



Notice of the 161st Ordinary General Meeting of Shareholders

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(Translation)

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

Securities Code: 6361

March 9, 2026

(Start date of measures for electronic provision: February 26, 2026)

To Those Shareholders with Voting Rights

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

Notice of the 161st Ordinary General Meeting of Shareholders

We hereby inform you of the 161st Ordinary General Meeting of Shareholders of EBARA CORPORATION (the “Company”) to be held as follows:

In convening this General Meeting of Shareholders, the Company has taken the electronic provision measure of information (Electronic Provision Items), which is the contents of the reference materials for the General Meeting of Shareholders, etc. The information is posted on the Company’s website on the Internet as the “Notice of the 161st Ordinary General Meeting of Shareholders.” Please access the Company’s website below to confirm the information.

The Company’s website:

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

The Tokyo Stock Exchange website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

*Please access the above website, enter and search for our company name or securities code (6361), and then select “Basic information” and go to “Documents for public inspection/PR information” for details.

1. Date and Time: 10 a.m., Thursday, March 26, 2026
(Reception of attendees will begin at 9 a.m.)

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

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 161st Fiscal Year (from January 1, 2025, to December 31, 2025) and the Report of the Results of the Audits of the Consolidated Financial Statements by the Independent Auditors and the Audit Committee
2. The Non-consolidated Financial Statements for the 161st Fiscal Year (from January 1, 2025, to December 31, 2025)

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Ten (10) Directors

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

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

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

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

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

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

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

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

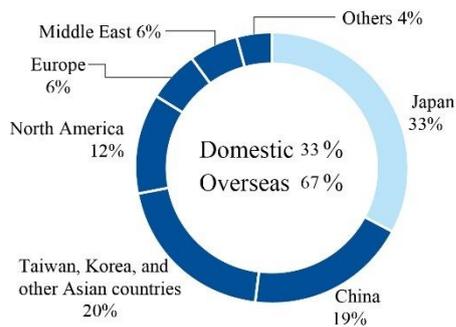
What We Would Like Our Shareholders to Know

Business performance trends

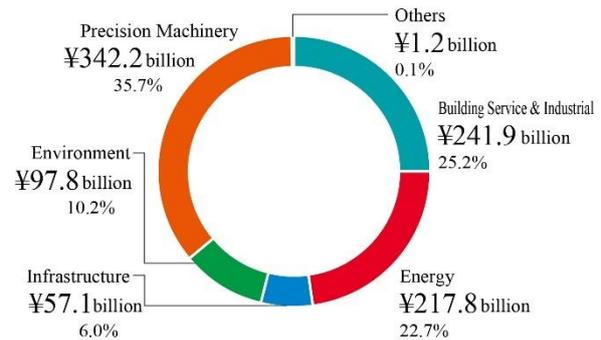
Both revenue and operating profit exceeded the past highest records for the fifth consecutive period. Driven by contributions from Precision Machinery, Environmental Solutions, and Infrastructure, as well as the absence of an impairment loss on goodwill recorded in Building Service & Industrial in the previous fiscal year, the company-wide operating profit ratio exceeded the previous year's level, reaching 11.9%.



COMPOSITION OF REVENUE BY REGION



COMPOSITION OF REVENUE BY SEGMENT



Introduction of new products

* type is the Company's model code.

Even in the final year of the Medium-term Management Plan, E-Plan 2025, we continued to promote the sale of various industry-leading products.

Precision Machinery



Gas abatement system Model: LPCMN*
Launched in January 2025

Energy



Canned motor pump for liquid ammonia
Orders received in 2025

Building Service & Industrial



Direct water supply booster pump PNAGM type*/PNEHM type*
Launched in April 2025

Executing investments for future business growth

To realize the Long-term Vision, E-Vision 2030, the Company has made growth investments aiming for expanding production capacity, enhancing technical capabilities, and increasing orders for Service & Support.

Precision Machinery



Completion of new development building for semiconductor equipment (Building V8) (Fujisawa District)



Start of operation of new production building for CMP systems (Building K3) (Kumamoto District)



Construction starts on second overhaul plant for dry vacuum pumps (Scheduled to start operation in 2027) (Korea)



Completion of first dry vacuum pump overhaul plant in Tohoku region

Energy



Expansion of flagship service centers (Scheduled for completion in 2026) (U.S.)

Activities of the Board of Directors and Committees

Board of Directors

Chairman: Hiroshi Oeda, Independent Director

Number of meetings: 16

Main roles:

- Lead optimal governance system that enables appropriate risk-taking on both the offensive and defensive sides to continuously enhance corporate value
- Show the general direction of the business such as corporate strategies and sustainability management from a medium- to long-term perspective
- Effective supervision of business execution from an independent and objective standpoint

Main issues discussed during the fiscal year under review

- Formulation of the new Long-term Vision, E-Vision 2035 and the next Medium-term Management Plan, E-Plan 2028
- Monitoring and summarizing Long-term Vision, E-Vision 2030 and Medium-term Management Plan, E-Plan 2025
- Establishment of annual management plan and setting KPIs for each Business Division
- Financial and capital policy
- Development of new businesses and company-wide marketing activities
- Sustainability-related medium- to long-term issues
- Examining and recommending matters on the compliance system
- Evaluation of effectiveness of the Board of Directors and its follow-up

Independent Directors' Meeting

Chairperson and Lead Independent Director: Teiji Koge, Independent Director

Number of meetings: 12

Main roles:

- Establish a forum for Independent Directors to obtain sufficient information and engage in free and open discussion to share understanding of issues.

Main issues discussed during the fiscal year under review

- Formulation of the new Long-term Vision, E-Vision 2035 and the next Medium-term Management Plan, E-Plan 2028
- Monitoring and summarizing Long-term Vision, E-Vision 2030 and Medium-term Management Plan, E-Plan 2025
- Establishment of annual management plan and setting KPIs for each Business Division
- Financial and capital policy
- Development of new businesses and company-wide marketing activities
- Sustainability-related medium- to long-term issues
- Examining and recommending matters on the compliance system
- Evaluation of effectiveness of the Board of Directors and its follow-up

Nomination Committee

Chairperson: Teiji Koge, Independent Director

Number of meetings: 18

Main issues discussed during the fiscal year under review

- Programs to train and select next-generation managers
- Succession planning of Directors (Transparency of the executive nomination process and enhancement of the talent pool)
- Deliberation on candidates for Directors
- Deliberation on candidates for Executive Officers

Compensation Committee

Chairperson: Mie Fujimoto, Independent Director

Number of meetings: 15

Main issues discussed during the fiscal year under review

- Compensation system for Directors and Executive Officers
- Individual compensation for Directors and Executive Officers
- Short-term performance-linked compensation based on performance evaluation results for Executive Officers
- Consideration and revision of allowance amounts for Directors
- Consideration and revision of ESG indicators in short-term performance-linked compensation
- Introduction of malus and clawback clauses

Audit Committee

Chairperson: Junko Nishiyama, Independent Director

Number of meetings: 17

Main issues discussed during the fiscal year under review

- Audit of Executive Officers' business execution and legal compliance systems
- Status of development and operation of group internal controls pertaining to the Companies Act and the Financial Instruments and Exchange Act, and status for responding to revised internal control reporting system
- Status of implementing recurrence prevention measures, "Groupwide Fair Procurement Promotion Program" for compliance following the recommendations regarding violations of the Subcontract Act from the Japan Fair Trade Commission
- Status of consideration by the Corporate Internal Audit Division regarding the establishment of a group internal audit system and status of business audit implementation to overseas subsidiaries, etc.
- Status of development of Group governance system under five-company system by target market and CxO system
- Inspection of the establishment and operation status of the Internal Reporting Desk, and ensuring effectiveness in responding to reported matters
- New management accounting and cost accounting system with SAP implementation, appropriateness of internal controls related to significant accounting matters under IFRS, and response status to quarterly disclosure system

Reference Document for the General Meeting of Shareholders

Proposals and references

Proposal 1: Appropriation of Surplus

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

Based on this policy, we would like to pay a year-end dividend of ¥31 per share.

As a result, the total annual dividend for the fiscal year under review amounts to ¥59 per share, combined with the interim dividend of ¥28 per share.

Matters concerning the year-end dividend

1. Type of dividend property

Cash

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

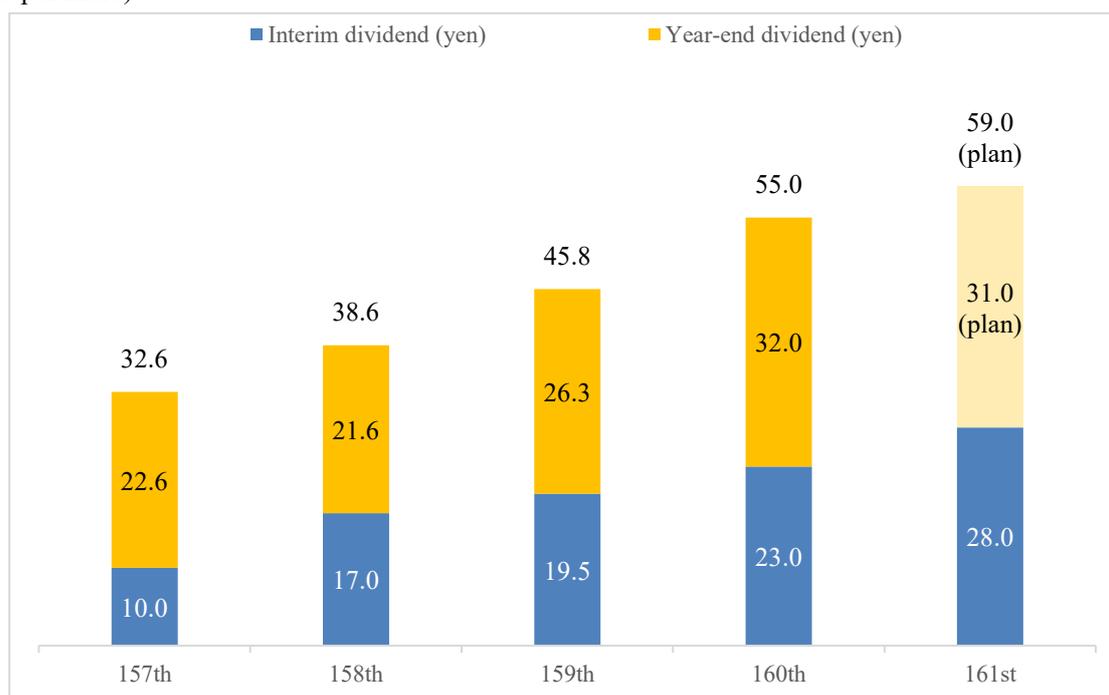
¥31 per share of common stock of the Company Total amount: ¥14,154,177,067

3. Effective date of dividends of surplus

March 27, 2026

[Reference]

(Dividend per share)



	157th	158th	159th	160th	161st
Annual dividend (yen)	32.6	38.6	45.8	55.0	59.0 (plan)
Payout ratio (%)	35.2	35.2	35.0	35.6	35.5 (plan)

*The Company conducted a 5-for-1 stock split of its common stock, effective July 1, 2024. The above graph and table are presented on the assumption that the stock split was executed at the beginning of the 157th period, allowing for a retroactive comparison with the previous four periods.

Proposal 2: Election of Ten (10) Directors

The term of office of all ten (10) current Directors will expire at the conclusion of this 161st Ordinary General Meeting of Shareholders. Therefore, the Company proposes to elect ten (10) Directors.

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

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

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

See the Company’s website at the following address for information “Ebara Corporate Governance Basic Policy” https://www.ebara.com/content/dam/ebara/grand-masters/entities/en/ir/governance/corporate-governance-library/pdf/20240611cgbasicpolicy_1.pdf

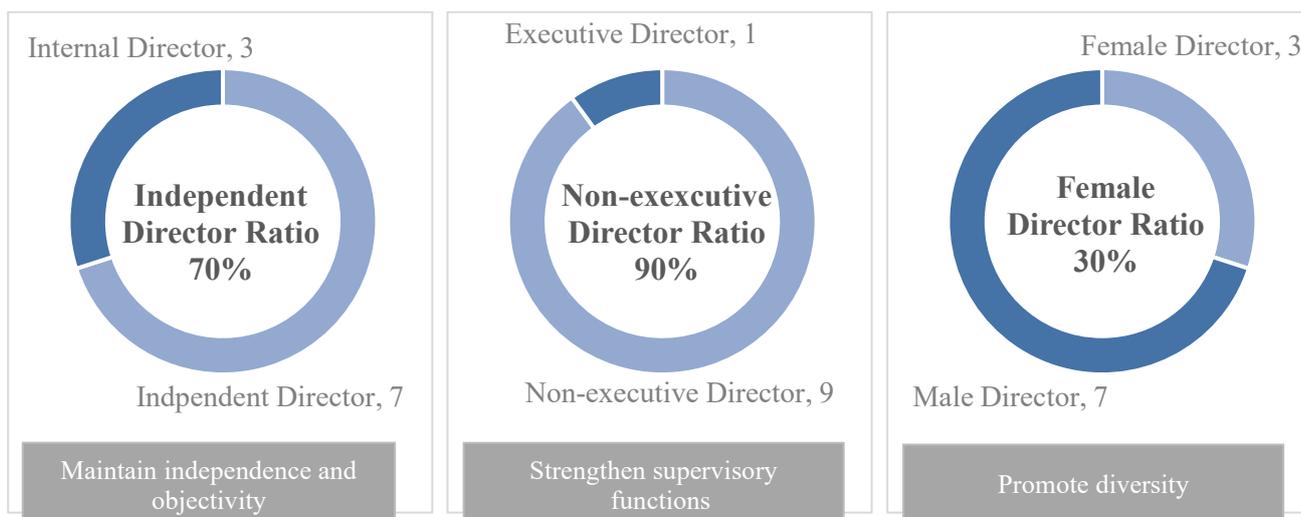
Nominee No.	Name	Current position and primary area of responsibility in the Company	Attendance at Board of Directors meetings	Nominees for Director		
				Attribute		
1	Masao Asami	Director Chairman of the Company Member of the Nomination Committee	100% (16/16)	Re-election	Non-executive	
2	Shugo Hosoda	Director President, Representative Executive Officer	100% (11/11)	Re-election	Executive	
3	Hiroshi Oeda	Director Chairman of the Board of Directors Member of the Nomination Committee	100% (16/16)	Re-election	Outside	Independent
4	Mie Fujimoto	Director Chairperson of the Compensation Committee	100% (16/16)	Re-election	Outside	Independent
5	Akihiko Nagamine	Director Member of the Audit Committee	100% (16/16)	Re-election	Non-executive	
6	Takuya Shimamura	Director Member of the Compensation Committee	88% (14/16)	Re-election	Outside	Independent
7	Teiji Koge	Director Lead Independent Director Chairperson of the Nomination Committee	100% (16/16)	Re-election	Outside	Independent
8	Tsuyoshi Numagami	Director Member of the Compensation Committee	100% (16/16)	Re-election	Outside	Independent
9	Kaeko Kitamoto	Director Member of the Audit Committee	100% (11/11)	Re-election	Outside	Independent
10	Takayo Hasegawa	(New Nominee for Director)	-% (-/-)	New election	Outside	Independent

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

Note: Mr. Shugo Hosoda and Ms. Kaeko Kitamoto were newly elected at the 160th Ordinary General Meeting of Shareholders held on March 26, 2025, and their attendance at meetings of the Board of Directors held since that date is provided above.

Composition of the Board of Directors

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



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

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

* Committees and Positions to be Appointed

Nomination Committee:

Nominee for Member of the Nomination Committee

Compensation Committee:

Nominee for Member of the Compensation Committee

Audit Committee:

Nominee for Member of the Audit Committee

Lead Independent Director:

Nominee for Chief Independent Director

Nominee No. 1	Masao Asami Date of birth: April 7, 1960 (Age: 65) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Attendance rate (FY ended December 31, 2025)		Re-election Non-executive Chairman Nomination Committee	
		Board of Directors	100% (16/16)		
		Nomination Committee*	100% (13/13)		

■ Message to shareholders

I will take on a role of enhancing Ebara's corporate value through Governance to Value (G to V) by overseeing and supporting as Director, Chairman and a member of the Nomination Committee, thereby meeting the expectations of our shareholders.

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

April 1986	Joined the Company
April 2010	Executive Officer of the Company
April 2011	Division Executive, Sales and Marketing Division, Precision Machinery Company of the Company
April 2014	Managing Executive Officer of the Company
June 2015	Managing Executive Officer of the Company (Change in Japanese only; English unchanged)
April 2016	President, Precision Machinery Company of the Company
March 2019	Director of the Company
	President, Representative Executive Officer of the Company
January 2023	CEO of the Company
	COO of the Company
January 2024	President, Precision Machinery Company of the Company
March 2025	Chairman of the Company (to present)
	Member of the Nomination Committee of the Company (to present)

Number of the Company's shares held	269,944 shares
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Number of years served as Director	7 years
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* At the conclusion of this general meeting

■ Important concurrent positions

None

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

Executive	0
Non-executive	1

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

Nominee has been involved in the semiconductor industry for many years and has committed to launching global business operations. Since his appointment as President of Precision Machinery Company, he has led the business in supplying a wide range of products essential to advanced semiconductor manufacturing worldwide, and has deep knowledge and a strong track record in the semiconductor field. Since his appointment as President, he has demonstrated strong leadership in the creation of the optimal business execution structure, and endeavored to promote dynamic management through swift decision-making, greatly improving corporate value. Since his appointment as Chairman of the Company, he has continued to drive reforms aimed at further strengthening the governance system.

Nominee meets qualification requirements stipulated by the Company for Directors, and he is expected to play a role in the areas of "corporate management and management strategy," "technology R&D and innovation" and "environment" in particular. Nomination Committee selected him as a Director to continue to promote the governance reform as Chairman of the Company by leveraging his extensive management experience and knowledge of the semiconductor business.

* Since Mr. Masao Asami was newly elected as a member of the Nomination Committee at the Board of Directors meeting held on March 26, 2025, the table shows his attendance at the Nomination Committee meetings held on and after the said date.

Nominee No. 2	Shugo Hosoda	Attendance rate (FY ended December 31, 2025)	Re-election	
	Date of birth: September 1, 1966 (Age: 59) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Board of Directors* 100% (11/11)	Executive President and Representative Executive Officer	

■ Message to shareholders

We set our 10-Year Vision in the Long-term Vision, E-Vision 2035, and formulated the Medium-term Management Plan, E-Plan 2028, a guideline for the first three years of our path toward that vision, marking the first step toward the realization of the vision. In a business environment where various geopolitical and socioeconomic risks coexist, we will steadily advance toward our vision while simultaneously practicing caution and boldness. By keeping both the present and the future in mind and firmly steering our business management, we aim to maximize corporate value over the medium to long term, thereby meeting the expectations of our shareholders.

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

October 1993	Joined the Company
April 2015	Division Executive, Governance Promotion Department of the Company
April 2016	Deputy Vice President, Elliott Group Holdings, Inc. Deputy Vice President, Elliott Company
January 2018	Vice President, Elliott Group Holdings, Inc. Vice President, Elliott Company
January 2019	Director, Elliott Group Holdings, Inc.
March 2021	Executive Officer of the Company Division Executive, Finance & Accounting Division of the Company
March 2022	Division Executive, Corporate Strategic Planning, Finance and Accounting Division of the Company
January 2023	Division Executive, Corporate Strategic Planning, Finance and Accounting Division & CFO of the Company
August 2023	Chairperson, EBARA (CHINA) CO., LTD.
January 2024	CFO (responsible for Corporate Strategic Planning, Finance, Accounting, and Tax) of the Company
March 2025	Director of the Company (to present) President, Representative Executive Officer of the Company (to present) CEO of the Company (to present) COO of the Company (to present)

Number of the Company's shares held	72,612 shares
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Number of years served as Director	1 year * At the conclusion of this general meeting
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■ Important concurrent positions

None

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

Executive	1
Non-executive	0

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

Nominee has diverse experience with a deep understanding of the Company's business and an ability to develop strategies, serving as CFO after holding key roles, including the business manager of the Environmental Plants Business, the Corporate Strategic Planning and Finance Division and at the Head Office, and overseas Group companies. Since his appointment as the President, he has demonstrated strong leadership in the establishment of the Long-term Vision, E-Vision 2035 and the Medium-term Management Plan, E-Plan 2028 and has contributed to the Company's sustainable growth.

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

* Since Mr. Shugo Hosoda was newly elected and appointed as Director at the 160th Ordinary General Meeting of Shareholders held on March 26, 2025, the table shows his attendance at the meetings of the Board of Directors held on and after the said date.

Nominee No. 3	Hiroshi Oeda	Attendance rate (FY ended December 31, 2025)		Re-election Independent Director Chairman of the Board of Directors Nomination Committee		
	Date of birth: March 12, 1957 (Age: 69) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Board of Directors	100%			(16/16)
		Nomination Committee	100%			(18/18)
		Independent Directors' Meeting	100%			(12/12)

■ Message to shareholders

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

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

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

Number of the Company's shares held	18,506 shares
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Number of years served as Director	8 years
	* At the conclusion of this general meeting

■ Important concurrent positions

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

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

Executive	0
Non-executive	3

* In the event the proposal is approved.

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

Nominee has a track record of significantly improving business performance by dramatically enhancing global competitiveness through entry into overseas markets and M&A as a management executive in a listed company representative of the flour-milling and food industry. He also has abundant experience in general corporate management, in addition to being well-versed in global business.

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

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

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

Nominee No. 4	Mie Fujimoto Date of birth: August 17, 1967 (Age: 58) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Attendance rate (FY ended December 31, 2025)		Re-election Independent Director Chairperson of the Compensation Committee Audit Committee		
		Board of Directors	100%			(16/16)
		Compensation Committee	100%			(15/15)
		Independent Directors' Meeting	100%			(12/12)

■ Message to shareholders

To realize our vision in E-Vision 2035, I will support business execution by creating an environment for appropriate risk-taking through appropriate monitoring. Furthermore, as a member of the Compensation Committee, I will ensure an appropriate compensation system and level aligned with our objectives. In addition, as a newly appointed member of the Audit Committee, I will strive to ensure effective supervision by providing new perspectives, drawing upon my knowledge and experience as an attorney at law.

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

April 1993	Registered as an attorney at law (to present) Joined New Tokyo Sogoh Law Office
June 2009	Outside Corporate Auditor, Kuraray Co., Ltd.
April 2015	Joined TMI Associates (to present)
June 2015	Outside Audit & Supervisory Board Member, SEIKAGAKU CORPORATION (Retired in June 2023)
June 2016	Outside Audit & Supervisory Board Member, Tokyo Broadcasting System Holdings, Inc. (Audit & Supervisory Board Member, Tokyo Broadcasting System Television, Inc.) (to present)
March 2019	Outside Director, Kuraray Co., Ltd. (Retired in March 2020)
March 2020	Director of the Company (to present) Member of the Compensation Committee
March 2022	Chairperson of the Compensation Committee of the Company (to present)
June 2024	External Member of the Board, Elematec Corporation (Retired in June 2025)

Number of the Company's shares held	15,506 shares
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Number of years served as Director	6 years
	* At the conclusion of this general meeting

■ Important concurrent positions

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

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

Executive	0
Non-executive	2

* In the event the proposal is approved.

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

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

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

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

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

Nominee No. 5	Akihiko Nagamine Date of birth: May 5, 1958 (Age: 67) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Attendance rate (FY ended December 31, 2025)		Re-election
		Board of Directors	100% (16/16)	Non-executive Audit Committee
		Audit Committee	100% (17/17)	



■ Message to shareholders

Amidst tensions, contradictions, and accelerating uncertainty in the world, the Company is making steady progress toward E-Plan 2028. Leveraging my experience to date, I am committed to supporting management in embracing change as an opportunity to carve out the future. At the same time, I will remain vigilant even in times of prosperity and encourage early detection of and preparation for crises, thereby contributing to the Company's pursuit of addressing social issues and initiatives to enhance corporate value. I will do my utmost to fulfill the trust placed by society and the responsibilities entrusted by shareholders.

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

April 1982	Joined EBARA DENSAN LTD.
June 2006	Director, EBARA DENSAN LTD.
July 2010	Joined the Company, General Manager, Investment and Affiliates Supervision Department, Finance & Corporate Accounting Division
April 2014	Division Executive, Finance & Accounting Division
April 2015	Executive Officer (<i>shikkou-yakuin</i>)
June 2015	Executive Officer (<i>shikkou-yaku</i>)
	Responsible for Finance & Accounting, Group Management, and Internal Control
March 2021	Director of the Company (to present) Member of the Audit Committee (to present)

Number of the Company's shares held	99,579 shares
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Number of years served as Director	5 years
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* At the conclusion of this general meeting

■ Important concurrent positions

None

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

Executive	0
Non-executive	1

* In the event the proposal is approved.

■ Reasons for selecting the nominee for Director and expected roles

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

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

Nominee No.

6

Takuya Shimamura

Date of birth: December 25, 1956

(Age: 69)

*Age is as of the date of the General Meeting of Shareholders (March 26, 2026)

Attendance rate
(FY ended December 31, 2025)

Board of Directors 88% (14/16)

Compensation
Committee 100% (15/15)Independent
Directors' Meeting 100% (12/12)Re-election
Independent Director
Compensation
Committee

■ Message to shareholders

For many years, the global economy has developed through the construction of supply chains based on the international division of labor based on FTA. Today, however, that premise is beginning to crumble due to the regional economic blocs. The Group strives to accurately grasp the increasingly complex and uncertain changes in the business environment, and deepen or explore the technological solutions which we have honestly cultivated across our various businesses, aiming to constantly provide value that is essential to the world. As an Independent Director, I will strive to meet the expectations of our shareholders and contribute to further enhancement of corporate value.

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

April 1980	Joined Asahi Glass Co., Ltd. (currently AGC Inc.)
January 2009	Executive Officer and GM of Planning & Coordination Office, Chemicals Company, Asahi Glass Co., Ltd.
January 2010	Executive Officer and President of Chemicals Company, Asahi Glass Co., Ltd
January 2013	Senior Executive Officer and President of Electronics Company, Asahi Glass Co., Ltd
January 2015	President & CEO, Asahi Glass Co., Ltd
March 2015	Representative Director and President & CEO, Asahi Glass Co., Ltd
January 2021	Representative Director, Chairman, AGC Inc.
March 2021	Director, Chairman, AGC Inc. (Scheduled to retire in March 2026)
March 2022	Director of the Company (to present)
	Member of the Compensation Committee (to present)
June 2022	Outside Audit & Supervisory Board Member, JFE Holdings, Inc.
June 2025	Outside Director, JFE Holdings, Inc. (to present)

Number of the Company's shares held	9,406 shares
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Number of years served as Director	4 years
	* At the conclusion of this general meeting

■ Important concurrent positions

Director, Chairman, AGC Inc.* (Scheduled to retire in March 2026)

Outside Director, JFE Holdings, Inc.*

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

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

Executive	0
Non-executive	2

* In the event the proposal is approved.

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

Nominee has realized global integrated management by leading organizational cultural reforms as a senior management of a listed company representing the chemical and materials industries. Through challenges in the electronics and high-tech fields, he has established global competitiveness in semiconductor-related materials, contributing to the enhancement of corporate value. Furthermore, he has abundant overseas management experience, including experience as president of an Indonesian subsidiary, and is also familiar with business management in the global market.

Furthermore, he actively speaks in important meetings such as the Board of Directors, and also contributes to deliberation of topics, including the discussions on revision of the Company's compensation system and decisions on the compensation standards for Directors and Executive Officers.

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

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

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

Subject of transaction, etc.	Recipient of consideration for transaction	Provider of consideration for transaction	Ratio in transaction value	Subject of comparison	Remarks
Products and after services of the Company	The Group	AGC Inc.	Less than 0.1% (Less than 600 million yen)	Consolidated revenue of the Company for the year ended December 31, 2025	The nominee has not been involved in the business execution of AGC Inc. since March 2021.

Nominee No.

7

Teiji Koge

Date of birth: November 14, 1953

(Age: 72)

*Age is as of the date of the General Meeting of Shareholders (March 26, 2026)

Attendance rate

(FY ended December 31, 2025)

Board of Directors 100% (16/16)

Nomination Committee 100% (18/18)

Independent Directors' Meeting 100% (12/12)

Re-election

Lead Independent

Director Chairperson of

the Nomination

Committee



■ Message to shareholders

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

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

April 1976	Joined Sekisui Chemical Co. Ltd.
June 2005	Director, Sekisui Chemical Co. Ltd. President of Nagoya Sekisui Heim Co. Ltd.
October 2005	Director, Head of President’s Office of Housing Company, Sekisui Chemical Co. Ltd.
February 2008	Director, President of Housing Company, Sekisui Chemical Co. Ltd.
April 2008	Director, Managing Executive Officer, and President of Housing Company, Sekisui Chemical Co. Ltd.
April 2009	Director, Senior Managing Executive Officer, and President of Housing Company, Sekisui Chemical Co. Ltd.
March 2014	Director, Senior Managing Executive Officer, and Head of CSR Department and Corporate Communications Department, Sekisui Chemical Co. Ltd.
March 2015	President Representative Director, and Chief Executive Officer, Sekisui Chemical Co. Ltd.
March 2020	Chairman of the Board and Representative Director, Sekisui Chemical Co. Ltd.
June 2022	Director and Chairperson, Sekisui Chemical Co. Ltd. (Planned to be appointed as Director in March 2026)
March 2023	Director of the Company (to present) Member of the Nomination Committee of the Company
March 2024	Lead Independent Director of the Company (to present) Chairperson of the Nomination Committee of the Company (to present)

Number of the Company’s shares held	6,411 shares
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Number of years served as Director	3 years
	* At the conclusion of this general meeting

■ Important concurrent positions

Director and Chairperson, Sekisui Chemical Co. Ltd.* (Planned to be appointed as Director in March 2026)
(* indicates listed companies at which the candidate serves as an officer)

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

Executive	0
Non-executive	2

* In the event the proposal is approved.

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

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

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

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

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

Nominee No. 8	Tsuyoshi Numagami Date of birth: March 27, 1960 (Age: 65) *Age is as of the date of the General Meeting of Shareholders (March 26, 2026)	Attendance rate (FY ended December 31, 2025)		Re-election Independent Director Compensation Committee		
		Board of Directors	100%			(16/16)
		Compensation Committee	100%			(15/15)
		Independent Directors' Meeting	100%			(12/12)

■ Message to shareholders

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

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

April 2000	Professor, Graduate School of Commerce and Management, Hitotsubashi University
January 2011	Dean of Graduate School, Graduate School of Commerce and Management, Hitotsubashi University
December 2014	Board Member/Executive Vice President, Hitotsubashi University
April 2018	Professor, Graduate School of Business Administration, Hitotsubashi University (Retired in March 2023)
June 2018	Outside Audit & Supervisory Board Member, JFE Holdings, Inc.
April 2021	Professor, Tokyo Tech Academy of Energy and Informatics, Tokyo Institute of Technology (Retired in March 2023)
June 2022	External Director, Tokyo Century Corporation (to present)
March 2023	Director of the Company (to present) Member of the Audit Committee
April 2023	Professor Emeritus, Hitotsubashi University (to present) Professor, Institute for Business and Finance, Waseda University (to present)
March 2024	Member of the Compensation Committee of the Company (to present)
June 2025	Outside Director (Audit & Supervisory Board Member), JFE Holdings, Inc. (to present)

Number of the Company's shares held	6,411 shares
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Number of years served as Director	3 years * At the conclusion of this general meeting
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■ Important concurrent positions

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

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

Executive	0
Non-executive	3

* In the event the proposal is approved.

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

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

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

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

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

Nominee No.

9

Kaeko Kitamoto

Date of birth: April 15, 1965

(Age: 60)

*Age is as of the date of the General Meeting of Shareholders (March 26, 2026)

Attendance rate

(FY ended December 31, 2025)

Board of Directors* 100% (11/11)

Audit Committee* 100% (11/11)

Independent

Directors' Meeting* 100% (10/10)

Re-election

Independent Director

Chairperson of the Audit

Committee



■ Message to shareholders

EBARA CORPORATION has established the new Long-term Vision, E-Vision 2035 and the Medium-term Management Plan, E-Plan 2028 and will promote business operations toward sustainable enhancement of corporate value. I consider it essential for the Board of Directors to exercise effective supervisory functions, including monitoring the development and operation of risk management and internal control systems in order to execute the medium- to long-term management strategy. I will leverage my experience and knowledge in corporate auditing to enhance EBARA CORPORATION's corporate value over the medium to long term.

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

April 1988	Joined Sapporo Breweries Limited (currently Sapporo Holdings Limited)
October 1993	Joined Ota Showa Audit Corporation (currently Ernst & Young ShinNihon LLC)
April 1997	Registered as a Certified Public Accountant (to present)
July 2009	Partner, Ernst & Young ShinNihon LLC
September 2018	Member of Electricity and Gas Market Surveillance Commission, Ministry of Economy, Trade and Industry (Retired in August 2024)
July 2019	Executive Board Member, Ernst & Young ShinNihon LLC (Retired in June 2023)
July 2023	External Audit & Supervisory Board Member, DAIKIN INDUSTRIES, LTD. (to present)
	Outside Director, Harmonic Drive Systems Inc. (to present)
March 2025	Director of the Company (to present)
	Member of the Audit Committee (to present)

Number of the Company's shares held	2,001 shares
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Number of years served as Director	1 year
	* At the conclusion of this general meeting

■ Important concurrent positions

Certified Public Accountant

External Audit & Supervisory Board Member, DAIKIN INDUSTRIES, LTD.*

Outside Director, Harmonic Drive Systems Inc.*

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

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

Executive	0
Non-executive	3

* In the event the proposal is approved.

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

Nominee is a certified public accountant with a wide variety of audit experience gained over many years at a major audit corporation and has abundant knowledge and a wealth of experience in corporate accounting and audit areas. Furthermore, she actively speaks in important meetings such as the Board of Directors, extensively audits the Company and the Group, and also contributes to the activities of the Audit Committee as the Chairperson of the Committee.

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

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

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

* Since Ms. Kaeko Kitamoto was newly elected as Director and a member of the Audit Committee at the 160th Ordinary General Meeting of Shareholders held on March 26, 2025 and the meeting of the Board of Directors held on the same date, and the table shows her attendance at the meetings of the Board of Directors and the Audit Committee meetings held on and after the said date.

Nominee No.

10

Takayo Hasegawa

Date of birth: October 15, 1959

(Age: 66)

*Age is as of the date of the General Meeting of Shareholders (March 26, 2026)

Attendance rate

(FY ended December 31, 2025)

Board of Directors

-%

New election

Independent Director

(-/-) Nomination Committee



■ Message to shareholders

Amidst drastic changes in the social landscape and business environment, achieving sustainable growth while maintaining sound governance requires both a strong business backed by technology and a robust corporate governance framework to support it. I will strive to contribute to further enhancing EBARA CORPORATION's governance and the medium to long-term corporate value by leveraging my experience as a corporate manager and my long-standing expertise as a development engineer.

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

April 1984	Joined Showa Electric Wire & Cable Co., Ltd.
July 1994	Head, High-Temperature Superconductivity Laboratory, Fundamental Technology Research Department., Showa Electric Wire & Cable Co., Ltd.
April 2006	Director; Director, Technical Development Center, SHOWA CABLE SYSTEMS CO., LTD.
June 2009	Managing Director; Director, Technical Development Center, SHOWA CABLE SYSTEMS CO., LTD.
June 2013	Director; General Manager, The Technology Planning Office, SWCC SHOWA HOLDINGS CO., LTD. (currently SWCC Corporation)
June 2018	Director; Director, Technical Development Center, SHOWA CABLE SYSTEMS CO., LTD.
June 2018	President and Director, SWCC SHOWA HOLDINGS CO., LTD.
April 2019	President and Representative Director; Group CEO, SWCC SHOWA HOLDINGS CO., LTD.
June 2022	Outside Director, HOYA CORPORATION (to present)
April 2024	Representative Director, CEO, President and Executive Officer, SWCC Corporation
April 2025	Representative Director, SWCC Corporation (to present)

Number of the Company's shares held	500 shares
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Number of years served as Director	- years
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* At the conclusion of this general meeting

■ Important concurrent positions

Representative Director and Chairman, SWCC Corporation *

Outside Director, HOYA CORPORATION *

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

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

Executive	0
Non-executive	3

* In the event the proposal is approved.

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

Nominee has been involved in R&D and the promotion of technological innovation in a listed non-ferrous metal company specializing in wires and cables. After her appointment as the company's first female President in 2018, she executed rapid governance reforms and achieved a remarkable recovery in business performance through radical restructuring of the profit structure. Furthermore, she has deep insight as a researcher and strong execution capabilities as a manager, and she is expected to contribute significantly to the Company's growth.

Nominee meets qualification requirements stipulated by the Company for Directors, and she is expected to play a role in the areas of "personnel and human resource development," "finance, accounting and capital policy," "corporate management and management strategy" and "technology R&D and innovation" in particular. Nomination Committee selected the Nominee to newly serve as an Independent Director to demonstrate her ability as a member of Nomination Committee.

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

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

Notes:

1. No nominee has any special interest in the Company.
2. Notable matters relating to the nominees for Outside Directors are as follows:
 - (1) The Company has notified the Tokyo Stock Exchange of the designation of Hiroshi Oeda, Mie Fujimoto, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami and Kaeko Kitamoto as Independent Directors as stipulated by the exchange. In the event that the re-election of the six (6) nominees above is approved at the General Meeting of Shareholders, they will continue in their positions as Independent Directors. In the event that the election of Takayo Hasegawa is approved, she will newly become an Independent Director.
 - (2) During the service of Hiroshi Oeda, Mie Fujimoto, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami and Kaeko Kitamoto as Independent Directors, there were no violations of law at the Company.
 - (3) During the past five (5) years, when Hiroshi Oeda, Mie Fujimoto, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami, Kaeko Kitamoto and Takayo Hasegawa were in the post of Officer at other companies, there were no violations of law, etc., at those companies.
 - (4) Independence as candidate for Independent Director
 - 1) No nominee for Independent Director has ever been in an executive position or a position to execute duties for the Company or any subsidiary of the Company.
 - 2) No nominee for Independent Director is in an executive position or a position to execute duties for a business entity in a special relationship with the Company. Furthermore, there has been no such relevant relationship during the past ten (10) years.
 - 3) No nominee for Independent Director is going to receive a large amount of money or other assets except for compensation as Director from the Company or any business entity in a special relationship with the Company. Furthermore, there has been no such arrangement in the past two (2) years.
 - 4) No nominee for Independent Director is a spouse, a relative within the third degree, or such a closely related person of a business executor of the Company or any business entity in a special relationship with the Company.
 - 5) No nominee for Independent Director was a business executor of a company with which the Company has merged for the past two (2) years.
3. In relation to “a company with a material business relationship with the EBARA Group” in the “Independence Standards of Independent Director of EBARA,” those for which both the following amounts and percentages for each fiscal year are less than 5 million yen and less than 0.1% have been omitted from the descriptions of these business relationships for the relevant fiscal year. (Minor Standards)
 - 1) Transaction amount relating to the provision of goods or services from the EBARA Group to business partners, and the ratio in transaction value to the EBARA Group’s consolidated net sales
 - 2) Transaction amount relating to the provision of goods or services from business partners to the EBARA Group, and the ratio in transaction value to the business partners’ consolidated net sales
4. An overview of the agreements to limit liability for damages is provided below.
 - (1) The Company has entered into agreements with Hiroshi Oeda, Mie Fujimoto, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami and Kaeko Kitamoto to limit their liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act. However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence. In the event that the re-election of the six (6) nominees above is approved at the General Meeting of Shareholders, similar agreements will be continued.
 - (2) If the election of Takayo Hasegawa is approved, the Company plans to enter into agreements with her to limit her liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act. However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence.
5. The Company has entered a directors and officers liability insurance policy with an insurance company as provided in Article 430-3, paragraph 1 of the Companies Act, with the Directors, Executive Officers, and

statutory auditors of the Company and the Group as the insured persons. This policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or the pursuit of such liability. In the event that the re-election of the nominees above is approved at the General Meeting of Shareholders, they will be included in the insured of this insurance policy. In addition, this insurance contract will be renewed with the same contents at the next renewal.

6. The age of each nominee for Director is as of this General Meeting of Shareholders.
7. In the event the proposal is approved, the Nomination, Compensation and Audit Committees will be made up of the following members.
 - Nomination Committee: Teiji Koge (Chairperson), Hiroshi Oeda, Masao Asami, Takayo Hasegawa
 - Compensation Committee: Mie Fujimoto (Chairperson), Takuya Shimamura, Tsuyoshi Numagami
 - Audit Committee: Kaeko Kitamoto (Chairperson), Akihiko Nagamine, Mie Fujimoto

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

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

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

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

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

Changes in Corporate Governance – Evolution to a New Phase



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

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

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

[Independence Standards of Independent Director of EBARA]

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

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

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

Specifically, a shareholder of the Company holding 10% or more of the total shares issued, or a director, an executive, an executive officer, a manager or other employee of a company representing the interests thereof within the two years preceding the appointment of Director nominees.

- 4) A person providing professional services to the EBARA Group.

"Professional services" refer to the following categories according to the services provided.

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

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

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

Lead
Independent
Director

Roles

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

Qualifications and Competencies

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

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

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

Business Report for the 161st Period
(From January 1, 2025 to December 31, 2025)
EBARA CORPORATION

1. Condition of the Corporate Group

(1) Business Developments and Results

1) Overall Review of Operations

During the fiscal year ended December 31, 2025, the Japanese economy continued to recover moderately in terms of personal consumption and corporate capital investment. The global economy showed signs of picking up, although there was a downside risk due to the stagnation in the Chinese economy. On the other hand, geopolitical risks such as the tightening of semiconductor export control regulations due to conflicts between the U.S. and China, the situation in Ukraine and the Middle East require close monitoring.

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

Orders received for the fiscal year ended December 31, 2025, decreased compared to the previous year which included the large-scale projects in Energy Business. On the other hand, in Environmental Solutions Business, orders received increased year on year due to orders for large-scale projects. Orders received increased year on year in Precision Machinery Business reflecting an increase in plant utilization rates at some customers and the resumption of capital expenditures for increased production, due to a rebound in demand for semiconductors for generative AI and other applications. As a result, overall orders increased year on year. Revenue increased in all segments, and operating profit increased due to contributions from Precision Machinery, Environmental Solutions, and Infrastructure Businesses, as well as the absence of an impairment loss on goodwill recorded in Building Service & Industrial Business in the same period of the previous fiscal year.

As a result, in the Fiscal Year ended December 31, 2025, consolidated orders received amounted to ¥949,683 million (an increase of 10.4% year-on-year), revenue amounted to ¥958,285 million (an increase of 10.6% year-on-year), operating profit amounted to ¥113,802 million (an increase of 16.2% year-on-year), and profit attributable to owners of parent amounted to ¥76,633 million (an increase of 7.3% year-on-year). All of these displaced the past highest records.

Financial Highlights			
Orders Received	Revenue	Operating Profit	Profit attributable to Owners of Parent
¥949,683 million	¥958,285 million	¥113,802 million	¥76,633 million
Up 10.4% from the same period of the previous FY	Up 10.6% from the same period of the previous FY	Up 16.2% from the same period of the previous FY	Up 7.3% from the same period of the previous FY

2) Financial Results

Item \ Fiscal Year (FY)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024)	161st Period (FY ended December 31, 2025) (FY under review)
Orders Received (Millions of yen)	815,218	820,598	860,579	949,683
Revenue (Millions of yen)	680,870	759,328	866,668	958,285
Operating Profit (Millions of yen)	70,572	86,025	97,953	113,802
Profit attributable to Owners of Parent (Millions of yen)	50,488	60,283	71,401	76,633
Basic Earnings per Share (Yen)	548.61	653.64	154.62	166.31
Total Assets (Millions of yen)	828,049	913,900	1,005,085	1,082,201
Total Equity (Millions of yen)	369,725	421,572	485,336	521,666
ROIC (%)	11.2	12.2	12.2	11.9
ROE (%)	15.0	15.7	16.2	15.6

Notes:

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

Furthermore, the changes in basic earnings per share are as follows assuming the stock split was conducted at the beginning of the 158th fiscal period.

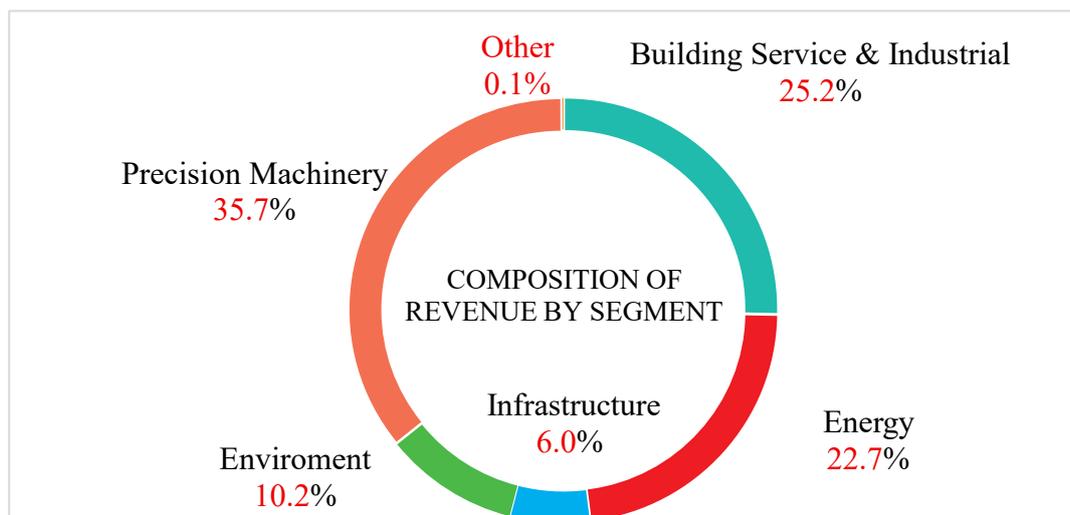
Item \ Fiscal Year (FY)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024)	161st Period (FY ended December 31, 2025) (FY under review)
Basic Earnings per Share (Yen)	109.72	130.73	154.62	166.31

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

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

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

3) Review by Business Segment



Revenue by Segment

	160th Period (FY ended December 31, 2024)	161st Period (FY under review)	Year-on-year change
Building Service & Industrial	¥238,182 million	¥241,938 million	Up 1.6%
Energy	¥210,434 million	¥217,845 million	Up 3.5%
Infrastructure	¥51,118 million	¥57,143 million	Up 11.8%
Environmental Solutions	¥87,438 million	¥97,864 million	Up 11.9%
Precision Machinery	¥278,378 million	¥342,267 million	Up 23.0%

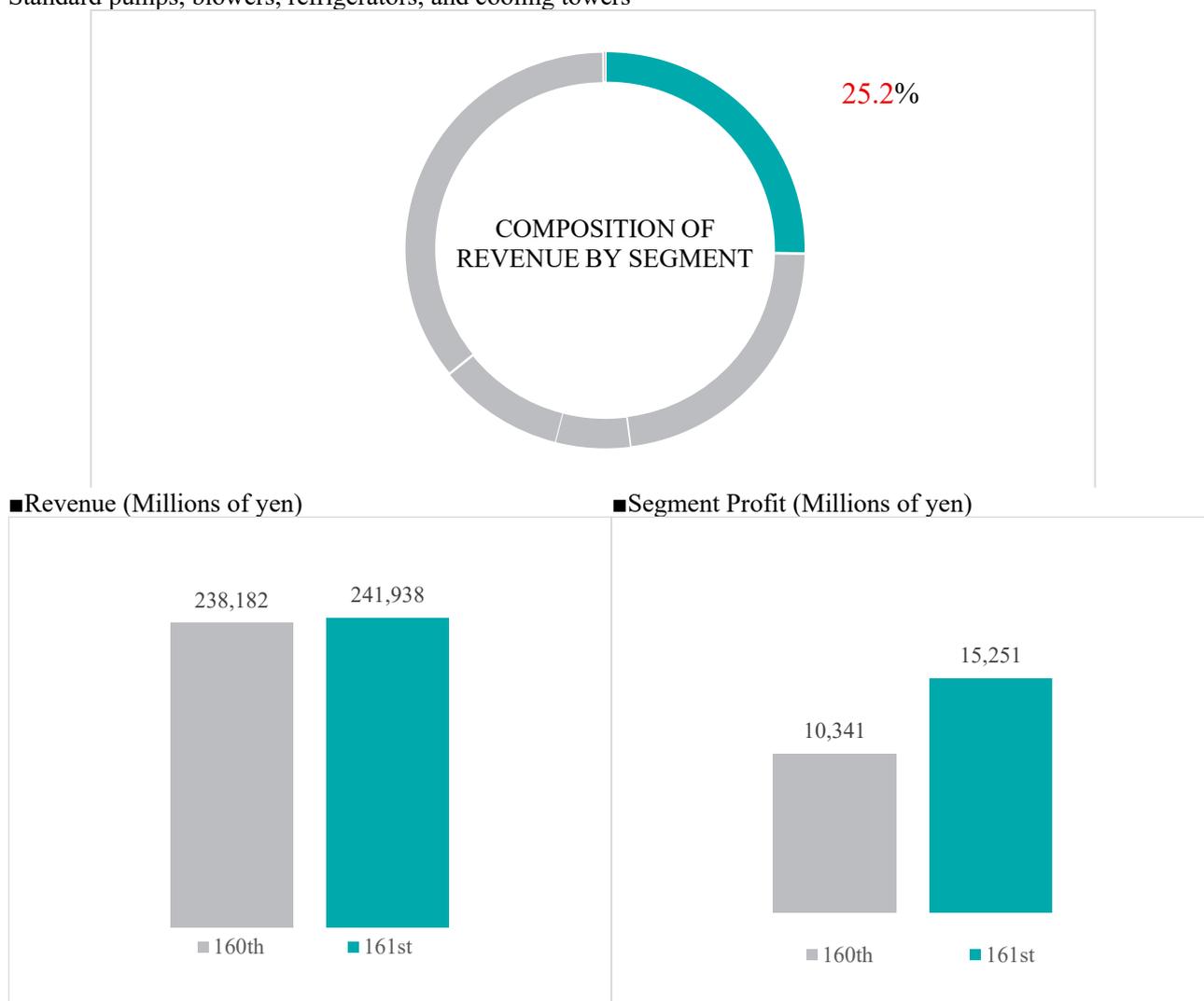
Building Service & Industrial

Main End-Users Market

Building service, industrial service

Main Items

Standard pumps, blowers, refrigerators, and cooling towers



Building Service & Industrial

In the construction service market, although a recovery has been seen in Japan, the Middle East and Europe, other regions remain sluggish. Orders received rose year on year due to capitalizing on domestic demand for Service & Support, as well as steady growth in demand for data center-related products in North America. Revenue increased due to strong performance in Service & Support in Japan, and solid performance overseas, particularly in North America, the Middle East and Europe. Segment profit increased due to the absence of goodwill impairment loss recorded for our subsidiary, Vansan, in Turkey.

Revenue in the Building Service & Industrial Business for the fiscal year ended December 31, 2025, amounted to ¥241,938 million (an increase of 1.6% from the previous fiscal year). The segment profit amounted to ¥15,251 million (an increase of 47.5% from the previous fiscal year).

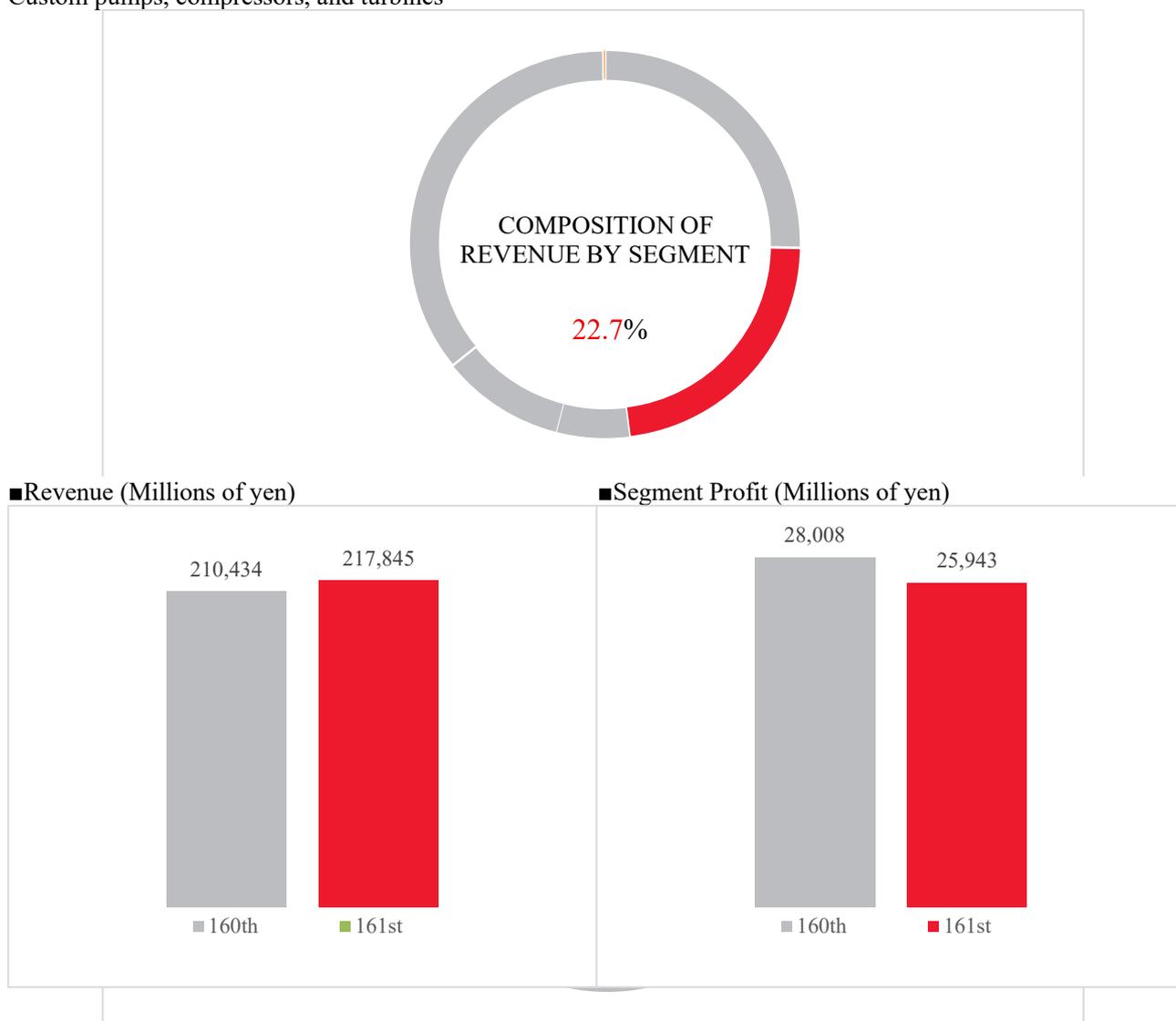
Energy

Main End-Users Market

Oil and gas, electric power, and new energy

Main Items

Custom pumps, compressors, and turbines



Energy

In the petrochemical market, the overall market remained calm, while in the LNG market, customer investment appetite is recovering in North America. Orders received for products decreased year on year due to the decrease in petrochemical orders. However, orders were robust for the electricity market in China. Orders received for Service & Support decreased year on year due to a decline in field service and parts. Revenue increased due to solid performance in Service & Support in the Middle East and Asia, although revenue from products decreased year on year. Segment profit decreased primarily due to a rise in fixed costs.

Revenue in the Energy Business for the fiscal year ended December 31, 2025, amounted to ¥217,845 million (an increase of 3.5% from the previous fiscal year). The segment profit amounted to ¥25,943 million (a decrease of 7.4% from the previous fiscal year).

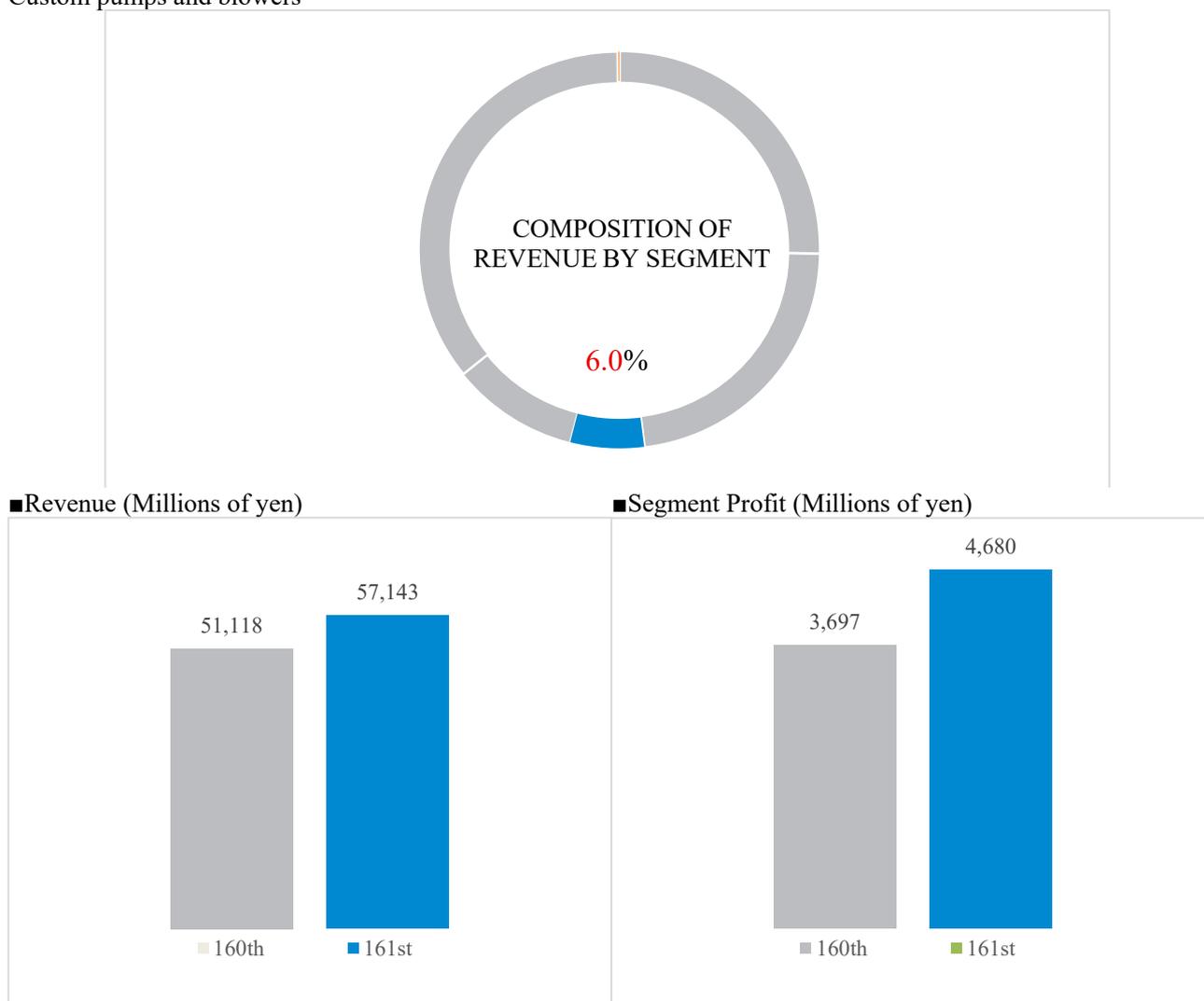
Infrastructure

Main End-Users Market

Water infrastructure

Main Items

Custom pumps and blowers



Infrastructure

Orders received increased from the previous fiscal year as demand for renewal and repair in the domestic public pump market remained steady, and orders for large projects were received in South and North America. Revenue increased due to steady reduction of the order backlog of domestic public projects and overseas. Segment profit increased due to the effect of increased revenue.

Revenue in the Infrastructure Business for the fiscal year ended December 31, 2025, amounted to ¥57,143 million (an increase of 11.8% from the previous fiscal year). The segment profit amounted to ¥4,680 million (an increase of 26.6% from the previous fiscal year).

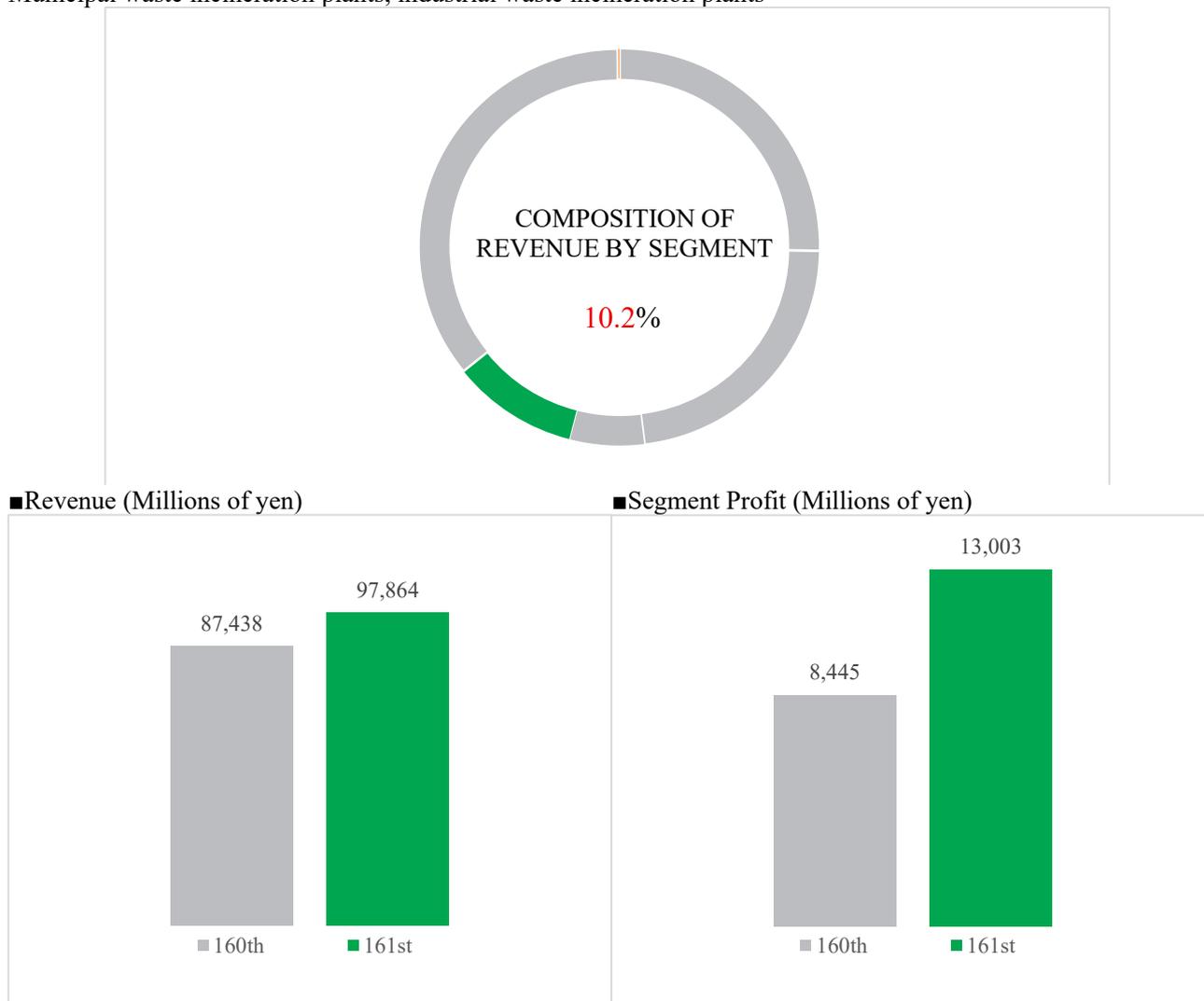
Environmental Solutions

Main End-Users Market

Treatment of solid waste

Main Items

Municipal waste incineration plants, industrial waste incineration plants



Environmental Solutions

Order received increased compared to the previous fiscal year due to receiving four large scale orders for renovation and rehabilitation to extend the lifespan of waste treatment plants. Revenue increased due to the growth in O&M, and segment profit also increased mainly due to the effect of increased revenue and improved profitability.

Revenue in the Environmental Solutions Business for the fiscal year ended December 31, 2025, amounted to ¥97,864 million (an increase of 11.9% from the previous fiscal year). The segment profit amounted to ¥13,003 million (an increase of 54.0% from the previous fiscal year).

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

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

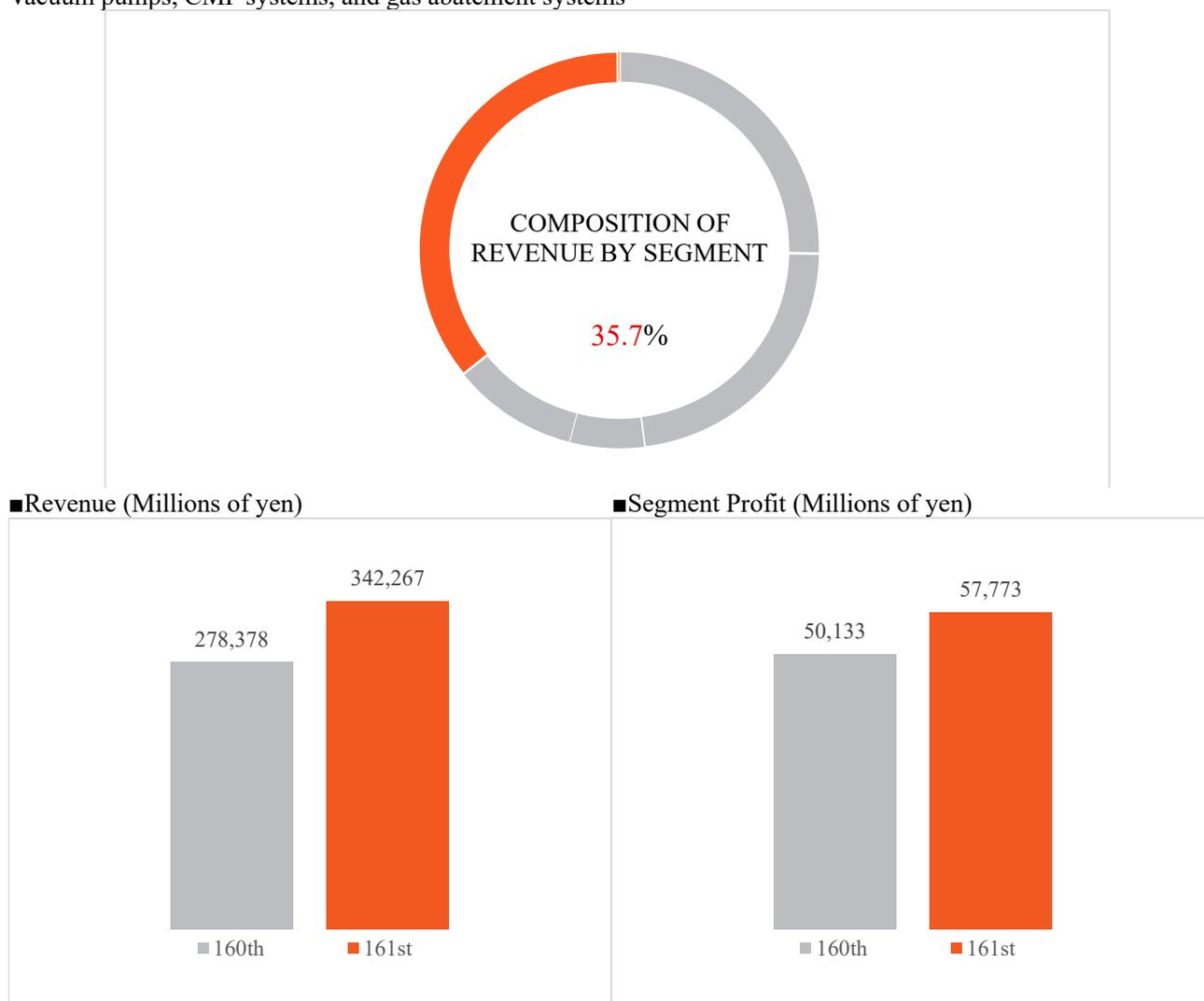
Precision Machinery

Main End-Users Market

Semiconductor manufacturing

Main Items

Vacuum pumps, CMP systems, and gas abatement systems



Precision Machinery

In the semiconductor market, customer factory utilization rates continue to show signs of recovery, driven primarily by demand for generative AI, however, a full-scale resumption of increased production investment is lagging initial expectations. In addition, while the Chinese market has moderated from previous high growth, it continues to maintain a solid scale. Orders received and revenue increased from the previous fiscal year for both products and Service & Support due to a recovery in demand for CMP and components. Segment profit increased due to the positive effects of higher revenue.

Revenue in the Precision Machinery Business for the fiscal year ended December 31, 2025, amounted to ¥342,267 million (an increase of 23.0% from the previous fiscal year). The segment profit amounted to ¥57,773 million (an increase of 15.2% from the previous fiscal year).

(2) Capital Expenditures

Regarding investments, during the fiscal year ended December 31, 2025, the Group implemented capital investments amounting to ¥100,735 million. These were primarily for the expansion of production capacity and the installation of equipment to enhance productivity. Note that the investment amount includes tangible fixed assets and intangible assets.

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

Business Segment	Capital Expenditures (Millions of yen)	Depreciation (Millions of yen)	Breakdown of Capital Expenditures
Building Service & Industrial	15,095	7,533	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Energy	14,535	5,573	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Infrastructure	1,590	1,426	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Environmental Solutions	2,106	1,264	Investments were made primarily for the maintenance and enhancement of production capability and the technical development.
Precision Machinery	34,009	9,974	Investments were made primarily for the maintenance and enhancement of production capability and the improvement of productivity.
Other	33,851	9,101	Investments were made primarily for information equipment and software

(3) Fund-Raising and Capital Resources

In the fiscal year ended December 31, 2025, the Group raised long-term loans payable amounting to ¥36,178 million and short-term loans payable totaling ¥259,643 million. Meanwhile, the Company repaid the 10th and 11th Series of straight bonds amounting to ¥15,000 million and long-term loans payable amounting to ¥14,062 million and short-term loans payable totaling ¥193,096 million.

(4) Other Matters (Business Transfers, Mergers and Corporate Restructuring, etc.)

1) Underwriting a third-party allotment of shares conducted by Japan Suiso Energy, Ltd.

On August 28, 2025, the Company announced that it underwrote a third-party allotment of shares conducted by Japan Suiso Energy, Ltd., a company involved in the survey, planning, operation, and investment of liquid hydrogen supply chains.

2) Acquisition of equity of Brazilian pump unit manufacturing and sales company

Through our Brazilian subsidiary, EBARA BOMBAS AMÉRICA DO SUL LTDA., on October 31, 2025, the Company concluded an equity transfer agreement with the equity holder of GEMINI GERMEK HIDROMECÂNICA LTDA, providing design, manufacturing, sales and service of pump units for the firefighting and agricultural sectors mainly in Brazil.

3) Acquisition of Mitsubishi Electric Corporation's three-phase motor business

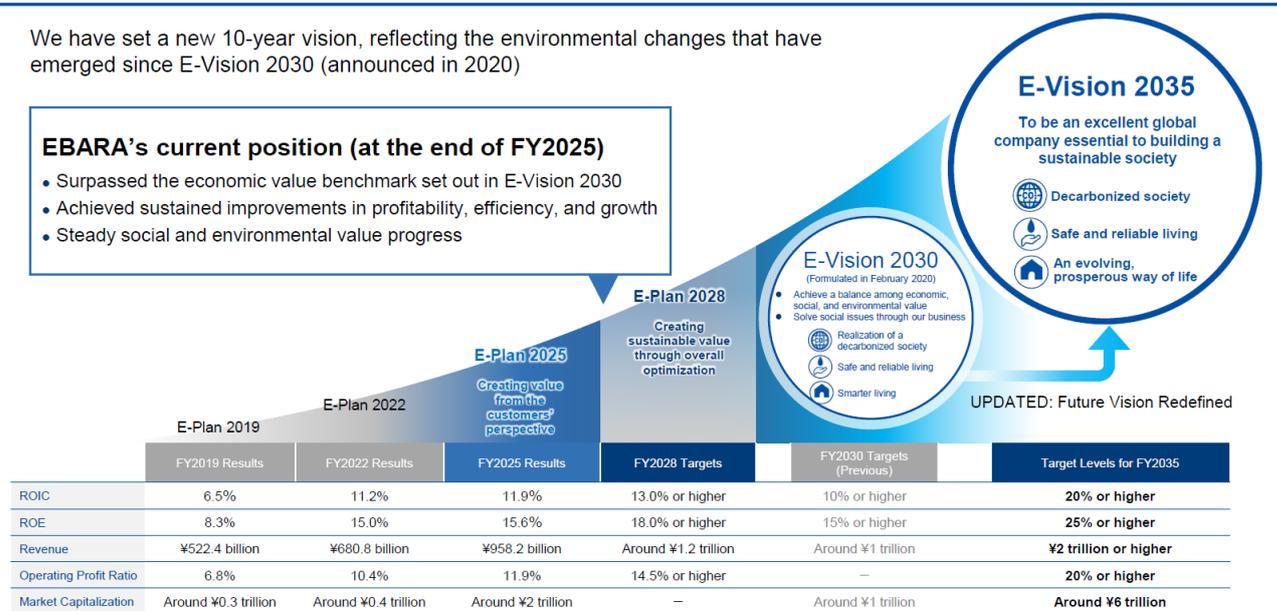
On November 12, 2025, the Company reached an agreement to take over the three-phase motor and Interior Permanent Magnet (IPM) motor businesses operated domestically by Mitsubishi Electric's Nagoya Works, Shinshiro Factory, as well as the industrial motor, pump, and die casting businesses operated by Mitsubishi Electric's Thai subsidiary, Mitsubishi Electric Automation (Thailand) Co., Ltd. The parties plan to complete the transfer of assets, rights, and obligations related to the said businesses to our new subsidiary during 2026, subject to the necessary reviews and approvals by the relevant authorities.

(5) Issues Being Addressed

The Group announced our Long-term Vision, E-Vision 2035 which established a vision and path for ten years from fiscal year (FY) 2026. We have reflected the internal and external changes that have emerged since the establishment of E-Vision 2030 in 2020 into our new 10-year vision. In addition, based on back-casting from our vision for 2035 and the issues identified through the review of E-Plan 2025, we have formulated E-Plan 2028, with its final year in FY2028. Under the theme of “Creating sustainable value through overall optimization,” we have established five basic policies, and we will formulate and implement plans for each business.

Background to the Formulation of E-Vision 2035

We have set a new 10-year vision, reflecting the environmental changes that have emerged since E-Vision 2030 (announced in 2020)



<Theme of E-Plan 2028>

Creating sustainable value through overall optimization

<Basic policies of E-Plan 2028>

1. Expand the Group management foundation needed to achieve overall optimization
2. Balance the harvest of past investment returns with investment for future growth
3. Execute strategies tailored to the characteristics of each business segment
 - Strengthen business scale, profitability and efficiency in our global business segments (Precision Machinery, Energy and Building Service & Industrial) targeting growth markets
 - Secure stable revenue and strengthen the business foundation in Japan-based business segments (Infrastructure and Environmental Solutions)
4. Establish and further enhance human capital management for the EBARA Group
5. Continually create new value from the customer's perspective

<Targets for E-Plan 2028 (financial and non-financial)>

1) Financial targets

Category	Indicator	FY2025 results	FY2028 target
Profitability/ Efficiency	ROIC (WACC*)		
	Company-wide	11.9% (5.0 to 6.0%)	13.0% or higher (8.0 to 9.0%)
	- Precision Machinery	21.0% (7.0 to 8.0%)	25.0% or higher (9.5 to 10.0%)
	- Energy	12.2% (4.5 to 5.0%)	15.0% or higher (8.0 to 8.5%)
	- Building Service & Industrial	5.5% (4.5 to 5.0%)	8.5% or higher (6.0 to 6.5%)
	- Infrastructure	10.3% (4.0 to 4.5%)	12.5% or higher (6.0 to 6.5%)
	- Environmental Solutions	19.1% (4.7 to 5.2%)	13.0% or higher (6.5 to 7.0%)
	ROE	15.6%	18.0% or higher
	Operating profit ratio		
	Company-wide	11.9%	14.5% or higher
	- Precision Machinery	16.9%	20.0% or higher
	- Energy	11.9%	14.5% or higher
	- Building Service & Industrial	6.3%	9.0% or higher
- Infrastructure	8.2%	9.0% or higher	
- Environmental Solutions	13.3%	8.5% or higher	
Scale/Growth	Revenue CAGR	FY2022 to FY2025	FY2025 to FY2028
	- Precision Machinery	15.5%	15.0% or higher
	- Energy	14.9%	8.0% or higher
	- Building Service & Industrial	7.7%	8.0% or higher
	Company-wide revenue	¥958.2 billion	1.2 trillion yen scale
Financial health	Debt-to-equity ratio	0.44	0.4 to 0.5 (management guideline)

*WACC is not a target, but an assumption used for the FY2026-FY2028 business plan (Setting value).

2) Non-financial targets (excerpt)

	Materiality	KPI (FY2028)	Target	
M1	Contribute to the creation of a sustainable society	CSR procurement compliance rate among key suppliers	75%	
		GHG (CO ₂ -e) reductions enabled by our products and services	Reduce 65 million t CO ₂ (cumulative total for 2023-2028)	
M3	Conduct comprehensive environmental management	CDP score (climate change)	Maintain leadership level rating (A, A-)	
		GHG emissions Scope 1 and 2 (CO ₂ -e)	46% reduction (vs. 2018)	
		GHG emissions Scope 1 and 2 (CO ₂ -e) per unit of revenue (emissions intensity) for major businesses	66% reduction (vs. 2018)	
M4	Promote working environments that encourage challenge	Global engagement survey score	85	
		Diversity in Global Key Positions (GKPs)	Ratio of women (consolidated)	11.0%
			Nationality diversity indicator (consolidated)	Level in line with global peers
		Number of fatalities and serious incidents	0 events	
M5	Enhance corporate governance	Implementation of Board effectiveness evaluations, support for Independent Directors, and dialogue with stakeholders	Continuous implementation	

3) Cash allocation over the E-Plan 2028 period

Item	Description	FY2023 to FY2025 3-year cumulative total
Growth investment	Growth investment based on business portfolio (facilities for increased production, R&D, new business, M&A, etc.)	260.0 billion yen (including R&D expenses of 80.0 billion yen)
Infrastructure investment	Strengthen infrastructure that underpins sustainable growth, etc. (maintenance and renewal of equipment, human capital, IT such as ERP, business infrastructure, ESG investments)	60.0 billion yen
Shareholder returns	Dividend policy: Consolidated Dividend Payout Ratio of 35.0% or higher Share repurchases: Continuously adjusting to an appropriate capital level	
	After implementing stable dividends and sustainable share repurchases, allocate at least 100% of cumulative free cash flow over a three-year period, excluding proceeds from asset sales and similar items, to shareholder returns	

Positioning and basic policies by business segment

1. Precision Machinery

Aim to achieve the top market share in dry vacuum pumps, CMP, and packaging plating, while establishing and expanding our presence and share in the new equipment market, such as Bevel polishing systems.

Differentiate from competitors by proposals of our unique solution packages “One Ebara” that incorporate core technologies of other segments.

Establish a global management structure while establishing business foundations and expanding businesses in emerging markets.

2. Energy

Lead the realization of a decarbonized society and promote initiatives in sustainability domains, including ammonia, CCUS*, hydrogen, SAF (sustainable aviation fuel), geothermal, and remote monitoring/failure prediction for energy markets.

Support a stable energy supply, which is essential for global population growth and improved living standards and establish a leading position in the existing oil and gas markets centered on LNG and in the petrochemical market centered on ethylene, including COTC*.

Actively invest to secure and strengthen competitiveness (technology and product development, sustainability domains, DX domains, and talent development).

*CCUS (Carbon dioxide Capture, Utilization and Storage)

COTC (Crude Oil to Chemicals)

3. Building Service & Industrial

Create new markets and rapidly establish supply capabilities in growing markets (data center and electronic device markets) while providing solutions such as pumps and thermal equipment from a market-in perspective.

To proactively expand our service business, develop a new business model, mainly a maintenance cloud by offering integrated device and service solutions.

4. Infrastructure

Within Japan, maximize productivity and enhance profitability through maintaining the top market share, operational efficiency and reduction in costs due to losses, enabled by internal DX. Strengthen our product and service development capabilities and accelerate market launch to enhance our presence, addressing social demands such as aging domestic infrastructure, weather-related disasters, and infrastructure DX.

For overseas, expand our business scale by deepening collaboration with overseas sites and increasing access to a stable profit market.

5. Environment Solutions

Aim to secure stable orders by building a solid project pipeline across public and private sectors and to further enhance O&M profitability with automation and predictive maintenance in the existing core business (EPC/DBO, O&M).

While maintaining our existing business, capture the transition from a linear economy to a circular economy and strengthen efforts for the social implementation of technologies and services that contribute to ICFG®* technology, resource circulation (Waste-to-Resources), and decarbonization, thereby clarifying the path for growth through new business domains.

*ICFG is a Japanese registered trademark of Ebara Environmental Plant Co., Ltd.

(Reference)

1. Long-term Vision: E-Vision 2035 (10-Year Vision)

By 2035, we aim to be an excellent global company essential to building a sustainable society. We will create corporate value that exceeds the sum of our businesses by pursuing overall optimization while creating synergies between businesses through the business portfolio to achieve our vision. Specifically, the global business segments (Precision Machinery, Energy, and Building Service & Industrial) will achieve a certain level of business scale and high profitability and efficiency as the three pillars that support the Company. In addition, the Japan-based business segments (Infrastructure and Environmental Solutions) will build a stable business foundation through providing solution-provision know-how as value from Japan, a leader in addressing advanced social challenges, to regions around the world that need them.

<Value Creation Story and Slogan “Essential EBARA. Everywhere” >

1) Value creation story

To date, we have supported lives around the world by addressing the challenges of each era in fields essential to daily life, including water, air, energy, waste treatment, resource circulation, flood control, irrigation, and semiconductors

We will continue to take on challenges in every corner of the world through “passion and dedication to our customers” and “flow technologies that give form to ideas,” elements of the EBARA Way that we have continued to refine since our founding

Remaining a company indispensable to the world, we will continue to deliver new value in pursuit of the sustainability our planet demands

2) Slogan

Essential EBARA. Everywhere.

It represents our aspiration to be an excellent global company essential to building a sustainable society.

<Social, environmental and economic value aimed in E-Vision 2035>

1) Social/Environmental Value

- Decarbonized society
Lead energy transition
Reduce GHG emissions by the equivalent of about 250 million tons of CO₂
- Safe and reliable living
Protect people’s lives from flood risks associated with climate change
Deliver water to 800 million people
- An evolving, prosperous way of life
Support higher integration and sustainability in semiconductor manufacturing, and contribute to the advancement of an AI-empowered society

2) Economic Value

- Over 2 trillion yen in revenue
- Operating profit ratio over 20.0%
- ROIC over 20.0%
- ROE over 25.0%

3) Benchmark for enhancing corporate value

- Roughly 6 trillion yen in market capitalization

2. Summary of the Medium-term Management Plan, E-Plan 2025

1) While steadily promoting growth investments, we achieved targets for ROIC, ROE, and operating profit ratio in all fiscal years of the Medium-term Management Plan and maintained high levels.

Category	Indicator	Target	FY2025 result
Efficiency	ROIC	10% or higher	11.9%
	ROE	15% or higher	15.6%
Profitability	Operating profit ratio	10% or higher	11.9%
Growth	Revenue CAGR	7% or higher	12.1%
Financial health	Debt-to-equity ratio (times)	0.3 to 0.5 (management guideline)	0.44
Financial policy	Growth investment (3 years)	Growth investment: ¥180.0 to ¥225.0 billion R&D investment (included in growth investment): ¥65.0 billion	Growth investment: ¥174.8 billion R&D investment (included in growth investment): ¥61.9 billion
	Infrastructure investment (3 years)	¥50.0 to ¥80.0 billion	¥81.8 billion
	Shareholder returns (3 years)	Consolidated Dividend Payout Ratio of 35.0% or higher Implement flexibly the share repurchases	Consolidated Dividend Payout Ratio: maintain 35.0% or higher Share repurchases: ¥20.0 billion

2) While the establishment of the organization by target market has generated intra-business synergies, building a global management foundation to support rapidly expanding business remained a challenge.

Five key area	Result	Evaluation	Future issues	
1. Target markets & customer-orientation	<ul style="list-style-type: none"> The organization by target market has taken root. Cross-product orders increased and integrated synergies have emerged. Launched the development of solution business from the customer's perspective. 	◎	<ul style="list-style-type: none"> Continued execution of initiatives and harvesting of results 	
2. New value creation	<ul style="list-style-type: none"> Created new value embedded with customers, such as the EBARA Maintenance Cloud for Building Service & Industrial 	○	<ul style="list-style-type: none"> Promotion of initiatives to deepen cocreation with customers 	
3. Global expansion	<ul style="list-style-type: none"> Established new sites and consolidated and reorganized existing sites Promoted optimization of global manufacturing and service structures 	○	<ul style="list-style-type: none"> Construction of a company-wide data utilization environment 	
4. Advanced and efficient management infrastructure	<ul style="list-style-type: none"> ROIC-based management has been further embedded, including rigorous investment discipline with an awareness of the cost of capital Completed the introduction of function-based management under the CxO system 	△	<ul style="list-style-type: none"> ERP implementation is behind schedule Creation of results from function-based management under the CxO system 	
5. Advances in ESG-focused management	E: Environment	<ul style="list-style-type: none"> Achieved GHG reduction targets Focused on contributing to customers' GHG reduction through our products and services 	○	<ul style="list-style-type: none"> Development of products that contribute to customers' GHG reductions
	S: Social	<ul style="list-style-type: none"> Promoted business development for solving social issues Increased the ratio of female and non-Japanese employees in Global Key Positions GKP, implemented Human Capital Management (HCM), and restructured the succession plan Implemented human rights due diligence across the supply chain 		<ul style="list-style-type: none"> Visualization, appropriate allocation, and development of human resources necessary for the execution of global business strategies
	G: Governance	<ul style="list-style-type: none"> Enhanced governance sophistication and contributed to increased corporate value through the continued implementation and reform of effectiveness evaluations, support for Independent Directors, and dialogue with investors <p>* Received the Corporate Governance of the Year (Grand Prize) Award in 2023</p>		<ul style="list-style-type: none"> Further strengthening of future-oriented discussions by the Board of Directors, with a focus on sustainability-oriented management Rebuilding of the Group governance framework in line with business expansion

(6) Important Matters Related to the Parent Company and Subsidiaries

1) Matters Related to the Parent Company

None

2) Principal Subsidiaries

Company Name	Location of Head Office	Capital	EBARA Ownership Percentage (%)	Main Lines of Business
EBARA FAN & BLOWER CO., LTD.	Suzuka, Mie	¥445 million	100.0	Manufacture, sale and after-sales service of industrial fans
EBARA REFRIGERATION EQUIPMENT & SYSTEMS CO., LTD.	Ota-ku, Tokyo	¥450 million	100.0	Manufacture, sale, and installation of refrigerators and cooling towers and after-sales service
Elliott Ebara Turbomachinery Corporation	Sodegaura, Chiba	¥450 million	100.0*	Manufacture, sale, and after-sales service of compressors, turbines, and blowers
EBARA DENSAN LTD.	Ota-ku, Tokyo	¥450 million	100.0	Manufacture and sale of electrical machinery and fixtures, and construction work for electrical machinery and instrumentation
Ebara Environmental Plant Co., Ltd.	Ota-ku, Tokyo	¥5,812 million	100.0	Design, construction work, operation, and maintenance of waste processing systems
EBARA FIELD TECH. CORPORATION	Fujisawa, Kanagawa	¥475 million	100.0	Sale of dry vacuum pumps, sale, test operation, and after-sales service of CMP equipment
EBARA REFRIGERATION EQUIPMENT & SYSTEMS (CHINA) CO., LTD.	China	RRMB136 million	100.0*	Manufacture and sale of refrigerators and cooling towers
EBARA BOMBAS AMÉRICA DO SUL LTDA.	Brazil	R\$99,106 thousand	100.0*	Manufacture and sale of submersible motors and pumps for deep wells, and land pump products
Ebara Pumps Europe S.p.A.	Italy	€22,400 thousand	100.0	Manufacture and sale of stainless pumps and metallic mold pumps
EBARA PUMPS IBERIA, S.A.	Spain	€1,839 thousand	98.4	Manufacture and sale of standard pumps
Ebara Engineering Singapore Pte.Ltd.	Singapore	S\$6,625 thousand	100.0	Sale and after-sales service for custom pumps and standard pumps; sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Machinery (China) Co., Ltd.	China	US\$41,182 thousand	100.0*	Manufacture, sale, and after-sales service of standard pumps
Vansan Makina Sanayi ve Ticaret A.Ş.	Turkey	TRY5,350 thousand	100.0	Manufacture and sale of submersible motors and pumps for deep wells, vertical pumps
EBARA HG Holdings Inc.	U.S.A.	US\$50	100.0	Manufacture, sale, and after-sales service of industrial pumps, mixers, and monitoring systems
EBARA PUMPS AMERICAS CORPORATION	U.S.A.	US\$40	100.0*	Sale of custom pumps and standard pumps
EBARA GREAT PUMPS CO., LTD.	China	US\$11,000 thousand	51.0*	Manufacture and sale of process pumps and high-pressure pumps
Elliott Company	U.S.A.	US\$1 thousand	100.0*	Manufacture, sale, and after-sales service of air and gas turbo-compressors and steam turbines Manufacture and sale of cryogenic submersible pumps
Elliott Ebara Singapore Pte. Ltd.	Singapore	S\$340 thousand	100.0*	After-sales service of compressors and turbines
EBARA MACHINERY ZIBO CO., LTD.	China	RRMB283 million	100.0*	Manufacture and sale of large-scale pumps and high-pressure pumps
Ebara Environmental Engineering (China) Co., Ltd.	China	¥7,965 million	100.0*	Manufacturing and sale of boilers and heat exchangers
Ebara Precision Machinery Europe GmbH	Germany	€11,145 thousand	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Precision Machinery Korea Incorporated	Korea	KRW5,410 million	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Precision Machinery Taiwan Incorporated	Taiwan	TWD330,000 thousand	100.0	Sale and after-sales service for dry vacuum pumps and CMP equipment

Company Name	Location of Head Office	Capital	EBARA Ownership Percentage (%)	Main Lines of Business
SHANGHAI EBARA PRECISION MACHINERY CO., LTD.	China	¥495 million	100.0*	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara Technologies Incorporated	U.S.A.	US\$44,560 thousand	100.0*	Sale and after-sales service for dry vacuum pumps and CMP equipment
Ebara (China) Co., Ltd.	China	RRMB918 million	100.0	Improving capital efficiency, strengthening governance, streamlining corporate operations, and reinforcing the Ebara brand in China

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

3) Specific Wholly-owned Subsidiaries

None

4) Principal Affiliated Companies

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

(Reference) EBARA's Global Network



* Including major affiliated companies as of the end of December 2025

(7) Main Lines of Business (As of December 31, 2025)

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

(8) Principal Business Offices and Factories (As of December 31, 2025)**1) EBARA CORPORATION**

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

2) Principal Subsidiaries

See “(6) Important Matters Related to the Parent Company and Subsidiaries 2) Principal Subsidiaries” above.

3) Principal Affiliated Companies

See “(6) Important Matters Related to the Parent Company and Subsidiaries 4) Principal Affiliated Companies” above.

(9) Employees by Business Segment (As of December 31, 2025)

Business Segment	Number of Employees	Change from the end of Previous Fiscal Year
Building Service & Industrial	7,654	+46
Energy	3,585	+136
Infrastructure	1,581	-4
Environmental Solutions	2,830	+6
Precision Machinery	4,000	+340
Corporate Departments, etc.	1,498	+114
Total	21,148	+638

(10) Principal Lenders (As of December 31, 2025)

Principal Lenders to the Group	Outstanding Loans (Millions of yen)
Mizuho Bank, Ltd.	49,301
MUFG Bank, Ltd.	45,670
Development Bank of Japan Inc.	15,457
Sumitomo Mitsui Banking Corporation	11,000
Sumitomo Mitsui Trust Bank, Limited	3,563
The Shoko Chukin Bank, Ltd.	3,500

Note: Apart from the above, a syndicated loan (total ¥4,100 million) exists.

(11) Other Important Matters Related to the Condition of the Corporate Group**1) Dispute over fire taking place at bulky waste treatment facility at the Gifu City Eastern Clean Center**

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

Regarding this incident, while the Company had been discussing with Gifu City the compensation for related damages, a lawsuit against EEP was filed by Gifu City at the Gifu District Court on January 31, 2019 claiming compensation for damages of ¥4,362 million and late charges for such compensation. Afterwards, Gifu City amended its amount of the compensation claim for damages to ¥4,474 million and late charges for such compensation on July 22, 2019 (received on July 25, 2019). On July 17, 2020, the amount of the compensation claim for damages was amended to ¥4,582 million and late charges for such compensation (received on July 20, 2020), and on August 10, 2021, the compensation claim for damages was amended to ¥4,692 million and late charges for such compensation (received on August 25, 2021).

On May 31, 2023, the Gifu District Court rendered a judgment ordering EEP to pay ¥748 million and late charges at the rate of 5% per annum from October 23, 2015 until the payment has been made, and judgment rejecting Gifu City’s remaining claims. On June 12, 2023, EEP filed an appeal to the Nagoya High Court against the part of the judgment that allowed the claim of Gifu City and the part that did not allow the claim of EEP and was tried in the same court. (1) On May 17, 2024, the Court amended the judgment of the first trial and ordered EEP to pay ¥605 million to Gifu City and delay damages of 5% per annum from October 23, 2015, to the date of payment; (2) EEP separately filed claim against Gifu City for the provisional bulky waste garbage disposal fee, which was reviewed in conjunction with (1) and the Court amended the judgment of the first trial and ordered Gifu City to pay ¥122 million and delay damages of 6% per annum from May 19, 2018, to the date of payment to EEP. After closely examining the judgment, EEP has decided to accept the judgment of the High Court, and not to file a final appeal or a petition for acceptance of final appeal. However, EEP received notice that Gifu City has filed a final appeal and petition for acceptance of final appeal.

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

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

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

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

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

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

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

4) Recommendations from the Japan Fair Trade Commission based on subcontract act

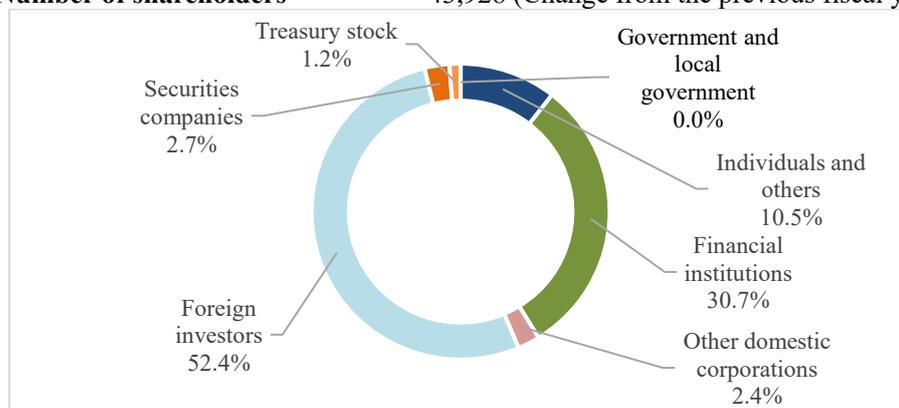
On February 20, 2025, the Company received a recommendation based on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the “Subcontract Act”) from the Japan Fair Trade Commission. The Company was found to have violated the Subcontract Act (Prohibition on request for provision of unfair economic benefits) by having the subcontractors store the company-owned wooden patterns, metal molds, jigs, tools etc. (hereinafter, the “Molds, Etc.”) free of charge despite placing no orders for final products and its parts over a long period.

The Company took this recommendation seriously and the Board of Directors resolved to acknowledge that the acts in question constitute a violation of the Subcontract Act and ensure that the interests of subcontractors will not be unfairly harmed in the future. In addition, the Company has paid storage costs to the relevant suppliers. To prevent recurrence, the Company will conduct Subcontract Act training for employees of the Company and domestic group companies. Furthermore, under the “Groupwide Fair Procurement Promotion Program” owned by the President, Representative Executive Officer and we will establish internal rules regarding the management of the Molds, Etc., and introduce a mold management system that can be used by both purchasers and suppliers to further strengthen the compliance system and strive to restore trust.

2. Shares of the Company (As of December 31, 2025)

(1) Matters Related to Shares Issued by the Company

- 1) **Number of shares authorized** 1,000,000,000 shares
- 2) **Total number of shares issued** 462,199,185 shares
(Change from the previous fiscal year: +143,450 shares)
(Including 5,612,828 shares of treasury shares)
- 3) **Paid-in capital** ¥80,751,492,694
(Change from the previous fiscal year: +¥112,418,338)
- 4) **Number of shareholders** 43,928 (Change from the previous fiscal year: +7,389)



5) Principal shareholders

Name of Shareholder	Number of Shares Held (thousand shares)	Percentage against Total Shares Issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	77,966	17.1
Custody Bank of Japan, Ltd. (Trust Account)	34,828	7.6
Ichigo Trust Pte. Ltd.	23,765	5.2
BNYM AS AGT/CLTS NON TREATY JASDEC	11,024	2.4
STATE STREET BANK AND TRUST COMPANY 505001	10,813	2.4
STATE STREET BANK AND TRUST COMPANY 505301	7,008	1.5
JP MORGAN CHACE BANK 385781	6,728	1.5
BNYM AS AGT/CLTS 10 PERCENT	6,208	1.4
JAPAN SECURITIES FINANCE CO., LTD.	5,170	1.1
Nippon Life Insurance Company	5,093	1.1

Notes:

1. The Company holds 5,612 thousand shares of treasury shares, but we exclude it from the above principal shareholders
2. Treasury shares are eliminated from total number of shares issued in calculating the percentage.

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

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

Issuance of restricted shares

The Company resolved in the meeting of the Board of Directors held on April 8, 2025 to issue new shares as restricted share-based compensation and issued 115,950 common shares on May 7, 2025. Based on this, the capital increased by ¥104,268,038 and the legal capital surplus increased by ¥104,268,037. Numbers of allotted restricted shares to Directors and Executives of the Company is as follows.

Type of Corporate Officer	Number of allotted people	Number of allotted shares
Directors (excluding Independent Directors)	2	16,813 shares
Independent Directors	7	14,007 shares
Executive Officers	14	49,749 shares

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

7) Important notes on other shareholdings

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

The total number of issued shares increased by 27,500 shares and capital and legal capital surplus increased by ¥8,150,300 each as a result of the exercise of subscription rights to shares during the fiscal year under review.

B. Purchase of treasury stocks

At the meeting of the Board of Directors held on August 14, 2025, the Company acquired treasury stock based on Article 459, Paragraph 1 of the Companies Act and Article 38 of the Articles of Incorporation of the Company as follows.

- Types of acquired shares: The Company's common stock
- Total number of acquired shares: 5,470,800 shares
- Total acquisition price of shares: ¥19,999,003,799
- Acquisition period: August 20, 2025 to December 4, 2025

(2) Matters Related to Shares Owned by the Company

1) Policy on cross-shareholdings

In principle, the Company does not own cross-shareholdings. However, the Company may hold shares of other companies as cross-shareholdings only when the Company determines partnerships with investees through such shareholdings will contribute to the enhancement of the Group's corporate value. Furthermore, the Board of Directors periodically reviews the rationality of holding these cross-shareholdings and has a policy of dissolving shareholdings that are no longer rational, by disposal or other means.

[Confirming rationality of shareholdings]

- A. The partnership with the investee is important, and it is necessary to maintain this relationship.
- B. The returns and risks associated with the shareholding match the capital cost.

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

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

- A. Amendments to the Articles of Incorporation
- B. Election of Directors, etc.
- C. Takeover Defense Measures
- D. Appropriation of Surplus

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

Item \ Fiscal Year (FY)	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024)	161st Period (FY ended December 31, 2025) (FY under review)
Number of issues	27 issues	23 issues	14 issues	11 issues
Number of issues of listed companies	0 issue	0 issue	0 issue	0 issue
Amount on the balance sheet (Millions of yen)	1,881	2,265	2,078	1,228
[Breakdown] Amount of listed companies (Millions of yen)	-	-	-	-

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

(1) Subscription rights to shares issued in compensation for the execution of duties and held by the Company's Corporate Officers who were in office at the end of the fiscal year (As of December 31, 2025)

Name (Date of issuance)	Conditional upon the achievement of results	Subscription rights to shares held by Corporate Officers			Class and number of shares purchasable with rights	Amount to be paid upon exercise of rights	Period during which rights may be exercised
		Directors (excluding Independent Directors)	Independent Directors	Executive Officer			
3rd Subscription Rights to Shares (September 27, 2011)	Yes	19 (1 person)	–	0 (0 person)	Common stock of the Company 19,000 shares	¥1.00 per share	July 1, 2014 to June 30, 2026
6th Subscription Rights to Shares (October 1, 2014)	Yes	27 (1 person)	–	13 (1 person)	Common stock of the Company 40,000 shares	¥1.00 per share	July 1, 2017 to June 30, 2029
7th Subscription Rights to Shares (October 1, 2015)	Yes	8 (1 person)	–	17 (1 person)	Common stock of the Company 25,000 shares	¥1.00 per share	July 1, 2017 to June 30, 2029
	No	0 (0 person)	0 (0 person)	–			October 1, 2018 to June 30, 2029
9th Subscription Rights to Shares (October 1, 2017)	Yes	15 (1 person)	–	15 (2 persons)	Common stock of the Company 15,000 shares	¥1.00 per share	April 1, 2020 to March 31, 2032
	No	0 (0 person)	0 (0 person)	–			October 1, 2020 to March 31, 2032

Notes:

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

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

None

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

None

4. Corporate Officers

(1) The Company's Corporate Governance

1) Basic views on corporate governance

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

"EBARA Way"

- Founding Spirit: "*Netsu to Makoto*" (Passion and Dedication), which values passionate and dedicated hearts that bring forth originality and ingenuity
- Corporate Philosophy: We contribute to society through high-quality technologies and services relating to water, air and the environment.
- EBARA Group CSR Policy: The Company's basic stance for the purpose of clarifying and practicing the Group's social responsibility

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

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

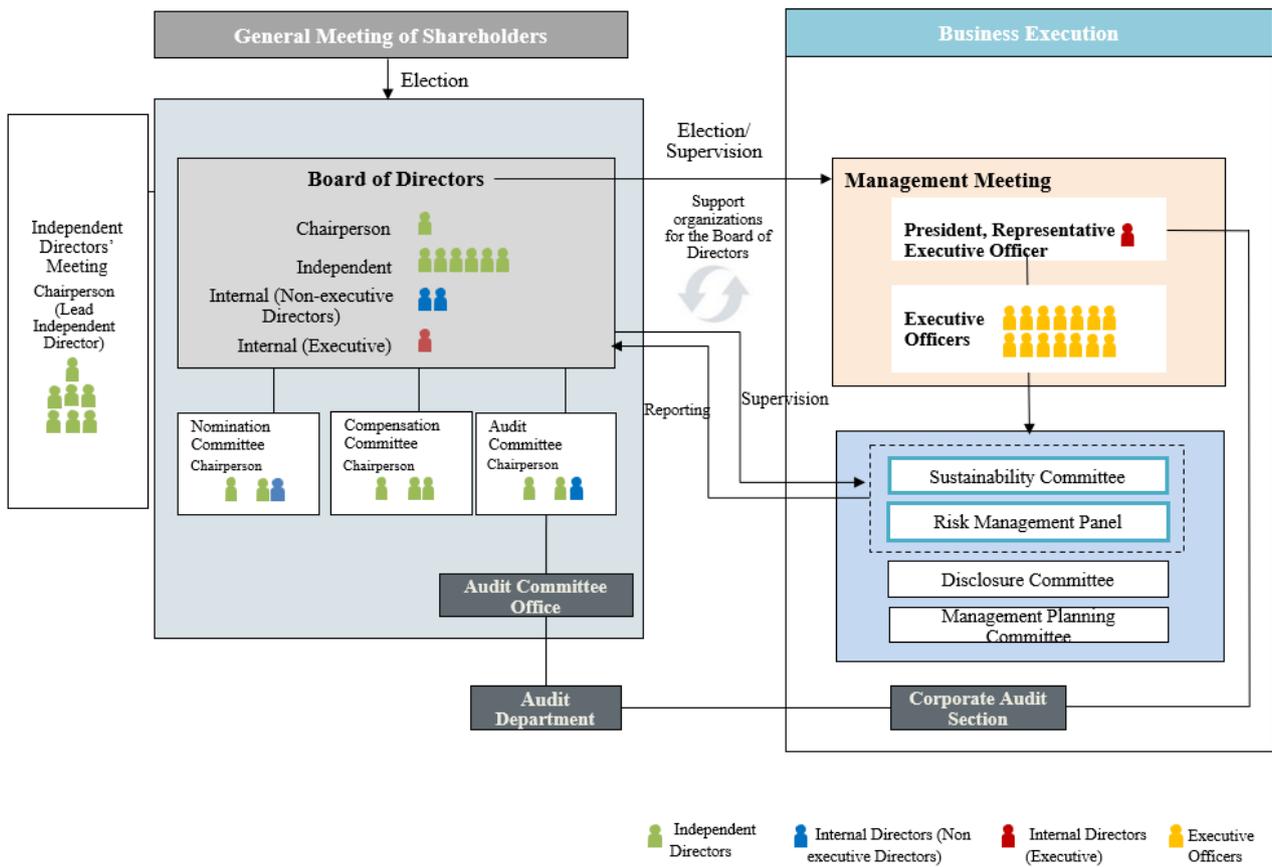
* Independent Directors: Independent Directors that satisfy the Company's independence standards and for which notification as independent officers has been submitted to the Tokyo Stock Exchange. All of the Company's Independent Directors are registered as independent directors.

The "EBARA Corporate Governance Basic Policy" is posted on the Company's website below:

<https://www.ebara.com/global-en/ir/governance/Basic-Policy-and-Framework/>

2) Roles and composition of each organ

The corporate governance framework as of December 31, 2025, is shown below.



a. Supervision

(a) Board of Directors

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

The Board of Directors recognizes that implementation of highly sustainable ESG-based management, and improvement of social and environmental values through continuous contribution to solving social issues and improvement of its economic value by the ROIC-based management and portfolio-based management at the same time are important management issues.

The Board of Directors establishes the Basic Management Policy for the long-term business environment and oversees continuous implementation of the same so that the Group is able to continuously produce sources of growth for further value creation. Furthermore, the Board of Directors exercises its leadership based on the perspective of developing an environment in which management can take bold action to prevent the loss of business opportunities (offensive posture), in addition to the perspective of developing an environment that incorporates controls for preventing scandals (defensive posture).

The Company has adopted the organizational form of a “Company with a Nomination Committee, etc.,” under which authority and responsibility for business execution can be delegated to Executive Officers to achieve clear separation between supervision and business execution in management. It has also minimized the number of Directors serving concurrently as Executive Officers and makes effective use of Non-executive Directors (Independent Directors and Inside Directors who do not serve concurrently as Executive Officers). To ensure the independence and objectivity of the Nomination, Compensation, and Audit Committees, which form the cornerstone of corporate governance, they shall be composed only of Non-executive Directors with a majority of Independent Directors, and the Chairperson is also an Independent Director, in principle. Based on this perspective, the composition of the Board of Directors is structured so that Independent Directors make up more than half of the number of all Directors, and the Chairman of the Board of Directors is an Independent Director.

As of December 31, 2025, the Board of Directors comprises 10 Directors, nine of whom are Non-executive Directors (seven of whom, including three women, are Independent Directors). The Chairman of the Board of Directors is Hiroshi Oeda, an Independent Director. 16 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Formulation of the new Long-term Vision, E-Vision 2035 and the next Medium-term Management Plan, E-Plan 2028
- Monitoring and summarizing Long-term Vision, E-Vision 2030 and Medium-term Management Plan, E-Plan 2025
- Establishment of annual management plan and setting KPIs for each Business Division
- Financial and capital policy
- Development of new businesses and company-wide marketing activities
- Sustainability-related medium- to long-term issues
- Examining and recommending matters on the compliance system
- Evaluation of effectiveness of the Board of Directors and its follow-up

(b) Nomination Committee

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

As of December 31, 2025, the Nomination Committee comprises two Independent Directors (Teiji Koge and Hiroshi Oeda) and one Non-executive Inside Director (Masao Asami). Chairperson of the Nomination Committee is Teiji Koge, an Independent Director. 18 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Programs to train and select next-generation managers
- Succession planning of Directors (Transparency of the executive nomination process and enhancement of the talent pool)
- Deliberation on candidates for Directors
- Deliberation on candidates for Executive Officers

(c) Compensation Committee

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

As of December 31, 2025, the Compensation Committee comprises three Non-executive Directors (Mie Fujimoto, Takuya Shimamura, and Tsuyoshi Numagami), all of whom are Independent Directors. Chairperson of the Compensation Committee is Mie Fujimoto, an Independent Director. 15 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Compensation system for Directors and Executive Officers
- Individual compensation for Directors and Executive Officers
- Short-term performance-linked compensation based on performance evaluation results for Executive Officers
- Consideration and revision of allowance amounts for Directors
- Consideration and revision of ESG indicators in short-term performance-linked compensation
- Introduction of malus and clawback clauses

(d) Audit Committee

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

As of December 31, 2025, the Audit Committee comprises two Independent Directors (Junko Nishiyama and Kaeko Kitamoto) and one Non-executive Inside Director (Akihiko Nagamine). Chairperson of the Audit Committee is Junko Nishiyama, an Independent Director. Members of the Audit Committee include external member Junko Nishiyama, who has experience in conducting audits of consolidated financial statements under IFRS accounting standards as a full-time auditor for another company; external member Kaeko Kitamoto, a certified public accountant; and full-time member Akihiko Nagamine, who has held the position of Division Executive of Finance & Corporate Accounting Division of the Company. All of them have considerable knowledge of finance and accounting. 17 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Audit of Executive Officers' business execution and legal compliance systems
- Status of development and operation of group internal controls pertaining to the Companies Act and the Financial Instruments and Exchange Act, and status for responding to revised internal control reporting system
- Status of implementing recurrence prevention measures, "Groupwide Fair Procurement Promotion Program" for compliance following the recommendations regarding violations of the Subcontract Act from the Japan Fair Trade Commission
- Status of consideration by the Corporate Internal Audit Division regarding the establishment of a group internal audit system and status of business audit implementation to overseas subsidiaries, etc.
- Status of development of Group governance system under five-company system by target market and CxO system
- Inspection of the establishment and operation status of the Internal Reporting Desk, and ensuring effectiveness in responding to reported matters
- New management accounting and cost accounting system with SAP implementation, appropriateness of internal controls related to significant accounting matters under IFRS, and response status to quarterly disclosure system

(e) Independent Directors' Meeting

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

As of December 31, 2025, Lead Independent Director is Teiji Koge. 12 meetings were held in the fiscal year under review.

<Issues discussed during the fiscal year under review>

- Formulation of the new Long-term Vision, E-Vision 2035 and the next Medium-term Management Plan, E-Plan 2028
- Monitoring and summarizing Long-term Vision, E-Vision 2030 and Medium-term Management Plan, E-Plan 2025
- Establishment of annual management plan and setting KPIs for each Business Division
- Financial and capital policy
- Development of new businesses and company-wide marketing activities
- Sustainability-related medium- to long-term issues
- Examining and recommending matters on the compliance system
- Evaluation of effectiveness of the Board of Directors and its follow-up

b. Execution of Business

(a) Management Meeting

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

(b) Management Planning Committee

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

(c) Sustainability Committee

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

(d) Risk Management Panel

The Risk Management Panel (hereinafter referred to as "RMP") is in place as a body responsible for coordinating risk management activities while carrying out deliberation, guidance for improvement, and support. The RMP is chaired by the President and Representative Executive Officer, and made up

of all Executive Officers. Furthermore, Non-executive Directors sit on the panel for exhibiting supervisory functions in risk management and providing advice and the like as necessary. The RMP reports its deliberations to the Board of Directors, and the Board of Directors establishes a system enabling it to exhibit supervisory functions by accurately grasping information. In addition to quarterly meetings, RMP meetings are held as required. 17 meetings were held in the fiscal year under review.

(e) **Disclosure Committee**

The Disclosure Committee has been established as a companywide organization to provide fair, timely, and appropriate disclosure of corporate information such as the occurrence of incidents, decisions, and financial information pertaining to the EBARA Group as a whole. The Disclosure Committee collects without omission corporate information subject to determining whether or not to be disclosed and discusses whether to disclose the information, disclosed contents thereof, and the timing of the disclosure, and discloses the contents after the President and Representative Executive Officer approves them. 10 meetings were held in the fiscal year under review.

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

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

a. Process of electing and dismissing Directors

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

b. Process of electing and dismissing Executive Officers

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

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

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

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

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

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

the Nomination Committee for three consecutive fiscal years when the Nomination Committee periodically checks the adequacy of the current President and Representative Executive Officer, the Nomination Committee proposes to the Board of Directors it would not recommend the reappointment of the current President and Representative Executive Officer, and the Board of Directors discusses the pros and cons of dismissal.

In addition to the normal process for electing the President, Representative Executive Officer mentioned above, the Nomination Committee has established regulations regarding Business Continuity Plan (BCP) to prepare for unforeseen circumstances involving the current President and Representative Executive Officer.

b. Successor plan for the President and Representative Executive Officer

In order to appoint the next President and Representative Executive Officer for engaging in the realization of the Company's management strategy and putting the vision of growth on track, mainly the Nomination Committee establishes a succession plan for the President and Representative Executive Officer, establishes programs for the continued and deliberate development of candidates with the aptitude to serve in management, and works to ensure there is a system enabling the recommendation of appropriate personnel at any time. The Nomination Committee identifies the abilities, qualities (potential), experience, knowledge, and skills required of the President as the Ebara style of an "ideal manager" based on the succession plan, establishes the specific methods and criteria for determining these, selects candidates from a broad age group, develops them, and actively checks the status of development. In fiscal 2025, as the first year of the six-year succession plan for the President, the Company deliberated on the formulation of the overall program for the next six years and the details of its implementation.

5) Policy on training for Directors

The Company considers that each Director can maximize their expertise and experience to appropriately perform their roles and responsibilities by deepening and enhancing Directors' understanding and knowledge of the Group's business, issues, business environment, and corporate governance. This enhances the quality of the Board of Directors' discussions and leads to the enhancement of its effectiveness. From this perspective, the Company offers opportunities for newly elected Directors to obtain necessary knowledge of and insight into finance, legal affairs, and corporate governance, prior to or immediately after their election. In particular, the Company offers opportunities as appropriate for elected Independent Outside Directors, who constitute a majority of the Board of Directors and play a crucial role, to gain knowledge of and insight into important matters such as the Group's management strategies, financial position, and management issues. Furthermore, the Company continues to provide Directors with opportunities to deepen their understanding of the Group's businesses, key themes of the Board, and issues identified in the evaluation of the effectiveness through inspection tours and lectures by external experts, etc.

<Results in FY2025>

- May 2025: Inspection tour at main domestic base (Building Service & Industrial Company and Precision Machinery Company)
- October 2025: Inspection tour at main domestic base (Infrastructure Company, hydrogen-related business)
- November 2025: Seminar on corporate governance with invited external experts

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

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

The Board of Directors conducts an annual analysis and evaluation of its own effectiveness to review how the Board of Directors contributes to the effective functioning of corporate governance, to identify issues, and to seek improvements. In annual assessment, an examination of the state of improvement of matters recognized as issues in the previous fiscal year is carried out, and the next issues are identified based on the results in a continuous PDCA cycle for governance reform.

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

(a) Process of evaluation

The Board prepared a questionnaire for each Director with the support of external independent experts. Based on the results of questionnaire responses, individual interviews were conducted with all of the

Directors by the Chairman of the Board, who is an Independent Director, to directly confirm each Director's perspectives, while also performing self-evaluation and peer evaluation (review) of individual Directors. In addition, some Executive Officers were included in the scope of the questionnaire and individual interviews this fiscal year to ensure a more multifaceted and objective evaluation by incorporating the perspective of business execution.

The Board analyzed the results of the above questionnaire and individual interviews, discussed the effectiveness of the Board in the Board Meetings held in December 2025 and January 2026 based on these, and confirmed the evaluation results and future action to be taken. All Directors other than the Chairman conducted evaluation of the Chairman.

(b) Overview of the results of analysis and evaluation

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

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

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

On the other hand, it has been confirmed that there are remaining issues to be addressed, as detailed in the next section.

(c) Future action

The Board will continue with existing reforms, and also further increase the board effectiveness by discussing the following matters.

- Enhancement of discussion on the medium- to long-term growth strategies
The Board will strengthen discussions to enhance corporate value by setting key themes based on medium- to long-term management issues, such as business portfolio, growth investment, human capital investment and human resources strategy, and the Group management structure.
- Deepening of discussion on sustainability
The Board will clarify the connection between initiatives for sustainability and corporate value and profitability and deepen discussions from that perspective.
- Discussion and review on further enhancement of the governance
The Board will continuously verify and support efforts and strengthening of systems for enhancing the effectiveness of internal control and internal audit functions.

See the Company's website at the following address for the entire text of the "Evaluation of the Effectiveness of the Board of Directors (FY2025)."

<https://www.ebara.com/global-en/ir/governance/Corporate-Governance-Library/>

(2) Names and other information on Directors and Executive Officers (As of December 31, 2025)**1) Directors**

Name	Position	Assignment and important concurrent positions
Masao Asami	Director Chairman of the Company	Member of the Nomination Committee
Shugo Hosoda	Director, Representative Executive Officer	President, CEO & COO
Hiroshi Oeda	Director	Chairman of the Board of Directors Member of the Nomination Committee Corporate Special Adviser, Nisshin Seifun Group Inc. Outside Director, SEKISUI CHEMICAL CO., LTD. President, Hitotsubashi University Koenkai Outside Director, Japan Post Holdings Co., Ltd.
Junko Nishiyama	Director	Chairperson of the Audit Committee Outside Corporate Auditor, Toda Corporation Outside Director (Auditing Committee Member), PeptiDream Inc.
Mie Fujimoto	Director	Chairperson of the Compensation Committee Attorney at law Partner, TMI Associates Outside Audit & Supervisory Board Member, Tokyo Broadcasting System Holdings, Inc. (Audit & Supervisory Board Member, Tokyo Broadcasting System Television, Inc.)
Akihiko Nagamine	Director	Member of the Audit Committee (Full-Time Member)
Takuya Shimamura	Director	Member of the Compensation Committee Director and Chair, AGC Inc. Outside Director, JFE Holdings, Inc.
Teiji Koge	Director	Lead Independent Director Chairperson of the Nomination Committee Director and Chair, SEKISUI CHEMICAL CO., LTD.
Tsuyoshi Numagami	Director	Member of the Compensation Committee Outside Director (Audit & Supervisory Board Member), JFE Holdings, Inc. External Director, Tokyo Century Corporation Professor Emeritus, Hitotsubashi University Professor, Institute for Business and Finance, Waseda University
Kaeko Kitamoto	Director	Member of the Audit Committee Certified Public Accountant External Audit & Supervisory Board Member, DAIKIN INDUSTRIES, LTD. Outside Director, Harmonic Drive Systems Inc.

Notes:

- Seven Directors, Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge, Tsuyoshi Numagami, and Kaeko Kitamoto are Independent Directors as stipulated in Article 2, item 15 of the Companies Act.
- Seven Directors, Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge, and Tsuyoshi Numagami, and Kaeko Kitamoto satisfy the qualifications for Independent Directors stipulated by the Tokyo Stock Exchange. The Company has filed notification to the Tokyo Stock Exchange for appointing those seven members as its Independent Directors.
- Members of the Audit Committee include, member Junko Nishiyama, who has experience in conducting audits of consolidated financial statements under IFRS accounting standards as a full-time auditor for another company, Kaeko Kitamoto, who is a certified public accountant, and full-time member Akihiko Nagamine, who has held the position of Division Executive of Finance & Corporate Accounting Division of the Company. All of them have considerable knowledge of finance and accounting.
- Director Toichi Maeda and Hisae Kitayama completed his/her term of office at the end of the 160th Ordinary General Meeting of Shareholders held on March 26, 2025, and retired from his position.
- The Company has no special relationship with the organizations at which the Independent Directors hold important concurrent positions.
- In order to improve the effectiveness of the activities of the Audit Committee, the Company has elected Non-executive Director Akihiko Nagamine from within the Company as a full-time member of the Audit Committee, due to the need for continuously and effectively gathering information from executive management by a Director familiar with the Company's internal controls, receiving reports from the Internal Audit Division, understanding information from audits of subsidiaries, and attending various meetings.

2) Executive Officers

Name	Position	Assignment and important concurrent positions
Shugo Hosoda	Representative Executive Officer	President, CEO & COO
Shu Nagata	Executive Officer	President, Building Service & Industrial Company
Takanobu Miyaki	Executive Officer	President, Energy Company Chairman, EBARA GREAT PUMPS CO., LTD. CEO, Elliott Company
Teruyuki Ota	Executive Officer	President, Infrastructure Company
Hideki Yamada	Executive Officer	President, Environmental Solutions Company Chairman and Representative Director, EBARA Environmental Plant Co., Ltd. Director, Swing Corporation
Isao Nambu	Executive Officer	President and Division Executive, Equipment Division, Precision Machinery Company
Seiichi Tsuyuki	Executive Officer	Precision Machinery Company (Responsible for Components Business, Advanced Technology, and Safety, Environment & Quality Assurance) Division Executive, Components Division Chairman, Ebara Precision Machinery Taiwan Incorporated
Sungyong Lee	Executive Officer	Division Executive, Management Strategy Control Division, Precision Machinery Company
Tetsuya Fuchida	Executive Officer	CFO (Responsible for Corporate Strategic Planning, Finance, Accounting, and Tax Affairs) Division Executive, Corporate Strategic Planning Division Chairman, EBARA (CHINA) CO., LTD.
Akihiro Osaki	Executive Officer	CHRO (Responsible for Human Resources, Safety, Labor Affairs, and Human Resource Development) Division Executive, Human Resources Division
Toru Nakayama	Executive Officer	CRO (Responsible for Risk Management, Legal, and Internal Control)
Hiroyuki Kowase	Executive Officer	CIO (Responsible for Information & Communication System) Division Executive, Information & Communication System Division
Norihisa Miyoshi	Executive Officer	CTO (Responsible for Technologies, R&D, and Intellectual Property) Division Executive, Technologies & Intellectual Property Division
Kazunori Suda	Executive Officer	Division Executive, Marketing Division
Miwa Tachiyama	Executive Officer	Division Executive, Operations Innovation Division

Notes:

1. Shugo Hosoda, Representative Executive Officer, concurrently serves as a Director.
2. Executive Officers Masao Asami and Yoji Sato completed their terms of office at the end of the meeting of the Board of Directors held on March 26, 2025, and retired from their positions.
3. Effective January 1, 2026 there were the following changes to positions:

Name	Assignment and important concurrent positions	
	After change	Before change
Akihiro Osaki	CHRO (Responsible for Human Resources, Labor Affairs, Human Resource Development, and Well-being)	CHRO (Responsible for Human Resources, Safety, Labor Affairs, and Human Resource Development)
Toru Nakayama	CRO (Responsible for Risk Management, Legal, Internal Control, and EHS)	CRO (Responsible for Risk Management, Legal, and Internal Control)
Norihisa Miyoshi	CTO (Responsible for Technology management strategy, R&D, and Intellectual Property, and Innovative Production Engineering & Quality Assurance) Division Executive, Technology Management Strategy Division	CTO (Responsible for Technologies, R&D, and Intellectual Property) Division Executive, Technologies & Intellectual Property Division
Kazunori Suda	Division Executive, New Business Development Division	Division Executive, Marketing Division
Miwa Tachiyama	Division Executive, Global Supply Chain Strategy Division	Division Executive, Operations Innovation Division

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

The Company has stipulated in its Articles of Incorporation that it may enter into agreements with Directors (excluding Executive Directors) to limit their liability for damages as outlined under Article 423, paragraph 1 of the Companies Act in accordance with Article 427, paragraph 1 of the Companies Act, and has entered into agreements limiting liability with all Independent Directors. The limit of liability for damages under the agreement is the minimum liability amount stipulated under Article 425, paragraph 1 of the Companies Act. However, this limit will be applicable only when the performance of duties giving rise to such responsibilities is recognized to have been carried out in good faith and with no gross negligence.

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

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

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

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

1) Amount of compensation paid to Directors and Executive Officers

Type of Corporate Officer	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc. by items (Millions of yen)							
		Base pay		Short term performance-linked compensation		Restricted share-based compensation		Performance-linked share-based compensation	
		Number of Persons	Amount	Number of Persons	Amount	Number of Persons	Amount	Number of Persons	Amount
Directors (excluding Independent Directors)	221	3	114	–	–	3	35	1	71
Independent Directors	129	8	105	–	–	8	24	–	–
Executive Officers	1,481	16	388	15	277	16	103	18	711
Total	1,833	27	607	15	277	27	164	19	783

Notes:

1. The above shows the compensation paid to Directors and Executive Officers as of December 31, 2025 according to their term of office for the fiscal year under review, the compensation paid to one Director and one Independent Director who retired at the conclusion of the 160th Ordinary General Meeting of Shareholders held on March 26, 2025 and one Executive Officer who retired at the conclusion of the meeting of the Board of Directors held on the same day, from January 2025 to the time of their retirement and the performance-linked share-based compensation planned to be paid for two Executive Officers who retired at the conclusion of the 159th meeting of the Board of Directors held on March 27, 2024.
2. Compensation paid to Representative Executive Officer concurrently serving as Director is shown in the column for Executive Officers.
3. Amount of compensation paid to Executive Officers includes ¥180 million (Base pay: ¥59 million, Short-term performance-linked compensation: ¥47 million, and Performance-linked share-based compensation: ¥72 million) as compensation that subsidiaries paid to Executive Officers who served concurrently as the Corporate Officers of the subsidiaries.
4. Short-term performance-linked compensation for Executive Officers is linked to company-wide or business-level performance, in addition to which individual targets are set, the level of achievement against these targets is evaluated, and an amount for the individual is determined after deliberation by the Compensation Committee.
5. Short-term performance-linked compensation shown is the total amount of short-term performance-linked compensation to be paid (scheduled for March 2026), in relation to Executive Officers serving in those roles as of December 31, 2025, for the fiscal year under review.
6. Restricted share-based compensation shown is the restricted share-based compensation paid in the current fiscal year and the amount of restricted share-based compensation paid in the past fiscal years to be recorded as an expense in the fiscal year under review.
7. Performance-linked share-based compensation shown is the amount planned to be paid in May 2026 of performance-linked share-based compensation to be recorded as an expense in the fiscal year under review. In calculating the amount for the fiscal year under review, the Company used the most recent price of the Company's stock and the estimate of the consolidated return on invested capital (ROIC) in the management plan

for the period ended December 31, 2025, which is the final year of the Medium-term Management Plan, E-Plan 2025. The difference compared to the amounts recorded for the previous fiscal year is also calculated and added.

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

Name	Total amount of compensation, etc. (Millions of yen)	Company classification	Total amount of compensation, etc. by items (Millions of yen)			
			Base pay	Short term performance-linked compensation	Restricted share-based compensation	Performance-linked share-based compensation
Masao Asami Director Chairman of the Company	155	The Company	64	–	19	71
Shugo Hosoda President, Representative Executive Officer	189	The Company	48	35	13	92
Shu Nagata Executive Officer	128	The Company	31	17	7	72
Takanobu Miyaki Executive Officer	45	The Company	1	–	8	36
	86	Ebara Elliott Energy Holdings, Inc.	30	20	–	36
Hideki Yamada Executive Officer	45	The Company	1	–	7	36
	93	Ebara Environmental Plant Co., Ltd.	29	27	–	36
Isao Nambu Executive Officer	117	The Company	29	20	6	59

Notes:

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

3) Policies regarding determination of compensation for corporate officers

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

A. Compensation for Directors

(a) Purpose and basic policy on the compensation system

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

(b) Compensation system

a. Non-executive Directors

Compensation for Non-executive Directors comprises basic compensation and long-term incentive, since they are expected to take on the role and responsibility of supervision from a standpoint that is independent from business execution to see that business execution is carried out lawfully, and it is determined by the Compensation Committee. The long-term incentive shall be in the form of

restricted share-based compensation (RS) to promote the sustainable improvement of corporate value and to encourage the Directors to share values with shareholders through the ownership of shares. Furthermore, the Company pays allowances to the Chairman of the Board of Directors, the Lead Independent Director, and the Chairpersons of the Committees based on the extent of their roles and responsibilities and the number of hours spent on their execution of duties.

b. Executive Directors

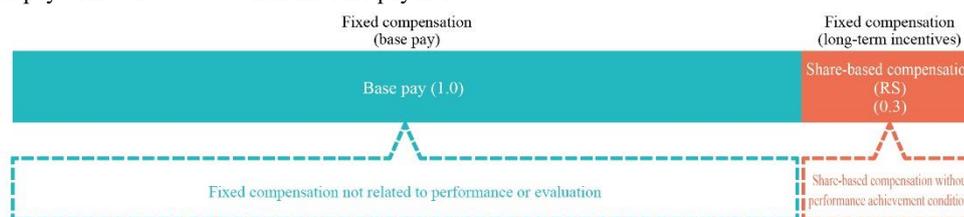
The Company pays compensation as Executive Officers to Executive Directors (President and Representative Executive Officer), and does not pay them compensation as Directors.

(c) Combination of compensation

The combination of Directors' compensation is as follows.

[Ratio of Compensation of Non-executive Directors]

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



B. Compensation for Executive Officers

(a) Purpose and basic policy on the compensation system

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

(b) Compensation system

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

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

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

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

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

(c) Combination of compensation

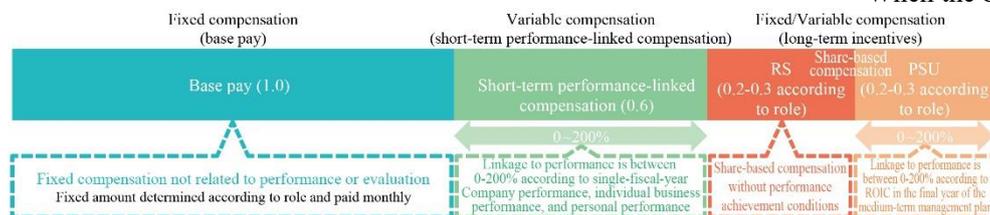
The combination of Executive Officers' compensation is as follows.

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

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

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

*When the base pay is 1.0

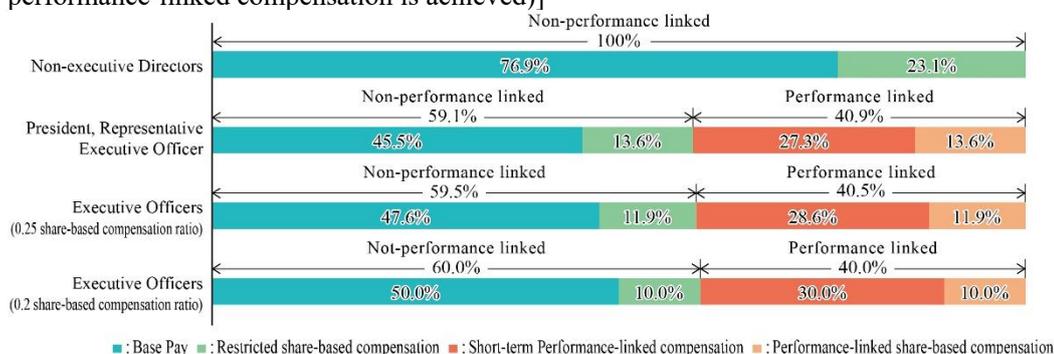


(d) Compensation levels

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

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

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



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

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

D. Malus and Clawback Clause

In order to deter misconduct such as legal violations or serious wrongful acts by Directors and Executive Officers, to ensure the soundness of remuneration, and to maintain the trust of our shareholders and other stakeholders, the Company has introduced a malus and clawback clause. This allows the Compensation Committee to take actions such as the forfeiture or recoupment of remuneration in the event of such misconduct.

4) Procedures for the determination of compensation

As the organization that determines the policy on compensation of Directors and other officers, the Compensation Committee comprises three Independent Directors, so as to emphasize an objective perspective and transparency. Specifically, the members have been selected from among the Outside Directors who are experts in corporate legal affairs, experienced in corporate management, and researchers in corporate management.

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

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

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

The Compensation Committee met 15 times in fiscal 2025. It resolved the compensation policy as well as amounts of basic compensation and short-term performance-linked compensation for individual Directors and Executive Officers based on the compensation policy, along with the content and number of shares to be granted for restricted share-based compensation.

5) Payment items

A. Short-term performance-linked compensation

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

Target and Result of Business Performance Indicators of the Company in 2025

Performance Indicator	2025 Target	2025 Result
Consolidated ROIC	11.6%	11.9%
Consolidated operating profit	¥101,500 million	¥113,800 million

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

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

(a) Restricted share-based compensation

As a principle, certain numbers of restricted shares will be given to Corporate Officers and subsidiaries corresponding to their roles per year. Because the objectives are to promote shareholding by Corporate Officers, and increase value sharing with shareholders, the transfer restricted period is

from the share giving date to the day of retirement; thus the transfer restriction will be released when he/she retires from the position of Corporate Officers.

(b) Performance-linked share-based compensation

Performance-linked share-based compensation is calculated as follows: in the first fiscal year of the medium-term management plan, the Company presets the standard number according to the roles of Corporate Officers eligible to receive payment, and in the final fiscal year of the medium-term management plan, the Company delivers its common shares to Corporate Officers in accordance with the extent to which consolidated ROIC, which has been set as a target in the medium-term management plan, has been achieved. The Company will make a monetary payment to the Corporate Officers of an amount corresponding to 40% of the above granted shares. The Company has adopted consolidated return on invested capital (ROIC) as an indicator for performance-linked share-based compensation. Depending on the degree of achievement of the consolidated return on invested capital (ROIC) target (IFRS 10.0%) for the fiscal year ending December 31, 2025, which is the final year of the Medium-term Management Plan, E-Plan 2025, the payment rate is 0% to 200%.

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

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

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

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

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

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

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

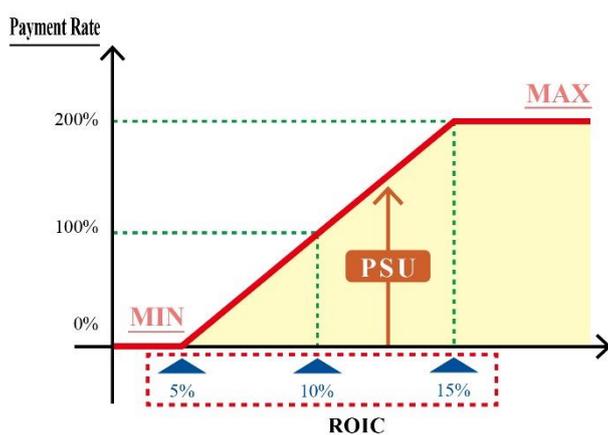
*Reflecting the result of share split (1:5) made effective as of July 1, 2024.

<<Payment rate>>

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

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

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



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

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

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

2) Specific relationships with major business partners and others

None

3) Principal activities during the fiscal year under review

Name	Attendance					Status of statements
	Board of Directors	Nomination Committee	Compensation Committee	Audit Committee	Independent Directors' Meeting	
Hiroshi Oeda	100% (16/16)	100% (18/18)	—	—	100% (12/12)	Mr. Oeda attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. He also led the Board of Directors as the Chairman of the Board. Mr. Oeda also served as a member of the Nomination Committee and fulfilled his responsibilities by actively expressing his opinion at the Committee to select management personnel, including Director candidate selection, the President's succession plan, etc.
Junko Nishiyama	100% (16/16)	—	—	100% (17/17)	100% (12/12)	Ms. Nishiyama attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her ample experience and a wide range of knowledge of corporate management at a listed company. Ms. Nishiyama also served as the Chairperson of the Audit Committee and fulfilled her responsibilities by conducting audits of the Company and Group businesses from an independent standpoint based on her knowledge and experiences.
Mie Fujimoto	100% (16/16)	—	100% (15/15)	—	100% (12/12)	Ms. Fujimoto attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her extensive knowledge and high-level insight as an attorney. Ms. Fujimoto also served as the Chairperson of the Compensation Committee and fulfilled her responsibilities by actively expressing her opinions and leading deliberations at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.
Takuya Shimamura	88% (14/16)	—	100% (15/15)	—	100% (12/12)	Mr. Shimamura attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. Mr. Shimamura also served as a member of the Compensation Committee and fulfilled his responsibilities by actively expressing his opinions at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.

Name	Attendance					Status of statements
	Board of Directors	Nomination Committee	Compensation Committee	Audit Committee	Independent Directors' Meeting	
Teiji Koge	100% (16/16)	100% (18/18)	—	—	100% (12/12)	Mr. Koge attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his ample experience and a wide range of knowledge of corporate management at a listed company. Mr. Koge also served as a chairperson Nomination Committee and fulfilled his responsibilities by actively expressing his opinion at the Committee to select management personnel, including Director candidate selection, the President's succession plan, etc.
Tsuyoshi Numagami	100% (16/16)	—	100% (15/15)	—	100% (12/12)	Mr. Numagami attended the Board of Directors meetings and other such important meetings and expressed his opinions from the viewpoint of general management based on his extensive knowledge and high-level insight as a corporate management researcher. Mr. Numagami also served as a member of the Compensation Committee and fulfilled his responsibilities by actively expressing his opinions at the Committee to review the compensation systems and decide compensation levels of Directors and Executive Officers.
Kaeko Kitamoto	100% (11/11)	—	—	100% (11/11)	100% (10/10)	Ms. Kitamoto attended the Board of Directors meetings and other such important meetings and expressed her opinions from the viewpoint of general management based on her extensive knowledge and high-level insight as a certified public accountant. Ms. Kitamoto also served as a member of the Audit Committee and fulfilled her responsibilities by conducting audits of the Company and Group businesses from an independent standpoint based on her knowledge and experiences.

Notes:

- On February 20, 2025, during the tenure of the six Independent Directors, Hiroshi Oeda, Junko Nishiyama, Mie Fujimoto, Takuya Shimamura, Teiji Koge, and Tsuyoshi Numagami, the Company received a recommendation from the Japan Fair Trade Commission based on the Subcontract Act. Although the six directors were not aware of this matter in advance, they have been providing proposals from the perspective of legal compliance at the Board of Directors meetings and on other occasions. Furthermore, after becoming aware of this matter, they made proposals regarding prompt investigation of the case, strengthening of the internal control system for recurrence prevention, and thorough compliance, etc.
- Ms. Kaeko Kitamoto was newly elected and appointed as Director and a member of the Audit Committee at the 160th Ordinary General Meeting of Shareholders held on March 26, 2025, and the meeting of the Board of Directors held on the same day, and her attendance at meetings of the Board of Directors and the committee held since that date is provided above.

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

None

5. Independent Auditors

(1) Name of Independent Auditors

Deloitte Touche Tohmatsu LLC

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

None

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

None

(4) Amount of Compensation Paid to the Independent Auditors

1)	Compensation to be paid by the Company to the Independent Auditors	¥224 million
2)	Other monetary and other payments to be paid by the Company and its subsidiaries	¥289 million

Notes:

1. In the agreement between the Company and the Independent Auditor, the amount of compensation is determined as a lump-sum payment without breakdown for the audit, etc., in accordance with the Companies Act and the Financial Instruments and Exchange Act. Accordingly, the amount shown in 1) above represents the total amount of compensation.
2. Elliott Company and 19 other companies, among the Company's principal overseas subsidiaries, are subject to audits by those other than the Company's Independent Auditors (certified public accountants overseas or those who have any qualification equivalent to the qualification that audit firms have).

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

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

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

The Company has not made a request for services from the Independent Auditor other than the audit certification services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

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

1) Dismissal policy

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

2) Nonrenewal policy

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

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

Also, three years will have elapsed since Deloitte Touche Tohmatsu LLC was appointed as the Company's Independent Auditors in the 161st fiscal year under review.

6. The Company's Systems and Policies

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

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

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

Basic Policies for Internal Control	Overview of Operation
<p>1. System to Ensure that the Execution of Duties by Executive Officers and Employees of the Company and Directors, Audit & Supervisory Board Members, and Employees of Subsidiaries Complies with Laws and Regulations and the Articles of Incorporation</p>	
<p>Develop, maintain, and operate systems to realize the EBARA Group CSR Policy and the EBARA Group Code of Conduct.</p>	<p>(1) The Company has established a division for promoting compliance, which supports the creation of systems for raising awareness of compliance and preventing misconduct and the establishment of a friendly and open work environment in the Company and its subsidiaries.</p> <p>(2) Disciplinary provisions on violations of the “EBARA Group Code of Conduct” and internal rules are stipulated in the service rules and employment regulations, etc., of the Company and its subsidiaries.</p> <p>(3) The Sustainability Committee, chaired by the President and Representative Executive Officer, deliberates on policies, strategies, targets, and KPIs for activities that contribute to society, the environment, and the Group’s sustainability, and confirms and reviews the results. The Committee also monitors the compliance status of the Company and its subsidiaries and gives instructions for corrective actions and improvements as appropriate. Four meetings of the committee were held in the fiscal year under review.</p> <p>(4) The Global Hotline that can be used by the Company, domestic and overseas subsidiaries. In the establishment of the Global Hotline, the “Regulations for the Operation of the Compliance Consultation Counter” has been established to promptly address any reports or inquiries on violations of the framework of corporate ethics, internal regulations, and laws, etc. in the EBARA Group. Currently, the Global Hotlines have been established in place at 67 domestic and overseas group companies (including the Company) located in 34 countries.</p> <p>(5) In Japan, the EBARA Group Compliance Network periodically holds meetings in accordance with the “Regulations for the Operation of the EBARA Group Compliance Network” to share compliance information between the Company and its subsidiaries. In addition, network meetings were held overseas; however, starting this fiscal year, we changed the framework to CRO meetings where compliance is also addressed as a theme, because we expanded the theme to cover overall risk management. In this fiscal year, we held meetings with 51 subsidiaries in the North and South America regions, Europe and Middle East regions, Asia and Oceania regions, and the Africa region.</p> <p>(6) The Company has established an Internal Audit Division, which conducts activities in accordance with the annual audit plan in accordance with “Internal Audit Rules.” It conducts audits and monitoring of the operations of the Company and its subsidiaries independent of the business execution departments. We have our subsidiaries establish internal auditing and monitoring systems, and the status of implementation of these systems is confirmed by the Internal Audit Division. Co-sourcing audits using outside experts were conducted for overseas subsidiaries. Additionally, in audits of overseas subsidiaries, related departments accompanied as advisors to confirm risk situations and provided expert opinions to improve audit quality. In addition, relevant company departments accompany the audits as necessary to coordinate prompt corrective actions.</p>

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

Basic Policies for Internal Control	Overview of Operation
5. Systems to Ensure the Efficient Execution of Duties by Executive Officers of the Company and by Directors of Its Subsidiaries	
<p>(1) The administrative authority of Executive Officers of the Company and Directors of its subsidiaries in the execution of operations is clarified.</p> <p>(2) Develop, maintain, and operate systems to enable efficient execution of duties by the Company's Executive Officers and Directors of its subsidiaries through the formulation of basic management policies and the monitoring of their progress.</p>	<p>(1) The Board of Directors of the Company entrusts the authority and responsibility for the execution of business to Executive Officers and ensures the efficient execution of duties by Executive Officers by supervising the execution of duties by Executive Officers.</p> <p>(2) The administrative authority of Executive Officers of the Company and Directors of its subsidiaries is set out in the "Regulations on the Division of Duties" of the Company and its subsidiaries.</p> <p>(3) The Company's Board of Directors formulates basic management policies, and these policies are reflected in the annual management plans of the Company and its subsidiaries. As for return on invested capital (ROIC), the most important management indicator (KPI), we confirm the progress at KPI monitoring meetings.</p> <p>(4) Executive Officers of the Company review the progress of annual management plans and measures for their achievement on a quarterly basis in the Management Planning Committee.</p> <p>(5) The Management Meeting made up of all Executive Officers is in place as a meeting structure for deliberation necessary for facilitating prompt decision making by the President and Representative Executive Officer. The Management Meeting is held once every month.</p>
6. Systems for Shutting Out Anti-social Elements	
<p>The Company establishes, maintains, and operates systems for preventing the Company and its subsidiaries from engaging in any activities that may provide profits to anti-social forces in whatever name.</p>	<p>The Anti-social Forces Countermeasure Headquarters has been established to oversee countermeasures against anti-social forces in the Company and its subsidiaries, a manual has been established for cases in which there has been contact from anti-social forces, and a system has been developed for handling cases as an entire company in coordination with legal counsel and external expert organizations in the event there has been contact. Furthermore, investigations of business partners, internal education, and the like are conducted based on the "Guidelines on Shutting Out Anti-social Elements," in addition to periodically holding liaison meetings attended by personnel responsible for preventing undue claims in the Company and domestic subsidiaries. One meeting was held in the fiscal year under review.</p>
7. Systems to Ensure the Appropriate Operations of the EBARA Group, Comprising the Company and Its Subsidiaries	
<p>Establish a policy on the operation of the EBARA Group comprising the Company and its subsidiaries, and develop, maintain, and operate systems for ensuring appropriate operations of the Group.</p>	<p>(1) An internal control system is in place according to the scale and characteristics of the business of the Company and its subsidiaries. The Executive Officers of the Company are responsible for the establishment of internal control systems in subsidiaries.</p> <p>(2) The Company performs evaluations on the state of maintenance and operation of internal controls in the Company and its subsidiaries, and corrections are made when problems are found.</p>
8. Systems for Assigning Employees to Assist the Audit Committee in the Execution of Its Duties	
<p>Establish a division that assists the Audit Committee in the execution of its duties.</p>	<p>(1) The Audit Committee Office has been established as a department that assists the Audit Committee in the execution of its duties.</p> <p>(2) The Company appoints employees who are to assist the Audit Committee in its duties (hereinafter referred to as "assistant employees of the Audit Committee" or "assistant employees") and assigns them to the Audit Committee Office. In the fiscal year under review, 20 employees belonged to the Audit Committee Office, of which five were engaged in administrative work related to the Audit Committee as full-time assistant employees. The other 15 employees were mainly engaged in the internal audit division or as auditors of affiliated companies, and were concurrently employed by the Audit Committee Office as assistant employees. The assistant employees of the Audit Committee may also serve as auditors of affiliated companies for the purpose of ensuring the internal control of the corporate group.</p>

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

Basic Policies for Internal Control	Overview of Operation
10. Systems for Reporting to the Audit Committee of the Company by Executive Officers and Employees, etc., of the Company and by Directors, Audit & Supervisory Board Members, and Employees, etc., of Its Subsidiaries, and Other Reporting to the Audit Committee of the Company	
<p>(1) Develop, maintain, and operate a system whereby the Audit Committee members are able to attend important meetings of departments engaging in business execution, and to receive reports from Executive Officers, employees, etc.</p> <p>(2) Develop, maintain, and operate a system whereby Directors, Audit & Supervisory Board Members, employees, etc., of its subsidiaries in addition to persons receiving reports therefrom report to the Audit Committee.</p> <p>(3) Any person having made a report under the two preceding paragraphs shall not be subject to disadvantageous treatment because of such reporting.</p>	<p>(1) Audit Committee members view important documents and receive reports on the execution of duties from Executive Officers and employees, etc., by attending important meetings of departments engaging in business execution such as the Management Meeting, the Sustainability Committee, and the RMP.</p> <p>(2) Executive Officers promptly report to the Audit Committee pursuant to the “Executive Officer Rules” in the event they discover a fraudulent act in the course of executing their duties and such act is not redressed immediately.</p> <p>(3) In the course of audits by the Audit Committee, the Company and its subsidiaries provide information on the handling of management tasks and the legality and appropriateness of their business operations upon the request of the Audit Committee.</p> <p>(4) The Global Hotline that can be used by the Company, domestic and overseas subsidiaries. In establishing the Global Hotline, the “Regulations for the Operation of the Compliance Consultation Counter” has been established to promptly address any reports or inquiries on violations of the framework of corporate ethics, internal regulations, and laws, etc. in the EBARA Group. Currently, the Global Hotlines have been established in place at 67 domestic and overseas group companies (including the Company) located in 34 countries. Reports on the state of implementation of these are made to the Audit Committee as appropriate.</p> <p>(5) The Audit Committee established the Audit Committee helpline, allowing reports to be received on the violation of laws and regulations in the Company and its subsidiaries, in addition to other issues concerning corporate ethics, and a system is in place for employees, etc. of the Company and its subsidiaries to report to the Audit Committee if the Company’s Directors, Executive Officers, or Directors of its subsidiaries commit fraud, violate laws, regulations, or the Articles of Incorporation, conduct improper accounting practices, have corporate ethics issues, or are otherwise found to be grossly inappropriate for management of the Company.</p> <p>(6) The Company thoroughly ensures a system whereby any person having reported to the Audit Committee is not subject to disadvantageous treatment because of such reporting.</p>

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

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

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

Dividends

Fiscal Year (FY) Item	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024)	161st Period (FY ended December 31, 2025) (FY under review)
Annual dividend per share (yen)	193.0	229.0	147.0	59.0 (planned)
Annual dividends (Millions of yen)	17,765	21,141	25,404	27,091 (planned)
Consolidated total payout ratio (%)	35.2	35.0	35.6	35.5 (planned)
Purchase of treasury stock (Millions of yen)	-	-	-	19,999

Note: “Annual dividend per share” and “Annual dividends” for the 161st period are amounts assuming the approval of Proposal 1 “Appropriation of Surplus” by the 161st Ordinary General Meeting of Shareholders.

The Company conducted a 5-for-1 stock split of shares of common stock, effective July 1, 2024. The changes in basic earnings per share are as follows assuming the stock split was conducted at the beginning of the 158th fiscal period:

Fiscal Year (FY) Item	158th Period (FY ended December 31, 2022)	159th Period (FY ended December 31, 2023)	160th Period (FY ended December 31, 2024)	161st Period (FY ended December 31, 2025) (FY under review)
Annual dividend per share (yen)	38.6	45.8	55.0	59.0 (planned)

(3) Dialogue with Shareholders and Investors

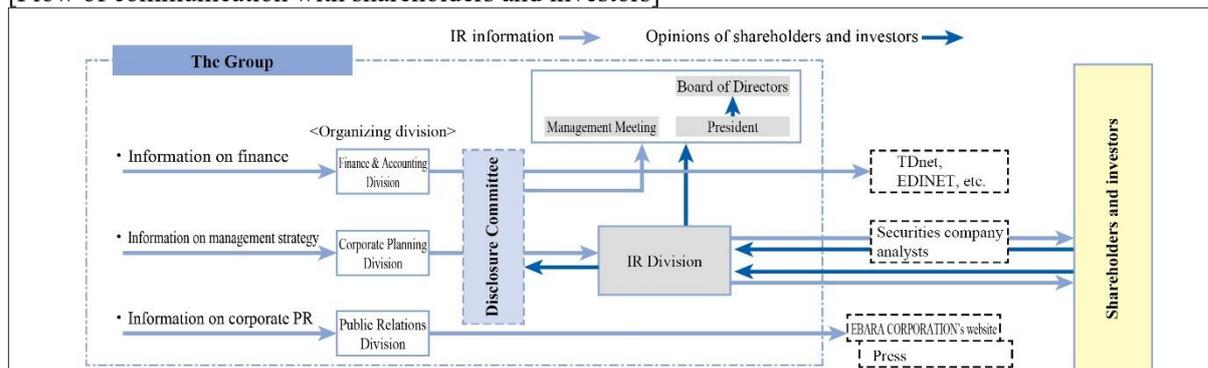
The Group positions building long-term relationships of trust with shareholders and investors as one of the most important matters in management. In addition to appropriately providing corporate information required for investment decisions, an effort is made to continually foster relationships of trust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

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

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

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

[Flow of communication with shareholders and investors]



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

[State of implementation of IR and SR activities]

Details of Activities	Actual status in 161st Period
Individual meetings	400 times
Conferences held by securities companies	49 times
Presentation for individual investors	5 times
Financial results briefings	4 times
Management meeting	1 time
IR Day	1 time
ESG small meeting	1 time
Plant tour for individual investors	1 time

(4) Sustainability Management

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

1) Responding to Climate Change

A. Promotion of Carbon-Neutral

The Group has set the practice of advanced ESG-focused management as one of the goals to be achieved by 2030, and has identified the response to climate change as a key theme. With the aim of balancing the realization of a sustainable society with the further growth of the Group, we aim to achieve carbon neutrality by 2050 through reducing GHG (Greenhouse gas) emissions by the Group and in its value chain.

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

Regarding GHG emissions from the Group's business (Scope 1 and 2), we improve energy efficiency at each site, as well as promoting the introduction of solar power generation equipment and the procurement of CO₂-free electricity at domestic and overseas sites.

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

We obtained the Near-Term SBT certification in May 2025. We have also obtained third-party assurance for Scope 1, 2, and 3 emissions in 2024.

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

Goals for 2030

- Scope 1 and 2: Reduce GHG (CO₂-e) emissions by 55% compared to FY2018
- Scope 3 (Category 11): Reduce GHG (CO₂-e) emissions by 25% compared to FY2021
- Avoided emissions (in-line with WBCSD Guidance on Avoided Emissions): Cumulative reduction of 43 million tons (CO₂-e) from 2023 to 2030
- Ebara-Specific GHG Reduction: Cumulative reduction of 100 million tons (CO₂-e) from 2023 to 2030
- Business Creation Supporting Carbon Neutrality

B. Climate-related Disclosures

Based on the TCFD recommendations that we endorsed in 2019, the Company has analyzed climate-related risks and opportunities and reflected the results of scenario analysis in our Medium-term Management Plan, E-Plan 2025 (2023–2025). Since the 2024 disclosure, we have referred to IFRS® Sustainability Disclosure Standards S2 Climate-Related Disclosures. We updated our climate-related information in June 2025.

•Governance

Members of the Board of Directors attend the Sustainability Committee. When disclosing climate-related information, we consult with the Sustainability Committee or the Management Committee, which are the governing bodies for the executive side*, and then report it to the Board of Directors for review and confirmation.

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

- Strategy

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

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

Climate-related risks and opportunities are reviewed through scenario analysis on the same schedule as the Medium-term Management Plan. In this climate-related scenario analysis, we define the time horizons as follows: "Short-term" covers the period of our Medium-term Management Plan, "Medium-term" aligns with our Long-term Vision targets, and "Long-term" extends to 2050, the target year of the Paris Agreement.

In 2025, we conducted a review of climate-related risks and opportunities to formulate the climate-related strategy for our next Medium-term Management Plan, which is set to start in 2026.

- Risk management

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

- Metrics and targets

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

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

Carbon Neutrality Efforts by the EBARA Group

<https://www.ebara.com/global-en/sustainability/environment/carbon-neutrality/>

Climate-related Disclosures (TCFD Recommendations)

<https://www.ebara.com/global-en/sustainability/think/tcf/>

ESG Data

<https://www.ebara.com/global-en/sustainability/data/esg/>

2) Support for Human Capital Management

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

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

- We will build a “Global HCM (Human Capital Management) Platform” that will serve as a foundation for accelerating the “visualization of personnel” on a global scale, and establish a system that enables the quantitative monitoring of the effectiveness of various HR policies.

A. Measures to Promote Diverse Human Resources

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

As of December 31, 2025, the Company has 145 females in key positions and the proportion of females in key positions is 8.6%. We have achieved our goal of 8% or more by 2025. Additionally, since 2011, the Company has been actively hiring new graduates of foreign nationality. As of December 31, 2025, the Company has 214 foreign national employees, which account for 3.9% of our workforce. Of these, the number of foreign national employees in managerial positions is 29, or 1.7% of the total number of employees in key positions, and we aim to continue to improve this figure going forward.

Additionally, as of December 31, 2025, the Company has 2,551 mid-career employees which accounted for 46.5% of the Company’s total employees. Of these employees, 624 or 36.9% hold key positions. We will actively recruit mid-career employees as well as implementing a fair grading system based on a role grading system, regardless of employment history, and providing fair opportunities for promotion to key positions. The Company plans to consider our targets on the percentage of foreign employees and mid-career employees within key positions as a part of our recruiting strategy.

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

(b) Promote good performance of employees with special needs

We aim to enable all Group employees, regardless of their special needs, to “work together and continue to provide value,” and are promoting the centralization of the Group’s employment management as a whole. We are establishing a foundation to respond flexibly to changes in the external environment and increases in the legal employment rate across the entire Group.

EBARA Ernest, Co., Ltd., our special subsidiary company newly entered the manufacturing line in the Precision Machinery Business in order to increase its contribution to the Group's business. Beyond simply securing employment, we are accelerating the creation of an environment that supports individual development from a career-building perspective, enabling employees to embrace challenges and feel growth.

As of June 2025, the employment rate of people with disabilities reached 2.57%, exceeding the legal employment rate, although it fell short of the self-set target of 2.60%.

(c) Promote diversity

We work to promote DE&I (diversity equity and inclusion), focusing not only on visible diversities such as gender, nationality, and age (demographic diversity), but also on invisible diversities such as experience and ability (task diversity). In particular, we believe that organizational change is essential for promoting understanding of DE&I, and we are working to raise employee awareness and foster a corporate culture through the use of change management methodologies. Our major initiatives are as follows.

- We conduct a companywide e-learning session under the themes of “Diversity,” “Psychological Safety” and “Unconscious Bias” to raise employee awareness and realize an organization with high psychological safety.
- We hold regular study sessions to raise awareness and improve knowledge of DE&I within the Company.

- As part of our efforts to promote the advancement of working women, we conduct training sessions for management, workshops for female employees and cross-industry networking events.
- We promote the advancement of working women through training for managers, workshops for female employees, and cross-industry networking events.
- We distributed a message from the President and held study sessions with the aim of increasing male employees' use of childcare leave and spreading understanding in the workplace. In addition, aiming for a 100% paternity leave uptake rate, we conduct monthly surveys of all employees regarding their intention to take leave. We also hold consultations with those who have not yet taken it and take action to support their acquisition.
- As part of our initiatives to develop the next generation, we participated in "Girls Meet STEM," a STEM workplace experience program for junior high and high school girls offered by the Yamada Shintaro D&I Foundation (a public interest incorporated foundation). We held an event at our Fujisawa Plant for junior high and high school girls, featuring a technology experience using VR and a networking session with female employees.
- We sponsored "Tokyo Pride 2025," one of Asia's largest LGBTQ+ events organized by the specified non-profit organization TOKYO RAINBOW PRIDE, as a Bronze Sponsor. For other Pride Month initiatives, please see: <https://www.ebara.com/jp-ja/newsroom/2025/20250630-02/> (Japanese only)
- We have introduced "Cradle," a DE&I promotion support service provided by Cradle Inc. which focuses on healthcare, to support the mental and physical health of our employees and their diverse working styles.
- We have updated the "Promoting Diversity, Equity & Inclusion (DE&I)" page on our corporate website to raise awareness of our DE&I initiatives both internally and externally.

B. Initiatives toward Human Rights

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

As part of our system for providing relief, not only the internal reporting desk at each group company, but also EBARA Corporation's Global Hotline accepts and responds to complaints from all Group employees, including those related to human rights. We have also set up Global Hotlines at 67 domestic and overseas group companies (including the Company) in 34 countries, and are working to establish

this system at all group companies.

In order to respond to complaints and consultations from the Group's suppliers, we established the Supplier Hotline in December 2025 and have published the contact details on our website. In addition, we accept inquiries from outside the Group on our website.

Furthermore, in April 2024, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), a general incorporated association. All stakeholders can report specific issues related to the Group and file a complaint related to "Business and Human Rights" through the engagement and remedy platform provided by JaCER.

When we receive complaints or consultations regarding human rights, the Compliance Help Desk acts as the main point of contact and responds as necessary in collaboration with related departments.

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

"The Ebara Group Human Rights Policy"

⇒ <https://www.ebara.com/global-en/sustainability/social/respect/>

"The Ebara CSR Procurement Guidelines"

⇒ <https://www.ebara.com/global-en/sustainability/social/supply-chain/>

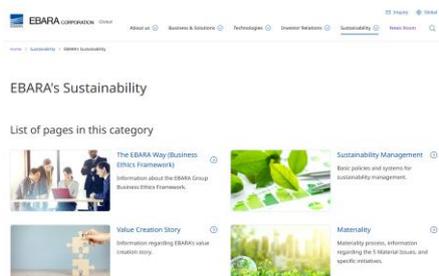
<Reference>

Detailed Sustainability Information of the Company

For more details on our sustainability and ESG initiatives, please see our Integrated Report and the Company's website below:

<https://www.ebara.com/global-en/ir/library/annual-report/>

<https://www.ebara.com/global-en/sustainability/think/>



The Company has won the Gold Award from the WICI Japan Integrated Report Award 2025

ESG-related External Evaluations and External Evaluation on IR Activities

The Company has been selected as a constituent of various domestic and overseas ESG indices. In addition, we have received high recognition for our IR activities.

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

<https://www.ebara.com/global-en/ir/business/sri/>

Consolidated Statement of Financial Position

December 31, 2025

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	717,392	Current liabilities	448,343
Cash and cash equivalents	143,485	Trade and other payables	148,175
Trade and other receivables	209,180	Contract liabilities	82,498
Contract assets	119,684	Bonds, borrowings and lease obligations	131,746
Inventories	197,695	Income taxes payable	15,420
Income taxes receivable	860	Provisions	14,437
Other financial assets	3,581	Other financial liabilities	1,112
Other current assets	42,905	Other current liabilities	54,953
Non-current assets	364,808	Non-current liabilities	112,191
Property, plant and equipment	258,032	Bonds, borrowings and lease obligations	92,989
Goodwill and intangible assets	61,472	Retirement benefit liability	8,855
Investments accounted for using equity method	8,001	Provisions	3,947
Deferred tax assets	23,444	Deferred tax liabilities	2,153
Other financial assets	5,086	Other financial liabilities	80
Other non-current assets	8,770	Other non-current liabilities	4,164
		Total liabilities	560,534
		Equity	
		Share capital	80,751
		Capital surplus	77,701
		Retained earnings	319,262
		Treasury shares	(20,326)
		Other components of equity	51,486
		Total equity attributable to owners of parent	508,875
		Non-controlling interests	12,790
		Total equity	521,666
Total assets	1,082,201	Total liabilities and equity	1,082,201

Consolidated Statement of Profit or Loss

From January 1, 2025
to December 31, 2025

(Millions of yen)

Account	Amount
Revenue	958,285
Cost of sales	646,341
Gross profit	311,944
Selling, general and administrative expenses	197,892
Other income	3,884
Other expenses	4,134
Operating profit	113,802
Finance income	2,864
Finance costs	6,769
Share of profit (loss) of investments accounted for using equity method	1,080
Profit before tax	110,977
Income tax expense	31,384
Profit	79,592
Profit attributable to:	
Owners of parent	76,633
Non-controlling interests	2,959

Non-consolidated Balance Sheet

December 31, 2025

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	349,084	Current liabilities	265,371
Cash and deposits	40,989	Notes payable - trade	1,053
Notes receivable - trade	927	Accounts payable - trade	25,859
Accounts receivable - trade	82,940	Electronically recorded obligations - operating	41,487
Electronically recorded monetary claims - operating	42,939	Short-term borrowings	96,071
Contract assets	21,767	Current portion of long-term borrowings	39,902
Finished goods	2,434	Income taxes payable	5,709
Work in process	48,508	Contract liabilities	19,309
Raw materials and supplies	51,865	Provision for bonuses	5,935
Short-term loans receivable	33,851	Provision for bonuses for directors (and other officers)	233
Other	23,058	Provision for warranties for completed construction	1,266
Allowance for doubtful accounts	(198)	Provision for product warranties	3,934
Non-current assets	342,940	Provision for loss on construction contracts	1,563
Property, plant and equipment	141,940	Other	23,045
Buildings and structures	63,047	Non-current liabilities	79,633
Machinery and equipment	28,189	Bonds payable	25,000
Land	20,257	Long-term borrowings	51,331
Construction in progress	23,645	Provision for retirement benefits	27
Other	6,799	Other	3,275
Intangible assets	38,769	Total liabilities	345,005
Software	30,538	Net assets	
Software in progress	7,825	Shareholders' equity	346,805
Other	405	Share capital	80,751
Investments and other assets	162,230	Capital surplus	84,680
Investment securities	1,228	Legal capital surplus	84,679
Shares of subsidiaries and associates	110,462	Other capital surplus	0
Investments in capital of subsidiaries and associates	26,101	Retained earnings	201,542
Long-term loans receivable	2,435	Other retained earnings	201,542
Prepaid pension costs	5,755	Reserve for purchase of specified shares	75
Deferred tax assets	14,561	Retained earnings brought forward	201,467
Other	3,592	Treasury shares	(20,168)
Allowance for doubtful accounts	(1,908)	Share acquisition rights	213
Total assets	692,024	Total net assets	347,019
		Total liabilities and net assets	692,024

Non-consolidated Statement of Income

From January 1, 2025
to December 31, 2025

(Millions of yen)

Account	Amount	
Net sales		420,326
Cost of sales		297,470
Gross profit		122,855
Selling, general and administrative expenses		94,275
Operating profit		28,580
Non-operating income		
Interest income	1,747	
Dividend income	23,901	
Foreign exchange gains	31	
Other	1,091	26,771
Non-operating expenses		
Interest expenses	2,029	
Commission for commitment line	111	
Provision of allowance for doubtful accounts	110	
Other	344	2,595
Ordinary profit		52,756
Extraordinary income		
Gain on sale of non-current assets	30	30
Extraordinary losses		
Loss on sale of non-current assets	10	
Loss on retirement of non-current assets	1,231	
Impairment losses	501	
Loss on sale of investment securities	0	
Loss on valuation of investment securities	1,342	
Loss on sale of investments in capital	0	3,087
Profit before income taxes		49,700
Income taxes - current	11,387	
Income taxes - deferred	(3,672)	7,715
Profit		41,984