

**Profit matters.  
But Kurimoto's purpose  
is not profit.**

**KURIMOTO**



**KURIMOTO**

# **Integrated Report 2025**

**KURIMOTO GROUP INTEGRATED REPORT**



**integ**  
reporting support

Published in October 2025

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## Our Editorial Approach for 2025

The Kurimoto Group’s value creation story is one of aiming to balance business activities with social value, and the purpose of this report is to convey this story to our stakeholders in an integrated and concise manner.

In Integrated Report 2025, as part of our efforts to realize the Kurimoto Group Vision for 2030 — “Four-Way Satisfaction” — we have further developed our value creation stories, namely the strategies we are aiming to achieve in all of our businesses, based on the content of the previous fiscal year. We have created a fishbone chart that sets a course toward a better future, and we describe how we approach business from the standpoint of trying to address the issues that face society. In “My Purpose”, our executives explain what they believe to be the real meaning of Kurimoto, and we explain how the Kurimoto Group will embody this purpose, contribute to the next 100 years, and grow alongside society.

We believe that maintaining an open dialogue with our stakeholders is essential to the sustainable growth of our Group. Toward that end, we welcome comments and invite our readers to submit candid views of this report.

### My Purpose

In Integrated Report 2025, we have included “My Purpose” contributions from the president, directors with specific areas of responsibility, and executive officers in charge of specific business domains. “My Purpose” gives each individual the opportunity to express their determination to contribute to their organization, society and customers through their work and actions. We will integrate the aims expressed in “My Purpose” into the company’s Purpose, reaffirming that both individuals and the company play irreplaceable roles, and we will link this to our “Four-Way Satisfaction,” Our Vision 2030.

## Editorial Policies

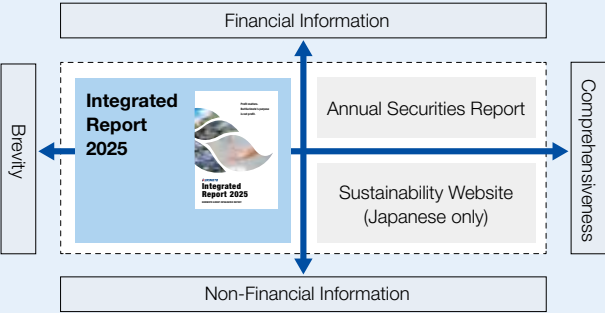
- Target Period
  - Statistics: April 1, 2024 to March 31, 2025
  - Initiatives: April 1, 2024 to March 31, 2025
  - \*Note that some of the information presented may cover dates outside this target period.
- Scope
  - Statistics: Kurimoto, Ltd. and its consolidated subsidiaries
  - Initiatives: Kurimoto, Ltd. and its group companies
- Reference Guidelines, etc.
  - International Integrated Reporting Framework, International Integrated Reporting Council (IIRC)
  - Guidance for Collaborative Value Creation, Japan Ministry of Economy, Trade and Industry
  - Global Reporting Initiative
  - GRI Sustainability Reporting Standards
- Terms
  - “Company members” as used in this Integrated Report refers to “employees.”

## Details of Our Primary Information Disclosure Tools

- This integrated report concisely summarizes the Kurimoto Group’s approach and future prospects for improving our corporate value in a sustainable manner. This includes our business activities as well as our ESG initiatives, in keeping with the business models we have adopted under our medium and long-term management strategies. (The relevant sections are as follows: Management Principle / Management Plan /Sustainability Information / Corporate Governance / Financial Summary)
- Our corporate website contains additional information that has not been included in this report.

Annual Securities Report

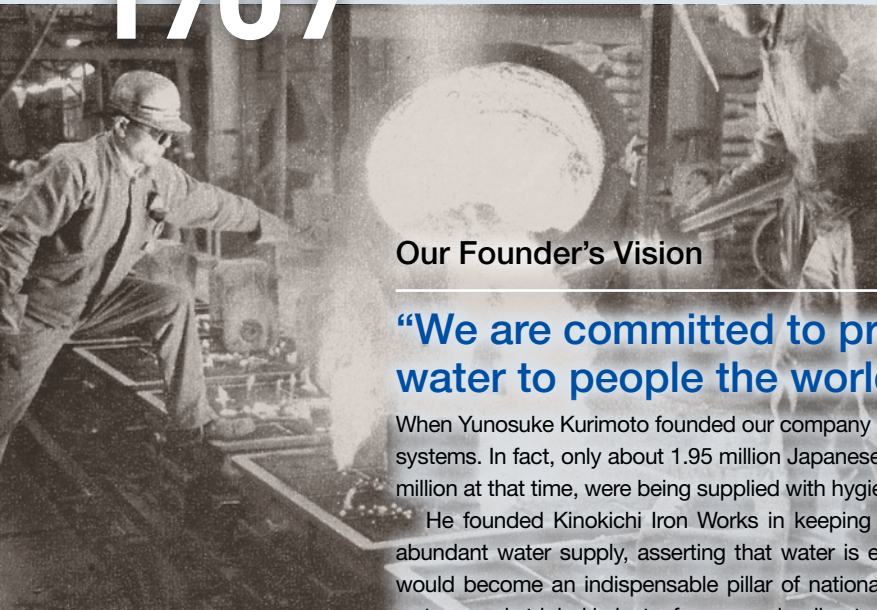
Company Information





# 1909

## Our Founding



Our Founder's Vision

**"We are committed to providing clean, hygienic water to people the world over."**

When Yunosuke Kurimoto founded our company in 1909, Japan had only just begun to adopt water supply systems. In fact, only about 1.95 million Japanese, or approximately 4% of Japan's total population of 48.5 million at that time, were being supplied with hygienic water from a local water supply system.

He founded Kinokichi Iron Works in keeping with his belief that Japan's future would be built on an abundant water supply, asserting that water is essential to human life, and that the water supply sector would become an indispensable pillar of national strength in the future. As Yunosuke predicted, Japan's water supply tripled in just a few years, leading to rapid improvements in sanitation and living environments. Throughout our history, Kurimoto has consistently maintained this desire to provide safe and adequate supplies of clean water.



Founder: Yunosuke Kurimoto

Now

# 2025

**"Contributing to the emergence of a society committed to sustainability by supporting social and industrial infrastructure"**

Kurimoto's history mirrors the history of manufacturing. Even today, 116 years since our founding, our company continues to create the future through manufacturing and we have devoted ourselves to developing social infrastructure. At the same time, Kurimoto continues to pursue innovation in the industrial equipment that supports our industrial infrastructure. By building resilient lifelines for water, power, and gas to ensure that everyone can live their lives in safety, we support everyday life while preparing to respond as needed in times of disaster. Moreover, by driving the evolution of our industrial platform with innovative materials and technologies while supporting our customers through the development of high-quality products, our company continues to enhance our corporate value and contribute to the lasting development of society. Kurimoto remains committed to fulfilling our corporate responsibility to support society for the next 50 to 100 years.

Future

# 2030

## Our Vision

The age-old Japanese philosophy of "sanpo-yoshi," a Three-Way Satisfaction, says that business should be good for the seller, good for the buyer, and good for society. To this, we add a fourth element — good for the future. In the spirit of "yonpo-yoshi," a Four-Way Satisfaction, the Kurimoto Group strives to contribute to society both now and in the future.



## Company Credo

- **We strive to innovate both our technologies and business management.**

We will keep up with the times and pursue creative improvements to grow stronger and tougher in all of our business segments.

- **We nurture and gather the wisdom of many.**

We will grow personally and professionally, and enrich our wisdom.

We will work collaboratively to ensure there will be numerous opportunities to achieve the company's continued success and prosperity.

- **We focus on effectiveness.**

To achieve excellent business results, we will put human, equipment, and material resources to effective use and eliminate "muda" (waste), "muri" (overburden), and "mura" (inconsistency) from the workplace.

**We embrace these principles and encourage each other to develop a close affinity with our fellow Kurimoto personnel. We seek to make a positive contribution to improving the welfare and happiness of mankind as we strive for corporate excellence.**

(Established in February 1961)

## Corporate Philosophy

- **We respect and value Earth, its water, air and life, and we will protect social infrastructure.**
- **We offer "reassurance" in response to society and our customer's trust.**
- **We listen to our customers, learn from our customers, further develop and innovate technology, and offer original, "suitable systems" to our customers.**
- **We aim for the happiness of our employees and human society through manufacturing products.**
- **For the implementation of the above, we ensure strict compliance, harmonize inheritance and changes, respect individuality and ingenuity, and work hard to contribute to society and the development of business.**

(Established January 1995, revised June 2008)

## Management Principle

**We will meet the trust and expectations of all stakeholders, always provide suitable systems and create "a future with dreams."**

(Established in April 2018)

# History of the Kurimoto Group

## 1909 – Founding

### Birth of the Kurimoto Group - Growing Alongside the Water Industry

In 1909, our founder Mr. Kurimoto founded Kinokichi Iron Works as a limited partnership company in Shinsumiya-cho, Nishi-ku (currently Taisho Ward), Osaka, and began manufacturing cast iron pipes for carrying water and gas. Building on the growth in demand for iron pipes, we later launched Kurimoto Iron Works as a limited partnership company and succeeded in developing high-grade cast iron pipes to increase our competitiveness. In 1933, we established Kurimoto Ashida Iron Works as a limited partnership company as part of our effort to expand into the machinery and steel casting sectors.

## 1934 – Rapid Growth

### Launch of the Machinery System Business - From War to Postwar Reconstruction

In addition to the company's reorganization as a joint-stock company, the Machinery Department was established to begin industrial machinery, plate working, cast iron, and cast steel manufacturing. This was the beginning of our current machinery system business. In 1935, we exported our first overseas factory to China, which led to a large number of orders. After that, we established our main factory in the Kansai region. During the postwar period, as demand for cast-iron pipes for waterworks increased, we worked diligently as part of the reconstruction effort.

## 1969 – Transition

### Meeting Government Demand and Surviving the Recessionary Period with Export Orders

In 1969, we constructed the new Kurimoto Building and moved our headquarters to the current location. In 1971, we launched our Plastic Products Division. We developed a new material, polycon fiberglass-reinforced plastic (FRP) pipe, built the current Shiga Factory, and started full-scale manufacturing of FRP products. Although private-sector demand remained sluggish due to the recession caused by the oil crisis, we focused on public-sector demand and export orders mainly for iron pipe, valves, bridges, and floodgates.

## 1981 – Expansion

### Meeting the Challenge of New Industries; Securing State-of-the-Art Casting Facilities

Around this time, we began to take on the challenge of entering new fields by pursuing technological development. Our Technology Development Division was established for the purpose of what we called "deironization" — the development of products not found in Kurimoto's conventional product line. As a result, we undertook a renewed focus on innovation. In 1987, Shin-Japan Pipe Co., Ltd. was acquired to form the Sakai Factory, and we began manufacturing small-diameter ductile iron pipes. This greatly contributed to improved productivity and helped to rationalize the company's operations.

## 2001 – Turning Point

### Adapting to Social Changes through a Large-Scale Corporate Restructuring Effort

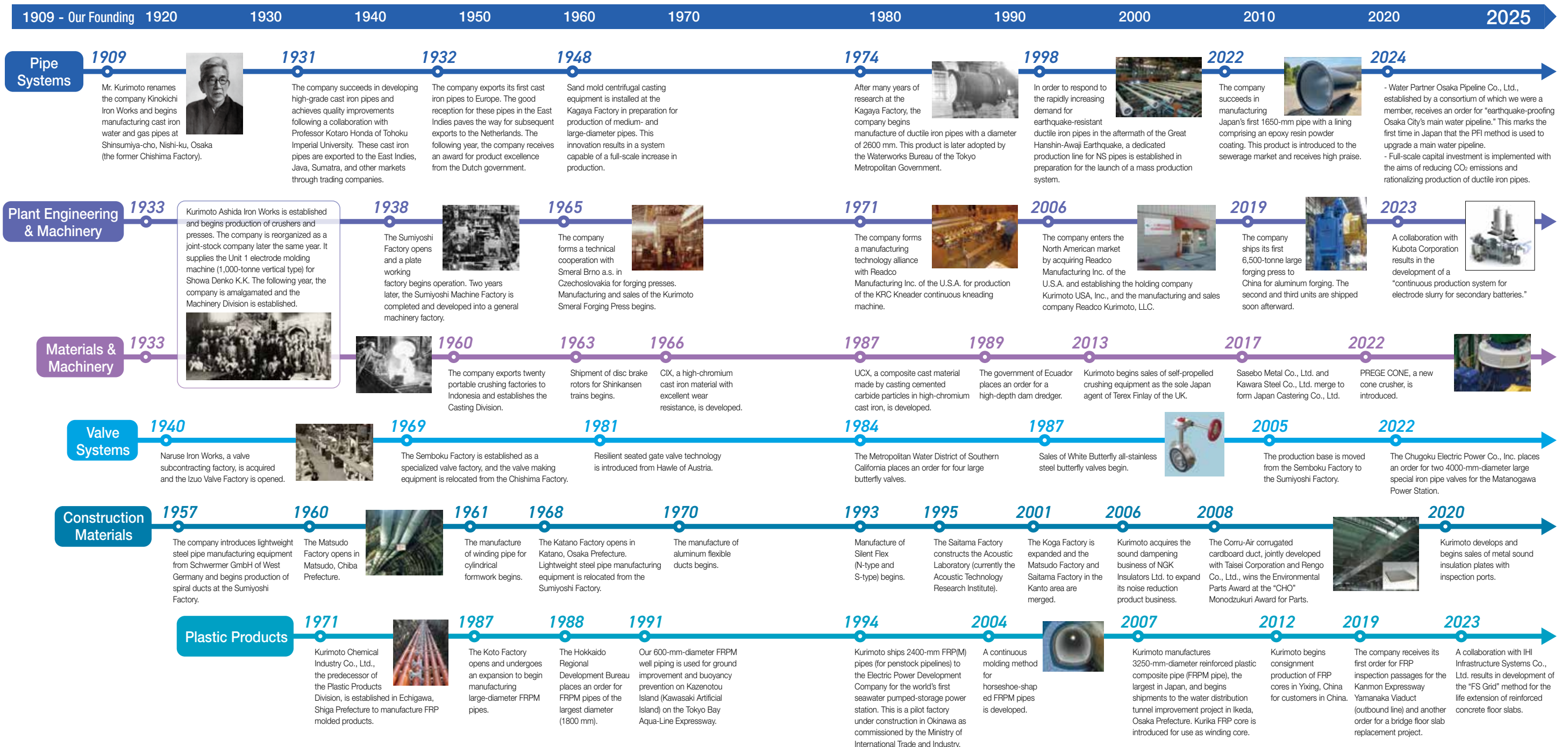
In 2001, we established the Koga Factory in Koga, Ibaraki Prefecture. This Factory was intended to serve as a manufacturing base for building materials in the Kanto area, and in 2007, we established the Kurimoto Center for Innovative Technology. From 2008 to 2010, we transferred or withdrew from businesses and subsidiaries that were posting losses as we implemented a large-scale restructuring of our operations. In 2009, the company proudly celebrated its centennial.

## 2016 – Challenging Period

### Stabilizing our Existing Business Base; Transitioning to a New Counteroffensive

We are continuing to stabilize our business performance, repair damage to our financial foundations, enable investment as well as research and development in new business segments, and accelerate our growth strategy. In 2016, we opened the Kurimoto Composite Center within the Koto Factory to accelerate R&D in carbon-fiber reinforced plastic (CFRP), a new category of material. We remain committed to refining our technical expertise in order to make a greater contribution to society in the future.

## Business Diversification





## Message from the President

# Connecting Water and Infrastructure to the Future, the World Over

## Kazutaka Kikumoto

President  
Kurimoto, Ltd.

### Making company-wide efforts to address the aging of water supplies

In January 2025, a tragic accident occurred in Saitama Prefecture in which a corroded sewer pipe was damaged. Earth and sand flowed into the pipe and the road caved in, causing the loss of a precious life. As somebody who works in the infrastructure industry, I felt an unbearable sense of loss when I reflected on the feelings of the families left behind and those involved.

**The accident was caused by deteriorating social infrastructure. A succession of water and sewerage pipes laid during Japan's period of high economic growth since the 1960s are now reaching the end of their service life, and we expect an increase in similar problems throughout the country.**

For Kurimoto, 116 years since our company was founded, the challenge lies in how to realize our mission of continuing to deliver safe and secure water the world over, with an eye toward the future.

When our company was founded in 1909, heavy labor such as drawing and carrying water was a major burden on people in their daily lives. In addition, waterborne diseases such as cholera and dysentery, which are mainly caused by rivers and wells, were a major factor in rising infant mortality. There were insufficient safe and hygienic water supplies, and it was difficult to obtain safe drinking water.

Through his words – “We are committed to providing clean, hygienic water to people the world over” – our founder Yunosuke Kurimoto expressed a deep and earnest passion to realize a society in which everyone can enjoy safe and secure water 365 days a year, 24 hours a day.

In order to pass this philosophy on to the future and continue to fulfill our mission, our company adopted “Four-Way Satisfaction” as our purpose. This philosophy takes the Omi merchants’ “Three-Way Satisfaction” philosophy (good for the seller, good for the buyer, good for society), and adds a determination to do “good for the future.”

At the same time, Japan is facing a serious social problem with a lack of progress in renewing ageing pipes, for reasons such as declining water rate revenues due to a declining population, a shortage of technical staff, and rising construction costs.

In 2023, we launched the Water Business Project, a cross-divisional project centered on pipe systems, valve systems, and chemical products. We have begun to propose the best solutions for our customers, society, and the future. These initiatives have developed into highly acclaimed services, such as our provision

of a Pipeline Design Build (DB: design and construction one-stop ordering system\*1) and the recycling of used iron pipes.

We have also launched collaborations between our business divisions in the industrial infrastructure field, and these efforts are starting to lead to new value creation.

Kurimoto's business domains entail huge responsibilities, and in order to prevent accidents and disasters, a high level of awareness by each company member and the cooperation of our partner companies are essential. To that end, it is essential to create an environment where company members can take on challenges with peace of mind and enjoy working.

Through my experiences since joining the company, I have come to realize that businesses do not survive unless they value their people. This is why I prefer not to use the word “employee,” which has an association with merely following orders. At Kurimoto, we regard the people who contribute to our company as “family” and affectionately refer to them as “company members.”

When I became president in 2021, I told our shareholders, “If our performance improves, we want to give back to our company members first.” Based on this belief, we are working to create an environment where our company members can work with peace of mind by reviewing our salary system, improving our workplace environments, and promoting diversity, equity, and inclusion (DEI).

We are determined to create a sustainable future by fusing these changes in global values with a traditional Japanese spirit such as “Four-Way Satisfaction.”

### Promoting horizontal recycling of water pipes

As a manager, I want our company to be able to sincerely address social issues, and in this way create new businesses that have never existed in society.

As symbolized by the Sustainable Development Goals (SDGs), we face a variety of environmental and social challenges. Climate change is also a serious issue, and 2024 was a record-breaking hot year. When I think ahead to the 22nd century, when today's children will still be alive, I feel an even stronger sense of crisis. The question now is what action do we take?

From here on, the Kurimoto Group will need to conduct our business activities with the aim of achieving a sustainable society. These efforts will also drive our business growth.

**Based on the key phrase “transition from manufacturing to value creation,” we aim to build a recycling-oriented business model, the “Value Creation and Circulation**

**Model.” One example is a joint study with the Osaka City Water Bureau on the recycling of used water pipes, which we launched in November 2023.**

Local governments are promoting the renewal of water facilities and the earthquake resistance of water distribution pipelines, and a large amount of used water pipes are being generated. In order to realize horizontal recycling, through which used water pipes are reused as raw materials, we are working to construct a completely new recycling system using our “Cupola” melting furnace, which is used in the water pipe manufacturing process.

## Pursuing environmental performance for Cupola and electric furnaces

Kurimoto is also working toward decarbonization to achieve carbon neutrality by 2050. We are proceeding as planned toward our interim target of a 50% reduction by 2030 (Scope 1 and Scope 2), and we expect to achieve this target.

Kurimoto uses electric furnaces (facilities that melt iron scrap through induction heating and retain molten metal), which have a lower environmental impact by using renewable energy, but we have also chosen to continue using Cupola.

Cupola uses a variety of scrap materials, such as rusted iron, cutting waste, and used cans. Cupola is capable of dissolving these materials in a single batch and has a refining function to remove impurities, making it possible to manufacture high-quality cast iron pipes. As a result, water pipes dug up from the ground can be dissolved without the trouble of removing soil and sand, and can be effectively used as an iron resource while minimizing labor. In this way, Cupola demonstrates excellent recycling capabilities.

We are also developing technologies to reduce CO<sub>2</sub> emissions to the same level as electric furnaces.

**As part of these efforts, we are accelerating the shift from coke to biofuels derived from biomass, as these fuels are less susceptible to changes in production volumes due to changes in CO<sub>2</sub> emissions.** Bio-coke, in which Kurimoto has been a pioneer, has a low fixed carbon content, and its calorific value during combustion is only 60 to 70% that of coke. This makes it difficult to completely convert to bio-coke at present.

Accordingly, we are conducting a series of demonstration tests using pulverized coal as the second part of a three-pronged approach, and bio-formed charcoal as the third part of our approach, in combination with bio-coke. We are also focusing on

the development of carbon-neutral fuels and promoting recycling within the industry, for example by examining the potential use of waste from water purification and sewage treatment facilities as a source of procurement for these raw materials.

We have also applied this concept of intra-industry circulation to high-frequency induction furnaces, which are electric furnaces with low energy loss, and their impact is further enhanced by using renewable energy.

The high-frequency induction furnace is a highly efficient facility for heating and melting the raw material itself, and is suitable for the production of special alloy castings containing rare metals, which have melting temperatures exceeding 1600°C. We are also working to minimize the use of additional resources by reusing used products containing rare metals as raw materials.

In this way, we will promote the construction of recycling-oriented business models and contribute to the realization of a sustainable society by addressing social issues and creating customer value, while improving the environmental performance of our manufacturing.

## Creating value chains for sustainable growth

Fiscal 2024 marked the start of our new three-year medium-term management plan (2024 to 2026). This plan was backcast from Our Vision 2030 and formulated as a management plan to meet the expectations of all stakeholders, including shareholders and investors. We will promote growth by investing in growth-driving businesses, based on the platform of our stable earnings businesses.

The three-year medium-term management plan is positioned as a preparatory period for transformation and growth as we work to realize a corporate group that contributes to society into the future. We are strengthening our information-sharing system so that our business divisions can work seamlessly together, and we are establishing other systems to allow our entire organization to move forward with a sense of unity.

**In the fiscal year ended March 31, 2025, we achieved strong results that exceeded our initial expectations. Net sales were 126.6 billion yen, operating profit was 7.9 billion yen (operating profit margin: 6.3%), and return on equity (ROE) was 8.2%.** Over the past three years, Kurimoto has carefully listened to the opinions of our suppliers and business partners, shared issues with them, and promoted improvement activities based on the understanding that our suppliers and business partners are important colleagues and partners.

This approach was triggered by our judgment that a new

phase of redefining “supplying at a fair price” was needed because skyrocketing global raw materials and personnel costs have made it difficult for our company to maintain sales prices through our own efforts alone.

Aiming to reconstruct the entire supply chain as a value chain that emphasizes a win-win relationship and sustainability, and rather than simply revising prices in pursuit of profits, we began to consider how to co-create, based on a process of dialogue and joint decision-making with our partners.

Based on these findings, we proposed to customers in each business domain a strategy to grow together, explaining the background to our price revisions.

As a result, we were able to gain the understanding and approval of many customers and partners, and we won their consent and trust. Kurimoto's sincere efforts have clearly led to concrete results, and to this end we have formulated and published a Declaration of Partnership Building.

**This philosophy, which transcends the concept of a supply chain, has led to further sustainable growth of the entire value chain, or in other words, results.**

In the fiscal year ending March 31, 2026, we will shift our focus not only to product sales but also to the provision of entire systems. Specifically, we will contribute to social and industrial infrastructure by providing total solutions including design-build (DB) and maintenance control, and extending our initiatives to renewable energy such as hydropower generation, road maintenance, and industrial fields.

It is a strategy that encompasses both vertical integration (integration from upstream to downstream in the value chain) and horizontal deployment (deployment into different business domains).

In the previous medium-term management plan, we achieved the targeted payout ratio of 30% or higher over three years on average, and we achieved a total payout ratio of 50% in fiscal 2023, the final year of the plan. As a result, we believe that our reputation among investors has improved and this has had a positive impact on our stock price.

Under our current medium-term management plan, we aim to go further and achieve a payout ratio of at least 50%. Revisions to sales prices and cost optimization measures implemented in fiscal 2024 have led to improvements in both profit margin and ROE.

In order to achieve a stable ROE of at least 8% and a price-to-book ratio (PBR) of 1 or more through thorough management with a focus on capital costs, we will promote reforms of priority measures and business models in each business domain to maximize profits and further enhance corporate value.

## Kurimoto's purpose is not profit

All essential infrastructure currently in place should remain fully operational for the next century. For example, our flagship product—ductile iron pipes—offers a service life of approximately 100 years. However, without proper installation conditions and scheduled inspections, their long-term reliability cannot be guaranteed.

As Japan faces unpredictable environmental changes, such as earthquakes, natural disasters and climate change, it will be essential to evolve and improve our infrastructure to cope with these changes. This responsibility lies not only with the government and society, but also with us as companies. Our mission is to preserve valuable infrastructure for future generations.

Kurimoto's purpose is not to make a profit. **Our founder, Yunosuke Kurimoto, was a lawyer who started a water pipe business with the altruistic spirit of wanting everyone to be healthy. Profits and stock prices mean little more than our management's report cards or results. If we keep to our purpose, profits will follow.**

The Kurimoto Group will give our all to creating the infrastructure needed by society and passing this on to the next generation. In an era of rapid change, we will continue to pursue business activities with an eye toward the future without fear of taking on new challenges. Kurimoto will continue to be a company at which each and every company member demonstrates his or her strengths, and which grows alongside society.

\*1: What is Design Build (DB)?

Conventionally, individual contracts for pipeline-related task such as design, construction, and material procurement were contracted separately. However, under Design Build these tasks are contracted all together in one step. Contracting these tasks as a single package can be expected to reduce ordering work on the part of the ordering party and for the contractor it can ease overconcentration of tasks at certain times of the year, such as the end of the fiscal year.

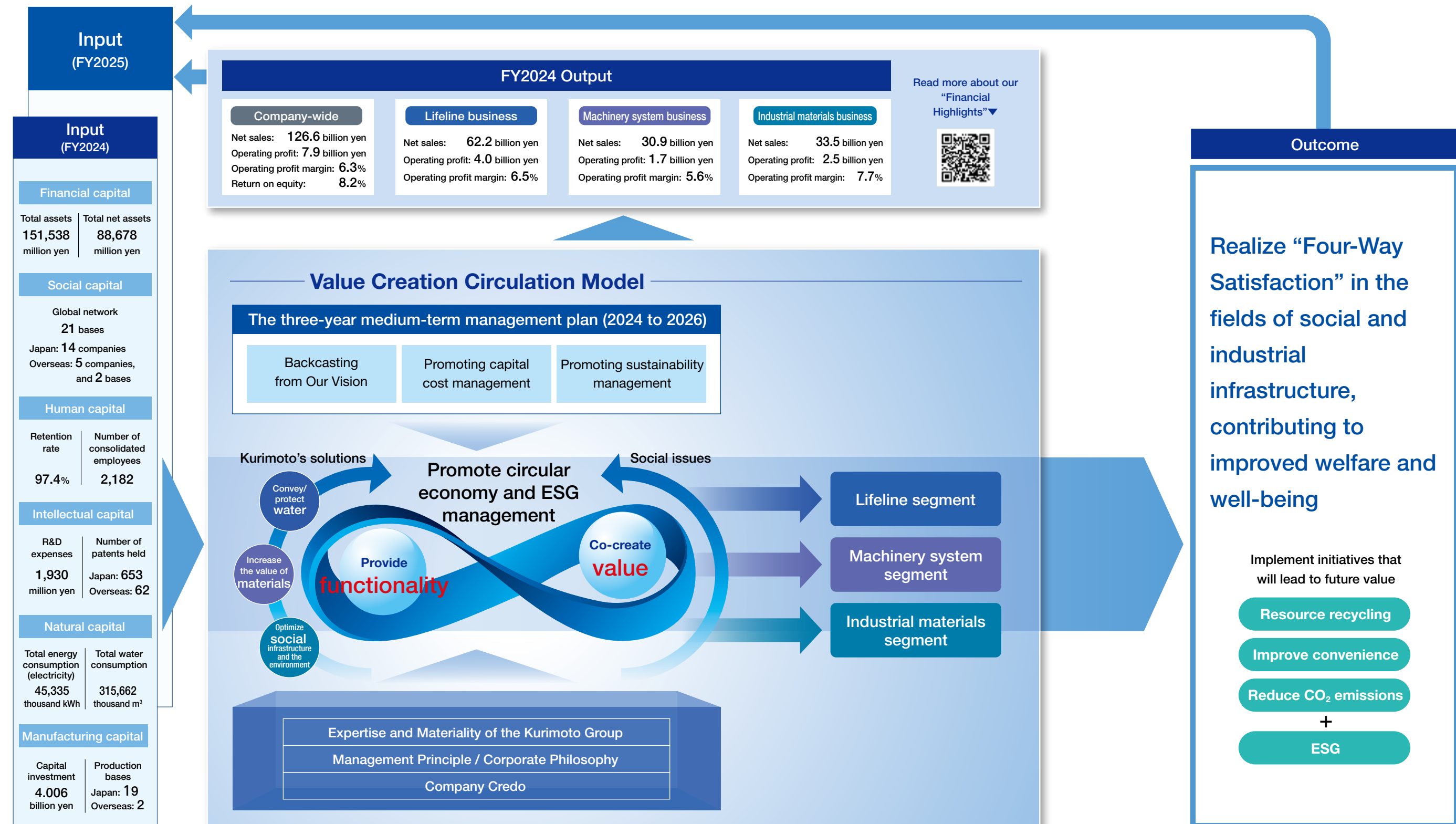


Passing on our founding vision to the future

# Process for Realizing “Four-Way Satisfaction”

The Kurimoto Group is striving to achieve Our Vision in the fields of social and industrial infrastructure in 2030 by building a value creation circulation model that facilitates “the creation of value from the supply of products to the provision of functions and value co-creation with our customers”, while simultaneously realizing a circular economy and sustainable ESG management. Underlying this is the spirit of “Four-Way Satisfaction”, which takes the Omi merchants’ “Three-Way Satisfaction” philosophy (good for the seller, good for the buyer, good for society), and adds “good for the future.”

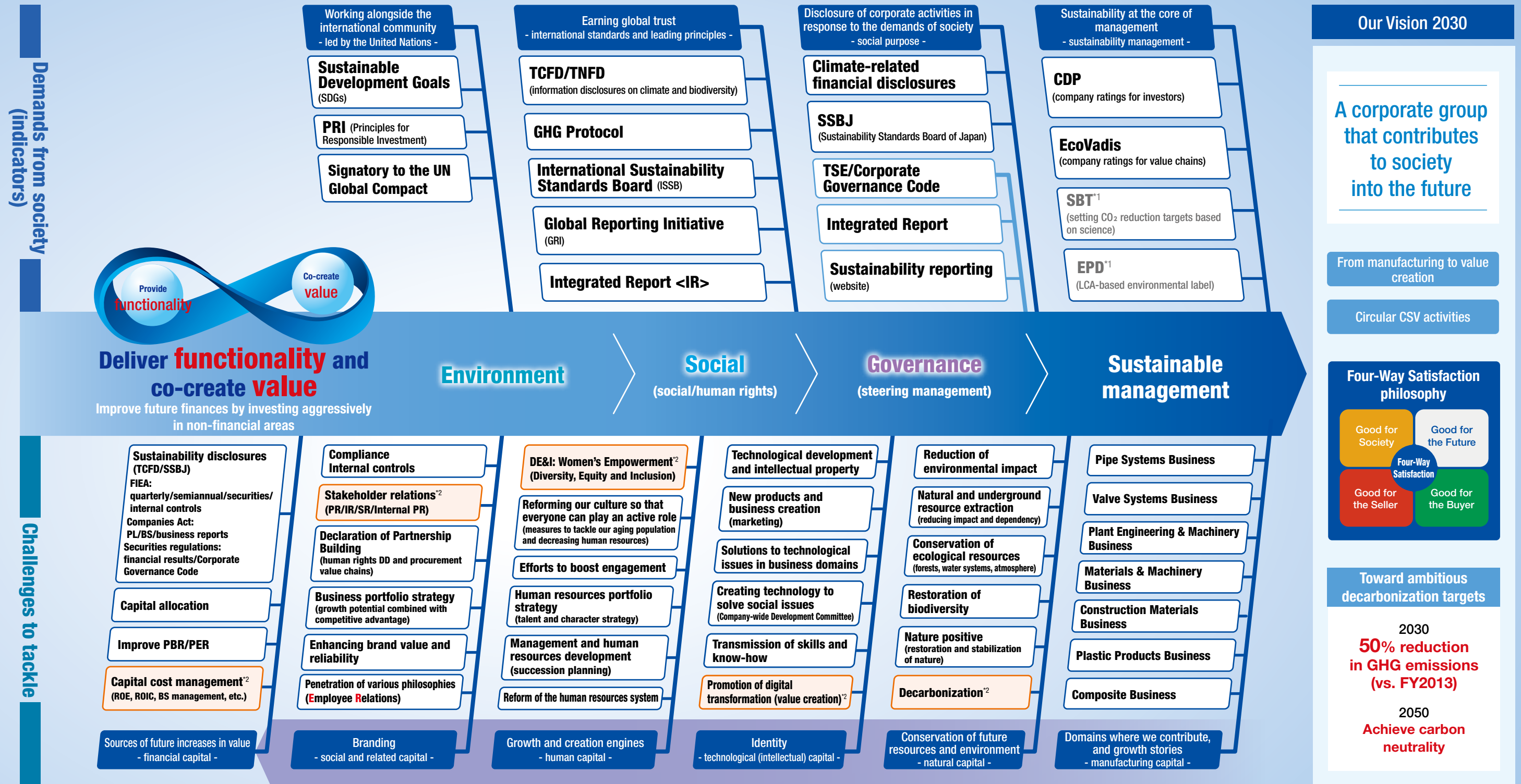
(See page 13 and 14, which explain the Kurimoto Group’s determination to achieve Our Vision 2030.)





# Fishbone Chart toward a Better Future

The Kurimoto Group aims to become “a corporate group that contributes to society into the future” as stated under Our Vision 2030, and we are taking our first step toward a better future. In order to further promote sustainable ESG management in response to requests from the international community (indicators), we have described six management capital issues in a fishbone chart, clearly showing the links between active investment in non-financial areas and future financial improvement.





# Approaches to Solving Social Issues and Building for the Future

The Kurimoto Group has contributed to society by expanding our business domains in response to changing times. Now, 116 years after our founding, our company has set targets for tackling social issues in the two business domains of social infrastructure and industrial infrastructure, and we are working to address these issues. In addition to the philosophy we have maintained since our founding, and in line with our Company Credo and Corporate Philosophy, as a conglomerate the Kurimoto Group will continue to contribute to society by upholding our "Purpose" in each business domain, built on the philosophy of "Four-Way Satisfaction," which is Our Vision 2030.

Social infrastructure

We make the establishment and enhancement of social infrastructure lifelines the source of abundant lives. Ever since our foundation, Kurimoto has supported these lifelines, based on sound judgment and cutting-edge technologies. We do this because these lifelines relate to the very necessities of life, such as food, clothing and shelter, and are the very driving force of industry.

Industrial infrastructure

Quality industrial equipment leads to increased productivity and enhanced product quality, while generating new vitality. Kurimoto supports innovation in the manufacturing processes of a wide variety of products by applying the expertise and proprietary technology we have cultivated over our more than 100-year history. In this way, we have contributed to the development of industry.

Society

Control climate change  
(see page 36)

We will contribute to the realization of a decarbonized society by contributing to the maintenance and development of renewable energy and EV fields and by supporting clean energy generation.



Society

Transporting people and goods  
(see pages 27 and 28)

Kurimoto's transportation equipment parts and infrastructure materials help to support safe and comfortable transportation.



Society

Supporting comfortable living  
(see pages 23 and 24)

We protect lifelines from natural disasters and support resilient social infrastructure, with the aim of building disaster-resistant communities.



Society

Delivering clean and hygienic water  
(see pages 17 and 18)

Kurimoto's roots lies in supporting people's lives through water by maintaining and supplying water pipelines.



Industry

Providing new value to industry  
(see pages 25 and 26)

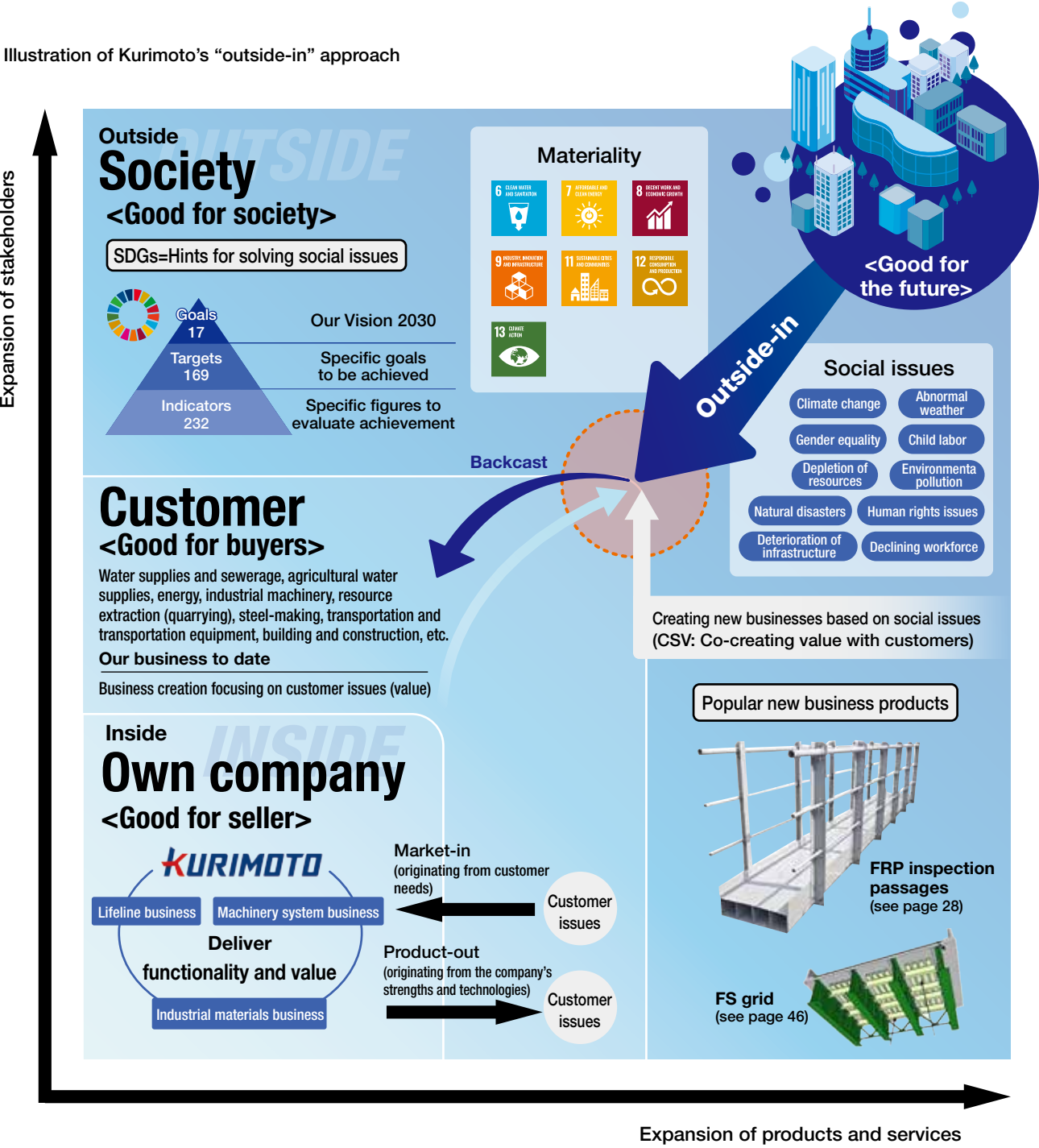
We generate new vitality in manufacturing through our industrial equipment and contribute to the development of industry.



# An "Outside-in" Approach to Realizing "Four-Way Satisfaction"

Because our group has long supported social and industrial infrastructure, an "outside-in" approach based on the resolution of social issues is an important concept for increasing our social and corporate value and realizing "Four-Way Satisfaction." "Out" refers to society, and "In" refers to the Kurimoto Group. In addition to a "market-in" approach based on existing customer issues and a "product-out" approach based on our own company, we also focus our efforts on an "outside-in" approach that transcends customer boundaries and is inspired by the SDGs and other global social issues. In this way, we will develop these businesses into drivers of growth for the Kurimoto Group, and continue to create new forms of social contribution as a business that will support social infrastructure for the next 100 years.

Illustration of Kurimoto's "outside-in" approach





# Facing the “Water Supply Crisis” that Exists Right Now

Since iron water pipes were introduced in 1887, Japan’s water supply system has continued to provide water that is the safest in the world. At the same time, the aging of water pipes and the financial constraints of water utilities, which have become apparent in many parts of the country, have created a situation that can be described as a “water supply crisis.” Very soon, we will no longer be able to take the future of our water supply for granted. Since our founding in 1909, Kurimoto has been continuously tackling these challenges by making full use of the technologies and know-how we have cultivated over the past 116 years. We have done this in cooperation with related organizations that support water supply infrastructure.

## What is the “Water Supply Crisis”?

### ⚠ Aging of water pipes

The total length of water pipes in Japan is approximately 740,000 km (18 times the circumference of the earth). Many of these pipes were laid during Japan’s period of high economic growth in the 1960’s and 70’s, and they will soon need to be renewed. Approximately 20,000 accidents a year are caused by aging water pipes. The replacement rate has been declining year by year, and some estimates suggest it will take 140 years to replace all old pipes at the current rate.

### ⚠ Delays in earthquake resistance

In the wake of the Great Hanshin-Awaji Earthquake of January 1995, the importance of earthquake-resistant water supply infrastructure was clearly recognized. However, the seismic compliance rate (\*) of water pipes nationwide is only about 40%.

\*Percentage of pipes designated by the national government as earthquake resistant among the total length of all pipes

The issues surrounding water supply in Japan are as follows. In 2024, responsibility for maintaining water supplies was transferred to the Ministry of Land, Infrastructure, Transport and Tourism. With the cooperation of Kurimoto and other water business-related companies, the public and private sectors will now work together to tackle this crisis.

### ⚠ Sustainability of water supply businesses

Behind the slow progress in replacing old pipes and making them earthquake-resistant are financial constraints in the water supply business and a decrease in the number of technical successors. Running a water supply business requires a large amount of investment, but declining demand for water due to the declining population, falling birthrate and aging population has made it difficult for local businesses, among others, to invest in facilities, for example by carrying out renewals. The aging of human resources possessing technical skills and know-how and the shortage of successors are also issues.

## Kurimoto's New Challenges 01 Ductile iron pipes — contributing to renewals and earthquake-proofing —

Ductile iron pipes are water pipes made of alloy elements such as iron, carbon, silicon and magnesium. By spheroidizing the graphite in the metal structure, strength, flexibility, and durability are greatly improved compared with conventional iron pipes.

Currently, Kurimoto mainly manufactures and sells ductile iron pipes that are earthquake-resistant, and we contribute to earthquake-proofing pipelines by replacing old pipes with these pipes.



A ductile iron pipe laid in a tunnel



### Contributing to earthquake resistance through detachment prevention Ductile iron pipe (S50 type)

The “S50 type” (nominal diameter 50) has a detachment prevention mechanism on the joint connecting the iron pipes. Kurimoto’s ductile iron pipes are earthquake-resistant even for small-diameter products, contributing to the earthquake-resistance of pipeline ends.

## Kurimoto's New Challenges

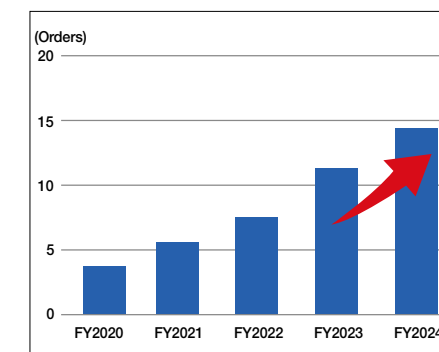
02

## Pipeline Design Build business — One-stop ordering for design and build —

The Pipeline DB (design-build) business is a service that provides “design and construction” in an integrated manner, focusing on the renewals business. Integrating the design and build services, which were previously ordered separately, has made efficient and speedy renewals possible. In addition to eliminating the losses caused by back and forth processes, this also reduces the administrative burden on water suppliers involved in ordering operations.

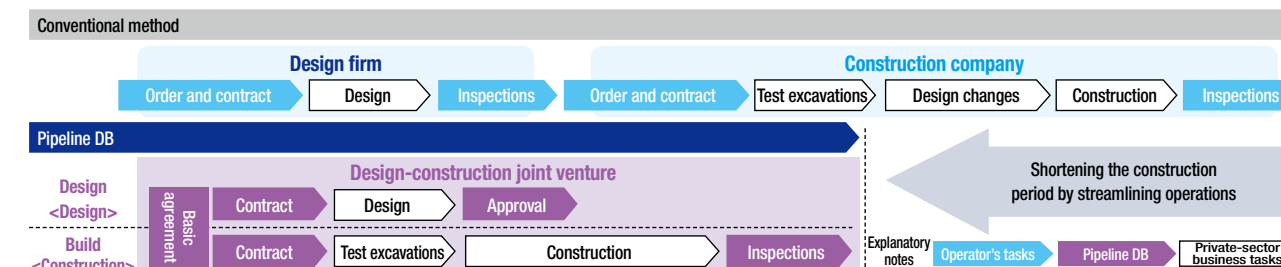
Kurimoto’s Pipeline DB business was launched in 2019 and recorded sales of 1.25 billion yen in fiscal 2024. Projects are carried out in cooperation with local water supply companies, construction companies and business partners. They contribute to the development of human resources and the promotion of local economies.

Cumulative number of orders received



The Pipeline DB business had received a total of 14 orders as of the end of FY2024.

### Order flow



Increase efficiency of both the ordering party and the contractor by making one-stop orders for “design” and “build.”

## Kurimoto's New Challenges

03

## Bio-coke conversion — decarbonization of Cupola —

Since our establishment in 1909, Kurimoto has been using Cupola (a vertical type melting furnace that melts iron using the heat from coke combustion). Aiming to achieve carbon neutrality by 2050, we are promoting full-scale measures to realize a transition from fossil fuel-derived coke to factory-derived bio-coke.

Since fiscal 2023, we have been conducting a long-term demonstration test using bio-coke derived from buckwheat chaff. We confirmed a reduction of approximately 7% in CO<sub>2</sub> emissions through 10-15% conversion. We also confirmed that conversion of

more than 35% can reduce CO<sub>2</sub> emissions compared with electric furnaces.

Furthermore, we participated in the Cupola CN Co-creation Working Group as part of efforts to achieve our future goal of 100% bio-coke conversion. In collaboration with cupola-owning manufacturers in Japan, we aim to achieve the carbon neutrality of Kurimoto’s Cupola through joint creation that transcends industry boundaries.



Companies participating in the Cupola CN Co-creation Working Group



A cupola using bio-coke (right)



### Joint research on the construction of a recycling system for water pipes with the aim of creating a recycling-oriented society

Since 2023, Kurimoto has been conducting joint research with the Osaka City Water Bureau on the construction of a recycling system for water pipes. The aim of this research is to horizontally recycle used water pipes generated during pipeline renewals as raw materials for manufacturing new ductile iron pipes. Kurimoto will contribute to the construction of a sustainable water lifeline by using our cupola operational know-how to expand the potential for melting used water pipes as a raw material and by promoting research toward the realization of a recycling-oriented society.



# Overview and Progress of the Three-Year Medium-Term Management Plan (2024 to 2026)

With the aim of realizing the Kurimoto Group's "Our Vision 2030" as "a corporate group that contributes to society into the future" we have formulated a three-year medium-term management plan starting in fiscal 2024, which is designed to promote capital cost management and sustainability management.

## Themes and concepts in the three-year medium-term management plan 2024–2026

Backcasting from our Vision	<ul style="list-style-type: none"> <li>Abolish conventional forecast planning and formulate a plan from a backcast perspective based on Our Vision 2030</li> </ul>
Promoting capital cost management	<ul style="list-style-type: none"> <li>Formulate a management plan with an awareness of capital cost (≡ expectations of investors and shareholders)</li> <li>Promote initiatives on a business/corporate division basis with the aim of increasing return on capital</li> </ul>
Promoting sustainability management	<ul style="list-style-type: none"> <li>Formulate a management plan with the spirit of "Four-Way Satisfaction" (≡ expectations of stakeholders).</li> <li>Specifically, develop businesses in line with the mega-trend of decarbonization (ESG).</li> <li>Establish a supportive governance system to carry through fundamental reform of business structures</li> </ul>

## Three-year medium-term management policy

Our three-year medium-term management plan period (fiscal 2024–2026) is positioned as a preparation period for transformation toward growth in realizing Our Vision 2030. During this period, we will strive to: drive growth by increasing the earning power of our stable earnings businesses and making aggressive investment in growth-driving businesses; take proactive steps to achieve conscious management of capital costs and stock prices; and continue to promote ESG management.

### Vision for growth toward 2030



## Direction of business (growth strategy for each business segment)

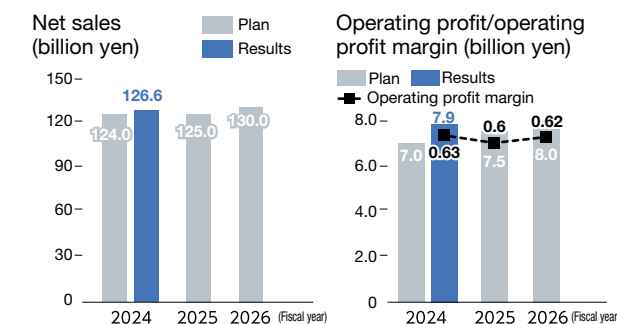
We are promoting priority measures for each business segment, aiming to achieve growth by enhancing the earning power of our stable earnings businesses and aggressively investing in growth-driving businesses.

### Progress with priority measures for each business segment for the three-year medium-term management plan period (FY2024)

Lifeline Segment	Pipe Systems	<ul style="list-style-type: none"> <li>While strengthening our personnel, Kurimoto has expanded our system for receiving one-stop orders through a design and build approach. In fiscal 2024, we received three new orders, mainly from local governments, and we are steadily building up a track record.</li> </ul>
	Valve Systems	<ul style="list-style-type: none"> <li>In the domestic market, Kurimoto has grown our market share by reviewing our product lineup and expanding sales to decarbonized markets, while also working to build sales channels for overseas markets. We are also continuing to review our production lines and examine the details of our capital investments.</li> </ul>
Machinery System Segment	Plant Engineering & Machinery	<ul style="list-style-type: none"> <li>While strengthening cooperation with leading domestic and overseas manufacturers, we have worked to establish a competitive advantage by proposing systems that include not only machinery itself but also peripheral devices and equipment.</li> </ul>
	Materials & Machinery	<ul style="list-style-type: none"> <li>We have made steady progress with the development of a recycled aggregate recycling system, as well as efforts to build a platform for market development, for example by expanding sales of mobile machinery.</li> </ul>
Industrial Materials Segment	Construction Materials	<ul style="list-style-type: none"> <li>In addition to improving operational efficiency through the use of IT tools, we have completed the installation of some machinery at automated facilities to improve productivity.</li> </ul>
	Plastic Products	<ul style="list-style-type: none"> <li>Field trials were carried out for the launch of the FS grid. We also conducted activities to propose FRP inspection passages and FRP bolts in the bridges and railways domains.</li> </ul>

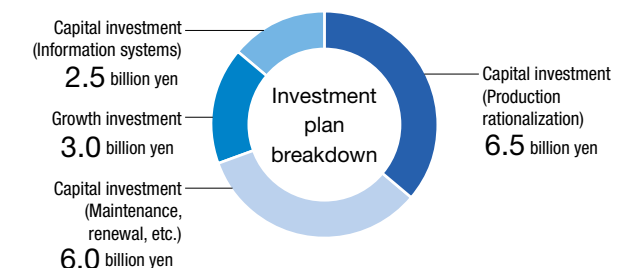
## Performance targets

As we move toward achieving 150 billion yen in net sales, 10 billion yen in operating profit, and ROE of 8% or more by 2030, we aim to achieve ROE of 7% or more for three consecutive years during the medium-term management plan period, which is defined as a preparation period for transformation toward growth. Quantitative targets and results for each fiscal year are as follows.



## Investment plan

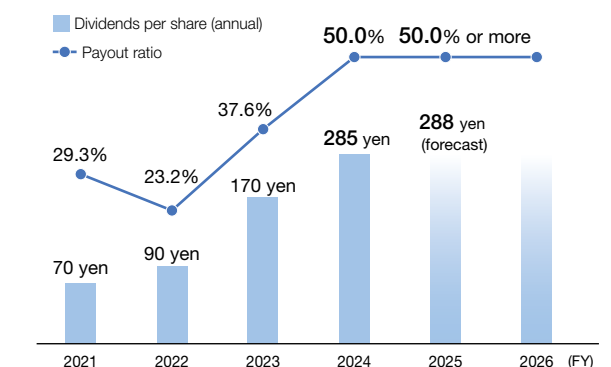
Based on operating cash flow, we plan to invest approximately 18 billion yen over the three-year period. We plan to invest 3 billion yen in growth-driving businesses and 2.5 billion yen in systems and digital transformation strategies.



## Shareholder return policy

During our medium-term management plan, we aim to achieve a dividend payout ratio of 50% or more while maintaining a balance with growth investment, allowing us to return more profits to our shareholders and meet market expectations. In fiscal 2024, the annual dividend per share was 285 yen, an increase of 77 yen from the year-end dividend announced at the beginning of the fiscal year.

We also intend to implement share buybacks as appropriate, taking into consideration capital structure and efficiency.



Read more about our  
"Medium-Term Management Plan"

## Message from the Director in Charge of Finance



### Akitoshi Oda

Director and Managing  
Executive Officer  
In charge of finance and  
promoting digital transformation

## Net Sales, Operating Profit, and ROE all Exceed Plan

### Solid performance in fiscal 2024

In the fiscal year ended March 31, 2025, the first year of our three-year medium-term management plan (2024 to 2026), the business environment remained uncertain, as in the previous year. However, domestic capital investment remained firm. As a result of efforts to strengthen sales activities and reduce costs, our group achieved net sales of 126.6 billion yen, operating profit of 7.9 billion yen, ROE of 8.2%, and profit attributable to owners of parent of 6.9 billion yen (a new record high). All of these figures exceeded our targets for fiscal 2024, as set out under our three-year medium-term management plan.

With Our Vision 2030 to be a corporate group that contributes to society into the future firmly in mind, Kurimoto has positioned the period of our three-year medium-term management plan (2024 to 2026) as a "preparation period for transformation toward growth." During this period, we will promote sustainable growth by bolstering the earning power of our stable earnings businesses and making aggressive investments in growth-driving businesses. At the same time, we will shift to recycling-oriented business models and promote management with an awareness of the cost of capital in order to meet the expectations of investors and shareholders.

### Kurimoto's financial strategy

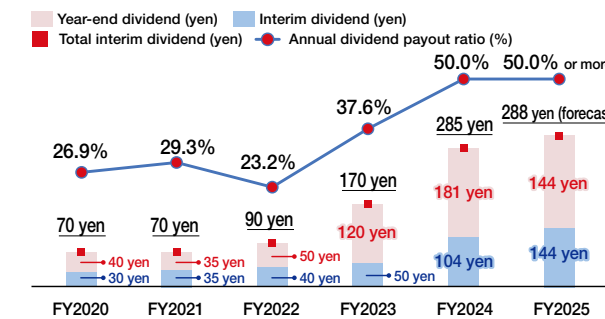
#### 1. Dividend Policy

Our company regards the return of profits to shareholders as one of our most important policies, and our basic policy is to pay stable and continuous dividends. In addition, under our three-year medium-term management plan, which began in fiscal 2024, we have decided to aim for a dividend payout ratio of 50% or more in order to return profits to shareholders in a way that meets market expectations, while taking into account the balance with making growth investments.

Based on this approach, the year-end dividend for the fiscal year ended March 31, 2025 was 181 yen. As a result, the annual dividend per share for the fiscal year ended March 31, 2025 was 285 yen, up 77 yen from the initial plan, and we achieved a payout ratio of 50%.

For the fiscal year ending March 31, 2026, we forecast an annual dividend of 288 yen per share and we will continue to meet the expectations of investors and shareholders by achieving a dividend payout ratio of 50%.

#### Trends in dividend per share and dividend payout ratio (consolidated)



#### 2. Operating cash flow

Consolidated cash and cash equivalents for the year ended March 31, 2025 decreased 3.6 billion yen from the end of the previous fiscal year to 15.6 billion yen.

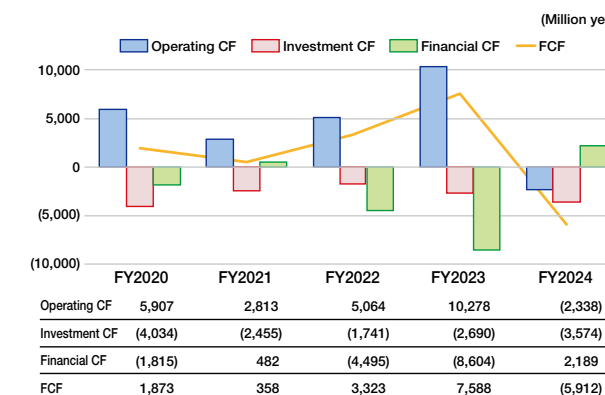
Operating cash flow was 2.3 billion yen. This was due to a decrease in trade payables resulting from a change from November 2024 in payment terms for subcontractors to payment within 60 days in accordance with the amended Subcontract Act. This effect is considered to be temporary.

Cash flow from investing activities resulted in expenditure of 3.5 billion yen. This was due to the acquisition of property, plant and equipment and the acquisition of investment securities as investments for sustainable growth.

As a result, there was an expenditure of 5.9 billion yen in free cash flow. To compensate for this, short-term borrowings were increased, creating inward net cash from financing activities of 2.1 billion yen.

Although the optimization of payment terms based on the Declaration of Partnership Building is expected to have a temporary impact on cash flow from operating activities, we see this as an opportunity for growth and will steadily advance investments for sustainable growth through appropriate procurement.

#### Cash flow trends



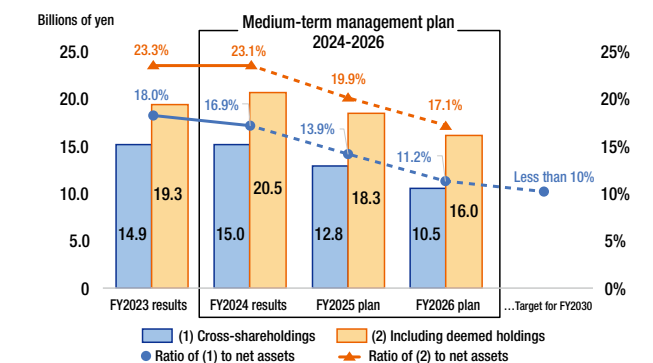
### 3. Cross-shareholdings

Every year, Kurimoto's Board of Directors examines each listed stock held by our group from a medium- to long-term perspective to determine whether the purpose of holding each stock is appropriate, and to consider the benefits and risks associated with holding the stock. Based on the results of this examination, our policy is to reduce our cross-shareholdings, for example by selling stocks the holding of which is judged to have no significance. Based on this policy, during the period of the three-year medium-term management plan starting in fiscal 2024, we aim to reduce the market value of our holdings by 30 to 40% compared to the end of fiscal 2023. Furthermore, we aim to reduce our holdings to less than 10% of consolidated net assets by the end of fiscal 2030.

In terms of progress in reducing cross-shareholdings in the fiscal year ended March 31, 2025, despite changing our holding purpose to net investment for two stocks we expected to sell in fiscal 2025, valuation gains increased due to a rise in the market value at the end of the fiscal year, and we acquired shares of Nihon Suido Consultants Co., Ltd. This resulted in an increase in the market value of our holdings from the end of the previous fiscal year.

Going forward, we plan to accelerate the pace of reductions in the remaining two years, aiming to achieve the reduction policy of our three-year medium-term management plan. We also estimate that the ratio of cross-shareholdings, including deemed shareholdings, to net assets will be less than 20% as a result of the implementation of the above measures.

#### Results and plan for reducing cross-shareholdings



As initiatives to enhance corporate value in our financial strategy, we will continue to work on the following measures: "improving capital profitability (examining business structures that maximize profits)"; "focusing on growth-driving businesses (allocating management resources to areas where market growth is expected)"; and "lowering cost of capital (reducing cross-shareholdings, and promoting information disclosures/dialogue on sustainability management, etc.)." In this way we will continue working to improve our PBR by consistently achieving ROE of 8% or more, which is the management efficiency target for our three-year medium-term management plan period.



# Lifeline Business

## Pipe Systems Division

### Protecting Japan's Water Supply for 116 Years

Kurimoto supports safe and secure water circulation through the manufacture and sale of ductile iron pipes, which are strong water pipes used mainly for water supply and sewerage. In recent years, we have moved beyond the role of a materials manufacturer and taken on the challenge of making even greater contributions to society as a systems manufacturer by adopting the DB (Design-Build) method, which allows us to undertake design and construction as a single package.



Ductile iron pipes

#### My Purpose

#### Continue to meet our responsibilities to provide clean and hygienic water to society



**Soichiro Nakanishi**  
General Manager, Pipe Systems  
Division

The aspiration of our founder, Yunosuke Kurimoto, was to deliver clean and hygienic water to society. As torchbearers to this aspiration, we have paid close attention to the changing demands of society, and we will continue making a contribution to the strengthening of infrastructure over the next 100 years. This is the purpose of the Pipe Systems Division.

Currently, we are working to preserve water supply infrastructure for the future in Japan and overseas in a sustainable manner, based on the following three pillars: expand our business in GX-type ductile iron pipes (nominal diameter: 500 to 1000 mm), which contribute to earthquake-resistant pipeline construction, and promote earthquake-resistant pipelines in earthquake-prone countries; popularize the Pipeline DB method, which promotes public-private partnerships in water supply and sewerage projects; and switch the cupola fuel used in the water pipe manufacturing process to bio-coke.

#### Business environment and industry trends

Water pipes laid during Japan's period of high economic growth have deteriorated and water leaks have been occurring across the country. Earthquake-proofing of pipelines, which attracted attention after the Great Hanshin-Awaji Earthquake in 1995, has made only about 40% progress.

Behind this situation lies the financial difficulties faced by water utilities. Due to declining water demand caused by Japan's declining birthrate, the aging of society, and a declining population, management conditions continue to be severe, especially for local businesses. This makes it difficult for them to invest in pipeline renewals and other projects. In 2024, the Ministry of Land, Infrastructure, Transport and Tourism took control of the water business in order to improve this situation.

#### Business policies and strategies

Kurimoto will struggle to grow our business simply by continuing to sell existing materials, such as water pipes. This is why, while valuing our existing business, we will continue to contribute to the promotion of pipeline renewal by introducing new products and expanding new domains, such as public-private partnerships, which are a growing market.

In order to achieve this goal, we will need to adopt an approach of accurately grasping social conditions, while responding with a sense of speed. To this end, we aim to create a system in which every individual at each division has a "change" mindset and seizes opportunities for business expansion.

### Specific initiatives contributing to growth

In order to maintain Japan's water supply infrastructure in the future and allow us to continue using safe and delicious water, anytime, anywhere, we are promoting three major initiatives.

The first of these is the manufacture and sale of ductile iron pipes with excellent strength, flexibility, durability and corrosion resistance. By renewing old water pipes, we will continue to contribute to the construction of resilient water pipelines that are resistant to earthquakes and disasters.

Our second initiative is our Pipeline Design Build business. This is a one-stop service for ordering design and construction, for which separate orders have traditionally been placed. This approach is expected to have a variety of effects, such as rapid

renewals, reduced workload on water suppliers, human resource development, and regional economic development.

Our third initiative is the decarbonization of our manufacturing processes to achieve sustainable ductile iron pipes. Through these efforts, we are working with companies across industry boundaries and taking on common challenges to develop technologies as we switch from coal-derived fuels to plant-derived bio-coke for Cupola.

For details on these efforts, please refer to "Special Feature: Facing the "Water Supply Crisis" that Exists Right Now" on pages 17 and 18.

## Valve Systems Division

### Using Valves to Support Cities and Industries

The Valve Systems Division provides valves for a wide range of applications and customer needs, from the public sector, such as pipelines, water purification plants, and sewage treatment plants, to the private sector, such as power plants, steel works, and factories, as well as overseas. Utilizing our advanced technologies and manufacturing capabilities, we provide optimal solutions from design to construction, and support the foundations of towns and industries where people can live with peace of mind.



Large valve (for North America)

#### My Purpose

#### Maximize the function and value of valves and bring smiles to society



**Yasushi Tabuchi**  
General Manager, Valve Systems  
Division

The purpose of the Valve Systems Division is to continue supplying valves and peripheral equipment to control fluids for industry and social infrastructure and to support safe and efficient operations.

We are one of the few manufacturers that can manufacture and supply valves of various sizes. These valves are mainly used in three domains: water supply, electric power, and steelmaking. We have many opportunities to contribute to customers' solutions through our unique functions and values, such as our technological capabilities in the local assembly of large diameter valves that are difficult to load and unload. We will continue to accumulate technologies and know-how, and combine these to hone our comprehensive strengths.

#### Business environment and industry trends

Water leaks and accidents due to aging water and sewerage pipes are occurring frequently across Japan. In response to this situation, the renewal and renovation of facilities in the water supply sector have been incorporated into the National Resilience Plan, and continued large-scale investment is expected.

Hydroelectric power generation continues to flourish, and efforts to build hybrid dams to enhance both flood control functions and hydroelectric power generation are gathering strong momentum.

In the steelmaking sector, capital investment for decarbonization is increasing, and progress is being made with the development of next-generation blast furnaces and electric furnaces utilizing hydrogen reduction technology.

#### Business policies and strategies

We will build a business structure that can respond flexibly to changes in the external environment and respond to domestic public and private demand, as well as overseas demand. To this end, we will continue to expand our business while maintaining a stable foundation.

For domestic public demand, we intend to work on reducing costs through efficient production planning of pipeline valves and reconfiguring our production lines, and to strengthen our construction and maintenance capabilities so that we can cope with large-scale renewals, including water purification plants. For private and overseas demand, we aim to expand our market share mainly for large special valves by leveraging our unique technological and manufacturing capabilities.

### Specific initiatives contributing to growth

In the public sector, we conduct on-site inspections of aging water purification plants and sewage treatment facilities. Based on the results, we propose the best solutions, from design to construction. In private sector electricity and steelmaking, we will provide optimal products and services by paying attention to changes in society and the needs and problems of our customers.

Amid rapidly growing demands for a decarbonized society, we will respond flexibly to market changes in the thermal power generation and steelmaking sectors, expand sales in the renewable energy market, and launch products that help to solve the challenges of a decarbonized society. Specific examples include large special valves for hydroelectric power plants using Kurimoto's

unique technologies, as well as valves for next-generation furnaces and electric furnaces that aim to reduce CO<sub>2</sub>. Overseas, we will strengthen our sales capabilities, mainly in North America and Oceania, and expand the scale of our business.

To put these efforts into practice, our division has set out three visions. (1) We will continue to conduct and develop flexible business activities, covering both small and large diameter products. (2) We will introduce the latest production equipment and manufacture valves according to a variety of specifications. (3) We will create exciting factories that people find attractive.

# Machinery System Business

## Plant Engineering & Machinery Division

## Making Manufacturing Sites Sustainable

Kurimoto helps to address social issues in the manufacturing sites, such as carbon neutrality and labor-saving, by providing the industrial equipment that supports production sites. We will play a part in opening up the future of a sustainable industry by providing a one-stop process from the design and manufacture of production lines through to installation, post-delivery maintenance and rebuilding.



C2F-20GWL mechanical press for forging at the production line of CVJ (constant velocity joint) for cars (JTEKT Tadomisaki Plant)

### My Purpose

### Continuing to be a trusted machinery manufacturer that is fueled by "joy"



**Masanobu Mino**  
General Manager, Plant Engineering  
& Machinery Division

Continue being a trusted machinery manufacturer— this is the purpose of the Plant Engineering & Machinery Division. We aim to transform into a division that can provide solutions to address our customers' concerns.

For example, in the field of mobility, we are working to develop the manufacturing facilities needed to shift to electric vehicles (EV). When I joined the company, my boss told me he wanted us to feel the joy of people using products manufactured with dies that we designed. I believe that passing on this joy to the next generation will promote the growth of our business into a division that can be highly trusted.

### Business environment and industry trends

Society faces numerous challenges, including the promotion of decarbonization to achieve carbon neutrality by 2050, energy saving and power conservation in preparation for rising energy prices and growing demand for electricity, and labor savings due to the decrease in our working population. To meet these needs, industrial equipment needs to be more environmentally friendly and automated than ever before.

Along with this transition, we need to change how we think about introducing facilities, for example by shifting from fossil fuels to electrification, and by introducing renewable energy. Providing products and services that contribute to solving social issues has become more important than ever.

### Business policies and strategies

By simultaneously deepening the core technologies we have cultivated and taking on challenges in new domains, we will promote manufacturing that will help to solve increasingly sophisticated customer issues.

To this end, we will review existing products and develop them on new markets. We will also strengthen our technological and proposal capabilities to meet the demands of energy conservation, recycling, and improved maintenance. Through these efforts, we aim to help solve problems, and to develop and disseminate industrial equipment in harmony with society.

### Specific initiatives contributing to growth

Based on our philosophy of providing optimal systems that contribute to society, Kurimoto is working to help create a sustainable society.

One area of focus is manufacturing facilities for secondary batteries for the electrification of automobiles, one typical application of which is the shift to electric vehicles. We have proposed a new material handling process that reduces environmental impact and saves labor, focusing on kneaders. We are also focusing our efforts on technological development aimed at realizing a decarbonized society. This includes the development of a forging press line to reduce the weight of parts needed to shift to EVs, and proposals for equipment that incorporate energy-saving measures.

We are also focusing on the development of equipment for waste recycling and resource recovery. Recycling is not limited to general thermal recycling, but also to new fields such as petrochemical and chemical recycling. These activities are directly linked to solving social issues, such as reducing CO<sub>2</sub> emissions and recycling resources.

These efforts are supported by manufacturing technologies developed over many years and maintenance systems that have earned the trust of both domestic and overseas markets. As we continue to build sustainable industrial foundations together with our customers, we will take steps toward realizing Our Vision 2030.

## Materials & Machinery Division

## Creating the Future of Industrial Infrastructure

The Materials & Machinery Division provides crushing equipment, heat-resistant and wear-resistant casting products, railway brake discs and dredging pumps for use in various industries, including the aggregate resources industry and the steel industry. We also provide peripheral services, such as plant design and construction. Aiming for sustainable business, we are also working to develop automation and labor-saving systems using AI technology.



PREGE cone crusher with automatic adjustment

### My Purpose

### Supporting industrial infrastructure as a utility player



**Hirotsugu Noguchi**  
General Manager, Materials &  
Machinery Division

Being a utility player who continuously responds to social needs and challenges— supporting industrial infrastructure with unique technological capabilities to achieve business growth while solving social issues. This is the purpose of the Materials & Machinery Division.

Our division is engaged in four businesses: crushing, casting, special products, and railway brakes, some of which have a history of more than 90 years. We will take the initiative in cultivating an organizational culture of taking on challenges and in fostering future-oriented and reform-minded personnel so that we can pass these technologies and mindsets on to the next generation and respond to changes in society.

### Business environment and industry trends

In the crushed stone industry, the decline in public works projects, the depletion of limited ore resources, and the impact of the declining birthrate and aging population have created challenges for passing technologies on to the next generation. This is why we need to develop a production system for recycled aggregates and to improve efficiency and labor savings at crushing plants.

Moreover, the power, cement, and steel industries are planning to change their manufacturing processes in order to achieve carbon neutrality, reduce waste, and promote recycling, and we will need to supply equipment and materials to meet these needs.

We will continue to develop products and technologies that meet the changing needs of each industry, thereby helping to address social issues.

### Business policies and strategies

Our goal is to become a utility player that can continuously respond to the diverse needs and issues of society and customers. We will support industrial infrastructure with our unique technological capabilities to achieve both business growth and solutions to social issues.

We will contribute to the realization of a recycling-oriented society and carbon neutrality through the utilization of existing technologies we have fostered and the development of new technologies, and we will expand our business domains by participating in peripheral businesses. In order to realize this vision, we will foster an organizational culture of taking on challenges, developing future-oriented and reform-oriented human resources.

### Specific initiatives contributing to growth

Our main activities are the manufacture and sale of crushers used at crushing plants and casting products used in the steel industry. The sand and crushed stone produced by crushing plants are used as raw materials for ready-mixed concrete, and they have supported the construction of social infrastructure such as highways, dams, and buildings.

In recent years, we have been implementing various initiatives to achieve carbon neutrality. One example is the PREGE cone crusher, which reduces operating times and contributes to a stable supply of products through its automatic adjustment function. Based on the technologies and know-how we have cultivated over many years, we are also working on labor-saving and automation

using AI technology.

We have also added a self-propelled crusher to our product lineup to meet new needs. Moreover, we are expanding our scope beyond the crushing domain to include waste and aggregate recycling and disaster-related waste treatment.

We are also developing a recycling plant business for waste asphalt and concrete based on the technologies of our affiliate Sankyo Machinery, Ltd.

We will continue to strengthen the competitiveness of our existing businesses and work to develop new technologies and markets.



# Industrial Materials Business

## Construction Materials Division

### Offering Unique Solutions for Construction Sites

The Construction Materials Division has contributed to the formation of social capital through a wide range of business activities, from factory facilities to the construction of huge structures, by meeting various needs at construction sites. We will continue to take on challenges and evolve toward the creation of an aspirational future by paying close attention to society, listening to the voices of our customers, and proposing solutions that meet their needs.



Metallic sound insulation plates with inspection doors on an expressway

#### My Purpose

#### Building the foundations for a vibrant society, with respect for diversity



Yasuo Sano

General Manager, Construction Materials Division

The purpose of the Construction Materials Division is to supply products and services that exceed expectations and help to build the foundations of a society in which everyone can live a full life.

In recent years, we have needed to respond to disruptive structural changes in our external environment, which have changed in unpredictable ways. This is why it is important to establish human resource development programs that emphasize diversity. Individuals who do not make judgments based on their own values but are flexible and open to different ways of thinking can enhance organizational capabilities and help to solve more difficult social issues.

#### Business environment and industry trends

Demand in the construction industry had been stagnant due to the COVID-19 pandemic. Demand has been recovering in the short run, but there are concerns that demand will shrink in the long term due to a declining population and a decline in housing demand. In addition, construction costs have increased due to rising materials prices and labor costs, leading to an increasing number of cases in which plans have to be revised or postponed.

On the other hand, in the public infrastructure sector, many projects are due for renewal, including expressway renewal projects. Renewal measures are not only being executed in response to the aging of facilities but are also being promoted with a view to the future, including automated driving. For this reason, a certain level of demand is expected in the future.

#### Business policies and strategies

Our division places great importance on worksites-oriented sales. With views from the worksites as the starting point for our business, and responding to these voices as our first priority, we combine the unique technologies and flexible ideas cultivated by our division to provide a series of solutions, from measurement to design, through to manufacturing, construction and checks.

For example, when we receive orders for large-scale projects, such as semiconductor factories, we have established a system that enables us to deliver products in a short period of time by closely cooperating with manufacturing sites nationwide. Through these initiatives, we aim to improve customer satisfaction while also achieving corporate growth.

#### Specific initiatives contributing to growth

In existing business, we are working to cultivate markets through the development of new products and services, and to increase and expand market domains by further developing existing products into new markets and using new sales methods.

In 2024, we launched the "Air Tube Construction Method", an air-type repair technology for cylindrical forms. For many years, Kurimoto has manufactured and sold cylindrical forms used in the construction of hollow slab bridges built using new construction methods, but in recent years, there have been numerous reports of severe damage to cylindrical forms when the upper surface of the concrete has been removed during renewal work. However, there was no easy method to repair these damaged cylindrical forms. The solution to this problem is the Air Tube Construction Method,

our division's proprietary construction technology for which a patent is pending. The most important feature of this system is the ability to easily reshape the hollow portion inside the road slab that has deteriorated. Only general equipment, such as compressors, is needed for construction, making it possible to carry out the work at low cost.

Many expressways nationwide have been in service for 30 to 40 years or more, and demand for renewal work is increasing. Against this backdrop, the market for the Air Tube Construction Method is expected to grow further in the future.

As part of our efforts to restructure business processes, we are using digital technology to save labor and improve operational efficiency.

## Plastic Products Division

### Using FRP as the Starting Point for Resolving Social Issues

The Plastic Products Division mainly manufactures and sells FRP products in a wide range of domains, including electricity, small hydropower, agricultural sewerage, converting services, railways, and bridge repairs. We also carry out investigation and diagnosis of agricultural sewerage pipelines and supply FRPM pipes with high earthquake and acid resistance. In recent years, we have been working to provide products and services that provide total support for the maintenance and management of public infrastructure, and we have also been promoting the development of FRP recycling systems.



An FRP inspection passage makes bridge maintenance safer and easier (Iwate Prefecture)

#### My Purpose

#### Using outside-in to support the future "normal"



Shin Matsumura

General Manager, Plastic Products Division

Supporting the normal of 100 years from now— this is the purpose of the Plastic Products Division. Put another way, this means maintaining a "normal" state, in which no infrastructure accidents occur, over a timeframe of several decades to a century.

Our division's strength lies in plastic products, including FRP (Fiber-Reinforced Plastics). However, we value the idea of "outside-in" as a way of unearthing needs at worksites to address social issues. We are developing FRP inspection passages and FS grids in anticipation of increased demand for the maintenance of bridges constructed during Japan's period of high economic growth. In this way, we are helping to improve maintenance environments and prevent accidents.

#### Business environment and industry trends

Since our launch in 1971, the Plastic Products Division has focused on buried pipes, such as polycon FRP pipes. The Japanese government's budget allocations are changing because of the need to respond to our declining population, labor shortages, the aging of public infrastructure, and the strengthening of our defense capabilities.

The frameworks for private-sector utilization are also expanding, including Water PPP, which helps to control the management and renewal of water and sewerage systems in an integrated manner, and the Revenue Cap system, which is a new wheeling charge system. In light of these changes in our business environment, we aim to help address social issues through products and services related to inspections, investigations, and repairs. We will do this by utilizing the FRP production know-how and characteristics we have cultivated over many years.

#### Specific initiatives contributing to growth

In response to social issues, such as the aging of social infrastructure and the increasingly serious labor shortage, the Plastic Products Division is conducting development activities with the aim of providing solutions from two different aspects— products and construction methods.

In the domain of agricultural water supplies and sewerage, there is a growing need for pipeline integrity assessments and remaining life assessments in response to the frequent occurrence of road cave-in accidents, etc. Taking advantage of our strengths as a plastic pipe manufacturer, we are developing a service that combines diagnostic methods and data analysis to assess remaining life. In the bridge repair business, we sell inspection passages and permanent scaffolds, for which demand is increasing due to mandatory inspections. We are also developing FS Grid, a life-prolonging method for aging road slabs,

#### Business policies and strategies

Keeping in mind Our Vision 2030 — "Achieving sustainable growth in the plastic products business through customer/society satisfaction" — our entire division is working together to supply products and services that satisfy our customers as our number one priority.

In addition to raising the level of satisfaction for existing domains and products, such as agricultural sewerage and electricity, we are also working to expand into new fields. One example of this is the expansion of FRP inspection passages and permanent scaffolds to meet maintenance demand in the road infrastructure domain. Another example is our efforts to offer new fields, products, and services through the development of new materials. We aim to realize sustainable growth through value creation alongside our customers.

as well as other products that enhance both construction efficiency and safety. Both of these initiatives are of high social significance because they contribute to national resilience policies and measures by addressing labor shortages.

In the domain of converting services, we are promoting the development of large, long cores for larger and mass-produced displays. Since our foundation, Kurimoto has focused on the stable supply and delivery of power cable protection pipes and hydraulic pipes, which have been our mainstay products, and we have worked to improve these products in cooperation with our customers. Moreover, in response to industry-wide recognition of the need for FRP recycling, we are also working on the development of a recycling system for FRP that enables resource recovery.

# Sustainability Strategy

According to the age-old Japanese philosophy of “sanpo-yoshi,” Three-Way Satisfaction, business should be good for the seller, good for the buyer, and good for society. We have added a fourth element: good for the future. In the spirit of “yonpo-yoshi,” Four-Way Satisfaction, the Kurimoto Group will further strengthen our sustainability management comprising SDGs, ESG, CSR, and CSV, and aim to become a corporate group that can sustainably enhance our corporate value and contribute to solving social issues through our business activities.

## Basic Sustainability Policy

Based on our Company Credo and philosophy, we, the Kurimoto Group, aim to enhance our long-term corporate value and contribute to the sustainable development of society and Earth through manufacturing that makes everyone happy, using the technology and experience we have cultivated since our founding (inheritance), and our creativity and the spirit to challenge ourselves to overcome huge obstacles (innovation).

### Message from the Director in Charge of CSR

## Keep Delivering the Essentials as Expected

### Yasuharu Yoshinaga

Director and Managing Executive Officer  
In charge of facilities, production, logistics,  
CSR (safety, quality control and environment)

People rightly expect water from their taps. Continuing to supply this water is my purpose. The starting point of my career was a deep sense of responsibility for the fact that our company's products were being used as water pipes across Japan. For more than 30 years since, I have engaged in my daily work with a strong commitment for Kurimoto to remain a company that earnestly contributes to society. The perspective of sustainability is essential to achieving our purpose. Kurimoto is promoting the introduction of bio-coke for the urgent task of decarbonization, and the recycling of iron pipes for the realization of a recycling-oriented society (see page 18). I will continue to fulfill my mission of supporting Japan's water supply infrastructure as an executive officer and as a corporate citizen.

## Systems and initiatives to promote sustainability

In order to promote sustainability across the Kurimoto Group, we have set up various committees to address the issues faced by the Group as a whole, and we have been conducting initiatives to overcome these issues.

From fiscal 2023 to fiscal 2024, we reorganized our approach to sustainability and worked to build a framework that would lead to systematic efforts. In order to increase our ability to communicate and disseminate our efforts both inside and outside the company, we renamed the CSR Promotion Division as the Sustainability Promotion Division. In fiscal 2025, with a focus on analyzing the impact of these risks and opportunities on our current business, we will identify the impact of our company on social demands and use the identified materiality to develop implementation measures (see pages 31 and 32).

## Deepening discussions through meetings

### CSR Committee

The Kurimoto Group has established the CSR Committee to contribute to the realization of a sustainable society. The committee is chaired by the president and consists of directors, executive officers, division managers and representatives of the labor union.

The CSR Committee examines measures and formulates policies to address various ESG issues, including climate change countermeasures, and manages the progress of various activities related to sustainability management. It also hosts a lecture by an outside expert once a year to share and deepen understanding of sustainability management.



Annual special lecture to deepen knowledge of sustainability

### Reporting to directors and holding discussions

All internal and external directors, including the representative director, and the audit and supervisory board members, participate in regular reporting and discussions on various issues to promote sustainability management as a unified Kurimoto Group.

## Main topics in fiscal 2024

Main topics	Details
Progress and issues in sustainability management	· Results of fiscal 2024 initiatives and (future) issues for fiscal 2025
	· Identification of business risks and opportunities and consideration of the materiality
Disclosures of sustainability information	· Score analysis of CDP 2024 responses and confirmation of where points were lost (= improvements)
	· Discussing editorial policies for the 2024 edition of the Integrated Report and brushing up the 2025 edition
Production of the Integrated Report	· Considering a roadmap for meeting requirements based on international sustainability standards
	· Discussion of editorial policy for the 2024 edition
Promoting in-house penetration of sustainability management	· Introduction of tools (video content, etc.) to support in-house penetration of sustainability knowledge, and planning of in-house seminars
	· Progress report on sustainability briefings by department
Other	· Responding to and investigating information disclosure requests related to third-party certification
	· Introduction of systems for digital transformation and labor savings in sustainability promotion operations

## Sustainability management supported by on-site capabilities

Creating workplaces where each and every company member can work with pride and a sense of security will be essential to instilling sustainability throughout our company. For example, in order to reduce the burden on our workers, in response to the heatwaves of recent years, Kurimoto has shortened shift cycles from one hour to 20 to 30 minutes at manufacturing sites that handle high-temperature melting furnaces. We have also introduced a rotation system that allows our workers to experience multiple tasks in order to improve worker motivation while also reducing accidents.



# Process for Formulating our Materiality

In fiscal 2024, the Kurimoto Group began reviewing the concept of a sustainable society to which our company can contribute based on our Company Credo, Corporate Philosophy, and Basic Sustainability Policy. During fiscal 2024, we focused on analyzing the effects of risks and opportunities in our current business activities, and identified the impact our company has in respect to society's expectations and demands. Based on the results, the key issues (materiality) have been identified, and we have formulated and implemented concrete measures.

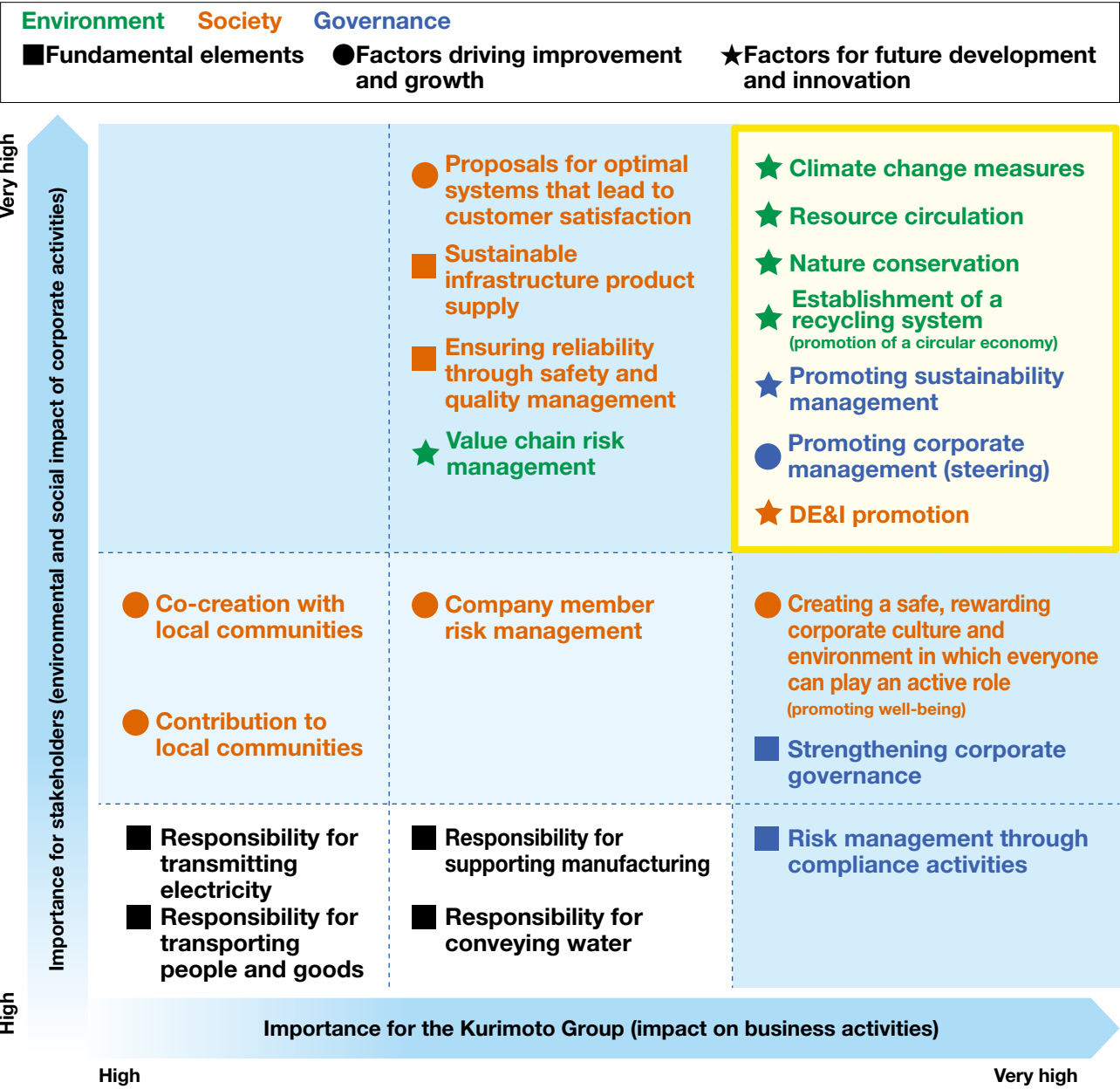


## Risks and opportunities in the E, S and G domains

	Social issues	Risks	Opportunities
E	<div>Global warming/resource depletion</div> <div>Realizing a sustainable society</div> <div>Promoting renewable energy</div>	<div>Cost increases from stronger environmental measures</div> <div>Restrictions on the use of fossil fuels</div> <div>Fluctuations in raw materials and energy prices and increasing unavailability</div> <div>Declining demand for steelmaking, thermal power generation, plastic-related products, etc.</div>	<div>Expansion of the environmental market (renewable and energy-saving products, ZEB market)</div> <div>Increased need to redevelop aging infrastructure</div> <div>Increased funding opportunities through environmental information disclosures</div> <div>Creation of new products and services in line with the circular economy (increase in demand for recycled equipment)</div>
S	<div>Declining workforce</div> <div>Human rights and labor issues</div> <div>Sustainable and fair trade</div> <div>Strengthening sustainable infrastructure (national resilience)</div> <div>Harmonious coexistence with local communities</div>	<div>Difficulty in securing human resources</div> <div>Environments that make it difficult for diverse personnel to demonstrate their full potential</div> <div>Risk of failing to pass on technology and know-how to next generation</div> <div>Difficulty in maintaining basic infrastructure supply systems and quality due to labor shortages, etc.</div>	<div>Stabilizing the organization by improving company member satisfaction and promoting employee retention</div> <div>Creating innovation and revitalizing human resources through the active participation of diverse human resources</div> <div>Efficiency and standardization of operations by utilizing digital transformation, AI, and automation</div> <div>Promoting healthy communities through social contribution activities and government guidelines for strengthening infrastructure</div>
G	<div>Sustainable corporate growth</div> <div>Preventing fraud</div>	<div>Investor flight due to lack of ESG strategy</div>	<div>Building trust with overseas local communities and maintaining and enhancing brand value</div> <div>Strengthening cooperation between corporate management and governance, and enhancing supervision and check functions to achieve both business growth and corporate value</div>

# Materiality Matrix

We have used two axes to map details of the Kurimoto Group's important and priority issues, which we collect both directly and indirectly from stakeholders, as well as the results of comprehensive assessments from the perspective of risks and opportunities: the importance for stakeholders, and the importance for the Kurimoto Group. However, "importance for stakeholders" is mapped based on information collected through our corporate activities, meaning there is insufficient double materiality. In the future, we plan to review the materiality matrix through direct dialogue with stakeholders.



Approach to our Materiality

Concerning future revisions, in addition to analyzing risks and opportunities, we will deepen our analysis of the impact on our financial and social environments in order to improve accuracy when prioritizing our Materiality. Furthermore, we will promote initiatives that contribute to growth by verifying the links between our established implementation measures/targets and the key themes for performance evaluation in the new fiscal year.

# ESG Initiatives [Environment (E)]

## Basic approach: manufacturing with a focus on environmental conservation

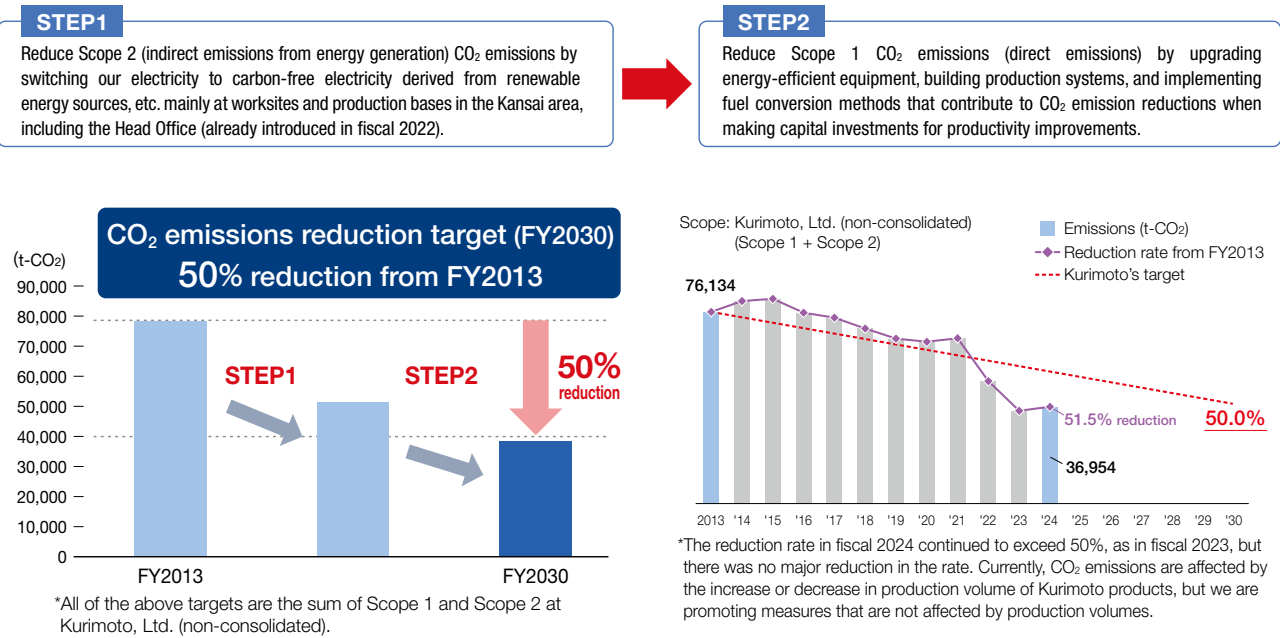
Kurimoto uses fuel and raw materials in our manufacturing processes, and escalating natural disasters pose various risks to our business, such as the depletion of resources. At the same time, the Kurimoto Group’s products and services contribute to resource circulation and the reduction of environmental impact, and we believe this will lead to new business opportunities. By addressing environmental issues from both the perspective of risk and opportunity, we aim to become a corporate group that continues to be needed by society. We will achieve this by solving environmental issues through the co-creation of value, not only at our own company, but also alongside our customers.

## A corporate philosophy that focuses on the environment at the outset

Kurimoto strives to make products that are environmentally conscious in all of our business activities. Our corporate philosophy has five key tenets, the very first of which is “We respect and value Earth, its water, air and life, and we will protect social infrastructure.”

## Promoting renewable energy and reductions in CO<sub>2</sub> emissions

Kurimoto has set a CO<sub>2</sub> emission reduction target for fiscal 2030 as part of our goal to become carbon neutral by 2050. We are aiming to achieve a 50% reduction compared to fiscal 2013, which exceeds the target set by the Japanese government for fiscal 2030.



## External assessments

### CDP

Kurimoto uses the CDP Questionnaire as our management guidelines for climate change measures, and we disclose the scores obtained to stakeholders in order to promote decarbonized management. In fiscal 2024, we received a management score of B in climate change and water security for our efforts to recognize the risks and impacts of each environmental issue and take action.

### Recipient of special award in the 2024 Osaka Climate Change Action Awards

This award was given by Osaka Prefecture to companies and organizations that actively promote climate change countermeasures. Kurimoto received high praise for its achievements in reducing greenhouse gas emissions (50% or more reduction compared to the baseline year).

## Information disclosures based on TCFD

In June 2023, Kurimoto began disclosing information based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Climate change will have a financial impact on all three segments at Kurimoto: lifeline business, machinery system business, and industrial materials business. Based on the TCFD, Kurimoto is promoting initiatives to ensure that our analysis and information disclosures for governance, strategy, risk management, indicators and targets lead to the reduction of financial risks and provide appropriate evaluation indicators for our stakeholders.

### Governance

We have established the CSR Committee, which is responsible for overseeing risk and opportunity management, response measures, and activities related to climate change and other ESG issues, and for discussing and deliberating the results of these activities. At Board of Directors meetings in fiscal 2024, the main topics of discussion were the identification of risks and opportunities to deepen our financial materiality, such as TCFD and CDP issues, and the introduction of a compensation system to meet our sustainability goals, which were reported and discussed four times in total.

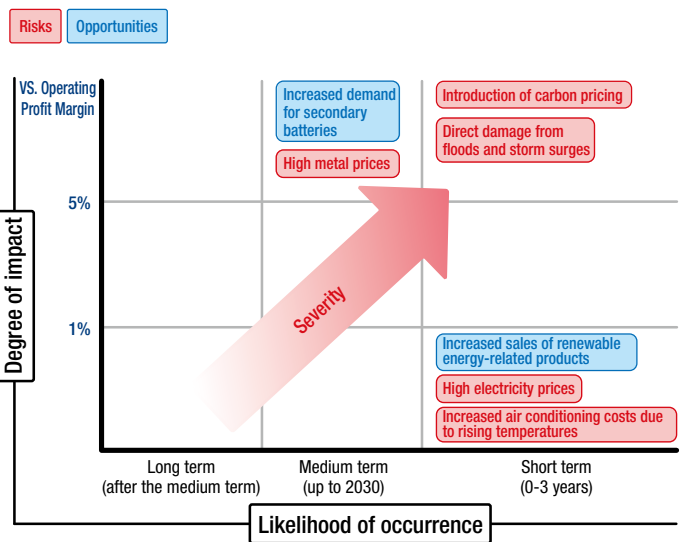
### Strategy

We are conducting scenario analysis to understand the impact of risks and opportunities arising from climate change (see page 35 for the results of this analysis). In fiscal 2021, the Board of Directors discussed the conversion to carbon-free electricity, the use of biofuels, and a production system contributing to reduced emissions of greenhouse gases (GHGs) such as CO<sub>2</sub> and set a target of reducing GHG emissions by 50% in fiscal 2030 compared to fiscal 2013. We are thus promoting initiatives toward the challenge of achieving carbon neutrality by 2050.

### Risk management

With regard to risks and opportunities related to climate change, scenarios were analyzed to determine the likelihood of occurrence in three categories: short term (0 to 3 years), medium term (up to 2030), and long term (after the medium term). The degree of impact was expressed as the ratio of financial impact to operating profit margin, and mapped using a matrix. In terms of risk, “introduction of carbon pricing” in the 1.5°C scenario and “direct damage from floods and storm surges” in the 4°C scenario were evaluated as high priorities. In terms of opportunities, “increased sales of renewable energy-related products” in the short term and “increased demand for secondary batteries” in the medium term were identified.

Concerning opportunities that have a strong impact on business earnings, our directors and executive officers continue to discuss the appropriateness of initiatives on a quarterly basis.



### Indicators and targets

In fiscal 2023, we reduced CO<sub>2</sub> emissions by 51.6% compared to fiscal 2013 due to the effects of introducing electricity derived from renewable energy sources from fiscal 2022. Although significant reductions were achieved compared to the previous fiscal year, we cannot simply compare the results with the previous fiscal year. This is because of fluctuations in production and the types and composition of products sold. In fiscal 2024, we began identifying the CO<sub>2</sub> emissions of Scopes 1, 2, and 3 for the Kurimoto Group as a whole. In fiscal 2025, we plan to identify Scope 1 and 2 emissions and revise Kurimoto Ltd.’s reduction target (reduction of 50% or more in fiscal 2030 compared to fiscal 2013) as a group-wide reduction target.

From fiscal 2026 onward, we plan to expand calculations to Scope 3 to include the entire Group, and to set reduction targets for emissions throughout the supply chain. To implement these plans, we will introduce a tool for calculating GHG emissions using cloud services to improve the accuracy and speed of emissions calculations and to help visualize emissions data. This system is scheduled to begin operation during fiscal 2025.



ESG Initiatives [Environment (E)]

Scenario analysis based on TCFD


Effects of climate-related issues (risks and opportunities)			Potential events by business segment	Severity assessment		Kurimoto's major measures
				1.5°C scenario	4°C scenario	
Impact associated with the shift to a decarbonized society	Risks	Carbon tax and emissions trading <b>Risk ❶</b>	[All segments] Tax payments and emissions trading costs will be incurred in accordance with the amount of greenhouse gas (GHG) emissions	High	Low	•Visualization of GHG emissions and reduction of Scope 1 and Scope 2 emissions •Introduction of <b>renewable electricity</b> and internal carbon pricing (ICP) •Improving energy efficiency of production facilities and optimizing production
		Regulations on the use of fossil fuels <b>Risk ❷</b>	[Lifeline] Increased costs in iron pipe (water pipe) production due to the switch from fossil fuels to alternative fuels [Machinery system] Decrease in sales due to sluggish demand in the petrochemical and steel markets [Industrial materials] Rise in costs due to the switch from fossil fuels to alternative fuels used to improve worksite environments	Medium	Low	• <b>Switching from fossil fuels to non-fossil fuels such as biomass solid fuels and electric energy</b> •Reducing fossil fuel consumption •Identifying market trends through decarbonization
		Plastics regulations Recycling regulations	[Machinery system] Decrease in sales of plastic-manufacturing machinery due to slowdown in plastic usage [Industrial materials] Decrease in sales due to sluggish demand for FRP pipes, etc.	Medium	Low	•Promoting recycling of plastics and the circular economy
		Introduction of renewable energy and energy conservation policies	[All segments] Increase in electricity costs due to the introduction of renewable energy [All segments] Increase in equipment costs due to replacement with energy-saving equipment	High	Low	•Improving production efficiency through the optimization of production facilities •Introducing a power purchase agreement (PPA)
		Changes in the energy mix	[Machinery system] Decrease in sales due to sluggish demand for products related to coal-fired power generation	Medium	Low	•Assessing climate change measures and market changes
		Changes in raw material costs <b>Risk ❸</b>	[Lifeline] Fluctuations in the price of fossil fuels used for iron pipe (water pipe) production and steep rises in the price of steel and alloys used as raw materials [Machinery system] Steep rises in the price of steel and alloys used as raw materials [Industrial materials] Steep rises in the price of steel plates used for metal ducts and the price of raw materials for plastics	High	Low	•Reducing raw material usage •Diversifying raw material procurement routes •Considering alternative products
		Changes in demand for commodities	[All segments] Higher raw material costs and equipment-switching costs due to a shift in demand to decarbonized products	Medium	Low	•Strengthening value chain management •Improving the energy efficiency of products
		Changes in customer/investor reputations	[All segments] If reluctant to promote environmental initiatives, decreased sales from being excluded as a possible business partner, and decreased capital procurement due to divestment	High	Low	•Promoting a shift to carbon-neutral products •Generating customer demand with a focus on social issues
	Opportunities	Recycling regulations	[Machinery system] Increased sales due to higher demand for products related to the recycling business	Medium	Low	•Shifting to products that can contribute to recycling
		Introduction of renewable energy and energy conservation policies <b>Opportunity ❶</b>	[All segments] Increased sales due to higher demand for products related to renewable energy	Medium	Low	•Sales expansion for energy-saving products and products related to renewable energy (products for biomass, wind power, EVs, <b>secondary batteries, hydroelectric power</b> , nuclear power and solar power)
		Information disclosure response	[All segments] New customer acquisition and expanded investment opportunities due to the promotion of proactive environmental initiatives	Medium	Low	•TCFD and CDP information disclosure and improving disclosure content •Disclosing information through integrated reports •Disclosing sustainability information
		Changes in demand for commodities <b>Opportunity ❷</b>	[All segments] If proactive environmental initiatives are promoted, corporate image improves and sales increase	High	Low	•(Industrial materials) Exploring the zero emissions building (ZEB) market and transitioning to low-carbon ductile iron pipes •(All segments) Developing and expanding sales of environment-related products
		Changes in customer/investor reputations	[All segments] New customer acquisition and expanded investment opportunities due to the promotion of proactive environmental initiatives	High	Low	•Promoting a shift to carbon-neutral products •Generating customer demand with a focus on social issues •Identifying issues through the introduction of ESG assessments
Physical effects of climate change	Risks	Intensification of extreme weather	[All segments] Delays in deliveries and construction schedules, costs incurred in securing substitute products due to damage to our facilities and facilities in the supply chain, and decreased sales due to customers being affected by disasters	Medium	High	•Improving our business continuity planning (BCP)
		Rising average temperatures	[All segments] Increased summer air-conditioning costs and increased costs of dealing with the effects of extreme summer heat on company members	Low	Medium	•Further promoting energy-saving air conditioning equipment and setting appropriate temperatures
		Deteriorating working conditions Strengthening of labor laws	[All segments] Lower labor productivity caused by extreme summer heat, resulting in reduced profitability and the need to improve the working environment due to strengthened labor laws	Low	Low	•Capital investment that contributes to improving the working environment •Ongoing acquisition of Certified Health and Productivity Management Organization accreditation (large enterprise category) •Automation, AI, and designing for minimum maintenance
	Opportunities	Intensification of extreme weather	[Lifeline] Increased demand for iron pipes due to the extension of water supply networks [Industrial materials] Increased demand for products related to disaster prevention and renovation work as disaster response measures; increased demand for the repair and reinforcement of concrete structures in line with national resilience policies	Low	High	•Expansion in sales of products related to disaster response and national resilience

Responding to risks: reducing own company's GHG emissions



**Risks**

- Carbon tax and emissions trading
- Regulations on the use of fossil fuels
- Changes in raw material costs

### Reducing CO<sub>2</sub> emissions during production process for ductile iron pipes used in water supplies

**POINT!**

- Conversion of Cupola fuel from fossil fuel coke to biomass fuel
- Co-creation developments for practical applications of biomass fuel



Biomass fuel (buckwheat chaff bio-coke)


Cast iron melting furnace ("Cupola")

Responding to opportunities: reducing GHG emissions in society


**Opportunities**

- Introduction of renewable energy and energy conservation policies
- Changes in demand for products

### Supporting the production of secondary battery materials


**POINT!**

- Contributing to decarbonization by promoting the electrification of transportation equipment using secondary batteries
- Realizing a continuous production process for secondary battery manufacturing processes through co-creation




Continuous kneader (for the electrode slurry manufacturing process)

### Support for clean energy generation

**POINT!**

- Contributing to the realization of a decarbonized society by providing materials essential for hydroelectric power generation and solar power generation, as well as manufacturing equipment for the battery materials needed for the transition of cars to EVs



Butterfly valve (for hydroelectric power generation)

Reduction of CO<sub>2</sub> emissions throughout the supply chain

In addition to our own CO<sub>2</sub> emissions (Scope 1 and Scope 2), the Kurimoto Group calculates emissions throughout our entire supply chain (Scope 3). In the first year, which was fiscal 2021, we made a trial calculation to estimate the scale of emissions through the entire supply chain, and we started official calculations in fiscal 2022. Going forward, we will continue these calculations, expanding the scope from a non-consolidated to a consolidated basis while increasing their accuracy and encouraging our suppliers to reduce emissions, with the aim of achieving carbon neutrality by 2050 by implementing CO<sub>2</sub> reduction measures throughout the supply chain.

↓ CO<sub>2</sub> emissions throughout the supply chain (Kurimoto, Ltd. on a non-consolidated basis)

Emission category		Scope of calculation	Emissions (1,000 t-CO <sub>2</sub> )		
			FY2022	FY2023	FY2024
Scope 1 [Direct emissions]		Direct emissions from the use of fuels and industrial processes at the company	40.2	35.3	35.3
Scope 2 [Indirect emissions from energy generation]		Indirect emissions from the use of power and heating purchased by the company	1.3	1.6	1.7
Scope 3 [Other indirect emissions]	Category 1	Purchased goods and services	276.3	239.4	235.5
	Category 2	Capital goods	4.4	6.0	6.9
	Category 3	Fuel- and energy-related activities not included in Scope 1 and Scope 2	14.0	12.8	12.6
	Category 4	Upstream transportation and delivery	11.5	15.2	13.9
	Category 5	Waste generated in operations	3.5	3.2	3.8
	Category 6	Business travel	0.2	0.2	0.2
	Category 7	Employee commuting	0.8	0.7	0.8
	Category 9	Downstream transportation and distribution	0.1	0.1	0.1
	Category 11	Use of sold products	116.1	65.7	140.8
	Category 12	End-of-life treatment of sold products	11.3	11.4	11.5
Total GHG emissions including supply chains			479.6	391.6	463.2

\*The following categories have been excluded because there are no applicable items: Category 8 [Upstream leased assets], 10 [Processing of sold products], 13 [Downstream leased assets], 14 [Franchises] and 15 [Investments].

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INTEGRATED REPORT 2025

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# ESG Initiatives [Society (S)]

## Basic approach: relationships with society and people

Kurimoto aims to achieve both sustainable corporate growth and social sustainability by building relationships of trust with all stakeholders. The Kurimoto Group places great importance on respect for human dignity and diversity in all aspects of our activities. We support our company members in realizing their full potential by providing fair evaluations and opportunities, creating safe and healthy work environments, and fostering a rewarding organizational culture. We place top priority on quality and safety in the provision of products and services, and our mission is to deliver trust and security to society. We fulfill our responsibilities to local communities as a good corporate citizen and help to address social issues and revitalize regions through coexistence and collaboration with local communities. Through these efforts, we will realize both social and economic value and build a sustainable future together with all people.

## Raising company members' awareness of human rights, and human rights policies

### Human Rights Policy

We established the Kurimoto Group Human Rights Policy in April 2023. All divisions are working together to establish a system for complying with this policy. Based on the policy, we will promote corporate activities that respect human rights throughout the Group and work to respect the human rights of all people affected by our business activities.

### Position-based training

In fiscal 2024, with the aim of promoting understanding of human rights and diversity, we conducted position-based training for new company members, newly appointed management staff, career recruits, and executives and managers, focusing on issues related to Japan's Dowa issue, diversity, and business & human rights. In particular, there has been a noticeable decline in new company members' awareness of the Dowa issue, and we are working to ensure that our company members understand this issue correctly because it remains a problem even today.

### Training for executives and management staff

As part of our training for executives and management staff, we invited an external lecturer to give a lecture on diversity management. We learned that for the sustainable growth of an organization, it is important to recognize, respect, and make use of diverse "differences" in management.

## Development of safe and hygienic work environments

Since 1962, the Kurimoto Company-wide Safety and Health Committee has held meetings with the participation of the whole Kurimoto Group, including affiliated companies and partner companies, in activities to meet the target of zero occupational accidents and zero occupational illnesses.

### Safety

We are steadily implementing activities that serve as the foundation of safety, including safety patrols, safety training, risk assessments, and risk prediction. We have also established a "Hazard Simulation Room" to enhance company members' awareness of safety through hands-on experience.

### Hygiene

We also implement periodic health check-ups, measures to prevent lifestyle-related diseases and reduce overwork, and strengthened support for mental health through the implementation of workshops, consultations with industrial physicians, specific health guidance, and stress checks in a planned manner.

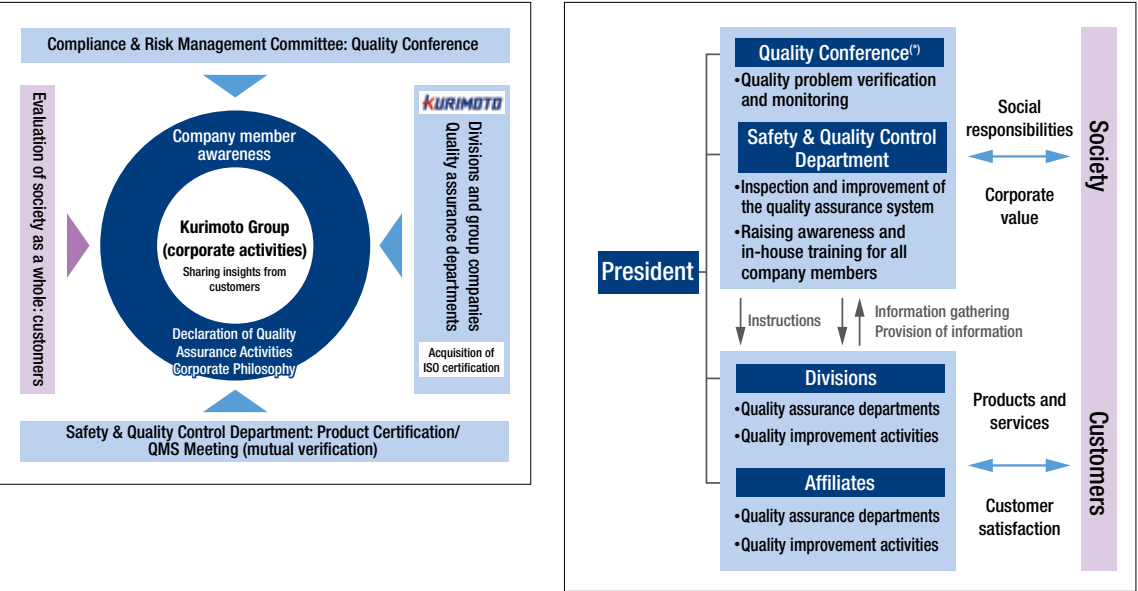


Moving toward zero accidents through our Hazard Simulation Room (at the Kagaya Factory)

## Improving the level of quality management

Information such as customer opinions and requests, as well as statistical data, are collected and discussed at meetings (product certification and QMS meetings) where the heads of the Group's quality assurance departments gather to improve the quality of the entire Group.

### Corporate verification system adapting to the needs of the times and society



\*Quality Conference: consists mainly of directors and executive officers.

## Increased engagement with business partners

### Formulation of sustainable procurement guidelines

We will formulate guidelines and ask our suppliers to understand and comply with them. We are currently preparing a Self-Assessment Questionnaire (SAQ) to identify risks in the supply chain, and we plan to send this to our business partners for their responses.

### Building relationships through communication

Based on the responses to the SAQ, we will communicate with any business partners judged to be particularly high risk and urge them to take corrective measures. Moreover, based on the principles of the United Nations Global Compact, we will strive to reduce the risk of human rights violations and environmental destruction.

## Coexistence and collaboration with local communities

We value relationships of trust with local communities and have continued to promote activities as a company that contributes to society.

### Donating emergency food stockpiles to food banks

We have donated emergency food stockpiles at the Sumiyoshi Factory through a food bank (JAPAN EMERGENCY FOOD ORGANIZATION (JEFO)). These funds were used to support students, the needy and children's cafeterias.

### Connecting with the next generation: accepting junior high school students on workplace experiences

At the Sumiyoshi Factory, local second-year junior high school students experienced assembling and packing soft-seal gate valves and drawing with 3D CAD during a two-day workplace experience. They felt firsthand just how demanding the world of manufacturing can be, but expressed the desire to work for a manufacturer in the future.



Workplace experience leads to awareness of future careers



## Message from the Director in Charge of Human Resources



Hiroshi Fujimoto

Director & Senior Executive Officer  
In charge of human resources and general affairs

## Human Capital Management Helps Society and Promotes Growth

Our founder's desire to provide clean and hygienic water to people the world over has been supported by a strong sense of mission to create value for society and people. The strength of the Kurimoto Group lies in "human resources development" and "social contributions", which are deeply rooted in our founding spirit, Corporate Philosophy, and Company Credo.

The Kurimoto Group aims to create workplaces with a high level of psychological safety at which each and every company member can work energetically. We are working to foster a corporate culture in which our company members can take on challenges without fear of change, and can build workplace environments where they can demonstrate their strengths. We believe that an environment where diverse human resources can maximize their capabilities and collaborate is a source of creativity and innovation, and at the core of our human resources strategy lies "respect for diversity."

In particular, promoting the empowerment of women is a priority theme, and we are promoting reforms in terms of both systems and culture. These include expanding the scope of work, raising awareness, enhancing opportunities for development, and supporting flexible working styles.

We are also working to enhance the diversity and competitiveness of our organization by incorporating external knowledge and different values through efforts to strengthen mid-career recruitment. We are also working to enhance retention support and career development programs after company members join the company.

Since fiscal 2025, we have been reviewing and restructuring our personnel system. In addition to supporting the growth and challenges of people who work at Kurimoto, we are working to redesign our systems to facilitate fair evaluation of their achievements and contributions, and to accommodate diverse career paths. We want to create an environment in which each and every company member can feel a sense of satisfaction and develop a career independently.

Turning to human resource development, we are working to further expand our position and job-based training programs. We are pursuing multilayered initiatives, such as early development of young human resources who will lead the next generation, strengthening the leadership of mid-level employees, and developing human resources who can play an active role on the global stage.

As part of these efforts, we began full-scale implementation of our Succession Plan in fiscal 2025 to select and develop human resources as future managers at an early stage. We believe that the systematic appointment of personnel with expertise and leadership is the cornerstone of sustainable corporate management, and this is directly linked to the qualitative enhancement of our human capital.

We believe that companies evolve as people grow. This evolution will be a force for providing new value to society. The Kurimoto Group will continue to promote people-centered management and we will aim to be a company that achieves both sustainable growth and social contributions.

### Human Resources Policy: "People are the most important capital for companies"

Based on the concept that a company's personnel are its most important asset, the Kurimoto Group has set out a human resources policy stating that we need to invest in our human resources, respect their diversity, and strive to create workplace environments where they can build careers according to their individual aptitudes and competencies. With regard to company-wide policies and initiatives, the Human Resource Development Committee, which is chaired by the President and membership of which consists of directors, deliberates on the utilization of human resources (recruitment, placement, evaluation and development). The Committee has established systems to maximize the value of human resources as part of human capital management.

#### Human Resources Policy

- 1) We will reform the corporate culture and the mindsets and behaviors of Kurimoto employees.
- 2) We will create a workplace that motivates Kurimoto employees.
- 3) We will promote diversity initiatives.

Specifically, in the medium-term management plan that began in fiscal 2024, we have set forth a policy for improving our internal environment, and we are considering further optimization of our personnel system and structure in order to respond flexibly to diversification and changes in work styles and values.

### Human Resources Development Policy and pursuing the happiness of company members and society by supporting capacity development

Based on our corporate philosophy, "We aim for the happiness of our employees and human society through manufacturing products," we are striving to realize the basic policy stated below. As specific themes to work on, we develop training programs and other educational measures with a focus on the following five items, thereby promoting our company members' career development and increasing our organizational strength.

#### Human Resources Development Policy

- 1) We will produce value-added products and services through capacity building for employees and revitalization of the organization to create customer value and make social contributions.
- 2) We will support employees in their career and skill development, striving to help them develop abilities that will enable them to contribute to society and the richness of their humanity as members of organizations and society itself.

#### Five specific measures

- (1) Cultivation of an organizational culture that encourages employees to study
- (2) Strengthening of the organizational management abilities of management staff who play pivotal roles in corporate management
- (3) Planned strengthening of conceptual skills (abilities to think logically and solve problems) of young and mid-level employees
- (4) Finding and fostering candidates as the next senior management and innovative Kurimoto personnel
- (5) CSR education for work style reform, promotion of diversity, and achievement of a sustainable society

#### Human resources development system (partial excerpt)

		Position-based training		Life design	Global education
Directors Executive officers		<div>New director training</div> <div>New executive officer training</div>			
Management staff (M Course) (T Course)		<div>Senior manager (newly appointed M2/ division manager) training</div> <div>Current management staff training</div> <div>New management staff training</div> <div>Management staff promotion assessment training</div>		<div>New life training (age 50)</div> <div>Career design 50 training (age 50)</div>	<div>Global mindset (global communication, language training, TOEIC, overseas on-site training)</div>
Union members	Senior class	<div>Selective training (internal/external dispatch)</div>	<div>Management training</div> <div>C1 training</div> <div>C2 training</div> <div>Mid-career employee training</div>	<div>Production leader development training (section chiefs)</div> <div>Selective training (internal/external dispatch)</div>	
	Mid-level				
	3rd year–		<div>Training for 3rd-year company members hired for regular employment</div>		
	2nd year–		<div>Training for 2nd-year company members hired for regular employment</div>		
	New graduate hires		<div>New graduate hire follow-up training</div> <div>New graduate hire introductory training</div>		
			C Course		


# Kurimoto's Human Capital Strategy

In the medium-term management plan that began in fiscal 2024, we have set forth our Internal Environment Improvement Policy, and under our Human Capital Strategy we are considering further optimization of our personnel system and structure in order to respond flexibly to diversification and changes in work styles and values.

Internal Environment Improvement Policy

1) Human resource mobility and systematic fostering of talent


- We will create growth opportunities through changes in the working environment for management staff positions, mid-level managers, and younger workers.
- Early, systematic fostering of leaders who demonstrate strong initiative

 **Objective**

- Develop human resources to support sustainable growth

2) Strengthening recruiting capabilities and increasing diversity


- We will establish systems to secure the specialized personnel needed to implement the business plan, as needed.
- We will increase the diversity of personnel in the workplace to boost the organization's capabilities.

 **Objective**

- Secure the human resources needed to promote management strategies
- Enhance sustainable organizational capabilities through diversity and flexible working styles

3) Creating workplace environments that give company members active roles and provide motivation

- We will establish a workplace in which employees feel high engagement and want to continue working.
- We will establish a system that supports proactive career development.

 **Objective**

- Be a chosen partner

## Develop human resources to support sustainable growth

### Creating growth opportunities

Kurimoto operates a rotation system to promote the mobility of human resources and simultaneously revitalize our organizations and develop human resources. By experiencing different roles and departments, we broaden the career horizons of our company members, find the right person for the right job, and promote the circulation of knowledge within our organizations.

We also train personnel with overseas business skills. We have designed a program to allow the phased acquisition of skills through approximately one year of case studies and role playing, with relevance to practical tasks. After completing the course, the program also provides trainees with practical opportunities to learn in a cross-cultural environment through training in Malaysia.

### Position-based training to support gradual growth

Training is provided at the time of promotion so that company members can acquire in phases the skills required at each level. The training themes are “basic work and logical thinking” for younger personnel, “problem solving and leadership” for mid-level personnel, and “management and organizational change” for managers according to their position. Specifically, we are working to update our management style in response to the changing times. Education and training costs have increased by a factor of 1.4 over the past three years, and we expect these costs to continue increasing.

### Training programs tailored to management strategies

#### ● Development of management personnel (division managers, etc.) and next-generation leaders

Kurimoto is working to develop human resources for key positions, such as division managers, with the aim of creating new businesses and solving social issues. We are clarifying human resource requirements and developing programs to acquire management literacy and specialized skills through training, placement, and work execution. We will continue to improve the effectiveness of our training programs through the regular involvement of executives and to develop human resources capable of leading change while presenting a vision for the future.

## Securing the human resources needed to promote management strategies

### Flexible recruitment strategy and early deployment

As competition for human resources in the recruitment market intensifies, we are promoting recruitment strategies that respond to changes in circumstances and developing internal systems to ensure retention after joining the company and the early deployment of new company members. We are pursuing these measures with the aims of securing diverse human resources that match our management strategies and achieving sustainable growth in the future.

#### ● Internships and initiatives to support company members' development

In order to help prospective company members imagine what it would be like to join our company, current company members take to the stage to aid them in their understanding of work environments and methods. This is achieved through work and problem-solving experiences, as well as roundtable discussions with current company members. At the end of the program, individual feedback is provided. The program is planned every year by young company members and is highly praised by students and professors. After joining the company, we offer mental care and support career development through a mentor system to promote growth.

#### ● Mid-career recruitment

Kurimoto hires people with external experience, and the ratio of mid-career recruitment has reached 53%. We have also introduced a “referral recruitment system” to attract referrals from company members in order to improve our retention rate and expand our recruitment pool. In addition, as part of training for mid-career recruits, we support early organizational adaptation and deployment through mutual exchange with other personnel hired around the same time.

## Enhance sustainable organizational capabilities through diversity and flexible working styles

### Promoting diversity, equity and inclusion (DE&I)

The promotion of DE&I is positioned as one of our key management strategies to support the sustainable growth of our business. It is included as a key measure in our three-year medium-term management plan.

To accelerate these efforts, we launched the company-wide DE&I Promotion Project in fiscal 2024. This project is a company-wide effort to promote DE &I, with management exercising leadership and listening to the voices of people in the worksites. It is made up of diverse members from the business divisions as well as our human resource and human resource development departments. We have set various numerical targets, including the ratio of women in management staff positions, and we are working to achieve these targets. We will continue to be a company that contributes to society through the creation of innovative technologies and services by allowing diverse human resources to demonstrate their capabilities and respect one another.



Project team members

FY2024

Conducting a diversity awareness survey for all company members

- Recognizing diversity in the workplace and understanding expectations and issues in working styles and career development
- Clarifying gaps between the current situation at Kurimoto and our goals, and formulating a medium- to long-term DE&I Promotion Roadmap

FY2025

- Developing quarterly DE&I themes at executive meetings for ongoing discussions at the management level
- Establishing and revising systems to increase flexibility in working locations and hours
- Increasing recognition and awareness among all company members by continuously disseminating information about DE&I through internal publicity and training

DE&I Promotion Roadmap

Four initiatives:

(1) Create workplaces where everyone can work with peace of mind

Enhance value (2030-)  
Enhance corporate value and job satisfaction by leveraging diverse perspectives

(2) Recruit and promote diverse human resources

Change the culture (2027-2029)  
An organization with diversity in decision-making positions, where leaders grow

(3) Promote flexible working styles

Build a platform (2024-2026)  
Realize work environments where everyone can continue to work fairly

(4) Raise awareness of DE&I

### Systematic reforms to work styles

In order to realize DE&I, we are working to develop systems that enable diverse human resources to play active roles and to foster a new corporate culture.

#### ● System development

In addition to the teleworking system, flextime system, and legally required childcare and nursing care support systems, we have introduced support measures beyond the legal requirements.

#### ● Fostering a new corporate culture

We have established a Working Hours Committee to promote work style reforms aimed at improving productivity and vacation style reforms aimed at promoting the acquisition of paid holidays, consecutive holidays and compensatory holidays. Management regularly monitors the progress of these reforms.

## Be a chosen partner

### Engagement survey: visualizing job satisfaction

Since fiscal 2021, we have been conducting an engagement survey in order to build workplace environments where company members can work with good motivation.

This survey is a relative evaluation compared with other companies' scores, and deviation values are calculated. In the fiscal 2024 survey, our score was 51.9. Our target score for the end of fiscal 2026 is 60.

Kurimoto's strengths as a company are the stability of our corporate foundations (financial status and customer base) and the support from superiors to team members for business and growth. In particular, the stability of our corporate foundations is improving noticeably. Supportive actions by superiors are particularly appreciated by younger company members, who say that it is easy to consult with superiors and that superiors listen to their opinions. These aspects are strongly influenced by the superiors' personalities and management skills. On the other hand, Kurimoto's weak point is our “facilities environment,” and “physical comfort” is also mentioned as a weak point at our factories. We plan to improve comfort and efficiency at Kurimoto by installing equipment and changing layouts (Head Office: scheduled for 2025) to reduce the impact of summer heat.

### Building careers through reskilling

We have developed multiple learning support systems to support the independent career development of each company member.

Specifically, we provide company members with opportunities to continuously improve their skills and support their growth through a distance learning system, the improvement cafeteria system (business school support), and a scheme to support the acquisition of public qualification.

As a new initiative in recent years, we introduced a selective training system in fiscal 2023 in response to requests from company members to expand career development options. This system was designed based on the concept of “learning what you want, when you want, and learning more easily,” and meets diverse needs that were difficult to meet under the previous system.

We will continue to develop environments in which company members who wish to participate actively deepen their learning and promote both individual growth and organizational vitalization.



# ESG Initiatives [Governance (G)]

Based on our corporate and management philosophy, Kurimoto aims to maximize shareholder value, customer value, employee value, and corporate value. To turn these ideals into reality, management must be efficient, transparent, and legitimate, and we regard the enhancement of corporate governance and compliance as our top priority.

Basic Corporate Governance Policy

We are enhancing our system to promote corporate governance, mainly through the establishment of the Nomination and Remuneration Committee, which aims to enhance the independence and objectivity of the functions of the Board of Directors, as well as its accountability; the establishment of the Management Conference, which complements the Board of Directors; the partial delegation of authority to execute business to executive officers; and activities at the Audit & Supervisory Board.

## Corporate governance promotion system

Under Kurimoto's governance structure, the Board of Directors, which consists of directors including outside directors, serves as the highest decision-making and supervisory body. We have also established a Nomination and Remuneration Committee chaired by an outside director to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors in relation to the nomination and remuneration of directors. With regard to business execution, we have established the Management Conference, which is composed of senior management, chaired by the President, and complements the functions of the Board of Directors, such as the sharing of management environments and progress management, and provides a system for enabling prompt decisions and flexible and efficient business execution. We have also introduced an executive officer system, under which part of the directors' business execution functions are delegated to executive officers, thereby relatively strengthening the supervisory function of the directors.

The Audit & Supervisory Board members, including outside Audit & Supervisory Board members, collaborate and share information with the accounting auditors through the Audit & Supervisory Board as appropriate, and audit the legality and appropriateness of the directors' execution of duties from an independent and objective standpoint.

### 1) Directors and the Board of Directors

Directors regularly report on the execution of their duties at the Board of Directors meetings and supervise the execution of duties by other directors from the perspective of total optimization.

The Board of Directors is composed of nine (9) directors (including three outside directors) and holds regular meetings once a month and extraordinary meetings on an ad hoc basis with the attendance of Audit & Supervisory Board members. In fiscal 2024, the Board of Directors held eighteen (18) regular and extraordinary meetings in total. The Board of Directors makes decisions regarding basic policies and important matters concerning the execution of the company's business operations and supervises the execution of duties by directors, as well as internal controls.

### 2) The Audit & Supervisory Board and its members

The Audit & Supervisory Board consists of three (3) Audit & Supervisory Board members (one (1) full-time Audit & Supervisory Board member and two (2) part-time Audit & Supervisory Board members (Outside)) and meets once a month in principle. In fiscal 2024, the Audit & Supervisory Board held fourteen (14) meetings in total. The Audit & Supervisory Board determines auditing policies and the division of duties among Audit & Supervisory Board members, receives reports from each Audit & Supervisory Board member on the status of auditing and the results thereof, receives reports from the Board of Directors and the accounting auditors on the status of the execution of their duties, and requests explanations as necessary.

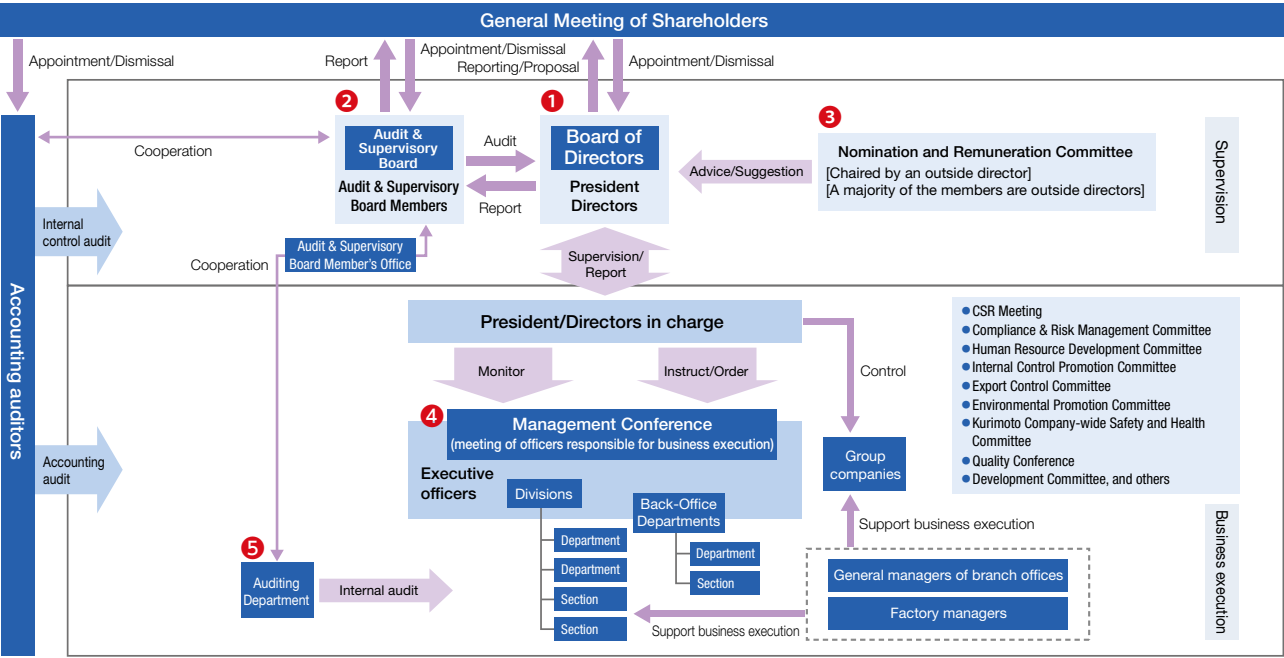
Audit & Supervisory Board members attend meetings of the Board of Directors, etc. and audit business execution by directors, for example by checking the operation of internal controls and business execution, and stating views when necessary. To facilitate audits, a full-time staff member in charge of the Audit & Supervisory Board Member's Office is assigned to respond to operational instructions from the Board members and assist them in their duties. In addition, to ensure appropriate information sharing between the Board members and the accounting auditors, the Finance Department provides support upon request from the Audit & Supervisory Board Member's Office.

For outside directors to fulfill their roles and responsibilities, the Audit & Supervisory Board and its members closely cooperate with outside directors by exchanging opinions as appropriate.

### 3) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of four (4) directors, including the outside directors and the director in charge of human resources, with the aim of strengthening the independence, objectivity and accountability of the functions of the Board of Directors related to the nomination and remuneration of directors. The Committee deliberates on the election of candidates for directors and executive officers, the dismissal and remuneration of directors and executive officers, and matters related to the basic policies necessary for deliberating these matters, and provides advice and recommendations to the Board of Directors and the President.

Organizational chart of the Corporate Governance system



## Five mechanisms to ensure independence and objectivity

- 1As the supreme decision-making and supervisory body, the Board of Directors consists of nine (9) directors and **three (3) of them, at least one-third, are independent outside directors.**
- 2The Audit & Supervisory Board consists of three (3) Audit & Supervisory Board members, two (2) of whom are outside auditors. The function of the Audit & Supervisory Board has been strengthened by appointing dedicated staff of the Board who are not subject to instructions or orders from directors and other officers.
- 3**The majority of the Board is comprised by independent outside directors and chaired by an independent outside director to ensure independence.**
- 4The Management Conference is chaired by the President and composed of members of senior management. It has been established **to supplement the functions of the Board of Directors, including the sharing of management information and progress management at Kurimoto and its Group companies, and to make prompt decisions and execute operations in a flexible and efficient manner.**
- 5The Auditing Department has been established as an internal auditing department independent of the business execution divisions to audit the business processes of each division and evaluate and verify the appropriateness of such processes, etc.

## Compliance and risk management system and whistleblowing system

We have established the Compliance & Risk Management Committee, which is chaired by the President and composed of directors, executive officers, general managers of branch offices and factories, as well as labor union representatives and corporate lawyers. This committee makes decisions on all aspects of compliance and risk management, including the policy and themes, reports on individual issues, collects relevant information, and provides instructions to subcommittees. It meets once a month in principle. We have designated February 4 and May 23 of each year as Compliance Day, and we implement activities to raise awareness of compliance across the Kurimoto Group.

Moreover, through our whistleblowing system, we have set up contacts for consultation and reporting on compliance, as well as contacts for consultation on harassment. No one will be treated unfavorably or face any negative consequences for taking a consultation or making a report under this system.

## Internal control system

We seek to maintain and update the internal control system by formulating Corporate Standards of Conduct and a Basic Policy for Establishment of the Internal Control System as our basic guidelines, and by implementing healthy and transparent management and enhancing internal audits and auditor's audits in accordance with the Regulations of the Board of Directors, Rules for Organization, Basic Rules on Risk Management, Rules on Compliance and Risk Management, Rules on Information Security Management and other regulations.

In addition, the Internal Control Promotion Committee has been established as a permanent organization to respond to the internal control reporting system based on the Financial Instruments and Exchange Act, which focuses on ensuring the appropriateness of financial reporting. This committee is also responsible for leading internal controls across the Kurimoto Group as a whole, and promotes ongoing improvements to the internal management system to prevent violations of laws, accounting errors, and other irregularities.

# Skills Matrix for Directors and Audit & Supervisory Board Members

To realize sustainable improvements in our corporate value, Kurimoto ensures diversity and balance by identifying the following skills that the Board of Directors should possess in view of its management strategies. In addition, the Board of Directors appoints candidates for directors and Audit & Supervisory Board members (inside/outside) after deliberation by the Nomination and Remuneration Committee, taking into consideration the composition of inside/external membership, independence, specific experience, and areas of expertise of the candidates, depending on the management environment.

	Name	Duties	Corporate management	Technology/Development	Manufacturing quality	Finance	Human resource management	CSR Sustainability
Directors	Kazutaka Kikumoto (male)	—	●	●	●	●	●	●
	Akitoshi Oda (male)	Finance and promoting digital transformation	●			●	●	
	Yasuharu Yoshinaga (male)	Facilities, production, logistics and CSR (Safety, Quality and Environment)	●		●		●	●
	Yoshihiro Uraji (male)	Group governance Legal, auditing and overseas	●				●	
	Hitoshi Marutani (male)	Technology development and intellectual property Composite project	●	●	●		●	
	Hiroshi Fujimoto (male)	Human resources and general affairs	●				●	
	Tomohiko Sato (male)	—	●				●	●
	Kiyoshi Sawai (male)	—	●	●	●		●	●
	Kumiko Shirai (female)	—	●				●	
Audit & Supervisory Board Members	Yukitaka Fujimoto (male)	—	●				●	●
	Maki Arita (female)	—	●			●		
	Takahiko Yasuhara (male)	—	●			●	●	

(as of June 26, 2025)

## Selection process for required skills

Each item in the skills matrix is based on the following approach:

### ●Corporate management

Corporate management means sustainable growth of a company in line with its management philosophy. It is very important to have the skills needed to set out a direction (management policy and management strategy) based on comprehensive judgment of conflicting factors related to management, and to involve stakeholders in moving toward objectives.

### ●Technology/Development

It is very important for a business to enhance its product capabilities, which are necessary for its growth. The source of added value lies in the technology and R&D capabilities it has cultivated over the years from its founding. It is particularly necessary to have skills related to research and development based on marketing capabilities.

### ●Manufacturing quality

What underpins a company's sustainable growth is winning the trust of society and customers. For manufacturers whose mission is "to make things," quality is their lifeline. Recognizing the level of quality that customers expect and using management capital to achieve it is a skill that is needed by Kurimoto's Board of Directors.

### ●Finance

Finance skills play an important role in the sustainable growth of a company as the linchpin of proper "funding" and "fund management", which are the lifeblood of a business. This is also an important skill to possess because it can be expected to play a significant role in preventing accounting irregularities, such as accounting fraud, and in ensuring corporate accounting compliance.

### ●Human resource management

It goes without saying that it is important in corporate management to maximize, cultivate and utilize the capabilities of human resources, which play an important role in management capital. This is also an important skill to acquire from the perspective of preventing and resolving compliance issues related to labor laws and regulations.

### ●CSR Sustainability

In order to continue sustainable growth and development from a medium- to long-term perspective, it is important to formulate corporate strategies that take into account the impact of business activities on the environment, society, and economy. In order to accurately grasp the demands of society and fulfill our responsibilities, it is necessary to have knowledge and skills related to ESG (Environment, Social, Governance) and the SDGs, as well as compliance and risk management.

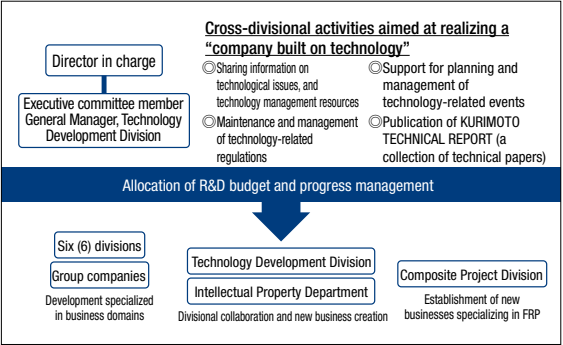
# Using Technological Capital to Pioneer the Future

## Two research divisions supporting technological capital

### Technology Development Division

Kurimoto has established the Development Committee as an organization for developing cross-divisional activities to realize a "company built on technology." The Technology Development Division serves as the secretariat for the Development Committee, and is responsible not only for technological aspects but also intellectual property activities. We are also taking on the challenge of creating value in new technologies that meet the needs of society, including environmental issues, by thinking beyond conventional boundaries while inheriting the DNA of material technologies that we have accumulated over many years. We have positioned the environment and energy domains as priority areas for value creation and are actively promoting the creation of new businesses that contribute to the realization of a sustainable, recycling-oriented society through the development of technologies such as magnesium alloys and hydrogen technology.

### Development Committee



### Contribution to management through intellectual property activities

Seeing intellectual property ("IP") as an essential component of management resources, the Kurimoto Group promotes active investment in intellectual property and works on the sustainable development of our business activities through co-creation by respecting the intellectual property of other companies.

### Structure of IP training

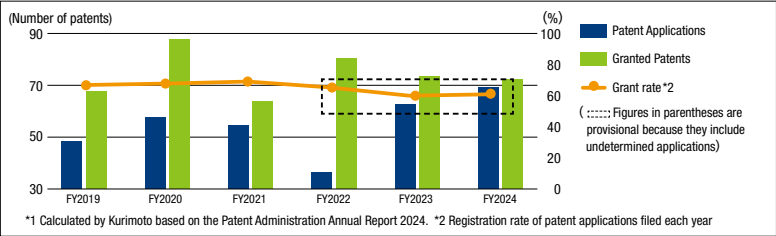
Every year, new company members take part in a board game and carry out group work simulating business situations in order to foster knowledge for effective use of IP and IP information, as well as a sense of respect for other people's IP.

Intellectual property training is also held at each division. Topics for this training are related to IP rights linked to the products and technologies of each division. The content is designed to give a more concrete picture of the use of IP.

### Status of patent publication and registration

We conduct IP activities in consideration of the return on investment through mutual cooperation with the business divisions. As a result, Kurimoto's patent registration rate remains at a higher level than the average for other companies (50%<sup>\*1</sup>).

### Number of patent applications and granted patents by year, and grant rate



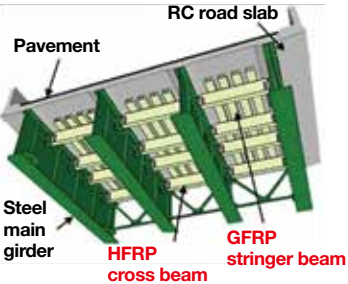
### Composite Project Division

We are commercializing both equipment and components by developing advanced FRP mass production technology based on our core competencies: design and manufacturing technologies for industrial equipment and FRP molding. "FS grid," jointly developed with IHI Construction Service Co., Ltd., enables reinforcement measures to extend the life of reinforced concrete road slabs that have been damaged due to aging without imposing large-scale traffic closures. We are aiming for early social implementation so that we can respond to the replacement and life-extension work of aging highway bridges constructed during Japan's period of high economic growth.

### COLUMN

#### 🔍 Features of FS grid\*

- Reinforcing materials are installed on the underside of road slabs, allowing vehicles to pass even during construction and eliminating the need for large-scale traffic controls.
- Composed of lightweight FRP components, FS grid can be manually transported, assembled and installed without using heavy machinery.
- The use of existing road slabs contributes to a reduction of CO<sub>2</sub> emissions by reducing waste, saving labor and shortening delivery times by reducing weight, and improving transportation efficiency.



\*The FS grid is a method for reinforcing and prolonging the life of deteriorated road slabs by installing lightweight and durable FRP components on the underside of slabs



# Management Members (as of July 1, 2025)

## Directors

Kazutaka Kikumoto  
President



**My Purpose**  
**Connecting Water and Infrastructure to the Future, the World Over**  
Kurimoto's purpose is not only to make a profit. Our founder launched our water pipes business in a spirit of altruism. Our mission is to pass on social infrastructure to the next generation. In an era of rapid change, we will pursue business activities with an eye toward the future, without fear of taking on new challenges. Kurimoto will continue to be a company at which each and every company member demonstrates his or her strengths, and which grows alongside society.

Yasuharu Yoshinaga  
Director and Managing Executive Officer



In charge of facilities, production, logistics, CSR (safety, quality control and environment)  
**My Purpose**  
**Keep delivering the essentials as expected**  
People rightly expect water from their taps. Continuing to supply this water is my purpose. Since joining the company, I have felt the great responsibility that our company has to bear, and have worked with a strong commitment for Kurimoto to remain a company that earnestly contributes to society. In order to realize a sustainable society, we will promote the introduction of bio-coke and the recycling of iron pipes.

Hitoshi Marutani  
Director & Senior Executive Officer



In charge of Technology Development Office, intellectual property, and composite project  
**My Purpose**  
**Being a "company built on technology" that is continuously needed by society**  
My purpose is for Kurimoto to be a "company built on technology". Kurimoto will continue to provide products that solve social issues with our unique technologies and "outside-in" philosophy. To this end, we are moving away from our conventional supply-oriented business model and toward becoming a company that continues to contribute to society through multifaceted initiatives. These include the development of new materials that meet the needs of a recycling-oriented economy and the spread of renewable energy.

Akitoshi Oda  
Director and Managing Executive Officer



In charge of finance and promoting digital transformation  
**My Purpose**  
**Increasing our company members' motivation is the source of our profits**  
Raising the motivation of company members is a non-financial task, but we believe that this is the source of financial capital and profits for Kurimoto. We will contribute to society through our unique manufacturing by taking an integrated view of people, technology, finance, and digital transformation through strategic thinking and practical approaches rooted in the worksites, and based on backcasting from the future.

Yoshihiro Uraji  
Director & Senior Executive Officer



In charge of group governance, legal, auditing and overseas  
**My Purpose**  
**Conscience drives companies and strengthens governance**  
Governance is the most important mechanism for meeting the expectations of society and building trust. My role is to instill the essence of governance, which is "conscience," throughout the company. Sound management is supported by cultivating a sense that "something is not right" and building a culture in which company members can seek advice immediately. As the director in charge of overseas business, I will build the foundations for further growth by capturing overseas demand.

Hiroshi Fujimoto  
Director & Senior Executive Officer



In charge of human resources and general affairs  
**My Purpose**  
**Creating new value by promoting human capital management**  
I believe that the creation of work environments in which every company member can work energetically and feel satisfaction is the source of creativity and innovation, and that this is essential to the growth of our company. Corporate transformation is a long-term initiative that cannot be achieved overnight. However, as the director in charge of human resources and general affairs, I aim to maximize human capital and achieve both sustainable growth and social contribution through transformation and diversity.



Tomohiko Sato  
Outside Director

Joined Inabata & Co., Ltd. in 1978. He has held important positions, including director, in specialized fields such as housing environments, synthetic resins, chemicals, and human resources. He has been an Outside Director at Kurimoto, Ltd. since June 2021.



Kiyoshi Sawai  
Outside Director

Joined KONOIKE CONSTRUCTION CO., LTD. in 1978. He has held important positions, including director, mainly in the field of civil engineering. He has been an Outside Director at Kurimoto, Ltd. since June 2022.



Kumiko Shirai  
Outside Director

Joined Nihon Unisys, Ltd. (currently BIPROGY) in 1985. She has held important positions, including director, mainly with responsibility for human resources and global business. She has been an Outside Director at Kurimoto, Ltd. since June 2025.

## Audit & Supervisory Board Members

Yukitaka Fujimoto

Full-Time Audit & Supervisory Board Member  
Joined Kurimoto, Ltd. in 1983. He has held key positions, including general manager in multiple administrative roles, including at steel structures, plastic products, and ductile iron pipe divisions, as well as Executive Officer and General Manager of the Ductile Iron Pipe Division, and General Manager of CSR Promotion Division. He has been an Audit & Supervisory Board Member at Kurimoto, Ltd. since June 2023.

Maki Arita

Outside Audit & Supervisory Board Member  
Joined the Osaka Office of Century Audit Corporation (currently: Ernst & Young ShinNihon LLC) in 1996. In 2003, she opened Maki Arita Certified Public Accountant Office. She has been an Outside Audit & Supervisory Board Member at Kurimoto, Ltd. since June 2017.

Takahiko Yasuhara

Outside Audit & Supervisory Board Member  
Joined The Fuji Bank, Limited (currently Mizuho Bank) in 1986. He served as Vice President of Mizuho Bank and President of Mizuho-DL Financial Technology Co., Ltd. He has been an Outside Audit & Supervisory Board Member at Kurimoto, Ltd. since June 2025.

## Executive Officers

Soichiro Nakanishi  
Senior Executive Officer

General Manager, Pipe Systems Division

Yasuo Sano  
Executive Officer

General Manager, Construction Materials Division

Ken Kurimoto  
Executive Officer

General Manager, Tokyo Office; General Manager, Tohoku Office; Assistant General Manager, Pipe Systems Division

Hiroshi Ono  
Executive Officer

General Manager, Corporate Planning Division

Yasuji Noguchi  
Executive Officer

In charge of finance and internal control

Yasushi Tabuchi  
Executive Officer

General Manager, Valve Systems Division

Shin Matsumura  
Executive Officer

General Manager, Plastic Products Division

Shinobu Shikata  
Executive Officer

President of Motoyama Eng. Works, Ltd.

Masanobu Mino  
Executive Officer

General Manager, Plant Engineering & Machinery Division

Takanori Kuzuoka  
Executive Officer

President of Kurimoto Trading Co., Ltd.

Masaya Hazama  
Executive Officer

General Manager, Technology Development Division

Hirotsugu Noguchi  
Executive Officer

General Manager, Materials & Machinery Division

Company Profile

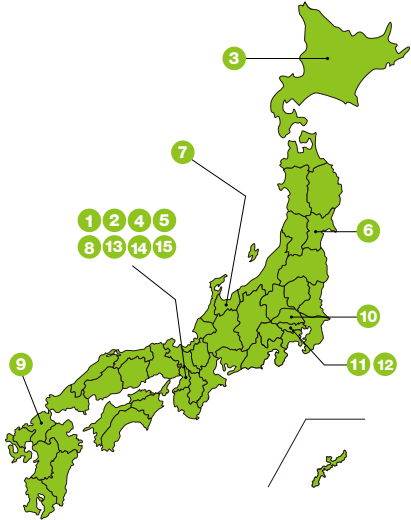
Company Profile (as of March 31, 2025)

Company Name	Kurimoto, Ltd.
Founded	February 2, 1909
Incorporated	May 10, 1934
Capital	31,186,098,159 yen
Number of employees	1,337 (non-consolidated) 2,182 (consolidated)

Kurimoto Group (as of April 2, 2025)

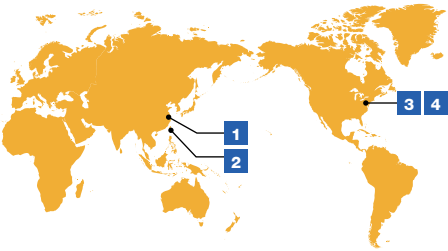
Affiliates in Japan

- 1 Kurimoto Trading Co., Ltd. (Osaka Prefecture)
- 2 Yamatogawa Co., Ltd. (Osaka Prefecture)
- 3 Hokkaido Kanzai Co., Ltd. (Hokkaido)
- 4 Kurimoto Logistics Corporation (Osaka Prefecture)
- 5 Kurimoto Pipe Engineering Co., Ltd. (Osaka Prefecture)
- 6 Motoyama Eng. Works, Ltd. (Miyagi Prefecture)
- 7 KS-Tech Co., Ltd. (Toyama Prefecture)
- 8 Yashima Chemical Engineering Co., Ltd. (Osaka Prefecture)
- 9 Japan Castering Co., Ltd. (Fukuoka Prefecture)
- 10 Sankyo Machinery, Ltd. (Saitama Prefecture)
- 11 Nihon Kaiser Co., Ltd. (Tokyo)
- 12 Zentec Co., Ltd. (Tokyo)
- 13 Tukasa Co., Ltd. (Osaka Prefecture)
- 14 Kurimoto Polymers Co., Ltd. (Osaka Prefecture)
- 15 Kurimoto Business Associates Co., Ltd. (Osaka Prefecture)

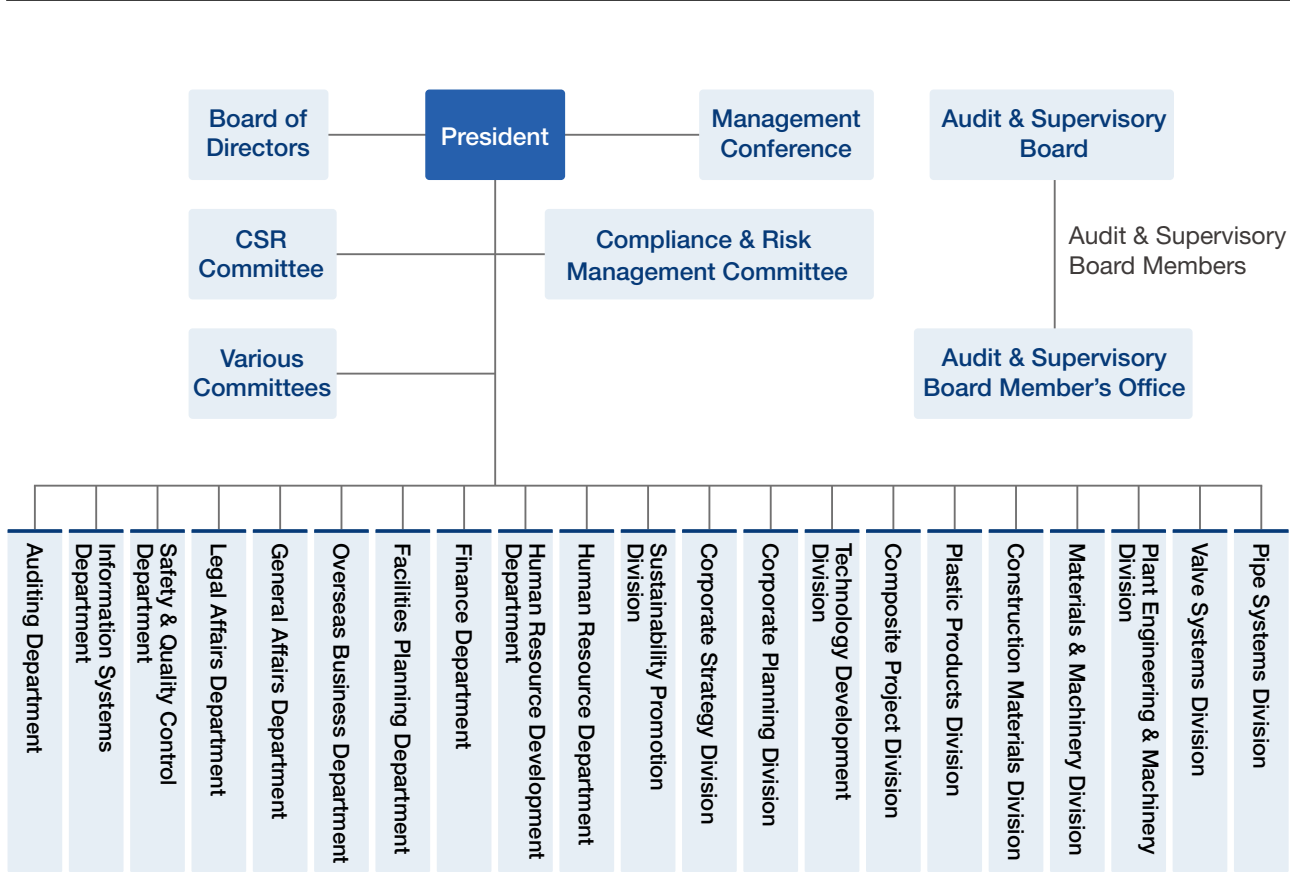


Affiliates in Other Countries

- 1 Kuritetsu (Shanghai) Trading Co., Ltd. (China)
- 2 Riko, Ltd. (Taiwan)
- 3 Readco Kurimoto, LLC (United States of America)
- 4 Kurimoto USA, Inc. (United States of America)



Organization (as of March 31, 2025)



Stock Information

Stock Information (as of March 31, 2025)

Total number of shares authorized	39,376,600
Total number of shares outstanding	12,798,490
Share unit	100
Number of shareholders	9,792

Major Shareholders (Top 10) (as of March 31, 2025)

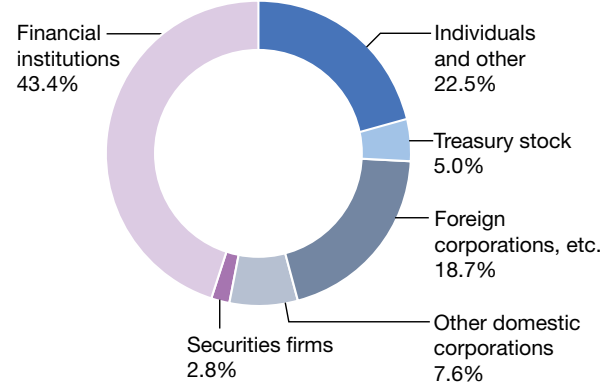
Name	Number of shares held (1,000)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	1,351	11.1
Taiyo Life Insurance Company	1,088	8.9
Custody Bank of Japan, Ltd. (Trust Account)	683	5.6
Nippon Life Insurance Company	678	5.5
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2	618	5.0
Resona Bank, Ltd.	444	3.6
Mizuho Bank, Ltd.	362	2.9
Kurimoto Employee Shareholding Association	294	2.4
Iwatani Corporation	289	2.3
BNYMSANV RE BNYMIL RE WS ZENNOR JAPAN EQUITY INCOME FUND	209	1.7

\*1 We hold treasury stock (645,559 shares), which is not included in the table above.

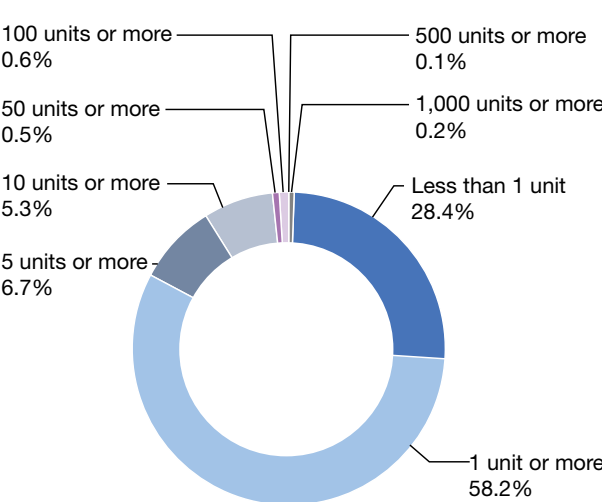
\*2 Treasury stock is excluded from the calculation of the percentage of shares held.

\*3 Treasury stock does not include shares held by Custody Bank of Japan, Ltd. (Trust E Account) as trust assets for board benefit trust (BBT) (25,770 shares).

Breakdown of Shareholding by Investor Type (as of March 31, 2025)



Breakdown of Shareholding by Number of Shares Held (as of March 31, 2025)



◀ Read more about  
IR information

- Summary of Financial Results and Explanatory Materials
- Timely Disclosure Information
- Shareholder and Share Information
- Financial Highlights, etc.