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For Immediate Release

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Announcement of Changes to Stock Compensation Plan for Officers

Kurita Water Industries Ltd. (hereinafter "the Company") announces that a meeting of its Compensation Committee held on June 29, 2023 resolved to change the stock compensation plan ("the Plan") utilizing a trust service for the Company's Directors (excluding External Directors). Details are as follows.

1. Changes to the Plan

To motivate Directors (excluding External Directors) to strive harder to accomplish their performance goals and help them share the benefits and risks of stock price fluctuations with shareholders, the Company submitted a proposal for the introduction of the Plan to the 80th Ordinary General Meeting of Shareholders held on June 29, 2016. The proposal was approved as originally proposed. A meeting of the Board of Directors held on May 28, 2021 resolved to continue the Plan, and the Plan has continued up to now.

For an overview of the Plan before the changes, please refer to the Company's Announcement of the Introduction of a Performance-linked Stock Compensation Plan for Directors dated April 28, 2016 (the English version was published on May 6, 2016).

Because the Company has become a company with a nominating committee, etc., the Company will change the Plan to make it suitable for a new organization and roles and to unify the stock compensation plan for the officers of the Company and for certain officers of the major domestic Group companies.

2. The Plan after the changes

(1) Overview of the Plan

The Plan is a stock compensation plan in which a trust ("the Trust") established and paid for by the Company acquires shares of the Company and delivers shares to each person eligible for the Plan after the changes described in (2) ("the Directors, etc."), based on the number of points that the Company grants to each Director, etc.

(2) Changes to the Plan

The changes to the Plan are as described below.

	Before	After
Persons eligible for the Plan	- The Company's Directors (excluding External Directors)	- The Company's Directors (excluding External Directors and Full-time Directors who are Members of the Audit Committee)

		<ul style="list-style-type: none"> - The Company's Executive Officers - The Company's Corporate Officers - Certain Directors of major domestic subsidiaries of the Group
Criteria for granting points	- Points are granted according to positions and performance achievement levels (Profit attributable to Owners of parent)	The Company's Directors <ul style="list-style-type: none"> - Points are granted according to positions Directors, etc. that are not Directors of the Company - Points are granted according to positions and performance achievement levels (ROE and Relative TSR)
Timing of delivery of shares	- At the time of retirement	- During their term of office (in principle, every fiscal year)
Transfer restriction	- No	- Yes (in principle, up to the time of retirement)

There are no changes other than the changes to the Plan above from the Company's Announcement of the Introduction of a Performance-linked Stock Compensation Plan for Directors dated April 28, 2016 (the English version was published on May 6, 2016).

3. Transfer restriction agreement on the shares of the Company to be delivered to Directors, etc.

A transfer restriction agreement ("the Transfer Restriction Agreement") that includes the provisions below shall be concluded between the Company and the Directors, etc. about the shares of the Company that will be delivered to Directors, etc. in proportion to the points to be granted after the resolution is passed at the Compensation Committee meeting held on June 29, 2023. (Each Director, etc. shall receive shares of the Company only if they conclude the Transfer Restriction Agreement.)

- 1) The Directors, etc. shall not transfer any shares of the Company that are delivered to them under the Plan, establish any security interest on the shares, or otherwise dispose of any of the shares from the day when they receive the shares to the day of retirement.
- 2) The Company shall acquire the shares delivered under the Plan without consideration if certain events occur.
- 3) Conditions for removal of transfer restrictions predetermined by the Compensation Committee, etc.

If shares of the Company are delivered to any Directors, etc. based on their acquired points after their retirement for some reason, shares of the Company shall be delivered without any transfer restrictions.

(For reference) Overview of the trust agreement related to the Trust

Trustor	Kurita Water Industries Ltd.
Trustee	Sumitomo Mitsui Trust Bank, Limited. (Re-trust trustee: Custody Bank of Japan, Ltd.)
Beneficiaries	Directors, etc. of the Company and its major domestic subsidiaries meeting beneficiary requirements
Trust administrator	A third party who has no relationship of interest with the Company or the Company's officers
Exercise of voting rights	No voting rights of the shares held in the Trust will be exercised during the trust period.
Type of trust	Nonmonetary trust (third party-benefit trust)
Date of trust	August 4, 2016

agreement

Trust period	From August 4, 2016 to August 31, 2024 (planned)
Purpose of trust	Granting shares of the Company to beneficiaries under the rules for granting shares