[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 87th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Notice of Convocation of the 87th Ordinary General Meeting of Shareholders

Kurita Water Industries Ltd.

[Translation for Reference and Convenience Purposes Only]

Dear Shareholders,
We would like to express sincere thanks to all our shareholders for the support you provide.
I am Hirohiko Ejiri, who assumed the office of President and Representative Director of Kurita Water Industries Ltd. in April this year.
The shareholders of Kurita Water Industries Ltd. are hereby notified of the 87th Ordinary General Meeting of Shareholders to be held on Thursday, June 29, 2023.
This notice details the agenda proposals of the General Meeting of Shareholders and provides an overview of business operations of Kurita Group in the fiscal year ended March 31, 2023. We request that you read it.
The Company started a new Medium-Term Management Plan "PSV-27" (Pioneering Shared Value 2027) in April 2023. Through co-creation with all stakeholders, we continue to strive for ongoing enhancement of corporate value and creation of shared value. We look forward to your continued understanding and support in the future.

June 2023

Sincerely yours,

Hirohiko Ejiri
President and Representative Director

Corporate Philosophy

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

1. Creating new functions and value for water through a deep and far-reaching exploration of the essential properties of water.
2. Winning the trust of our customers and society with unique solutions that capitalize on our diverse technologies.
3. Contributing to the realization of a sustainable society by leveraging our mastery of water to create shared value with society.

[Translation for Reference and Convenience Purposes Only]

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Securities Code: 6370

June 9, 2023
(Electronic provision measures commencement date: June 1, 2023)

Dear Shareholders

Hirohiko Ejiri
President and Representative Director
Kurita Water Industries Ltd.
10-1, Nakano 4-chome, Nakano-ku, Tokyo

NOTICE OF CONVOCATION OF THE 87th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby provide notice that the 87th Ordinary General Meeting of Shareholders of Kurita Water Industries Ltd. (the "Company") shall be held as described below.
In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information that is the content of reference documents for the general meeting of shareholders, etc. ("Electronic Provision Measures Matters"), and such information is posted on the Company's website shown below as "Notice of Convocation of the 87th Ordinary General Meeting of Shareholders." Please access the Company's website below to confirm the information.

The Company's website (in Japanese):	https://ir.kurita.co.jp/shareholders_information/shareholder_meeting/index.html

Electronic Provision Measures Matters are also posted on the website of Tokyo Stock Exchange (TSE), in addition to the Company's website.
Please access the TSE website (TSE Listed Company Search) below, enter the issue name (Kurita Water Industries) or the securities code (6370) to search, and confirm the information by selecting "Basic information" and then "Documents for public inspection/PR information" in this order.

TSE website (TSE Listed Company Search) (in Japanese):	https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show

If you do not attend the meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the attached Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights, no later than 5:15 p.m. on Wednesday, June 28, 2023 (JST).

1. **Time and Date:** 10:00 a.m., Thursday, June 29, 2023 (JST) (Reception starts at 9:00 a.m.)

2. **Place:** 10F Conference Room
Kurita Water Industries Ltd.
Nakano Central Park East,
10-1, Nakano 4-chome, Nakano-ku, Tokyo

3. **Objectives of the Meeting:**

Reports:

1. Reports on Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 87th Fiscal Year (From April 1, 2022, to March 31, 2023)
2. Reports on Non-Consolidated Financial Statements for the 87th Fiscal Year (From April 1, 2022, to March 31, 2023)

Agenda:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Eight (8) Directors

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

(1) Of the Electronic Provision Measures Matters, the following matters are posted on the Company's website in accordance with laws and regulations as well as Article 14 of the Company's Articles of Incorporation. Therefore, they are not described in the physical documents provided to shareholders who made requests for provision of physical documents. Accordingly, the physical documents provided to shareholders who made requests for provision of physical documents are part of documents audited by the members of the Audit & Supervisory Board and the Accounting Auditor in preparing their audit reports.

1) "System to ensure that the execution of the duties of Directors conforms with laws, regulations, and the Articles of Incorporation and other systems to ensure appropriate operations" in the Business Report
2) "Consolidated Statement of Changes in Equity" and "Notes to consolidated financial statements"
3) "Non-consolidated Statement of Changes in Equity" and "Notes to non-consolidated financial statements"

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

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

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

Our measures to prevent the spread of COVID-19 infections at this meeting

<Reminder to our shareholders>

- We appreciate your attendance at the meeting after due consideration of the status of the spread of COVID-19 and your own health condition.

<Guidance at the meeting venue>

- Persons who seem unwell may be called upon by the staff and denied entering the venue. We appreciate your kind understanding in advance.
- The Company's officers and organizing staff will check their health conditions beforehand, and keep face masks on during the meeting.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

1. Year-end dividends

The Company's basic policy is to pay stable dividends on an ongoing basis. The Company will endeavor to return profits to shareholders by maintaining a dividend increase, setting a consolidated dividend payout ratio of 30% to 50% as a guide and making the decision based on consolidated dividend payout ratios for the most recent five years in order to respond flexibly to changes in the financial results each year.

The Company proposes that the year-end dividend for the current fiscal year be ¥39 per share, an increase of ¥3 per share from a year earlier.

The Company's annual dividend for the fiscal year under review would be ¥78 per share, including ¥39 per share distributed as an interim dividend, an increase of ¥3 per share from a year earlier, and the consolidated dividend payout ratio would be 43.5%.

(1)	Type of Property for Dividends	Cash	
(2)	Allotment of Property for Dividends and Total Amount Thereof	Dividend per share of common stock of the Company	¥39
		Total amount of dividends	¥4,393,178,868
(3)	Effective Date of the Distribution of Surplus	June 30, 2023	

2. Other appropriation of surplus

We propose the following internal reserves to be used for investments aimed at boosting corporate value, etc. in order to strengthen the management foundation in preparation for the development of operations in the future.

(1)	Item of surplus to be increased and amount of increase	General reserve	¥9,000,000,000
(2)	Item of surplus to be decreased and amount of decrease	Retained earnings brought forward	¥9,000,000,000

[Translation for Reference and Convenience Purposes Only]

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

In order to further enhance the Group's sustainable growth and corporate value, the Company aims to establish a more effective and transparent corporate governance system by strengthening management supervision and business execution functions through clearly separating management execution and supervision. For this purpose, the Company would like to make the transition to a Company with a Nominating Committee, etc. In line with the transition, it is proposed that new provisions be established regarding a Nominating Committee, an Audit Committee and a Compensation Committee, as well as Executive Officers, while provisions regarding members of the Audit & Supervisory Board and the Audit & Supervisory Board be deleted, along with other necessary adjustments.

In addition, it is proposed that Articles be renumbered as a result of the above-mentioned amendments.

Consent has been obtained from each member of the Audit & Supervisory Board for the new establishment of Article 27 (Exemption of Directors from Liability) and Article 34 (Exemption of Executive Officers from Liability).

The amendments to the Articles of Incorporation proposed in this proposal shall become effective at the conclusion of this General Meeting of Shareholders.

2. Contents of the amendments

The contents of the amendments are as follows.

(Underlines indicate amended sections)

Current Articles of Incorporation		Proposed amendments	
Chapter 1 General Provisions		Chapter 1 General Provisions	
Articles 1-3	(Omitted)	Articles 1-3	(Unchanged)
Article 4	(Organs) The Company shall have the following organs.	Article 4	(Organs) The Company as a Company with a Nominating Committee, etc. shall have the following organs, in addition to General meetings of shareholders and Directors.
1.	General meetings of shareholders	1.	Board of Directors
2.	Directors	2.	Nominating Committee, Audit Committee and Compensation Committee
3.	Board of Directors	3.	Executive officers
4.	Members of the Audit & Supervisory Board	4.	Accounting auditor
5.	Audit & Supervisory Board		
6.	Accounting auditor		
Article 5	(Omitted)	Article 5	(Unchanged)
Chapter 2 Shares		Chapter 2 Shares	
Articles 6-8	(Omitted)	Articles 6-8	(Unchanged)
Article 9	(Transfer Agent) The Company shall appoint a transfer agent. The Company shall select the transfer agent and its office by a resolution at a Board of Directors meeting. Such agent shall be announced in a public notice. The preparation and keeping of the shareholder register, the stock acquisition rights register of the Company, other clerical work related to the shareholder register, and the stock acquisition rights register shall be entrusted to the transfer agent. The Company shall not perform the above functions.	Article 9	(Transfer Agent) The Company shall appoint a transfer agent. The Company shall select the transfer agent and its office by a resolution at a Board of Directors meeting or by the decision of an executive officer who has been delegated by a resolution at a Board of Directors meeting. Such agent shall be announced in a public notice. The preparation and keeping of the shareholder register, the stock acquisition rights register of the Company, other clerical work related to the shareholder register, and the stock acquisition rights register shall be entrusted to the transfer agent. The Company shall not perform the above functions.

[Translation for Reference and Convenience Purposes Only]

Current Articles of Incorporation	Proposed amendments
Article 10 (Share Handling Regulations) In addition to the rules specified by laws, regulations, and these Articles of Incorporation, the handling of the Company's shares shall be in accordance with the Share Handling Regulations established by the Board of Directors.	Article 10 (Share Handling Regulations) In addition to the rules specified by laws, regulations, and these Articles of Incorporation, the handling of the Company's shares shall be in accordance with the Share Handling Regulations established by the Board of Directors meeting or by an executive officer who has been delegated by a resolution at a Board of Directors meeting.
Chapter 3 General Meetings of Shareholders	Chapter 3 General Meetings of Shareholders
Articles 11-12 (Omitted)	Articles 11-12 (Unchanged)
Article 13 (Chairperson at General Meeting of Shareholders) The president shall take the chair at a general meeting of shareholders. In the absence of the president, any other director can substitute for the president in accordance with an order predetermined by the Board of Directors.	Article 13 (Convener and Chairperson) 1. A director predetermined by resolution of the Board of Directors meeting shall convene the general meeting of shareholders. In the absence of said director, any other director shall act so in accordance with an order predetermined by the Board of Directors meeting. 2. A director or an executive officer predetermined by resolution of the Board of Directors meeting shall take the chair at a general meeting of shareholders. In the absence of said director or the executive officer, any other director or executive officer shall act so, in accordance with an order predetermined by the Board of Directors meeting.
Articles 14-16 (Omitted)	Articles 14-16 (Unchanged)
Article 17 (Minutes of General Meeting of Shareholders) The substance of the proceedings of a general meeting of shareholders, the results thereof, as well as other matters provided for by laws and regulations, shall be recorded in the minutes. The chairperson and the directors present at the meeting shall affix their names and seals on such minutes.	Article 17 (Minutes of General Meeting of Shareholders) The substance of the proceedings of a general meeting of shareholders, the results thereof, as well as other matters provided for by laws and regulations, shall be described or recorded in the minutes.
Chapter 4 Directors and Board of Directors	Chapter 4 Directors and Board of Directors
Article 18 (Omitted)	Article 18 (Unchanged)
Article 19 (Election of Directors) The directors shall be elected by a resolution at a general meeting of shareholders. The resolution to elect the directors in the preceding paragraph shall be passed by a majority of the voting rights of the shareholders present at a meeting where the shareholders holding one third or more of the voting rights are entitled to exercise their voting rights. The directors shall not be elected by cumulative vote.	Article 19 (Election of Directors) The directors shall be elected by a resolution at a general meeting of shareholders. The resolution to elect the directors in the preceding paragraph shall be passed by a majority of the voting rights of the shareholders present at a meeting where the shareholders holding one third or more of the voting rights are entitled to exercise their voting rights. The directors shall not be elected by cumulative vote. (Change in Japanese only; English unchanged)
Article 20 (Omitted)	Article 20 (Unchanged)

[Translation for Reference and Convenience Purposes Only]

	Current Articles of Incorporation		Proposed amendments
Article 21	(Representative Director and Directors with Positions of Responsibility) A director who represents the Company shall be appointed by a resolution at a Board of Directors meeting. The Company may appoint by resolutions at a Board of Directors meeting: one (1) chairperson of the Board, one (1) vice chairperson of the Board, one (1) president of the Board, and one or more vice presidents of the Board, executive senior managing directors and managing directors.	Article 21	(Directors with Positions of Responsibility) The Company may appoint directors with positions of responsibility by resolutions at a Board of Directors meeting.
Article 22	(Omitted)	Article 22	(Unchanged)
Article 23	(Remuneration, etc. for Directors) Financial benefits received from the Company by directors as remuneration, and/or other considerations for the execution of their duties, shall be determined by a resolution of a general meeting of shareholders.	Article 23	(Remuneration, etc. for Directors) Financial benefits received from the Company by directors as remuneration and/or other considerations for the execution of their duties (hereinafter the "Remuneration, etc.") shall be determined by a resolution of the Compensation Committee.
Article 24	(Convocation of Board of Directors Meeting) To call a Board of Directors meeting, a notice shall be sent to each director and each member of the Audit & Supervisory Board at least three (3) days prior to the date of the meeting. Provided, however, that in case of an emergency, this period can be shortened. If the consent of all directors and members of the Audit & Supervisory Board is obtained, the Board of Directors meeting may be held without following the convocation procedures.	Article 24	(Convocation of Board of Directors Meeting) To call a Board of Directors meeting, a notice shall be sent to each director at least three (3) days prior to the date of the meeting. Provided, however, that in case of an emergency, this period can be shortened. If the consent of all directors is obtained, the Board of Directors meeting may be held without following the convocation procedures.
	<Newly established>	Article 25	(Omission of Resolution of the Board of Directors) With respect to the matters to be resolved by the Board of Directors, the Company shall deem that a resolution to the effect that such matters were approved was adopted by the Board of Directors meeting when all the directors who can participate in resolution express their agreement in writing or by an electromagnetic record.
Article 25	(Omitted)	Article 26	(Unchanged)
	<Newly established>	Article 27	(Exemption of Directors from Liability) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by a resolution at a Board of Directors meeting, exempt directors (including those who were formerly directors) from their liability for damages arising from neglecting their duties to the extent permitted by laws and regulations.
Article 26	(Omitted)	Article 28	(Unchanged)

[Translation for Reference and Convenience Purposes Only]

Current Articles of Incorporation	Proposed amendments
Chapter 5 Members of Audit & Supervisory Board and Audit & Supervisory Board	<Deleted>
Article 27 (Number of Members of Audit & Supervisory Board) The number of members of the Audit & Supervisory Board shall be three (3) or more.	<Deleted>
Article 28 (Election of Members of Audit & Supervisory Board) The members of the Audit & Supervisory Board shall be elected by a resolution at a general meeting of shareholders. The resolution to elect the members of the Audit & Supervisory Board in the preceding paragraph shall be passed by a majority of the voting rights of the shareholders present at a meeting where shareholders holding one third or more of the voting rights are entitled to exercise their voting rights.	<Deleted>
Article 29 (Term of Office of Members of Audit & Supervisory Board) The term of office of each member of the Audit & Supervisory Board shall continue until the conclusion of the ordinary general meeting of shareholders for the last business year that ends within four (4) years from the time of his/her election. The term of office of a member of the Audit & Supervisory Board who is elected as a substitute for a member of the Audit & Supervisory Board who has resigned before the expiration of his/her term of office shall continue until the time the term of office of the resigned member of the Audit & Supervisory Board expires.	<Deleted>
Article 30 (Election of Substitute Members of Audit & Supervisory Board) In cases where the number of members of the Audit & Supervisory Board is less than the number prescribed in laws, regulations, or these Articles of Incorporation, the Company may elect substitutes as members of the Audit & Supervisory Board in advance of a general meeting of shareholders. The resolution to elect the substitute members of the Audit & Supervisory Board shall be passed by a majority of the voting rights of the shareholders present at a meeting where shareholders holding one third or more of the voting rights are entitled to exercise their voting rights.	<Deleted>
Article 31 (Full-time Members of Audit & Supervisory Board) Full-time members of the Audit & Supervisory Board shall be appointed by a resolution of the Audit & Supervisory Board.	<Deleted>

[Translation for Reference and Convenience Purposes Only]

Current Articles of Incorporation	Proposed amendments
Article 32 (Remuneration, etc. for Members of Audit & Supervisory Board) Financial benefits received from the Company by members of the Audit & Supervisory Board as remuneration, and/or other consideration for the execution of their duties shall be determined by a resolution of a general meeting of shareholders.	<Deleted>
Article 33 (Convocation of Audit & Supervisory Board Meeting) To call an Audit & Supervisory Board meeting, a notice shall be sent to each member of the Audit & Supervisory Board at least three (3) days prior to the date of the meeting. Provided, however, that in case of an emergency, this period can be shortened. If the consent of all members of the Audit & Supervisory Board is obtained, the Audit & Supervisory Board meeting may be held without following the convocation procedures.	<Deleted>
Article 34 (Audit & Supervisory Board Regulations) In addition to these Articles of Incorporation, matters concerning the Audit & Supervisory Board shall be in accordance with the Audit & Supervisory Board Regulations established by the Audit & Supervisory Board.	<Deleted>
Article 35 (Limited Liability of External Members of Audit & Supervisory Board) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with external members of the Audit & Supervisory Board to the effect that limits their liability for negligence. Provided, however, that the limitation of the liability based on the agreement shall be the amount prescribed by laws and regulations.	<Deleted>
<Newly established>	Chapter 5 Nominating Committee, Audit Committee and Compensation Committee
<Newly established>	Article 29 (Number and Election of Members of Committees) 1. A Nominating Committee, an Audit Committee and a Compensation Committee shall be composed of at least three (3) directors, with a majority of members of each Committee being external directors. 2. Directors who constitute the members of each Committee shall be elected by a resolution at a Board of Directors meeting.
<Newly established>	Article 30 (Operation of Committees) Matters relating to each Committee shall be governed by each Committee Regulations determined by a resolution at a Board of Directors meeting, in addition to laws and regulations and the Articles of Incorporation.

[Translation for Reference and Convenience Purposes Only]

Current Articles of Incorporation	Proposed amendments
<Newly established>	Chapter 6 Executive Officers
<Newly established>	Article 31 (Number and Election of Executive Officers) 1. The Company shall have at least one (1) executive officer. 2. Executive officers shall be elected by a resolution at a Board of Directors meeting.
<Newly established>	Article 32 (Term of Office of Executive Officers) The term of office of executive officers shall continue until the last day of the business year that ends within one (1) year after their election.
<Newly established>	Article 33 (Representative Executive Officers and Executive Officers with Positions of Responsibility) 1. The Company shall appoint representative executive officer from executive officers by a resolution at a Board of Directors meeting. 2. The Company may appoint executive officers with positions of responsibility by a resolution at a Board of Directors meeting.
<Newly established>	Article 34 (Exemption of Executive Officers from Liability) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by a resolution at a Board of Directors meeting, exempt executive officers (including those who were formerly executive officers) from their liability for damages arising from neglecting their duties to the extent permitted by laws and regulations.
<Newly established>	Article 35 (Remuneration, etc. for Executive Officers) Remuneration etc. for executive officers shall be determined by a resolution of the Compensation Committee.
Chapter 6 Accounting Auditor	Chapter 7 Accounting Auditor
Articles 36-37 (Omitted)	Articles 36-37 (Unchanged)
Article 38 (Remuneration, etc. of Accounting Auditor) Remuneration, etc. of the accounting auditor shall be determined by the representative director after obtaining the consent of the Audit & Supervisory Board.	Article 38 (Remuneration, etc. of Accounting Auditor) Remuneration, etc. of the accounting auditor shall be determined by directors determined by the Board of Directors meeting after obtaining the consent of the Audit Committee.
Chapter 7 Accounting	Chapter 8 Accounting
Articles 39-42 (Omitted)	Articles 39-42 (Unchanged)

[Translation for Reference and Convenience Purposes Only]

Current Articles of Incorporation	Proposed amendments
<Newly established> <Newly established>	(Supplementary Provisions) Article 1 (Transitional Measures for Limited Liability for External Members of the Audit & Supervisory Board) The provision of Article 35 of the Articles of Incorporation prior to the amendment by resolution at the 87th Ordinary General Meeting of Shareholders shall remain effective regarding the liability for external members of the Audit & Supervisory Board before the conclusion of the said Ordinary General Meeting of Shareholders.

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal No. 3: Election of Eight (8) Directors

Subject to approval of Proposal No. 2: "Partial Amendments to the Articles of Incorporation," the Company makes transition from the current Company with an Audit & Supervisory Board to a Company with a Nominating Committee, etc. In line with this transition, the term of office of all ten (10) Directors and three (3) members of the Audit & Supervisory Board will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors, including four (4) External Directors. The candidates for Directors are as follows:

No.	Name	Positions and Assignments in the Company			Record of attendances at the Board of Directors meetings	Number of years as Director (at the conclusion of this General Meeting of Shareholders)
1	Michiya Kadota	Chairman and Representative Director	—	Reappointment	100% (13/13)	9 years
2	Hirohiko Ejiri	President and Representative Director		Reappointment	100% (13/13)	7 years
3	Shuji Shirode	Director	Executive General Manager of Corporate Control and Administration Division	Reappointment	100% (13/13)	2 years
4	Yukihiko Mutou	Member of the Audit & Supervisory Board		New	100%[*1] (13/13)	1 year[*2]
5	Kenjiro Kobayashi	External member of the Audit & Supervisory Board		New External Independent	100%[*1] (13/13)	—
6	Keiko Tanaka	External Director	—	Reappointment External Independent	100% (13/13)	4 years
7	Masahiro Miyazaki	External Director	—	Reappointment External Independent	100%[*3] (10/10)	1 year
8	Yoshiko Takayama	—	—	New External Independent	—	—

Notes:
1. During the fiscal year ended March 31, 2023, the Board of Directors held 13 Board of Directors meetings. The attendance records of the Board of Directors meetings for Yukihiko Mutou and Kenjiro Kobayashi indicate their attendances as members of the Audit & Supervisory Board.
2. Although Yukihiko Mutou is currently a member of the Audit & Supervisory Board of the Company, one year is indicated for number of years as Director because he served as a Director in the past.
3. The attendance records of the Board of Directors meetings for Masahiro Miyazaki indicate his attendance after he assumed office as Director on June 29, 2022.

New	New candidates for Director	Reappointment	Candidates for reappointment as Director
External	Candidates for External Director	Independent	Independent Officer as set forth under regulations of the Tokyo Stock Exchange, Inc.

[Translation for Reference and Convenience Purposes Only]

Candidate No. 1	Michiya Kadota	Date of birth February 16, 1959 64 years old	Reappointment

Number of the shares of the Company held
27,300 shares

Number of years as Director
9 years
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (13/13)

Brief personal history, positions and assignments in the Company

Apr. 1983 Joined Kurita Water Industries Ltd.
Apr. 2006 General Manager of Business Process Reengineering Dept., Corporate Planning Division
Apr. 2008 General Manager of Internal Auditing Dept.
Apr. 2012 General Manager of Finance and Accounting Dept., Administrative Division
Jun. 2013 Executive Officer of the Company
Jun. 2014 Director of the Company
Jun. 2014 Executive General Manager of Administrative Division
Apr. 2016 President and Representative Director of the Company
Apr. 2023 Chairman and Representative Director of the Company (Current position)

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for Director

Mr. Michiya Kadota has a career mainly in the area of general affairs such as finance and accounting and has been serving as President and Representative Director since 2016. After the assumption of office, in order to build a solid earnings base, he engaged in a business process change and business model transformation by accelerating DX through the provision of social value, establishment of a global business foundation utilizing M&As, and promotion of corporate governance reforms, all toward enhancing corporate value. Based on his experience of leading the management of the Company, he is well-versed in the Group, and the Company believes that he is an individual capable of contributing to quality discussions at, and strengthening the supervisory function of, the Company's Board of Directors. The Company has therefore nominated him as a candidate for Director.

Candidate No. 2	Hirohiko Ejiri	Date of birth October 6, 1962 60 years old	Reappointment

Number of the shares of the Company held
17,300 shares

Number of years as Director
7 years
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (13/13)

Brief personal history, positions and assignments in the Company

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

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for Director

Mr. Hirohiko Ejiri has considerable insight in the market and onsite operations accumulated through his years of experience at the sales departments of the Water Treatment Chemicals business. After his assumption of office of Director in 2016, he led the initiative for expansion of the Kurita Group's business fields and transformation of revenue structure, as well as enhancement of production efficiency through utilization of DX in the production process, etc., improvement of product quality, and transformation of the production structure. Having a President well-versed in the Water Treatment Chemicals business double as a Director would contribute to strengthening the supervisory function of the Company's Board of Directors, while enabling the status of business execution to be shared in an appropriate manner. The Company has therefore nominated him as a candidate for Director.

[Translation for Reference and Convenience Purposes Only]

Candidate No. 3	Shuji Shirode	Date of birth October 5, 1959 63 years old	Reappointment

Number of the shares of the Company held
10,000 shares

Number of years as Director
2 years
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (13/13)

Brief personal history, positions and assignments in the Company

Jan. 2016	Joined Kurita Water Industries Ltd. Assistant to General Manager of Administrative Division
Apr. 2018	Executive Officer of the Company
Apr. 2018	Deputy Executive General Manager of Corporate Planning Division
Apr. 2019	Deputy Executive General Manager of Corporate Control and Administration Division
Jun. 2021	**Director of the Company (Current position)**
Jun. 2021	**Executive General Manager of Corporate Control and Administration Division (Current position)**

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for Director

Mr. Shuji Shirode has a wealth of experience at a corporate group with global operations, including time spent working overseas, as well as high expertise related to finance, tax affairs, and accounting. As the officer in charge of finance from 2020, he has focused on strengthening the foundations of the Group's finance and accounting functions. The Company believes that he can contribute to strengthening the supervisory function of the Board of Directors by utilizing his high expertise from serving concurrently as the officer in charge of finance, where he played a central role in execution, and as Director. The Company has therefore nominated him as a candidate for Director.

Candidate No. 4	Yukihiko Mutou	Date of birth June 19, 1959 64 years old	New

Number of the shares of the Company held
9,500 shares

Number of years as Director
1 year[*1]
(at the conclusion of this General Meeting of Shareholders)

*1 The total number of years he served as Director is presented.

Record of attendances at the Board of Directors meetings
100% (13/13)[*2]

*2 The record indicates the attendance at the Board of Directors meetings as a member of the Audit & Supervisory Board.

Brief personal history, positions and assignments in the Company

Oct. 1991	Joined Kurita Water Industries Ltd.
Jun. 2005	General Manager of Finance and Accounting Dept., Administrative Division
Apr. 2012	General Manager of Personnel and Labor Relations Dept., Administrative Division
Apr. 2014	General Manager of General Affairs Dept., Administrative Division
Apr. 2016	Executive Officer of the Company
Apr. 2018	Executive General Manager of Group Administrative Division
Jun. 2018	Director of the Company
Apr. 2019	Deputy Executive General Manager of Corporate Planning and Control Division
Jun. 2019	**Full-time member of the Audit & Supervisory Board (Current position)**

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for Director

Mr. Yukihiko Mutou has abundant knowledge and experience in the field of business management as he held important posts such as those at the finance, accounting and human resource departments. He assumed the post of Director of the Company in 2018 and a member of the Audit & Supervisory Board in 2019, and is well-versed in the fields of the Group's governance, internal audit and audits. The Company believes that he is an individual capable of utilizing his deep understanding of the Group and high expertise in the field of audit to strengthen the supervisory function of the Board of Directors and has therefore nominated him as a candidate for Director.

Candidate No. 5	Kenjiro Kobayashi	Date of birth October 1, 1953 69 years old	New / External / Independent

Number of the shares of the Company held
4,600 shares

Number of years as Director
—
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (13/13)*
* The record indicates the attendance at the Board of Directors meetings as a member of the Audit & Supervisory Board.

Brief personal history, positions and assignments in the Company

Apr. 1977	Joined Japan Development Bank (current Development Bank of Japan Inc.)
Apr. 2002	General Manager of the New Business Division of Development Bank of Japan Inc.
Jul. 2004	Managing Director of CITIC Provident Management Ltd.
Jun. 2006	Executive Officer and General Manager of Corporate Strategy Planning Office of Johnson Diversey (current CxS Corporation)
Apr. 2007	General Manager of Corporate Strategy Planning Division of Johnson Diversey (current CxS Corporation)
Apr. 2008	General Manager in charge of the Co-Creation Business Promotion Project of City of Yokohama
Nov. 2010	Representative Director and Executive Vice President of Japan Industrial Solutions Co., Ltd.
May 2013	Director of Japan Industrial Solutions Co., Ltd.
Jun. 2016	**(Full-time) External Member of the Audit & Supervisory Board of Kurita Water Industries Ltd. (Current position)**

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for External Director and a summary of expected roles

Mr. Kenjiro Kobayashi has played an active role in different areas of the Kurita Group's businesses and has high expertise and a wealth of international experience in the areas of finance, corporate planning, new business development and M&A, etc. As he has conducted high quality audits based on this expertise and experience as an external member of the Audit & Supervisory Board of the Company since 2016. The Company believes that he is an individual capable of increasing the rationality and transparency in the Company's management from an outside perspective and strengthening the supervisory function of the Board of Directors, and the Company has decided to make him a candidate for an External Director.

Notes concerning the candidate for External Director

- Mr. Kobayashi is an incumbent external member of the Audit & Supervisory Board of the Company. His term of office will reach seven (7) years at the conclusion of this General Meeting of Shareholders.
- Johnson Diversey (current CxS Corporation), at which he served as Executive Officer in the past, and Japan Industrial Solutions Co., Ltd., at which he served as Director, are not customers of the Company.
- The Company plans to enter into an agreement with Mr. Kobayashi that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act, if this proposal is approved and adopted. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.
- The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Kobayashi as an independent officer as set forth under regulations thereof.

Candidate No. 6	Keiko Tanaka	Date of birth May 24, 1960 63 years old	Reappointment / External / Independent

Number of the shares of the Company held
1,000 shares

Number of years as Director
4 years
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (13/13)

Brief personal history, positions and assignments in the Company

Apr. 1984 Joined NISSAN MOTOR CO., LTD.
Apr. 2011 Seconded to JATCO Ltd
Apr. 2013 Treated as equivalent to Vice President, JATCO Ltd
Sep. 2014 Retired from NISSAN MOTOR CO., LTD. and JATCO Ltd
Oct. 2014 Ambassador Extraordinary and Plenipotentiary of Japan to Uruguay
Apr. 2018 Vice President, Nissan Financial Services Co., Ltd.
Jun. 2019 External Director of Kurita Water Industries Ltd. (Current position)
Apr. 2020 Outside expert of Sustainability Committee of NH Foods Ltd. (Current position)
Apr. 2022 Corporate Vice President of Nissan Financial Services Co., Ltd.

Significant positions concurrently held

None

Reasons for deciding to make her a candidate for External Director and a summary of expected roles

Ms. Keiko Tanaka has been active in business fields that differ from those of the Kurita Group and possesses a great deal of knowledge on public relations and marketing, as well as an experience of having held the position of Ambassador Extraordinary and Plenipotentiary of Japan to Uruguay. The Company believes that she is an individual capable of expressing opinions from an outside perspective to increase the rationality and transparency of the Company's management and utilizing her expansive knowledge and international experience for strengthening the supervisory function of the Board of Directors, and therefore nominated her as a candidate for External Director.

Notes concerning the candidate for External Director

- NH Foods Ltd. is one of customers of the Company. However, because the transaction value with NH Foods Ltd. is less than 0.1% of consolidated net sales of the Company, it does not fall under a major customer. Nissan Financial Services Co., Ltd. has not conducted any transaction with the Company so far.
- The Company has entered into an agreement with Ms. Tanaka that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved and adopted at this meeting and Ms. Tanaka is reappointed as an External Director of the Company.
- The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Ms. Tanaka as an independent officer as set forth under regulations thereof.

Candidate No. 7	Masahiro Miyazaki	Date of birth April 13, 1954 69 years old	Reappointment / External / Independent

Number of the shares of the Company held
100 share

Number of years as Director
1 year
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
100% (10/10)

Brief personal history, positions and assignments in the Company

Apr. 1977	Joined Nissei Sangyo Co., Ltd. (current Hitachi High-Tech Corporation)
Apr. 2007	Executive Officer, General Manager, Regional Branch Office for West Japan Area and Kansai Branch Office of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)
Apr. 2010	President & CEO, Hitachi High-Technologies America, Inc. (current Hitachi High-Tech America, Inc.)
Apr. 2014	Senior Vice President and Executive Officer, General Manager of Corporate Strategy Div. of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)
Apr. 2015	Representative Executive Officer, President and Chief Executive Officer of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)
Jun. 2015	Representative Executive Officer, President and Chief Executive Officer and Director of Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)
Apr. 2021	Advisor of Hitachi High-Tech Corporation
Jun. 2022	**External Director of Kurita Water Industries Ltd. (Current position)**

Significant positions concurrently held

None

Reasons for deciding to make him a candidate for External Director and a summary of expected roles

Mr. Masahiro Miyazaki has experience of holding important positions such as a representative executive officer and president and chief executive officer at corporate groups with global operations mainly in the electronics industry, both in Japan and overseas. The Company believes that he is an individual capable of increasing the rationality and transparency of the Kurita Group's management and strengthening the supervisory function of the Board of Directors from an outside perspective based on his extensive experience in corporate management and global business, and therefore nominated him as a candidate for External Director.

Notes concerning the candidate for External Director

- Hitachi High-Tech Corporation is one of customers of the Company. However, because the transaction value with Hitachi High-Tech Corporation is less than 0.1% of consolidated net sales of the Company, it does not fall under a major customer.
- The Company has entered into an agreement with Mr. Miyazaki that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement. The Company intends to continue this agreement in case this proposal is approved and adopted at this meeting and Mr. Miyazaki is reappointed as an External Director of the Company.
- The Company has notified the Tokyo Stock Exchange, Inc. of the appointment of Mr. Miyazaki as an independent officer as set forth under regulations thereof.

Candidate No. 8	Yoshiko Takayama	Date of birth August 9, 1956 66 years old	New / External / Independent

Number of the shares of the Company held
0 share

Number of years as Director
—
(at the conclusion of this General Meeting of Shareholders)

Record of attendances at the Board of Directors meetings
—

Brief personal history, positions and assignments in the Company

Apr. 1980	Joined Bank of America N.A.
Dec. 1990	Vice President, Merrill Lynch & Co., Inc.
Dec. 1997	Senior manager, Thomson Financial Investor Relations
Dec. 1998	Asia-Pacific Regional Director, Thomson Financial Investor Relations
Jun. 2001	Managing Director, J-Eurus IR Co., Ltd.
Mar. 2003	Managing Director/Board Member, J-Eurus IR Co., Ltd
Jun. 2010	Governor, International Corporate Governance Network
Oct. 2010	Director, Japan Corporate Governance Network (Current position)
Jun. 2015	Outside Director, AUTOBACS SEVEN Co., Ltd. (Current position)
Sep. 2015	Member of the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code, Financial Services Agency and Tokyo Stock Exchange, Inc. (Current position)
Oct. 2015	Representative Directors, Japan Board Review Co., Ltd.
Jan. 2022	Committee member representing Japan, ISO/PC 337, Guidelines for the promotion and implementation of gender equality, Japanese Standards Association (Current position)
Sep. 2022	Member of the "Committee for Studying Scoring Criteria for Selecting Enterprises as Nadeshiko Brands" operated by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange, FY2022
Apr. 2023	Vice Chairperson, J-Eurus IR Co., Ltd. (Current position)
Apr. 2023	Director, Japan Board Review Co., Ltd. (Current position)

Significant positions concurrently held

Outside Director, AUTOBACS SEVEN Co., Ltd.
Vice Chairperson, J-Eurus IR Co., Ltd.
Director, Japan Board Review Co., Ltd.

Reasons for deciding to make her a candidate for External Director and a summary of expected roles

Ms. Yoshiko Takayama has abundant experience and skills in the field of Investor Relations accumulated through her career at international companies and high expertise related to corporate governance. The Company believes that she is an individual capable of increasing the rationality and transparency of the Kurita Group's management and strengthening the supervisory function of the Board of Directors by expressing her opinions and proposals to the Group's governance, based on her broad insight backed by her management experience at multiple corporations, and therefore nominated her as a candidate for External Director.

Notes concerning the candidate for External Director

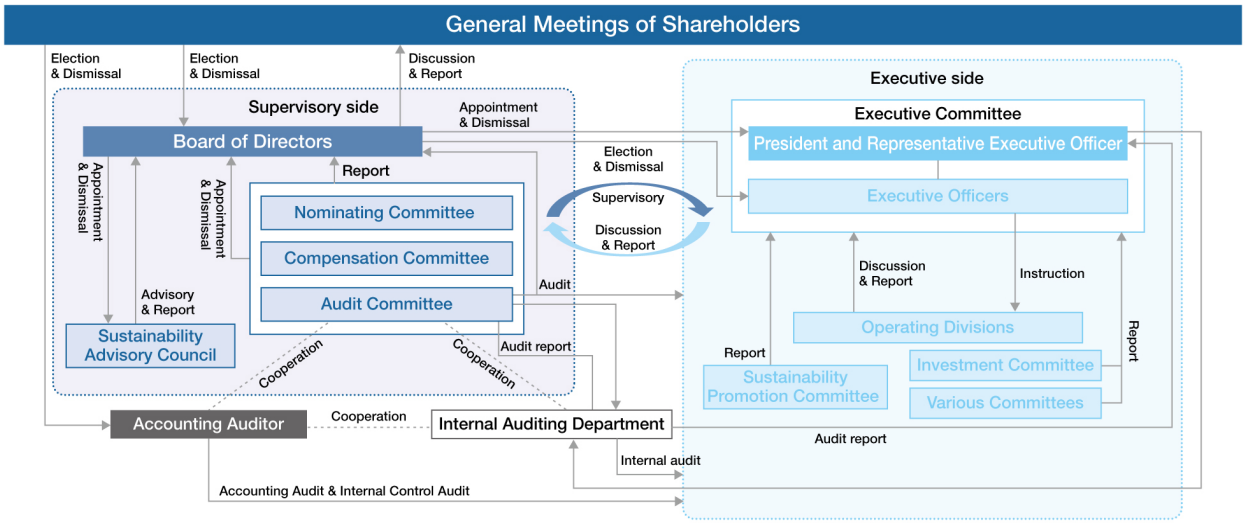
- AUTOBACS SEVEN Co., Ltd., J-Eurus IR Co., Ltd., and Japan Board Review Co., Ltd. have not conducted any transaction with the Company so far.
- The Company plans to enter into an agreement with Ms. Takayama that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act, if this proposal is approved and adopted. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.
- The Company plans to notify the Tokyo Stock Exchange, Inc. of the appointment of Ms. Takayama as an independent officer as set forth under regulations thereof.

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

<Reference> Corporate Governance

1. Corporate governance organizational structure after the transition to a Company with a Nominating Committee, etc.

(1) Corporate governance chart if Proposal No. 2 and Proposal No. 3 are adopted as originally proposed



(2) Constituent Directors of each Committee if Proposal No. 2 and Proposal No. 3 are adopted as originally proposed (scheduled)

No.	Name	Nominating Committee	Compensation Committee	Audit Committee
1	Michiya Kadota	○	○	
2	Hirohiko Ejiri	○	○	
3	Shuji Shirode			
4	Yukihiko Mutou			○
5	Kenjiro Kobayashi (External)	○		◎
6	Keiko Tanaka (External)	◎	○	
7	Masahiro Miyazaki (External)	○	◎	
8	Yoshiko Takayama (External)		○	○

1. ◎ indicates the candidate scheduled to assume the position of committee chair.
2. Of the candidates, Hirohiko Ejiri and Shuji Shirode are scheduled to assume the positions of President and Representative Executive Officer, and Managing Executive Officer, respectively.

(3) Ratio of external and female Directors if Proposal No. 2 and Proposal No. 3 are adopted as originally proposed
Ratio of External Directors: 4/8 people
Ratio of female Directors: 2/8 people

2. Skills Matrix of Directors

Towards realizing the corporate philosophy, the skills set out on the skills matrix comprise the knowledge, experience, and capabilities necessary based on the Company's management strategies, such as the Group's value creation story and medium-term management plan. The skills are broadly divided into two areas: basic elements needed for governance management and basic elements needed for the Group's intended management direction. Moreover, the Group's intended management direction refers to creation of shared value with society through the provision of solutions driven by "water knowledge," obtained by leveraging the diversity (*1) of human resources.

If Proposal No. 3 is approved and adopted as originally proposed, the Directors of the Company and the skills matrix will be as follows.

	Name	Corporate governance and management			Leveraging diversity ▸ Making full use of water knowledge ▸ Creating social value					
		Corporate management Corporate planning	Finance and Accounting	Legal and HR manage-ment	Human rights	Global	Understanding and Solving issues on site (*2)	R&D, Technology, and Engineering	DX	Environ-ment
Directors	Michiya Kadota	●	●	○	○	○	●			○
	Hirohiko Ejiri	●			●	○	●	●	●	○
	Shuji Shirode	○	●			●				●
	Yukihiko Mutou	○	●	●	○					
	Kenjiro Kobayashi (External)	●	●			●				
	Keiko Tanaka (External)	○		●	○	●				
	Masahiro Miyazaki (External)	●	●	●		●				
	Yoshiko Takayama (External)	●	○			●				

Among the knowledge and experience of each director, those with ○ are fields where they have strength while ● indicates an area where they are especially promising.

(Notes)

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

*2 The Kurita Group provides solutions to issues derived from water at sites of customers in the world. The Kurita Group creates unique solutions by making use of information and data, which it has accumulated by seriously addressing customer issues at diverse points of contact with sites, as its water knowledge. We believe that these activities constitute the source of creation of shared value with customers and society. We believe that a deep understanding of customer sites, which leads to value creation, and the experience of committing oneself to solving issues at customer sites are skills needed by the Company's directors to make important decisions and effectively supervise operational executions at the Company.

3. Our criteria for judging independence

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

items.

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

*1 The term "close relatives" means relatives within the second degree of kinship.
*2 The term "person whose major business partner is the Company" means a person whose sales in transactions with the Company make up 2% or more of that person's consolidated net sales.
*3 The term "major business partner of the Company" means a business partner with whom the Company's sales in transactions make up 2% or more of the consolidated net sales of the Company, or a business partner from which borrowings make up 1% or more of the consolidated total assets of the Company.
*4 The term "a lot of money or property" means money and other property that are equivalent to 10 million yen or more per year, other than remuneration for officers.
*5 The term "major shareholder of the Company" means a shareholder who has voting rights that account for 10% or more of the voting rights of the Company.

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

4. Corporate Governance Policies

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

5. Results of corporate governance initiatives

(1) Transition to a Company with a Nominating Committee, etc.
After having repeated deliberations on an ideal governance system from a medium- to long-term perspective, the Company decided to make the transition to a Company with a Nominating Committee, etc. for the purpose of establishing a more effective and transparent corporate governance system by strengthening management supervision and business execution functions. To make transition to the new structure, proposals for making amendments to the Articles of Incorporation and for electing Directors under the new system have been submitted for this General Meeting of Shareholders. Please review pages 6 through 21 on the Reference Documents for the General Meeting of Shareholders.

(2) Reduction of strategic shareholdings in other listed companies
In accordance with the reduction of the holdings of shares owned for policy purposes as stated in the Company's Corporate Governance Policies, the Company sold three holdings (one of which was partially sold) in fiscal 2022.

(3) Evaluation of Effectiveness of the Board of Directors
The Board of Directors conducts an annual analysis and evaluation of the Board of Directors in order to more effectively fulfill its required roles and functions. The evaluation results of the Board of Directors for the one-year period from January 2022 to December 2022 indicated that the self-evaluation of all Directors and members of the Audit & Supervisory Board was generally good, indicating that the effectiveness of the Board of Directors is ensured. Looking at each category, the area of "operation of the Board of Directors" was most highly evaluated, followed by "Fulfilling the function of external directors" and "contributions of individual Directors and members of the Audit & Supervisory Board." On the other hand, items related to building and monitoring of the DX promotion structure among "roles and responsibilities of the Board of Directors," and "dialogue with shareholders" received relatively low evaluation results. Details of the evaluation, issues identified and measures to be taken are as follows.

(Issue)
The Board of Directors has to show clarified direction for management policy which is planned by management members and identify important appeal point for investors and shareholders to improve the quality of the dialogue.

(Measures)
Through the following measures, we will build a DX promotion system and improve the quality of constructive dialogue with shareholders and investors.

(a) Clarify the direction of the transformation of the business model and the transformation of the business process utilizing digital technology that management has considered through discussions at the Board of Directors.

(b) Based on the opinions and expectations of shareholders and investors, directors and management will create opportunities for dialogue with shareholders and investors regarding their areas of responsibility and areas of expertise based on the direction that the Group is aiming for through various strategies.

(Notice of Convocation of the 87th Ordinary General Meeting of Shareholders)

Business Report

(From April 1, 2022 to March 31, 2023)

1. Group Overview of Operations

(1) Operations and results

During the fiscal year ended March 31, 2023, uncertainty in the global economy increased, reflecting a disruption in supply chains and sharp rises in prices of raw materials and energy chiefly due to the prolonged war in Ukraine and the resurgence in COVID-19 cases. However, the global economy continued to recover moderately.

Looking at the market environment surrounding the Kurita Group, in Japan, production activities in the manufacturing industry were weak in certain sectors chiefly due to semiconductor shortages and supply shortages of raw materials in the first half of the fiscal year under review. Meanwhile, signs remained of a recovery in capital investment. Overseas, there were signs of a recovery in the U.S. economy and the economies in Europe and Asian countries excluding China. Meanwhile, in China, the economy slowed due to the lingering effects of lockdowns and movement restrictions to block the spread of COVID-19.

In this environment, the Kurita Group used the fiscal year under review, which is the final year of the medium-term management plan Maximize Value Proposition 2022 (MVP-22), to step up initiatives to expand CSV (creating shared value) business that would help reduce the environmental impact, including water saving, the reduction of CO_2 emissions and waste reduction, and to propose total solutions that would help solve customer issues such as the improvement in productivity, aiming to establish a firm base for earnings based on its value proposition to society and customers. To lay the foundation for growth, the Group promoted application of best practices in the service contract-type business, which had been shared among the Group, and strove to expand the lineup of the said business to meet a wider range of diverse customer needs. To improve the cost structure, the Group developed a system to optimize supply chains and took steps to deal with increasing raw materials and distribution costs.

As a result, total consolidated orders for the Kurita Group in the fiscal year ended March 31, 2023 amounted to 374,268 million yen (up 18.7% year on year), and net sales amounted to 344,608 million yen (up 19.6% year on year). Business profit* was 38,589 million yen (up 17.1% year on year), operating profit was 29,058 million yen (down 18.7% year on year), profit before tax was 30,151 million yen (up 0.2% year on year), and profit attributable to owners of parent was 20,134 million yen (up 9.0% year on year).

Furthermore, in the fiscal year under review, other income of 1,564 million yen and other expenses of 11,095 million yen were recorded. Other income declined 4,555 million yen, reflecting a one-time profit (a gain on sale of fixed assets) from the sale of real estate in the previous fiscal year. Other expenses included a goodwill impairment loss of 7,646 million yen related to Kurita America, Inc. The goodwill impairment loss recognized at Kurita America, Inc. arose because of the downward revision in the business plan considering the changes in the water treatment chemicals market following the outbreak of COVID-19 and disruptions to logistics and rising prices, among other factors, and because the value in use was less than the accounting book value as a result of an increase to discount rates used in the calculation of present value due to policy interest rate hikes to curb inflation in the United States.

In the fiscal year under review, the Company underwrote a capital increase at Kurita America Holdings Inc. to help it acquire additional shares in US-based subsidiary Pentagon Technologies Group, Inc. (and make it a wholly owned subsidiary) and completed the payment. The Company posted in finance income a gain on derivatives transactions from a foreign exchange contract it entered into after deciding to underwrite the capital increase. Meanwhile, finance costs posted in the previous fiscal year that resulted from the subsequent measurement of liabilities related to a forward contract concluded with the non-controlling shareholders of Pentagon Technologies Group, Inc. were eliminated. Those factors contributed to the increases in profit before tax and profit attributable to owners of parent.

(Note) Business profit is the Group's own indicator that measures constant business performance. It is net sales less cost of sales and selling, general and administrative expenses. Although business profit is not defined by IFRS, the Group voluntarily discloses it, believing that it is beneficial for users of its financial statements.

(2) Status of segment of the Kurita Group

Water Treatment Chemicals business

In Japan, orders and net sales increased from the previous year, chiefly reflecting price hikes and a focus put on proposals for service contract-type projects that help customers reduce the environmental impact and costs, despite the effects of supply shortages of semiconductors and other raw materials on capacity utilization at certain customers' plants. Overseas, both orders and net sales increased, reflecting sales price increases in response to sharp rises in raw materials prices and logistics costs and an increase in results in yen at overseas subsidiaries due to the weaker yen as well as the results of the development of high value-added services, including the CSV (creating shared value) business. As a result, total Group orders for the Water Treatment Chemicals business amounted to 136,863 million yen (up 15.6% year on year) and sales amounted to 136,139 million yen (up 15.7% year on year).

Business profit amounted to 16,286 million yen (up 19.8% year on year) chiefly due to an increase in net sales, which more than offset a rise in expenses chiefly due to increases in raw materials prices and distribution costs. Operating profit amounted to 7,606 million yen (down 47.8% year on year) reflecting a goodwill impairment loss of 7,646 million yen at Kurita America, Inc.

Water Treatment Facilities business

In Japan, orders for water treatment facilities for the electronics industry took a significant downturn after orders for large projects were posted in the previous fiscal year, but still orders were at a high level. Net sales rose significantly, chiefly due to the posting of sales from the order backlog. Orders and net sales for maintenance services for the industry both increased, reflecting the expansion of facilities and the posting of orders for and sales from repairs, including the replacement of consumables, against a backdrop of firm capacity utilization at customers' plants. Orders for water treatment facilities for general industries climbed, reflecting cancellations of orders for large projects received in the previous fiscal year, but net sales declined. Orders and net sales of maintenance services for this industry both increased because of a recovery in maintenance demand. Both orders for and net sales from water treatment facilities for the electric power industry decreased. Orders for soil remediation services decreased, but net sales increased, reflecting demand for small and medium-sized projects. Overseas, both orders and net sales increased due to an increase in results in yen at overseas subsidiaries associated with the weaker yen, and the posting of orders and sales of large water treatment facilities projects in the electronics industry in East Asia. Total sales in the ultrapure water supply business in Japan and overseas increased due to contribution of sales from a contract that began in the fiscal year under review.

As a result, total Group orders for the Water Treatment Facilities business amounted to 237,404 million yen (up 20.6% year on year) and sales amounted to 208,468 million yen (up 22.2% year on year). Business profit amounted to 22,378 million yen (up 15.4% year on year) and operating profit amounted to 21,526 million yen (up 1.7% year on year) chiefly due to an increase in net sales, which more than offset a rise in expenses related to the procurement of raw materials and parts.

(3) Status of capital expenditure

The Kurita Group carried out capital expenditure amounting to a total of 46,628 million yen (down 19,765 million yen year on year).

The amount consists of capital expenditure in the Water Treatment Chemicals business of 6,374 million yen (down 4,468 million yen year on year), and in the Water Treatment Facilities business for the ultrapure water supply business of 40,254 million yen (down 15,297 million yen year on year).

(4) Status of financing

The Company issued the second series of unsecured bonds amounting to 10,000 million yen on May 26, 2022. In addition, the Company has outstanding long-term borrowings of 10,000 million yen from financial institutions in the fiscal year under review.

(5) Changes in assets and profit and loss

[The Kurita Group]

	Classification	84th Fiscal Year 2019	85th Fiscal Year 2020	86th Fiscal Year 2021	87th Fiscal Year 2022
		IFRS	IFRS	IFRS	IFRS
Profit and Loss	Orders (Million yen)	259,545	262,341	315,240	374,268
	Net sales (Million yen)	264,807	267,749	288,207	344,608
	Business profit (Million yen)	26,654	29,470	32,944	38,589
	Operating profit (Million yen)	27,479	31,529	35,734	29,058
	Profit before tax (Million yen)	26,691	29,150	30,079	30,151
	Profit attributable to owners of parent (Million yen)	18,287	19,088	18,471	20,134
	Basic earnings per share (Yen)	162.86	169.94	164.38	179.14
Assets	Total assets (Million yen)	387,749	424,928	469,981	501,538
	Total equity (Million yen)	244,108	257,837	277,862	295,759
	Equity attributable to owners of parent per share (Yen)	2,158.96	2,252.86	2,419.58	2,615.42
Number of Companies	Consolidated subsidiaries	62	67	70	69
	Equity method affiliates	9	5	5	5

(Notes)
1. From the 84th fiscal year, we adopted IFRS for preparing the consolidated financial statements.
2. Basic earnings per share is calculated by deducting the number of treasury stock from the average total number of issued shares during the fiscal year.
3. Equity attributable to owners of parent per share is calculated by deducting the number of treasury stock from the total number of issued shares at the end of the fiscal year.
4. Treasury stock includes about 244 thousand shares of treasury stock for performance-linked stock compensation to Directors, held by Custody Bank of Japan, Ltd. (Trust Account).

(6) Issues to be addressed

The Group has engaged in the five-year medium-term management plan MVP-22 since April 2018. We aimed at becoming a corporate group that achieves high profitability and growth, as well as a capability for resolving social issues, by reforming business processes into new ones with dramatically improved work quality and speed and by accelerating changes in the business model to create and deliver customer value and shared value with society. As a result, sales grew mainly overseas partly thanks to the effect of acquisition projects. In terms of profit, although we did not reach the target of business profit margin on sales of 15%, profitability improved steadily as a result of expansion in service contract-type business and withdrawal from unprofitable businesses, among other factors. On the other hand, with regard to business model transformation, we promoted a transformation from the conventional selling products approach to an approach focused on generating value in all businesses, thereby striving for a shift to service contract-type business. However, despite our efforts, we were not able to create and deliver a new business model as a new pillar in line with market characteristics, and this remains as an issue.

Based on the above, in formulating the new medium-term management plan Pioneering Shared Value 2027 (PSV-27) that started in the fiscal year ending March 31, 2024, we revised the corporate vision of "Pioneering 'new value for water' to contribute to the realization of a sustainable society" to expand the core of management strategy from corporate social responsibility (CSR) used thus far to sustainability, aiming for sustainable growth in which corporate activities and the natural environment and social system have a mutual influence. We will aim to expand our customer base and points of contact with sites for existing customers, and enhance profitability by diversifying and deepening our service businesses through business model transformation and business process changes and by strengthening businesses derived from social value.

New Medium-Term Management Plan Pioneering Shared Value 2027 (PSV-27)

■ Period: From April 2023 to March 2028

■ Basic Policy

Refine human resources, technologies and business processes to create value that exceeds expectations from stakeholders through overwhelming speed and problem-solving ability.

■ Materiality at the Group (material issues)

The Group will expand the core of management strategy from CSR to sustainability. In the PSV-27 plan, we position corporate activities as part of the natural environment and social system, and aim for sustainable growth which is influenced by the interactions with them. The Group also determined material issues relating to sustainability toward achieving the vision as "Materiality at the Kurita Group" and intensively tackle the following themes.

<Shared Value Themes>

- Solve issues related to water resources
- Contribute to the realization of a decarbonized society
- Contribute to building a circular economy society

<Basic Themes>

- Develop and disseminate innovative products, technologies, and business models
- Strategic development and utilization of human resources
- Provide highly safe and quality products and services
- Conduct business activities respecting human rights
- Conduct fair business activities

■ Operating targets (Targets to be Achieved by the Fiscal Year Ending March 31, 2028)

Net sales: 450.0 billion yen

Business profit margin on sales: 16%

Return on Equity (ROE): 12% or more

Return on Invested Capital (ROIC): 10% or more

■ Key initiatives

1) Focus on the electronics industry

Utilizing "water knowledge" that we accumulated in the ultrapure water supply business across the entire value chain, and by achieving reforms of sales, design and procurement, we deliver solutions based on in-depth customer analysis through overwhelming speed and accelerate business development in the electronics industry market around the world.

2) The creation of shared value with society and global expansion through various industries

We will centrally ascertain the customer trends and needs in various countries and regions and globally develop solutions that would create shared value with society, such as the CSV business. From the viewpoint of a circular economy, we will develop and deliver solutions to connect companies to companies, and companies to communities.

3) Promote innovation to resolve social issues

We will engage in development from a medium- to long-term perspective in new fields that help contribute to a society, including reduction of CO_2 emissions, water savings and resource recycling. By promoting cooperation with external parties, we will establish our solid competitive superiority in such new fields.

4) Strengthen foundation as a technology-driven company

We will acquire and nurture human resources from various fields who support the Company as a technology-driven company, and utilize the big data of intellectual properties across the globe to determine our directions of innovations and businesses. We will also promote accumulation and utilization of "water knowledge" by making full use of digital technology.

5) Further strengthen the Group management foundations

We will reform the Company's management structure to enhance further the level of corporate governance. We will also increase engagement by nurturing diverse human resources and supporting their advancement, establish a robust supply chain based on a production process reform and mutual prosperity with suppliers, develop digital technology at an early stage and promote data-driven management through operational process reforms.

(7) Principal businesses (As of March 31, 2023)

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

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

Segment	Principal products
Water Treatment Chemicals	Boiler water treatment chemicals, cooling water treatment chemicals, air conditioning-related water treatment chemicals, process treatment chemicals for oil refining and petrochemicals, process treatment chemicals for pulp and paper, process treatment chemicals for steel, marine vessel-related water treatment chemicals, wastewater treatment chemicals, sludge dehydrating chemicals, civil engineering and construction related chemicals, heavy metal stabilizers, RO membrane treatment chemicals, chemical dosing systems, ion exchange resin, maintenance services, water analysis and software services
Water Treatment Facilities	Ultra-pure water production systems, deionizer, condensate demineralizers, filtration systems, standard-type products (deionizers, wastewater treatment systems, various water treatment systems), water and wastewater treatment systems for various industries (electronics, steel, oil refining, petrochemicals, electric power, paper, pulp, food products, etc.), wastewater reclamation systems, marketable substance recovery systems, biogas production systems, seawater desalination system, swimming pool-related equipment, ion exchange resin, RO membranes, ultrafiltration membranes, functional water production equipment for the semiconductor manufacturing process, water purifiers, ultrapure water supply, reclaimed water supply, maintenance services, tool cleaning services, chemical cleaning services, operation and maintenance of water treatment facilities, soil and groundwater remediation, household drinking water and software services

(8) Principal offices (As of March 31, 2023)

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

(Note) As of March 31, 2023, the Company had 20 sales branch offices, but on April 1, 2023, the Shizuoka Sales Branch became the Shizuoka Sub-branch, and the Kashima Sales Branch and Keihin Sales Branch were closed. As a result, the Company has 17 sales branch offices.

(9) Important subsidiaries (As of March 31, 2023)

Company name	Capitalization (In millions)	Ownership (%)	Principal business
Kurita Europe GmbH	EUR 50	100	Manufacture and sale of water treatment chemicals
Kurita Water Industries (Dalian) Co., Ltd. (China)	JPY 550	90.1	Manufacture and sale of water treatment chemicals
Kurita Water Industries (Suzhou) Ltd.	JPY 530	100	Manufacture and sale of water treatment facilities Operation and maintenance of water treatment facilities
Hansu Technical Service Ltd.	KRW 26,400	100	Manufacture and sale of water treatment facilities Operation and maintenance of water treatment facilities
Hansu Co., Ltd.	KRW 2,500	100	Manufacture and sale of water treatment chemicals
Kurita Water (Malaysia) Sdn. Bhd.	MYR 31.6	100	Manufacture and sale of water treatment chemicals and water treatment facilities Operation and maintenance of water treatment facilities
Pentagon Technologies Group, Inc.	USD 0.002	100	Tool cleaning services Cleaning and certification of clean rooms Manufacture and sale of equipment
Kurita America, Inc.	USD 0.00001	100	Manufacture and sale of water treatment chemicals and water treatment facilities Operation and maintenance of water treatment facilities
Kuritaz Co., Ltd.	JPY 220	100	Operation and maintenance of water treatment facilities
Kuritec Service Co., Ltd.	JPY 50	100	Tool cleaning services
Kurita Chemical Manufacturing Ltd.	JPY 50	100	Manufacture of water treatment chemicals

(10) Employees (As of March 31, 2023)

[The Kurita Group]

Number of employees	Year-on-year change
7,784	+123

[The Company]

Number of employees	Year-on-year change	Average age	Average length of service
1,624	-49	43.2	17 years and 8 months

(11) Main lenders and outstanding borrowings (As of March 31, 2023)

Main lenders	Outstanding borrowings
MUFG Bank, Ltd.	8,532 million yen
Resona Bank, Limited.	5,000 million yen
Sumitomo Mitsui Trust Bank, Limited	3,000 million yen

(Notes) 1. The borrowing amounts above include the borrowings from overseas subsidiaries of the lenders.

2. Although the Company has concluded commitment line contracts with a maximum loan amount of 20,000 million yen with two financial institutions with which it has transactions, the Company had no outstanding borrowings based on this contract as of March 31, 2023.

(12) Important matters concerning the Kurita Group

1) Company split with Land Solution Inc.

The Company implemented a company split in which Land Solution Inc. ("Land Solution"), a subsidiary of the Company, succeeded to the Company's soil and groundwater remediation business on April 1, 2023. Land Solution's succession to this business will result in the consolidation of management resources and the development of a structure for quickly meeting customer needs and will also facilitate the expansion and sustainable growth of this business through the provision of optimal solutions to customers.

2) Share acquisition of European companies manufacturing and selling water treatment facilities

To expand business globally in the electronics industry, a key market, the Company resolved at a Board of Directors meeting held on April 27, 2023 to acquire all issued shares of European companies manufacturing and selling water treatment facilities, namely, Arcade Engineering GmbH (Head Office: Germany; hereinafter "Arcade Germany"), Arcade Industrie SAS (Head Office: France), and Arcade Engineering AG (Head Office: Switzerland; hereinafter "Arcade Switzerland") through Kurita Europe GmbH, a subsidiary of the Company, to make them into subsidiaries of the Company, and has concluded a share transfer agreement on May 2, 2023. As a result of the acquisition of shares in Arcade Germany and Arcade Switzerland, the Company will also acquire Arcade Engineering (Asia) Pte. Ltd. (Head Office: Singapore), a subsidiary of the two companies.

2. Stock of the Company (As of March 31, 2023)

(1) Total number of issuable shares

531,000,000 shares

(2) Total number of issued shares

116,200,694 shares (including 3,555,082 shares of treasury stock)

(3) Number of shareholders

20,691 persons

(4) Major shareholders (Top 10 shareholders)

Name of shareholder	Number of shares	Ratio of shareholding
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,569	14.70
Custody Bank of Japan, Ltd. (Trust Account)	7,146	6.34
Nippon Life Insurance Company	5,979	5.30
CACEIS BANK, LUXEMBOURG BRANCH/UCITS CLIENTS ASSET	2,544	2.25
MUFG Bank, Ltd.	2,056	1.82
STATE STREET BANK WEST CLIENT - TREATY 505234	1,970	1.74
STATE STREET BANK AND TRUST COMPANY 505025	1,777	1.57
STATE STREET BANK AND TRUST COMPANY 505253	1,570	1.39
BNP PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS	1,514	1.34
JP MORGAN CHASE BANK 385781	1,468	1.30

(Notes) 1. Treasury stock held by the Company is omitted from the above table.
2. Ratio of shareholding is calculated based on the number of shares after deduction of the number of treasury stock from the total number of issued shares.
3. Treasury stock does not include about 244 thousand shares of treasury stock for performance-linked stock compensation to Directors, held by Custody Bank of Japan, Ltd. (Trust Account).

(5) Shares delivered to Directors and members of the Audit & Supervisory Board of the Company as consideration for the execution of duties during the fiscal year under review

There is no item to report.

(6) Other important matters regarding stock

Holdings of the Company stock by means of a trust pertaining to the performance-linked stock compensation plan

As of March 31, 2023, 244,657 shares of the Company stock have been acquired by the stock distribution trust established with monetary funds contributed by the Company on the basis of the performance-linked stock compensation plan which was adopted upon resolution made at the 80th Ordinary General Meeting of Shareholders held on June 29, 2016 and held by Custody Bank of Japan, Ltd. (Trust Account).

3. Directors and members of the Audit & Supervisory Board of the Company (As of March 31, 2023)

(1) Directors and members of the Audit & Supervisory Board

Name	Position	Responsibility and important concurrent positions
Michiya Kadota	President and Representative Director	
Hirohiko Ejiri	Executive Senior Managing Director and Representative Director	Executive General Manager of Japan Sales Business Division and Chief Business Officer for Chemicals operation
Yoshio Yamada	Managing Director	Executive General Manager of Innovation Division
Yasuo Suzuki	Managing Director	Executive General Manager of Global Business Division and Chief Business Officer for Global business
Shuji Shirode	Director	Executive General Manager of the Corporate Control and Administration Division
Katsuya Amano	Director	Executive General Manager of Engineering Division and Chief Business Officer for Facilities operation
Ryoko Sugiyama	Director (External Director)	Head and Representative Director of the Board, Gifu Shimbun Co., Ltd. External Director and Audit and Supervisory Committee Member, LECIP Holdings Corporation External Director, UACJ Corporation Director, Gifu Sugiyama Memorial Foundation, a public interest incorporated foundation
Keiko Tanaka	Director (External Director)	Corporate Vice President, Nissan Financial Services Co., Ltd.
Kenichiro Kamai	Director (External Director)	
Masahiro Miyazaki	Director (External Director)	
Kenjiro Kobayashi	Full-time member of the Audit & Supervisory Board (External member of the Audit & Supervisory Board)	
Yukihiko Mutou	Full-time member of the Audit & Supervisory Board	
Toshiaki Tada	Member of the Audit & Supervisory Board (External member of the Audit & Supervisory Board)	Attorney, HIBIYA SOGO LAW OFFICES Audit & Supervisory Board Member, ITOCHU Techno-Solutions Corporation

(Notes)
1. At the 86th Ordinary General Meeting of Shareholders held on June 29, 2022, Messrs. Katsuya Amano and Masahiro Miyazaki have been newly appointed as the office of Directors.
2. Directors Ryoko Sugiyama, Keiko Tanaka, Kenichiro Kamai and Masahiro Miyazaki are External Directors of the Company under Item 15, Article 2 of the Companies Act.
3. Members of the Audit & Supervisory Board Kenjiro Kobayashi and Toshiaki Tada are external members of the Audit & Supervisory Board of the Company under Item 16, Article 2 of the Companies Act.
4. Member of the Audit & Supervisory Board Kenjiro Kobayashi has considerable insight with respect to finance and accounting, having handled operations that include the investment and loan business of Japan Development Bank (currently, Development Bank of Japan Inc.) for 27 years until his appointment as a member of the Audit & Supervisory Board of the Company.

5. Member of the Audit & Supervisory Board Yukihiko Mutou has considerable insight with respect to finance and accounting, as he was engaged in finance and accounting in the Finance and Accounting Dept. for 16 years at the Company.
6. On April 1, 2023, the following changes were made in the position and responsibility of Directors.

Name	Position	Responsibility and important concurrent positions
Michiya Kadota	Chairman and Representative Director	
Hirohiko Ejiri	President and Representative Director	
Yasuo Suzuki	Managing Director	Executive General Manager of Regional Management Division and Chief Business Officer for General Industries
Katsuya Amano	Director	Executive General Manager of Electronics Industry Division and Chief Business Officer for Electronics Industry
Yoshio Yamada	Director	Assistant to President

7. The Company has registered External Directors Ryoko Sugiyama, Keiko Tanaka, Kenichiro Kamai and Masahiro Miyazaki and External members of the Audit & Supervisory Boards Kenjiro Kobayashi and Toshiaki Tada as independent officers with the Tokyo Stock Exchange, Inc.

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

The Company has entered into an agreement with External Directors Ryoko Sugiyama, Keiko Tanaka, Kenichiro Kamai and Masahiro Miyazaki and an external member of the Audit & Supervisory Board Toshiaki Tada that limits liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with the provisions of the Articles of Incorporation thereof based on the provisions of Paragraph 1, Article 427 of the Act. The amount stipulated in Paragraph 1, Article 425 of the Act has been set as the maximum liability for damages based on this agreement.

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

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

(4) Remuneration of Directors and members of the Audit & Supervisory Board during the fiscal year under review

1) Matters related to policies for determining the contents of individual remuneration of Directors and members of the Audit & Supervisory Board

   The Company's basic policy regarding the determination of remuneration for Directors and Members of the Audit & Supervisory Board is as follows.

Basic policy regarding the determination of remuneration for Directors and members of the Audit & Supervisory Board
1. The remuneration paid to Directors and members of the Audit & Supervisory Board is designed to attract and retain talented people with diverse skills, experience, etc., to help realize the corporate philosophy. 2. The Company intends that remuneration be linked to business performance and medium- to long-term corporate value in order to function as a sound incentive for sustainable growth. 3. The Company ensures the objectivity of decisions on remuneration and the remuneration decision-making process be highly transparent. [Objectives of the basic policy] ・The basic policy is to establish a structure and level of remuneration that enables us to secure excellent personnel capable of supervising and executing the management of the Company in order to realize its corporate philosophy. ・The remuneration system shall function as a sound incentive for sustainable growth, taking into account the enhancement of corporate value from a long-term perspective and the accommodation of expectations and requests from shareholders and other stakeholders. ・The remuneration decision-making process shall be highly objective and transparent, in compliance with the Companies Act and other laws and regulations relating to executive remuneration, through efforts such as the establishment of a process to verify the remuneration levels on a regular basis with reference to external remuneration data utilizing the Nomination & Remuneration Compensation Advisory Council.

The Company resolves on the policy for determining the contents of individual remuneration of Directors at its Board of Directors meeting. The Board of Directors makes such resolution after referring the contents to be resolved to the Nomination & Remuneration Advisory Council and receiving that council's findings.

The remuneration system for the Company's Directors (excluding the External Directors) consists of fixed remuneration as the basic remuneration and incentive remuneration that reflects performance. The remuneration system for External Directors with supervising functions and members of the Audit & Supervisory Board is a fixed remuneration system. The fixed remuneration is a fixed amount by position for the Directors and by working form for the members of the Audit & Supervisory Board, and a portion thereof is appropriated for the Directors' and the members of the Audit & Supervisory Board's Shareholding Scheme for the purchase of the Company's shares so that the Directors and the members of the Audit & Supervisory Board share the risks of share price fluctuations with the shareholders. The incentive remuneration is intended to motivate Directors (excluding the External Directors) to continuously improve the Kurita Group's business results for the enhancement of corporate value. The incentive remuneration consists of short-term incentive remuneration, which increases or decreases depending on factors such as the level of attainment of the annual business plan or the evaluation of each individual's performance of his or her duties and long-term incentive remuneration, whereby shares are issued to retiring directors according to their performance while in office and their title.

Regarding the remuneration system and the remuneration level of the Directors and the members of the Audit & Supervisory Board and the performance evaluation of the Directors (excluding External Directors), the Chairperson of the Board of Directors will consult the Nomination & Remuneration Advisory Council in advance. Based on the report given by the Nomination & Remuneration Advisory Council, the Board of Directors will decide the remuneration of the Directors within the total amount determined by a General Meeting of Shareholders. The Nomination & Remuneration Advisory Council consists of the six members with four External Directors, one full-time external Member of the Audit & Supervisory Board, and the President and is chaired by Ryoko Sugiyama, an External Director. Therefore, the Board of Directors has judged that the contents of individual remuneration for the fiscal year under review are in line with these policies.

The allocation of remuneration to each member of the Audit & Supervisory Board shall be decided through discussions among members of the Audit & Supervisory Board.

2) Matters related to resolutions at General Meetings of Shareholders concerning the remuneration of Directors and members of the Audit & Supervisory Board

At the 85th Ordinary General Meeting of Shareholders held on June 29, 2021, a resolution was passed to retroactively revise the amount of remuneration for Directors at a maximum of an annual 800 million yen (including 100 million yen for External Director) at the 77th Ordinary General Meeting of Shareholders held on June 27, 2013. The number of Directors as of the conclusion of the said Ordinary General Meeting of Shareholders was nine (including one External Director). Additionally, at the 80th Ordinary General Meeting of Shareholders held on June 29, 2016, a resolution was made to pay performance-linked stock compensation (long-term incentive remuneration) to Directors (excluding External Directors) from a separate fund from the above remuneration. The overview of the details of this resolution is provided in "4) Matters related to

performance-linked remuneration, etc. and non-monetary remuneration, etc." The number of Directors (excluding External Directors) as of the conclusion of the said Ordinary General Meeting of Shareholders was nine.

At the 72nd Ordinary General Meeting of Shareholders held on June 27, 2008, a resolution was passed to set the amount of remuneration for members of the Audit & Supervisory Board at a maximum of an annual 110 million yen. The number of members of the Audit & Supervisory Board as of the conclusion of the said Ordinary General Meeting of Shareholders was three.

3) Total amount of remuneration of Directors and members of the Audit & Supervisory Board, etc.

Classification	Number of payees	Total amount by type of remuneration, etc.			
		Fixed remuneration	Performance-linked remuneration, etc.		Total
			Short-term incentive remuneration (monetary compensation)	Long-term incentive remuneration (stock compensation)	
Directors	6 (excluding External Directors)	248 million yen	33 million yen	137 million yen	419 million yen
	4 (External Directors)	51 million yen	–	–	51 million yen
	Total 10	300 million yen	33 million yen	137 million yen	471 million yen
Member of the Audit & Supervisory Board	3 (including two external members of the Audit & Supervisory Board)	81 million yen	–	–	81 million yen
Of whom, external officers	6	99 million yen	–	–	99 million yen

(Notes) 1. The Company recorded the estimate of money to be paid for short-term incentive remuneration and the amount related to the granting of share delivery points for long-term incentive remuneration as provisions, etc. as of March 31, 2023, and these amounts are provided above.

2. In addition to the above-stated remuneration paid to Directors, 61 million yen of short-term incentive remuneration for the previous fiscal year has been paid to Directors.

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

Short-term incentive remuneration and long-term incentive remuneration are paid to Directors (excluding External Directors) as performance-linked remuneration.

Short-term incentive remuneration consists of remuneration linked to consolidated performance, remuneration linked to the results of operations overseen by each Director, and remuneration related to other contributions. The performance indicator used for remuneration linked to consolidated performance is the level of attainment of the consolidated operating profit target. For remuneration linked to the results of operations overseen by each Director, the applied performance indicators are the differences between the actual results and plan targets for consolidated return on equity attributable to owners of parent (ROE), consolidated business profit margin, etc. For remuneration related to other contributions, the applied performance indicators include the implementation of large investment projects, e.g. strengthening the corporate structure, M&A, etc., which are not reflected in performance for the relevant fiscal year. From the fiscal year under review, we added three environmental indicators, consisted of degree of achievement in water saving, CO_2 emissions reduction, and

waste reduction for customers tied to the CSV business, as the evaluation perspective for remuneration related to other contributions, and started their implementation, with the aim of accelerating business operations with social value as the starting point and enhancing corporate value through the realization of social value. The amount of short-term incentive remuneration is calculated by multiplying an amount equivalent to 1/12 of fixed remuneration by a predetermined coefficient that fluctuates depending on the level of achievement of performance indicators for each type of remuneration.

Furthermore, of the indicators used for short-term incentive remuneration, the performance indicator for remuneration linked to consolidated performance, which applies to all Directors eligible for performance-linked remuneration, uses four levels based on 10% increments in the level of attainment of the consolidated operating profit target, above and below a level of attainment of 100%. In the fiscal year under review, the lowest evaluation level out of four evaluation levels was applied for the level of attainment of the consolidated operating profit target.

For long-term incentive remuneration, the Company has introduced a performance-linked stock compensation plan, whereby points are granted to Directors in accordance with business performance and position during their time in office, and a number of shares of the Company's common stock equivalent to the number of points accumulated are delivered to the Director upon retirement. In terms of the number of points to be granted to each Director, one point is equivalent to one share of the Company, and the maximum number of points that the Company may grant to Directors in a single fiscal year is 80,000. Long-term incentive remuneration uses profit attributable to owners of parent as the performance indicator. In the fiscal year under review, the third evaluation level from the top out of five evaluation levels was achieved for results.

The reason for selecting consolidated operating profit, consolidated business profit margin, profit attributable to owners of parent, etc. as the performance indicators for performance-linked remuneration is because they are management indicators that directly reflect the results of business performance, while also being significant indicators for equity markets.

Furthermore, trends in performance indicators, including the fiscal year under review, are provided in "1. (5) Changes in assets and profit and loss."

(5) External Directors and external members of the Audit & Supervisory Board

1) The important concurrent positions that External Directors and external members of the Audit & Supervisory Board hold at other companies are described in the aforementioned "(1) Directors and members of the Audit & Supervisory Board." No special interest exists between the Company and the other companies, etc. at which Ryoko Sugiyama, Keiko Tanaka and Toshiaki Tada hold concurrent positions.

2) Principal activities of External Directors and external members of the Audit & Supervisory Board

Name	Position	Principal activities and an outline of duties performed by External Directors in relation to their expected roles
Ryoko Sugiyama	External Director	Ms. Sugiyama attended 12 of 13 Board of Directors meetings (attendance rate: 92%) held during the fiscal year under review. She poses questions and expresses her opinions over the course of deliberations on proposals and confirmations of matters reported from an outsider's perspective in general, drawing on her career background acting as an external director, etc. at several listed companies in addition to an expert on the environment and waste. In addition, she attended all seven meetings of the Nomination and Remuneration Advisory Council and all four meetings of the Successor Planning Committee as a chairperson, where she fulfilled her responsibilities from an objective and neutral standpoint.
Keiko Tanaka	External Director	Ms. Tanaka attended all 13 Board of Directors meetings (attendance rate: 100%) held during the fiscal year under review. She is active in business segments different from those of the Kurita Group and poses questions and expresses her opinions over the course of deliberations on proposals and confirmations of matters reported from an outsider's perspective in general, based on her extensive knowledge about PR, marketing, etc. and global experience. In addition, she attended all seven meetings of the Nomination and Remuneration Advisory Council and all four meetings of the Successor Planning Committee, where she fulfilled her responsibilities from an objective and neutral standpoint.
Kenichiro Kamai	External Director	Mr. Kamai attended all 13 Board of Directors meetings (attendance rate: 100%) held during the fiscal year under review. He is active in business segments different from those of the Kurita Group and poses questions and expresses his opinions over the course of deliberations on proposals and confirmations of matters reported from an outsider's perspective in general, based on his expertise in the DX / development and management experience in several companies. In addition, he attended all seven meetings of the Nomination and Remuneration Advisory Council and all four meetings of the Successor Planning Committee, where he fulfilled his responsibilities from an objective and neutral standpoint.

Name	Position	Principal activities and an outline of duties performed by External Directors in relation to their expected roles
Masahiro Miyazaki	External Director	Mr. Miyazaki attended all 10 Board of Directors meetings (attendance rate: 100%) held after he assumed the Director at the 86th Ordinary General Meeting of Shareholders held on June 29, 2022. He poses questions and expresses his opinions over the course of deliberations on proposals and confirmations of matters reported from an outsider's perspective in general, based on his experience of holding important positions such as a representative executive officer and president and chief executive officer at corporate groups with global operations mainly in the electronics industry. In addition, he attended all five meetings of the Nomination and Remuneration Advisory Council and all three meetings of the Successor Planning Committee held after he assumed the Director at the 86th Ordinary General Meeting of Shareholders held on June 29, 2022, where he fulfilled his responsibilities from an objective and neutral standpoint.
Kenjiro Kobayashi	External member of the Audit & Supervisory Board	Mr. Kobayashi attended all 13 Board of Directors meetings and all 11 Audit & Supervisory Board meetings (each attendance rate: 100%) held during the fiscal year under review. He conducts daily audits as a full-time member of the Audit & Supervisory Board, and expresses his opinions in the Board of Directors meetings, Audit & Supervisory Board meetings and other important meetings, in part based on his expert perspective in finance and accounting. In addition, he attended all seven meetings of the Nomination and Remuneration Advisory Council and all four meetings of the Successor Planning Committee, where he fulfilled his responsibilities from an objective and neutral standpoint.
Toshiaki Tada	External member of the Audit & Supervisory Board	Mr. Tada attended all 13 Board of Directors meetings and all 11 Audit & Supervisory Board meetings (each attendance rate: 100%) held during the fiscal year under review. He expressed his opinions from his professional standpoint as an attorney at law.

4. Accounting Auditor

(1) Name of Accounting Auditor

Grant Thornton Taiyo LLC

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

Classification	Amount of remuneration
Amount of Remuneration paid by the Company for the fiscal year under review	75 million yen
Sum of the amount of money and other material advantage to be paid by the Company and its subsidiaries to Accounting Auditor	90 million yen

(Notes)
1. The amount of remuneration listed above in the row "Amount of Remuneration paid by the Company for the fiscal year under review" has been determined on the basis of the audit agreement entered into between the Company and the Accounting Auditor. The above paid amount is the total of payments since the remuneration from audits pursuant to the Companies Act and Financial Instruments and Exchange Act are not clearly divided or cannot be practically divided.
2. "Sum of the amount of money and other material advantage to be paid by the Company and its subsidiaries to Accounting Auditor" includes the amount payable for non-audit services, namely, the preparation of comfort letter associated with the issuance of bonds.
3. The Audit & Supervisory Board has furnished its consent with respect to remuneration, etc. of the Accounting Auditor, upon having conducted requisite validation of the audit plan of the Accounting Auditor, evaluations of results of prior fiscal year audits, status of executing duties, and rationale used for calculating quotations for remuneration.
4. Among the Company's significant subsidiaries, overseas subsidiaries are audited by Certified Public Accountants or audit corporations (including persons or entities with equivalent qualifications overseas) other than the Company's Accounting Auditor.

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

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

Moreover, the Audit & Supervisory Board evaluates the Accounting Auditor in terms of its auditing frameworks, independence and expertise, and if deemed necessary, determines the content of proposals calling for the dismissal or non-reappointment of the Accounting Auditor, particularly if the Audit & Supervisory Board finds it difficult for the Accounting Auditor to execute its duties appropriately. Meanwhile, the Board of Directors submits such proposals to general meetings of shareholders, pursuant to such decision by the Audit & Supervisory Board.

System to ensure that the execution of the duties of Directors conforms with laws, regulations, and the Articles of Incorporation and other systems to ensure appropriate operations

The Kurita Group's Basic Policies for Constructing an Internal Control System as of March 31, 2023 are as follows.

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

(1) The Company and its consolidated subsidiaries (the "Group Companies") comply with laws and regulations in accordance with social ethics and the construction of transparent and fair relationships with shareholders, customers, employees, local communities, and trade partners at all places in which business activities are conducted, and have specified actions based on compliance with laws, regulations, and social ethics as a prerequisite for corporate activities. We have established five Core Values (fairness, transparency, integrity, safety and compatibility) that officers and employees should emphasize, and the Kurita Group Code of Conduct with which officers and employees should comply, transcending differences in their language, custom and cultural background, to fully enforce actions based on compliance with laws, regulations and social ethics in our daily business activities. In addition, the Company and the Group Companies will stand up to antisocial forces that potentially pose a threat to social order and safety with a resolute attitude, and work to fight off the unjustified claims of antisocial forces in a determined manner.

(2) The Company sets up the E&S (Environmental & Social) Committee, which is chaired by the Director, and the Group E&S Committee, which is also chaired by the same Director and whose members are the representatives of the Group Companies. In these Committees, the members set out policies and important measures for compliance activities, and convey them to all employees through the divisions and the department committees of the Group Companies. The Company will also work continuously to raise the compliance level by regularly reporting the status of activities and their results to the Board of Directors. If the Chairman of these Committees determines that there is a serious problem or a doubt related to compliance, the Chairman will immediately report it to the President and Representative Director, and then formulate and implement remedial actions and preventive measures. The President and Representative Director or the Chairman of these Committees will report these events to the Board of Directors and the Audit & Supervisory Board whenever appropriate.

(3) The Company establishes the Internal Auditing Department to conduct internal audits on matters such as those related to compliance activities. The Internal Auditing Department is directly under the President and Representative Director and conducts audits upon approval of the audit plan by the Board of Directors or the President and Representative Director. The General Manager of the Internal Auditing Department shall report audit results to the Board of Directors or the President and Representative Director periodically or on a case-by-case basis, depending on the type of audit. The General Manager of the Internal Auditing Department shall also immediately report to the Board of Directors or the President and Representative Director any emergency or special action deemed necessary at the time of the audit.

(4) The Company establishes the Operational Regulations for Whistle-Blower Protection Systems as a mechanism for the employees of the Company and the Group Companies to directly provide information about legally doubtful conducts, etc. In conjunction with these regulations, the Company also establishes the Compliance Counselling Counter. The Company also works to ensure the fairness and transparency of the management of the Company and the Group Companies by regularly reporting the status of the operation of the contact for Public Interest Whistle-Blowing to the Board of Directors.

(5) The Company develops and operates the "Internal Control Reporting System" in accordance with the Financial Instruments and Exchange Act to ensure the accuracy of the financial reporting of the Company and the Group Companies. Monitoring, recommendations for improvement, and support for improvement for the operation of the System are implemented, with the Internal Auditing Department as the responsible department. In addition, the Accounting Department in the Corporate Planning and Control Division shares responsibility for monitoring, recommendations for improvement, and support for improvement related to the "operations process control inside the Company" and the "account settlement and financial reporting process control of consolidated subsidiaries from a company-wide perspective."

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

Outline of operational status

(a) Having defined the objective of initiatives on CSR as "creating and maximizing shared value for the Kurita Group and society" and "identifying, preventing and mitigating possible adverse impacts by the Kurita Group," the Company identified seven material issues (primary focused area) related to CSR and formulated and verified the appropriateness of the ideal vision for 2030 and the approach to adhere to, and has been implemented the CSR Policy determined by the Board of Directors. During the fiscal year under review the Company reidentified material issues and announced them in a new medium-term management plan which starts on April 1, 2023.

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

(c) The E&S Committee holds meetings regularly to check the state of progress of key measures and issues. In addition, important provision of information and reports are conducted so that the Board of Directors is able to oversee the Company's measures to address climate change issues.

(d) The Company established the Kurita Group Code of Conduct, the Corporate Governance Policies, the Basic Policies for Constructing an Internal Control System, the CSR Policy, the Kurita Group BCM Policy (Business Continuity Management), the Kurita Group Human Rights Policy, the Kurita Group Anti-Bribery Policy and Kurita Group Antitrust Policy as its basic policies. The Internal Auditing Department conducted management control monitoring related to the establishment, awareness promotion, and operation of frameworks and systems for deploying the basic policies in the Group Companies and it checked for any important inadequacies.

(e) The Company and the Group Companies have been implementing surveys on conduct in relation to compliance on an annual basis. They have been drawing on questionnaire results to monitor progress with respect to improvements, pinpointing issues, and then reflecting those findings in activity policies for the subsequent fiscal year. During the fiscal year under review, internal discussions were held based on past cases to reassess actions in the workplace.

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

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

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

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

Information about the execution of the duties of Directors is recorded and stored in documents or electromagnetic media in accordance with the Document Regulations and the Confidential Information Management Regulations established by the Board of Directors. The Directors and members of the Audit & Supervisory Board may inspect these documents, etc. when necessary.

Outline of operational status

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

3 Regulations and other systems for managing the risk of loss

(1) Risks pertaining to the Company and the Group Companies are monitored and risk management is promoted, with the Executive General Manager of the Corporate Planning and Management Office acting as the officer in charge. The Executive General Manager of the Corporate Planning and Management Office regularly analyzes and assesses the risks of the Company and the Group Companies, and makes efforts to prevent the occurrence of risks through continuous monitoring. If a risk that may have a material impact on management arises, the Executive General Manager of the Corporate Planning and Management Office will appoint a responsible official, draw up a system to address the risk, and immediately issue a command after gaining the approval of the President and Representative Director. The responsible official will immediately implement countermeasures and report the impact of the risk, the status of correcting the risk, and the measures for preventing the risk to the President and Representative Director and the Executive General Manager of the Corporate Planning and Management Office.

(2) In regards to serious risks, the Chairman of the E&S Committee will be the responsible official for risks related to compliance, and the Chairman of the Headquarters Health and Safety Committee will be the responsible official for risks related to health, safety, and disasters. Risks that are directly related to daily business activities are addressed by the executive general managers of the divisions, who acts as the responsible official. Other day-to-day risks related to quality, the environment, information security, and export regulations, etc. are addressed by their respective departments.

(3) The Executive General Manager of the Corporate Planning and Management Office, the Chairmen of the Committees, and the executive general managers of the divisions regularly report the status of activities to promote risk management and compliance to the Board of Directors, and report the occurrence and result of material risks to the Board of Directors and the Audit & Supervisory Board whenever appropriate.

(4) The status of the implementation of risk management and improvements is monitored, with the Internal Auditing Department acting as the responsible department.

Outline of operational status

(a) The Company and the Group Companies have adopted risk management systems whereby risk is categorized either as “Group-wide risk” which must be addressed by the entire Kurita Group such as in the event of an earthquake or other disaster, or as “business risk” which derives directly from daily business affairs. The Company and the Group Companies have also been conducting review on an annual basis of risk maps. The risk maps indicate probabilities of risks materializing, profile the impact and magnitude of impact that a risk event would pose, and assess the significance of such situations. To such ends, the Company and the Group Companies have been striving to prevent risk from materializing by implementing prevention measures, and otherwise have been preparing themselves to address unforeseen circumstances by establishing action plans for risk events. In addition, the Kurita Group implements the “Kurita Group BCM Policy (Business Continuity Management)” which sets out the Kurita Group’s principles on response measures for officers, executive officers, and employees in handling emergencies that pose a risk to the continuity of the Kurita Group’s businesses such as major earthquakes, storm and flood damage, or pandemics. During the fiscal year under review, the Company conducted proper documentation both in Japan and abroad in line with the framework of ISO 22301, an international standard that defines the BCM, and provided safety confirmation drills and e-learning courses to all employees for the purpose ensuring employee safety and enhancing the capability to continue business operations.

(b) The Company and the Group Companies have established legal violation risk maps, and accordingly engage in practices that involve identifying major risks of legal violation and regularly monitoring implementation of initiatives in that regard.

(c) The Board of Directors has been regularly receiving reports regarding the promotion status of risk management and compliance activities, and the Board of Directors and the Audit & Supervisory Board have been receiving reports whenever appropriate with respect to the occurrence and materializing of significant risk events.

(d) The status of the implementation of risk management and improvements is monitored, with the Internal Auditing Department acting as the responsible department.

4 System to ensure the efficient execution of duties by the Directors

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

(1) The Board of Directors specifies the operations delegated to the Directors, the executive officers, and the responsible officials of organizations (managerial personnel with the rank higher than Senior General Manager, Head of Osaka Office or Head of an Office).

(2) The Board of Directors formulates a long-term vision, a medium-term management plan, and a business plan for a single fiscal year, and sets out the targets, policies, and focused measures for each organization. The Board of Directors also implements monthly and quarterly business controls in relation to the consolidated and non-consolidated targets of the Company and the business departments.

(3) The final decision application system is set up, in line with the Executive Committee and the Final Decision and Examination Regulations, as a decision-making system to complement the resolutions made at the Board of Directors meetings.

(4) The Executive Committee makes decisions and conducts a review of matters resolved at the Board of Directors meetings to facilitate the decision-making progress when necessary. The Executive Committee consists of the President and Representative Director, Directors with a rank of Managing Director or above, the Executive General Manager of the Corporate Planning and Management Office, and the Directors and executive officers appointed by the President and Representative Director. The committee meets twice a month in principle, and on a temporary basis when necessary. In the Executive Committee, the members deliberate matters related to the management of the Company and the Kurita Group, conduct a monthly and quarterly check of whether targets have been achieved and the status of implementation of policies and measures, and give the Directors and the executive officers in charge instructions to correct deviations. The members of the Audit & Supervisory Board may attend the Executive Committee.

(5) The decision to establish, revise, or abolish the Final Decision and Examination Regulations is made by the Board of Directors. For the Directors and the executive officers to conduct their duties more efficiently, internal regulations conforming to the Final Decision and Examination Regulations are established and implemented.

Outline of operational status

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

(b) The Executive Committee has been making judgments and decisions on matters that have been delegated to it by the Board of Directors, and has been conducting review with respect to agenda items for meetings of the Board of Directors. Executive Committee members include the President and Representative Director, Directors with a rank of Managing Director or above, the Executive General Manager of the Corporate Planning and Management Office, and the Directors and executive officers appointed by the President and Representative Director. The committee has been meeting twice a month in principle, and on a temporary basis when necessary. The full-time members of the Audit & Supervisory Board have been attending meetings of the Executive Committee.

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

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

(1) The Company and the Group Companies set a medium-term management plan and a business plan for a single fiscal year based on a unified outline for formulating plans.

(2) The overall management of the Group Companies is controlled by the Corporate Planning and Management Office. In addition, an officer and a department of the Company in charge of each Group Company are

appointed to regularly determine the status of the business performance achieved and the status of risk management based on the medium-term management plan and the business plan for a single fiscal year, and to provide the Group Companies with guidance.

(3) A Board of Directors is set up in each Group Company, and the Company or the Group Companies dispatch a (non-standing) Director and (non-standing) member of the Audit & Supervisory Board to monitor the management, business performance, settlement of accounts, and risks. If a decision needs to be made as the Kurita Group, the Executive Committee of the Company deliberates the matter and makes the decision in accordance with "7. Matters related to subsidiaries and associates in Japan and overseas," an appendix 1 of the Final Decision and Examination Regulations of the Company, or the Board of Directors or the Executive Committee of the Company makes the decision.

(4) In regards to the Group Companies' efforts related to compliance, the Group E&S Committee stated in Paragraph 2, Article 1 of the Basic Policies for Constructing an Internal Control System sets out policies and implements specific measures. In addition, the system for ensuring the accuracy of the financial reporting by the Kurita Group is considered and established as part of the approaches stated in Paragraph 5, Article 1 of such Policies.

(5) The Group Companies report the status of their management, sales activities, manufacturing, and risk management, etc. to the Company regularly, such as on a monthly or quarterly basis.

Outline of operational status

(a) The Company and the Group Companies have set a medium-term management plan and a business plan for a single fiscal year based on a unified outline for formulating plans. Meanwhile, the President and Representative Director of the Company has been holding management plan review sessions with respective Group Companies annually, and has been making decisions on general matters with respect to the fiscal year and plans for the subsequent fiscal year. The overall management of Group Companies is controlled by the Corporate Planning and Management Office.

(b) The Group E&S Committee, the Group Health and Safety Committee, and other such bodies have been regularly providing an understanding of circumstances with respect to compliance and safety and health management of Group Companies, and have been providing necessary guidance in that regard.

(c) In order to strengthen governance at the Group Companies, the Company improves the systems and structures provided by the Company, and the Board of Directors accurately evaluates operational status and aims to improve effectiveness.

(d) Members of the Audit & Supervisory Board have been conducting audits and surveys with respect to the Company and the Group Companies in accordance with audit policies and audit plans, etc. established by the Audit & Supervisory Board.

6 Matters related to an employee if a member of the Audit & Supervisory Board requests the assignment of the employee to assist him/her, matters related to the independence of the employee from the Directors, and matters related to ensuring the effectiveness of instructions issued to the employee

(1) The Audit & Supervisory Board of the Company may appoint a full-time assistant. If a full-time assistant is not appointed, a member of the Audit & Supervisory Board may instruct a certain employee who belongs to the Internal Auditing Department to assist his/her auditing work as necessary.

(2) The employee who assists the auditing work of the member of the Audit & Supervisory Board in accordance with the instruction described in the preceding paragraph provides assistance independent of the Directors and within the necessary scope of assistance. In addition, the opinions of the member of the Audit & Supervisory Board are respected regarding personnel changes and evaluations, etc. of the employee.

(3) The employee who assists the auditing work of the member of the Audit & Supervisory Board may regularly attend places where opinions are exchanged between the Representative Director and the Accounting Auditor within the company of the member of the Audit & Supervisory Board.

Outline of operational status

The Audit & Supervisory Board of the Company has no full-time assistant. However, to help members of the Audit & Supervisory Board perform sufficient audit work, the General Manager of Internal Auditing Department supports the Audit & Supervisory Board in audit work as the secretariat of the Audit & Supervisory Board, and members of the Audit & Supervisory Board give instructions to specific employees in the Internal Auditing Department to assist audit work as necessary.

7 System for the Directors and employees of the Company and Group Companies to report to the Audit & Supervisory Board, and other systems for reporting to the Audit & Supervisory Board

(1) In order to regularly confirm that the Directors, executive officers and employees of the Company perform operations appropriately, the members of the Audit & Supervisory Board are required to attend the Board of Directors meetings. They may also attend the Executive Committee and the E&S Committee, etc.

(2) The members of the Audit & Supervisory Board of the Company may inspect documents, etc. necessary for their auditing work at any time, irrespective of the provisions of the Document Regulations, the Confidential Information Management Regulations, and other regulations.

(3) The Directors of the Company report important matters related to the execution of duties to the members of the Audit & Supervisory Board or the Audit & Supervisory Board whenever appropriate through the Board of Directors meetings and other important meetings.

(4) The executive officers and employees of the Company and the Directors, the members of the Audit & Supervisory Board, and the employees of the Group Companies report matters stipulated in laws and regulations as well as cases of compliance violations, cases in dispute, the occurrence of material risks, and matters related to accounting and the settlement of accounts, etc. to the respective departments in charge within the Company. The departments in charge report the details of reports from the executive officers and employees of the Company and the Directors, the members of the Audit & Supervisory Board and employees of Group Companies to the members of the Audit & Supervisory Board or the Audit & Supervisory Board when necessary. In addition, the departments in charge also make necessary reports at the request of a member of the Audit & Supervisory Board.

(5) The Company prohibits those who made a report to a department in charge, a member of the Audit & Supervisory Board, or the Audit & Supervisory Board in accordance with the provisions of the preceding paragraph from being treated unfavorably on the grounds of making a report, and makes this fact fully known to the Directors, executive officers and employees of the Company and the Directors and employees of the Group Companies.

Outline of operational status

(a) Each member of the Audit & Supervisory Board has been attending the Board of Directors meetings and other important meetings such as those of Executive Committee and E&S Committee, and has been performing audits of Directors with respect to their execution of duties.

(b) The Directors of the Company have been reporting important matters related to the execution of duties to the members of the Audit & Supervisory Board or the Audit & Supervisory Board whenever appropriate, through the Board of Directors meetings and other important meetings.

(c) The executive officers and employees of the Company, and the Directors, members of the Audit & Supervisory Board and the employees of the Group Companies report on the matters stipulated in laws and regulations as well as cases of compliance violations, cases in dispute, the occurrence of material risks, and matters related to accounting and the settlement of accounts, etc. to the departments in charge within the Company. The departments in charge report on the details of the reports from the executive officers and employees of the Company, and the Directors, members of the Audit & Supervisory Board and employees of Group Companies to the members of the Audit & Supervisory Board or the Audit & Supervisory Board when necessary. In addition, the departments in charge also make the necessary reports at the request of a member of the Audit & Supervisory Board.

(d) In accordance with the Operational Regulations for Whistle-Blower Protection Systems, the Company and the Group Companies have prohibited the unfair treatment of those who have reported information set forth in the previous paragraph, on the ground of having made such a report.

8 Other systems to ensure the effective auditing of the Audit & Supervisory Board

(1) A meeting for the President and Representative Director and the members of the Audit & Supervisory Board or the Audit & Supervisory Board to exchange opinions is held regularly.

(2) The Audit & Supervisory Board establishes standards for appointing, dismissing, and refusing to reappoint the Accounting Auditor, and nominates a candidate for the Accounting Auditor. The Company and the Group Companies secure sufficient amount of time for the Accounting Auditor to conduct a high-quality audit. The members of the Audit & Supervisory Board, the Internal Auditing Department, and the Accounting Auditor promote a cooperation by mutually checking each other's audit plans and sharing their concerns.

(3) The members of the Audit & Supervisory Board or the Audit & Supervisory Board hold discussions and exchange opinions with the Internal Auditing Department and the Accounting Auditor when necessary.

(4) The Audit & Supervisory Board allocates expenses that are deemed necessary for the execution of duties in advance. However, the Audit & Supervisory Board may charge the Company postmortem for expenses it spent on urgent or provisional matters.

Outline of operational status

(a) Members of the Audit & Supervisory Board have been regularly holding meetings for exchanging opinions with the President and Representative Director of the Company in order to facilitate mutual understanding and further develop relationships of trust.

(b) The Audit & Supervisory Board establishes standards for appointing, dismissing, and refusing to reappoint the Accounting Auditor, and nominates a candidate for the Accounting Auditor.

(c) Members of the Audit & Supervisory Board have been holding discussions and exchanging opinions with the Internal Auditing Department whenever appropriate, and have also been taking steps to promote cooperation with the Accounting Auditor by mutually checking each other's audit plans and regularly exchanging opinions through forums such as briefing sessions for reporting on settlement of accounts and audit results.

Basic Policies for Constructing an Internal Control System are made available to the public via the following URL on the Company's website on the Internet upon revision by resolution of the Board of Directors.

On April 1, 2023, minor changes were made in line with an organizational change and review of the corporate philosophy.

(https://ir.kurita.co.jp/en/corporate_governance/internal_control_system/index.html)

[Translation for Reference and Convenience Purposes Only]

Consolidated Financial Statements
Consolidated Statement of Financial Position (As of March 31, 2023)

(Million yen)

Account item	Amount	Account item	Amount
Assets		**Liabilities**	
Current assets	**196,416**	**Current liabilities**	**109,468**
Cash and cash equivalents	50,468	Trade payables and contract liabilities	40,197
Trade receivables and contract assets	118,520	Bonds and borrowings	28,998
Securities, deposits with a maturity of over three months	2,838	Accounts payable - other and accrued expenses	23,406
Finished products	8,132	Income taxes payable	6,018
Work in process	1,598	Provisions	2,301
Raw materials and supplies	7,116	Other	8,546
Other	7,743		
Non-current assets	**305,121**	**Non-current liabilities**	**96,310**
Property, plant and equipment	**178,737**	Bonds and borrowings	48,758
Buildings and structures	48,417	Lease liabilities	18,016
Machinery, equipment and vehicles	91,526	Retirement benefit liability	17,321
Land	6,766	Other financial liabilities	851
Construction in progress	25,366	Other	11,361
Other	6,660	**Total liabilities**	**205,778**
Right-of-use assets	**21,928**	**Equity**	
Intangible assets	**77,517**	**Equity attributable to owners of parent**	**293,975**
Goodwill	60,413	**Share capital**	**13,450**
Software	5,644	**Capital surplus**	**(608)**
Customer and technology related assets	11,038	**Treasury shares**	**(10,638)**
Other	422	**Other components of equity**	**14,132**
Investments and other assets	**26,937**	**Financial assets measured at fair value through other comprehensive income**	**4,231**
Investment securities	8,872	**Cash flow hedge**	**222**
Investments accounted for using equity method	1,283	**Exchange differences on translation of foreign operations**	**9,678**
Deferred tax assets	9,984	**Retained earnings**	**277,639**
Other	6,797	**Non-controlling interests**	**1,784**
		Total equity	**295,759**
Total assets	**501,538**	**Total liabilities and equity**	**501,538**

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

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Profit or Loss

(From April 1, 2022 to March 31, 2023)

(Million yen)

Account item	Amount
Net sales	**344,608**
Cost of sales	**224,911**
Gross profit	**119,696**
Selling, general and administrative expenses	**81,106**
Other income	**1,564**
Other expenses	**11,095**
Operating profit	**29,058**
Finance income	**1,990**
Finance costs	**1,077**
Share of loss of investments accounted for using equity method	**179**
Profit before tax	30,151
Income tax expense	9,473
Profit for the period	**20,677**
Profit attributable to non-controlling interests	543
Profit attributable to owners of parent	**20,134**

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

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Changes in Equity

(From April 1, 2022 to March 31, 2023)

(Million yen)

	Equity attributable to owners of parent				
				Other components of equity	
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Cash flow hedges
Balance as of April 1, 2022	13,450	(3,076)	(10,694)	3,493	40
Profit for the period					
Other comprehensive income				4,354	182
Total comprehensive income for the period	–	–	–	4,354	182
Purchase of treasury shares			(2)		
Dividends					
Share-based payment transactions		76	58		
Changes in ownership interests in subsidiaries		(19,793)		1,830	
Liabilities pertaining to forward contracts concluded with non-controlling shareholders		22,051			
Transfer from other components of equity to retained earnings					
Other		132			
Total transactions with owners	–	2,467	55	1,830	–
Balance as of March 31, 2023	13,450	(608)	(10,638)	9,678	222

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Financial assets measured at fair value through other comprehen-sive income	Remeasure-ments of defined benefit plans	Total				
Balance as of April 1, 2022	8,627	–	12,161	260,073	271,914	5,948	277,862
Profit for the period				20,134	20,134	543	20,677
Other comprehensive income	674	830	6,041		6,041	893	6,935
Total comprehensive income for the period	674	830	6,041	20,134	26,176	1,436	27,612
Purchase of treasury shares					(2)		(2)
Dividends				(8,429)	(8,429)	(280)	(8,709)
Share-based payment transactions					135	(31)	103
Changes in ownership interests in subsidiaries			1,830		(17,962)	(5,289)	(23,251)
Liabilities pertaining to forward contracts concluded with non-controlling shareholders					22,051		22,051
Transfer from other components of equity to retained earnings	(5,070)	(830)	(5,901)	5,901	–		–
Other				(39)	92		92
Total transactions with owners	(5,070)	(830)	(4,070)	(2,567)	(4,115)	(5,600)	(9,715)
Balance as of March 31, 2023	4,231	–	14,132	277,639	293,975	1,784	295,759

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

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Financial Statements
Non-Consolidated Balance Sheet (As of March 31, 2023)

(Million yen)

Account item	Amount	Account item	Amount
Assets		**Liabilities**	
Current assets	**81,309**	**Current liabilities**	**75,404**
Cash and deposits	12,930	Accounts payable – trade	16,591
Notes receivable – trade	4,828	Commercial papers and borrowings	25,000
Accounts receivable – trade	27,860	Accounts payable – other and accrued expenses	11,803
Contract assets	26,710	Income taxes payable	2,272
Finished products	861	Contract liabilities	2,539
Work in process	918	Deposits received	14,116
Raw materials	1,278	Provision for bonuses	1,077
Short-term loans receivable	1,454	Other	2,003
Other	4,468	**Non-current liabilities**	**69,014**
Allowance for doubtful accounts	(1)	Bonds payable and borrowings	48,000
Non-current assets	**315,098**	Lease obligations	913
Property, plant and equipment	**151,470**	Net defined benefit liability	11,528
Buildings and structures	39,354	Other	8,573
Machinery, equipment and vehicles	81,539	**Total liabilities**	**144,419**
Land	3,980	**Net assets**	
Leased assets	1,009	**Shareholders' equity**	**248,967**
Construction in progress	21,610	**Common stock**	**13,450**
Other	3,976	**Capital surplus**	**11,475**
Intangible fixed assets	**9,455**	Legal capital surplus	11,475
Software	4,882	**Retained earnings**	**234,680**
Technology-related assets	4,520	Legal retained earnings	2,919
Other	53	Other retained earnings	231,760
Investments and other assets	**154,171**	Reserve for advanced depreciation of non-current assets	773
Investment securities	8,197	General reserve	208,980
Shares of subsidiaries and associates	99,197	Retained earnings brought forward	22,006
Investments in capital of subsidiaries and associates	30,580	**Treasury stock**	**(10,638)**
		Valuation and translation adjustments	**3,020**
Long-term loans receivable	3,273	Unrealized gains (losses) on available-for-sale securities	3,836
Deferred tax assets	7,405	Deferred gains (losses) on hedges	(1)
Other	5,632	Revaluation reserve for land	(813)
Allowance for doubtful accounts	(114)	**Total net assets**	**251,988**
Total assets	**396,407**	**Total liabilities and net assets**	**396,407**

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

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Statement of Income

(From April 1, 2022 to March 31, 2023)

(Million yen)

Account item	Amount
Net sales	**134,046**
Cost of sales	**92,572**
Gross profit	**41,474**
Selling, general and administrative expenses	**32,592**
Operating profit	**8,881**
Non-operating income	**12,375**
Interest and dividend income	6,944
Other	5,431
Non-operating expenses	**1,493**
Interest expense	159
Other	1,333
Ordinary profit	**19,763**
Extraordinary income	**8,229**
Gain on sales of investment securities	7,138
Gain on derivatives transactions	1,090
Income before income taxes	**27,993**
Income taxes - current	6,926
Income taxes - deferred	(879)
Net income	**21,946**

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

[Translation for Reference and Convenience Purposes Only]

Non-Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity						
	Common stock	Capital surplus	Retained earnings				
		Legal capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
				Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
Balance as of the beginning of the fiscal year	13,450	11,446	2,919	773	190,980	26,507	221,181
Change during the period							
Provision of general reserve					18,000	(18,000)	–
Dividend from surplus						(8,447)	(8,447)
Net income						21,946	21,946
Purchase of treasury stock							
Disposal of treasury stock		29					
Reversal of revaluation reserve for land						(0)	(0)
Net change in items other than shareholders' equity during the period							
Total change during the period	–	29	–	–	18,000	(4,501)	13,498
Balance as of the end of the fiscal year	13,450	11,475	2,919	773	208,980	22,006	234,680

[Translation for Reference and Convenience Purposes Only]

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance as of the beginning of the fiscal year	(10,694)	235,384	8,127	1	(813)	7,315	242,699
Change during the period							
Provision of general reserve		–					–
Dividend from surplus		(8,447)					(8,447)
Net income		21,946					21,946
Purchase of treasury stock	(2)	(2)					(2)
Disposal of treasury stock	58	87					87
Reversal of revaluation reserve for land		(0)					(0)
Net change in items other than shareholders' equity during the period			(4,291)	(3)	0	(4,294)	(4,294)
Total change during the period	55	13,583	(4,291)	(3)	0	(4,294)	9,289
Balance as of the end of the fiscal year	(10,638)	248,967	3,836	(1)	(813)	3,020	251,988

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

Audit Report

Accounting Auditor's Audit Report on the Consolidated Financial Statements

Report of Independent Auditor

May 19, 2023

The Board of Directors

Kurita Water Industries Ltd.

Grant Thornton Taiyo LLC
Tokyo Office
Tetsuo Shibaya
Designated and Engagement Partner (Seal)
Certified Public Accountant

Makio Wada
Designated and Engagement Partner (Seal)
Certified Public Accountant

Koichiro Watanabe
Designated and Engagement Partner (Seal)
Certified Public Accountant

Opinion

Pursuant to Paragraph 4, Article 444 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, the important matters that are the basis for the preparation of the consolidated financial statements, and other notes to consolidated financial statements of Kurita Water Industries Ltd. (the "Company") applicable to the fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the consolidated financial statements above are in conformity with the accounting standards with omission of a part of disclosure items required by the designated International Financial Reporting Standards ("IFRS"), as stipulated in the provisions of the latter part of Paragraph 1, Article 120 of the Regulation on Corporate Accounting, and present fairly, in all material respects, the consolidated financial position of the Company and its consolidated subsidiaries as of March 31, 2023, and their financial performance for the year then ended.

Basis for Audit Opinion

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

Other Statements

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

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

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

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

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

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

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

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

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

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

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

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

・Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

・When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

・Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.

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

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

・Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

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

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

Conflicts of Interest

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

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

Report of Independent Auditor

May 19, 2023

The Board of Directors

Kurita Water Industries Ltd.

Grant Thornton Taiyo LLC
Tokyo Office
Tetsuo Shibaya
Designated and Engagement Partner (Seal)
Certified Public Accountant

Makio Wada
Designated and Engagement Partner (Seal)
Certified Public Accountant

Koichiro Watanabe
Designated and Engagement Partner (Seal)
Certified Public Accountant

Opinion

Pursuant to Item 1, Paragraph 2, Article 436 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity, the notes to non-consolidated financial statements and the related supplementary schedules of Kurita Water Industries Ltd. (the "Company") (hereinafter, the "financial statements, etc.") applicable to the 87th fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations pertaining to these financial statements, etc., applicable to the fiscal year ended March 31, 2023 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

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

Other Statements

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

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

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

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

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

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements, Etc. and the Related Supplementary Schedules

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

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

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

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

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

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

・Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

・When auditing the financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

・Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.

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

・Evaluate whether the presentation of the financial statements, etc. and notes to the financial statements, etc. are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the financial statements, etc., including the related notes thereto, and whether the financial statements, etc. fairly present the underlying transactions and accounting events.

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

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

Conflicts of Interest

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

The Audit & Supervisory Board's Audit Report

Audit Report

With respect to the Directors' performance of their duties during the 87th fiscal year (from April 1, 2022 to March 31, 2023), the Audit & Supervisory Board has prepared this audit report, as the agreed opinion of all members of the Audit & Supervisory Board formed as a result of their deliberations, based on the audit reports prepared by each member of the Audit & Supervisory Board, and hereby reports as follows:

1. Method and Contents of Audit by Members of the Audit & Supervisory Board and the Audit & Supervisory Board

   The Audit & Supervisory Board stipulated auditing policies and the audit plan for the fiscal year under review, designated the status of the establishment and operation of internal control systems (including internal controls for financial reporting) and risk management systems as priority audit items, received reports from each member of the Audit & Supervisory Board about the implementation status and results of the audit, received reports from the Directors and Accounting Auditors about the status of performing such duties, and requested explanations as necessary.

   In accordance with the auditing standards for members of the Audit & Supervisory Board determined by the Audit & Supervisory Board, and in compliance with auditing policies and the audit plan, each member of the Audit & Supervisory Board made efforts to collect information and establish auditing circumstances through communication with Directors, the Internal Auditing Department and other employees, and conducted the audit by the following methods.

   (1) Each member of the Audit & Supervisory Board has attended the Board of Directors meetings and other important meetings, received reports from the Directors and employees about the status of performance of their duties, and requested them to provide explanation when needed. Each member of the Audit & Supervisory Board has reviewed important authorized documents and examined the status of business operations and financial position of the Company and its principal offices. As for subsidiaries, each member of the Audit & Supervisory Board also facilitated communication and information exchange with Directors and employees, visited subsidiaries when needed, and examined the status of business operations and financial position of the subsidiaries and their principle officers.

   (2) Each member of the Audit & Supervisory Board verified the resolutions adopted by the Board of Directors regarding the establishment of a system for ensuring that the Directors' duties, as stated in the Business Report, are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of a system necessary to ensure proper business operations of a stock company set forth in Paragraphs 1 and 3 of Article 100 of the Regulation for Enforcement of the Companies Act. Each member of the Audit & Supervisory Board also received reports from Directors and employees on the status of the establishment and operation of the system (internal control system) established in accordance with such resolutions adopted by the Board of Directors, and requested explanations as necessary and expressed his/her opinions. As for internal controls for financial reporting, we received reports from the Directors and Accounting Auditor about the status of evaluation and audit of the internal controls, and requested explanations as necessary.

   (3) Each member of the Audit & Supervisory Board audited whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. In addition, each member of the Audit & Supervisory Board was notified by the Accounting Auditor that it had established a "System to ensure that the performance of the duties of the Accounting Auditors was properly conducted" (the matters set forth in the items of Article 131 of the Regulation on Corporate Accounting) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council, October 28, 2005), and requested explanations as necessary.

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

2. Results of Audit

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

(a) We acknowledge that the Business Report and the related supplementary schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.

(b) We acknowledge that there is no misconduct or material fact in violation of the applicable laws or regulations and the Articles of Incorporation of the Company with regard to the performance of duties by Directors.

(c) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We also acknowledge that there are no matters warranting special mention, neither regarding content provided in the Business Report on the internal control systems, nor regarding the performance of duties by Directors. As for internal controls for financial reporting, we received reports from Grant Thornton Taiyo LCC stating that the internal controls were functioning effectively Company-wide as of the date on which this report was prepared, and furthermore that there were no deficiencies warranting disclosure with respect to the internal controls in business processes.

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

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

(3) Results of Audit of Consolidated Financial Statements

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

May 26, 2023

Kurita Water Industries Ltd.	Audit & Supervisory Board
Full-time member of the Audit & Supervisory Board (External member of the Audit & Supervisory Board)	Kenjiro Kobayashi
Full-time member of the Audit & Supervisory Board	Yukihiko Mutou
External member of the Audit & Supervisory Board	Toshiaki Tada