1	
Employees with disabilities*2	Number				72	-	-			73	=				70	_	-			74	-	
	Rate (%)		25-1	25	2.5				25	2.6					2.5					2.6		
Labor union members*3	Number		995	25	1,020	-	-	1,007	25	1,032	-		1,040		1,059	-	-	1,036	19	1,055	-	
	Rate (%)		55.7	61.0	55.8	1		58.5	67.6	58.7			58.5	54.3	58.4	1		62.4	44.2	61.9		

<sup>\*1</sup> Data as of December 1 of each year. Temporary staffs are included in the number of employees.
\*2 Companies eligible to employ people with disabilities.
\*3 One of the domestic group companies have formed labor unions.

#### **Employee-friendly Working Environment**

\* -: No data

					FY 03/2022					FY 03/2023					FY 03/2024					FY 03/2025		
To	Горіс			Japan		Overseas Group			Japan		Overseas Group			Japan		Overseas Group			Japan		Overseas Group	
			Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group
Number of employees taking	Male		30	)		-		32			-		35			-	•	41				
childcare leave	Female		24					7					13					11				
Childcare leave utilization rate (%)	Male		51.1			-		68.1	-		-		77.7	-		-		74.5				
	Female		100.0					100.0					92.8					110.0				
Return to work rate after child care leave	Male		100.0			_		100.0			_		100.0			_		100.0				
(%)	Female		100.0	)				100.0					100.0					100.0				
Number of employees taking	Male		C	)				2					0					0				
long-term nursing care leave	Female			)		-		0			-		0			-		0			-	
	Male							0					0					1				
Number of employees taking work less hours for nursing care	-					-		-			-		-	-		-		-			-	
- Today for harding care	Female		(	)				0					0					0				
Number of employees taking	Male		11	L		-		9			_		13			_		14				
short-term nursing care leave	Female		3	3				3					4					7				
Number of employees taking leave system	Male		C	)				0					0					0				
due to spouse being transferred	Female			)		-		1			-		2			-		2			-	
Number of employees taking	Male		C	)				0					0					5				
volunteer leave	Female		(	)		-		0			-		0			-		0			-	
		Male	1,937	7				651					1,044					2,660				
	Manage	Female	152	_		-		122			-		36			-		725			-	
Training hours	Regular employe	Male	13,047	7		-		16,690			-		15,377			-		19,922				
		es Female	3,807					4,888					6,027					8,435				
	Total	1 .	18,943			-		22,351			-		22,484			-		31,742			-	
	Manage	Male s	6.0	_		-		2.0			-		3.5	-		-		8.6 45.3			-	
Training hours per person	Da sul su	Female Male	11.9					13.6					2.8 14.6					45.3 18.9				
Training flours per person	Regular employe		15.4	_		-		19.4			-		22.9			-		30.3			-	
	Total		11.3			-		13.8			-		13.8			-		19.1			-	
Number of participants in the Kurita -Tech	hnical Educa	tion Program (persons)			-					-					-			-	-	14,903	2,607	17,510
Number of participants in the training pro		ital talent (persons)			-					-					-			196	31	227	0	0
Number of participants in the Overseas Trainee Program (persons)	Total				-					-					-			11			-	
Number of participants in the domestic and overseas study support program (persons) *This program allows employees to study at approve universities, graduate schools, vocational schools, and other educational or research institutions in Japan and abroad. The standard duration is two years.	ed Total				-					-					-			6			-	
	Manago	Male	100.0			_		100.0			-		100.0			-		100.0			_	
	Manage	Female	100.0			-		100.0			-		100.0					100.0			-	
Rate of employees subject to	Speciali:	t Male	100.0			-		100.0			-		100.0			-		100.0			-	
personnel evaluation system (%)		Female	100.0					100.0					100.0					100.0				
	Regular employe		100.0	_		-		100.0			-		100.0	-		-		100.0			-	
	Ciripioye	es Female	100.0	1				100.0					100.0					100.0				

# Safety

\* -: No data

				FY 03/2022					FY 03/2023					FY 03/2024					FY 03/2025		
То	pic		Japan		Overseas Group	Kurita Group		Japan		Overseas Group	Kurita Group		Japan		Overseas Group	Kurita Group		Japan		Overseas Group	Kurita Group
		Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Companies	Kurita Group
	Frequency rate (%)	0.53					1.94					0.45					0.66	1.32			
Work-related accidents	Severity rate (%)	0.02			-		0.06			-		0.04			-		0.00	0.02		=	
	Lost-time injuries rate (%)	0.11					0.39					0.09					0.13	0.26			
Number of major accidents	Explosion/Fire accident	0			_		0			_		0			_		0	)		_	
Number of major accidents	Leakage	0					0					0					0	)			
ISO45001	Number of company	0	0	0	13	13	0	0	0	13	13	0	0	0	15	15	0	0	0	14	14
15045001	Company coverage rate (%)	0.0	0.0	0.0	35.1	19.1	0.0	0.0	0.0	36.1	19.4	0.0	0.0	0.0	36.6	22.1	0.0	0.0	0.0	38.9	25.9
ISO9001*1	Number of company	1	11	12	19	31	1	11	12	19	31	1	11	12	23	35	1	. 8	9	27	36
1203001	Company coverage rate (%)	100.0	45.8	48.0	76.0	62.0	100.0	45.8	48.0	76.0	62.0	100.0	45.8	48.0	76.7	63.6	100.0	57.1	60.0	84.4	76.6

<sup>\*1</sup> The scope of certification is for water treatment facilities for infustries related with electric power and the number of companies acquired includes the one aquired as subsidiaries that has already been merged.

<sup>\*</sup>There were zero fatalities due to work-related accidents among the Company's employees from FY 03/2019 to FY 03/2025. Reference: The work-related accident frequency rate for the construction industry in 2024 was 0.81, and the severity rate was 0.03. (Source: Ministry of Health, Labour and Welfare "Survey on Industrial Accidents")

#### 3.Governance

					FY 03/2022					FY 03/2023				F	Y 03/2024					FY 03/20	25	
		Торіс		Japan					Japan					Japan		Ι			Japan			
			Kurita Water Industries Ltd.	Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Overseas Group Companies	Kurita Group	Kurita Water Industries Ltd.	Group Companies	Total	Overseas Gro Companie	Kurita Group
		20's	0					0					0					0			'	
		30's	0					0					0					0				
		40's	0					0					0					0				
	Male	50's	1			-		2			-		0			-		0			-	
		60's	5					6					6					4				
		70 and over	0					0					0					2				
Number of members		Subtotal	6					8					6					6				
of the Board		20's	0					0					0					0				
(persons)		30's	0					0					0	-				0				
		40's	0					0					0	1				0				
	Female	50's	0			-		0			-		0			_		0			ē	
		60's	2					2					2					2				
		70 and over	0					0					0					0				
		Subtotal	2					2					2					2				
	Total		8			-		10			-		8			-		8			-	
	Male		1					2					2					2				
Outside directors (persons)	Female		2			-		2			=		2	-		-		2			-	
(persons)	Total		3			-		4			-		4			-		4			-	
Ratio of female direc	tors (%)		25.0			-		20.0			-		25.0			-		25.0			-	
Amount of R&D expe	nses (million yen)	)					5,386					6,344					7,412					8,095
Ratio of R&D expense	es to net sales (%)	)					1.9					1.8					1.9					2.0
Number of operation	results of Compl	liance Consultation Desk	8	22	30	1	31	14	9	23	3	26	19	13	32	4	36	16	32		48	9 57
Number of operation	results of Whistle	e-blowing Office	0	0	0		- 0	0	0	0	-	0	0	0	0	-	0	0	0		0	- 0
Cases involving viola	tions or sanctions	s related to bribery	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Legal actions for anti	-competitive beh	avior	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Legal actions for anti	-trust practices		0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Legal actions for mor	nopoly practices		0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Non-compliance with	n environmental l	laws and regulations	0	0	0	C	0	0	0	0	0	0	0	0	0	1	0	0	0		0	0 0
Incidents of non-con	pliance concerni	ing the health and safety impacts of products and services	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Incidents of non-con	pliance concerni	ing product and service information and labeling	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Incidents of non-con	pliance concerni	ing marketing communications	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Substantiated compl	aints concerning	breaches of customer privacy and losses of customer data	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Non-compliance with	laws and regulat	tions in the social and economic area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Other incidents of no	n-compliance		0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Number for cases of	employee discipli	ine or dismissal related to legal or regulatory infringements	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Amount of expenses	incurred for paym	nent of fines related to legal or regulatory infringements (million yen)	0	0	0	C	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0 0
Amount of political c	ontributions (mill	lion yen)	0			-		0			-		0			-		0			-	
Expenditure on Corp	orate Citizenship	Initiatives (million yen)	194	21	214	g	223	214	22	236	10	246	342	24	367	5	371	184	22		206	13 219

#### GRI Standard Index GRI 2: General Disclosures 2021

Message from

Management

	Disclosure	Locations Posted (Website)	Reference Information
1. The or	ganization and its reporting practices		
		Company Profile, Executives, and Organization Chart	
2-1	Organizational details	Location	
		MD&A and Consolidated Financial Statements	
		Sustainability Report and Editorial Policy	
2-2	Entities included in the organization's sustainability reporting	MD&A and Consolidated Financial Statements	
2-3	Reporting period, frequency and contact point	MD&A and Consolidated Financial Statements	
2-4	Restatements of information	MD&A and Consolidated Financial Statements	
2-5	External assurance	Third Party Verification	
2. Activit	es and workers		
		Services	
		Industries	
		Location	
2-6	Activities, value chain and other business relationships	Procurement	
		Integrated Report	
		Building Good Relationships with Business Partners	
		Company Profile, Executives, and Organization Chart	
		Location	
2-7	Employees	MD&A and Consolidated Financial Statements	
		ESG Data	
2-8	Workers who are not employees	ESG Data	
3. Govern	<u> </u>		
0.00.01		Integrated Report	
2-9	Governance structure and composition	Corporate Governance System	
2-10	Nomination and selection of the highest governance body	Integrated Report	
		Corporate Governance System	
2-11	Chair of the highest governance body	Integrated Report	
		Corporate Governance System	
		Corporate Governance Policies	
0.40		The Kurita Group Sustainability and Materiality	
2-12	Role of the highest governance body in overseeing the management of impacts	MD&A and Consolidated Financial Statements	
		Integrated Report	
		Corporate Governance System	
		The Kurita Group Sustainability and Materiality	
		MD&A and Consolidated Financial Statements	
2-13	Delegation of responsibility for managing impacts	Integrated Report	
		Corporate Governance System	
		Basic Policies for Constructing an Internal Control System	

#### **GRI 2: General Disclosures 2021**

	Disclosure	Locations Posted (Website)	Reference Information
		The Kurita Group Sustainability and Materiality	
2.14	Delegative bishes a second bedding the second bishes as a second bishes a seco	MD&A and Consolidated Financial Statements	
2-14	Role of the highest governance body in sustainability reporting	Integrated Report	
		Corporate Governance System	
		Corporate Governance System	
2-15	Conflicts of interest	Basic Policies for Constructing an Internal Control System	
		Integrated Report	
		Corporate Governance Policies	
2.10		Basic Policies for Constructing an Internal Control System	
2-16	Communication of critical concerns	Corporate Governance System	
		Integrated Report	
		Corporate Governance Policies	
2-17	Collective knowledge of the highest governance body	Corporate Governance Report	
		Integrated Report	
		Board Evaluation	
2-18	Evaluation of the performance of the highest governance body	Integrated Report	
		Corporate Governance Policies	
2-19	Remuneration policies	Integrated Report	
		Corporate Governance Policies	
2-20	Process to determine remuneration	Corporate Governance System	
		Integrated Report	
		MD&A and Consolidated Financial Statements	
2-21	Annual total compensation ratio	Corporate Governance Report	
Strateg	y, policies and practices		
		Message from the President	
2-22	Statement on sustainable development strategy	Philosophy	
		Message from the President	
		The Kurita Group Sustainability and Materiality	
		Basic Policy	
2-23	Policy commitments	Business Policy	
		Procurement	
		Communication On Progress	
2-24	Embedding policy commitments	The Kurita Group Sustainability and Materiality	
		Conduct Fair Business Activities	
		Conduct Business Activities Respecting Human Rights	
2-25	Processes to remediate negative impacts	Integrated Report	
		Basic Policies for Constructing an Internal Control System	
		Building Good Relationships with Business Partners	

#### GRI 2: General Disclosures 2021

Message from

Management

Reference Information

#### **GRI 3: Material Topics 2021**

	Disclosure	Locations Posted (Website)	Reference Information
3-1	Process to determine material topics	The Kurita Group Sustainability and Materiality	
3-2	List of material topics	The Kurita Group Sustainability and Materiality	
2.2	Management of materials are	The Kurita Group Sustainability and Materiality	
3-3	Management of material topics	Corporate Governance System	

#### **Economic**

		1	
	Disclosure	Locations Posted (Website)	Reference Information
GRI 201:	Economic Performance 2016		
201-1	Direct economic value generated and distributed	MD&A and Consolidated Financial Statements	
201.2	Figure 1 in the state of the st	Contribute to the Realization of a Decarbonized Society	
201-2	Financial implications and other risks and opportunities due to climate change	MD&A and Consolidated Financial Statements	
201-3	Defined benefit plan obligations and other retirement plans	MD&A and Consolidated Financial Statements	
201-4	Financial assistance received from government	MD&A and Consolidated Financial Statements	
GRI 202:	Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	
202-2	Proportion of senior management hired from the local community	-	
GRI 203:	Indirect Economic Impacts 2016		'
202.1		Corporate Citizenship Activities	
203-1	Infrastructure investments and services supported	ESG Data	
203-2	Significant indirect economic impacts	Corporate Citizenship Activities	
GRI 204:	Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Building Good Relationships with Business Partners	
GRI 205:	Anti-corruption 2016		'
205-1	Operations assessed for risks related to corruption	Conduct Fair Business Activities	
205-2	Communication and training about anti-corruption policies and procedures	Conduct Fair Business Activities	
205-3	Confirmed incidents of corruption and actions taken	ESG Data	
	1	1	

#### **Economic**

Message from Management

	Disclosure	Locations Posted (Website)	Reference Information	
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ESG Data		
GRI 207: Tax 2019				
207-1	Approach to tax	Kurita Group Tax Policy		
		Kurita Group Code of Conduct		
207-2	Tax governance, control, and risk management	Integrated Report		
207-3	Stakeholder engagement and management of concerns related to tax	Kurita Group Tax Policy		
207-4	Country-by-country reporting	-		

#### **Environmental**

	Disclosure	Locations Posted (Website)	Reference Information
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	ESG Data	
301-2	Recycled input materials used	-	
201.2		ESG Data	
301-3	Reclaimed products and their packaging materials	Contribute to Building a Circular Economy Society	
GRI 302: I	Energy 2016		
202.1	Energy consumption within the organization	Contribute to the Realization of a Decarbonized Society	
302-1		ESG Data	
202.2		Contribute to the Realization of a Decarbonized Society	
302-2	Energy consumption outside of the organization	ESG Data	
302-3	Energy intensity	ESG Data	
202.4		Contribute to the Realization of a Decarbonized Society	
302-4	Reduction of energy consumption	ESG Data	
302-5	Reductions in energy requirements of products and services	Contribute to the Realization of a Decarbonized Society	
GRI 303: \	Vater and Effluents 2018		
303-1	Interactions with water as a shared resource	Solve Issues Related to Water Resources	
303-2	Management of water discharge-related impacts	Environmental Management	
303-3	Water withdrawal	ESG Data	
303-4	Water discharge	ESG Data	
303-5	Water consumption	ESG Data	
GRI304: E	GRI304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Disclosure Based on TNFD Recommendations	
304-2	Significant impacts of activities, products, and services on biodiversity	Disclosure Based on TNFD Recommendations	
304-3	Habitats protected or restored	-	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	

#### **Environmental**

Message from Management

Disclosure		Locations Posted (Website)	Reference Information		
GRI 305: I	GRI 305: Emissions 2016				
205.4	Direct (Scope 1) GHG emissions	Contribute to the Realization of a Decarbonized Society			
305-1		ESG Data			
205.2	Energy indirect (Scope 2) GHG emissions	Contribute to the Realization of a Decarbonized Society			
305-2		ESG Data			
305-3	Other indirect (Scope 3) GHG emissions	Contribute to the Realization of a Decarbonized Society			
303-3		ESG Data			
305-4	GHG emissions intensity	ESG Data			
205.5		Contribute to the Realization of a Decarbonized Society			
305-5	Reduction of GHG emissions	ESG Data			
305-6	Emissions of ozone-depleting substances (ODS)	ESG Data			
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG Data			
GRI 306: Waste 2020					
306-1	Waste generation and significant waste-related impacts	Contribute to Building a Circular Economy Society			
306-2	Management of significant waste-related impacts	Contribute to Building a Circular Economy Society			
205.2	Waste generated	Contribute to Building a Circular Economy Society			
306-3		ESG Data			
306-4	Waste diverted from disposal	ESG Data			
306-5	Waste directed to disposal	ESG Data			
GRI 308: 5	Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	Building Good Relationships with Business Partners			
308-2	Negative environmental impacts in the supply chain and actions taken	Building Good Relationships with Business Partners			

#### Social

	Disclosure	Locations Posted (Website)	Reference Information		
GRI 401: E	imployment 2016				
401-1	New employee hires and employee turnover	ESG Data			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	The company offers various allowance systems, including retirement benefits, employee stock ownership plans, and condolence payments.		
401.2	Parental leave	ESG Data			
401-3		Strategic Development and Utilization of Human Resources			
GRI 402: L	GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	-	The labor agreement concluded with the labor union stipulates a minimum notice period of one month for transfers involving relocation and a minimum notice period of 30 days for dismissals. Additionally, when making business changes that significantly impact employees, it is required that the company and the employees consult in advance.		

#### Social

Message from Management

	Disclosure	Locations Posted (Website)	Reference Information	
GRI 403: 0	Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Conduct Business Activities Respecting Human Rights		
403-2	Hazard identification, risk assessment, and incident investigation	Conduct Business Activities Respecting Human Rights		
403-3	Occupational health services	Conduct Business Activities Respecting Human Rights		
403-4	Worker participation, consultation, and communication on occupational health and safety	Conduct Business Activities Respecting Human Rights		
403-5	Worker training on occupational health and safety	Conduct Business Activities Respecting Human Rights		
403-6	Promotion of worker health	Conduct Business Activities Respecting Human Rights		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Conduct Business Activities Respecting Human Rights		
403-8	Workers covered by an occupational health and safety management system	Conduct Business Activities Respecting Human Rights		
403-9	Work-related injuries	Conduct Business Activities Respecting Human Rights  ESG Data		
403-10	Work-related ill health			
		Conduct Business Activities Respecting Human Rights		
	Training and Education 2016			
404-1	Average hours of training per year per employee	ESG Data		
404-2	Programs for upgrading employee skills and transition assistance programs	Integrated Report		
404-3	Percentage of employees receiving regular performance and career development reviews	Strategic Development and Utilization of Human Resources		
CDI 405 B	ESG Data			
GRI 405: L	Diversity and Equal Opportunity 2016	Strategie Davidenment and Utilization of Human		
405-1	Diversity of governance bodies and employees	Strategic Development and Utilization of Human Resources		
403-1		ESG Data		
		Integrated Report  Strategic Development and Utilization of Human		
405-2	Ratio of basic salary and remuneration of women to men	Resources		
GRI 406: N	MD&A and Consolidated Financial Statements  RI 406: Non-discrimination 2016			
GKI 400. I	Voli discrimination 2010	Conduct Durings Activities Despecting Lluman Dights		
406-1	Incidents of discrimination and corrective actions taken	Conduct Business Activities Respecting Human Rights  ESG Data		
CDI 407. F		ESG Data		
GRI 407: I	Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-		
GRI 408: 0	Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Conduct Business Activities Respecting Human Rights		
GRI 409: F	Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Conduct Business Activities Respecting Human Rights		
GRI 410: S	Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	-		
GRI 411: F	Rights of Indigenous Peoples 2016			
411-1	Incidents of violations involving rights of indigenous peoples	-		
GRI 413: L	Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Corporate Citizenship Activities		
413-2	Operations with significant actual and potential negative impacts on local communities	-		
110 Z	approach with significant actual and potential negative impacts on local communities			

#### Social

	Disclosure	Locations Posted (Website)	Reference Information
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Building Good Relationships with Business Partners	
414-2	Negative social impacts in the supply chain and actions taken	Building Good Relationships with Business Partners	
GRI 415: F	Public Policy 2016		
415-1	Political contributions	ESG Data	
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Provide Highly Safe and Quality Products and Services	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Provide Highly Safe and Quality Products and Services	
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	Provide Highly Safe and Quality Products and Services	
417-2	Incidents of non-compliance concerning product and service information and labeling	Provide Highly Safe and Quality Products and Services	
417-3	Incidents of non-compliance concerning marketing communications	ESG Data	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Data	
	I	I.	

#### **SASB Standard Reference Tables**

Message from

Management

Topic	Accounting Metric	Code	Location
	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	ESG Data
Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	RT-CH-110a.2	Contribute to the Realization of a Decarbonized Society
Air emissions of the following pollutants (1) NOX (excluding N2O) (2) SOX (3) volatile organic compounds (VOCs) (4) hazardous air pollutants (HAPs)		RT-CH-120a.1	(1)(2)(3)ESG Data (4)-
Energy Management	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable (4) total self-generated energy		(1)(3)ESG Data (2)(4)-
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RT-CH-140a.1	(1)(2)ESG Data
Water Management	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	RT-CH-140a.2	ESG Data
	Description of unitar management risks and discussion of strategies and practices to mitigate these risks	DT CH 140- 2	Solve Issues Related to Water Resources
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	Disclosure Based on TNFD Recommendations
			ESG Data
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	RT-CH-150a.1	Contribute to Building a Circular Economy Society
			Solve Issues Related to Water Resources
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	The Kurita Group Sustainability and Materiality
			Corporate Citizenship Activities
Workforce Health&Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	RT-IG-320a.1 RT-CH-320a.1	(1)(2)ESG Data (3)-
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	RT-CH-320a.2	Conduct Business Activities Respecting Human Rights
	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	N/A:We don't sale medium- and heavy-duty vehicles
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	-
Fuel Economy& Emissions in	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3	N/A:We don't sale stationary generators
Usephase	Sales-weighted emissions of (1) nitrogen oxides (NOx) (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium-and heavy-duty engines, and (d) other non-road diesel engines	RT-IG-410a.4	
Product Design for Use-phase Efficiency	Revenue from products designed for usephase resource efficiency	RT-CH-410a.1	-
Safety & Environmental	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (2) percentage of such products that have undergone a hazard assessment	RT-CH-410b.1	-
Stewardship of Chemicals	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	RT-CH-410b.2	(1)Provide Highly Safe and Quality Products and Services (2)-
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	RT-CH-410c.1	N/A: We don't sale GMOs
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	-
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	-
Management of theLegal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	RT-CH-530a.1	-
Operational Safety, Emergency Preparedness& Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	RT-CH-540a.1	-

### **Activity Metrics**

Activity Metrics	Code	Location
Number of units produced by product category	RT-IG-000.A	-
Number of employees	RT-IG-000.B	ESG Data
Production by reportable segment	RT-CH-000.A	Integrated Report