



February 10, 2025 Harmonic Drive Systems Inc.

Notice Regarding Selection for CDP's 2024 Water Security "A List" (Highest Rating)

Harmonic Drive Systems Inc. ("HDSI") hereby announces that it has been selected by CDP^{*1}, a UK-based international non-profit organization, as an "A List^{*2}" company (highest rating) in the water security category in recognition of its leadership in transparency and performance in disclosure. HDSI has, since 2022, answered CDP's questionnaire, and this is the first time to be selected for CDP's Water Security A List.



The Harmonic Drive Systems (HDS) Group's mission is to solve social issues and contribute to technological innovation for the betterment of society through corporate activities. Considering that response to climate change and water resources issues in particular is essential as a member of society, HDSI has positioned promotion of environmentally friendly business activities as a priority issue by setting "Contribute to creating a sustainable society through corporate activities" as one of material issues (materiality) in its Medium-term Management Plan for fiscal years 2024-2026, launched in April 2024. In addition, as part of efforts to strengthen the HDS Group's sustainability promotion system, the Sustainability Committee, which consists of executive Directors with President as Chair, was established on April 1, 2023 to manage and supervise the HDS Group's sustainability efforts.

We will continue to seek to achieve the HDS Group's sustainable growth and enhance corporate value, and also implement and promote its sustainability initiatives, including response to climate change and water resources issues, through corporate activities as a good member of society.

For details on the HDS Group's sustainability initiatives, please see the following URLs.

- Sustainability: <u>https://www.hds.co.jp/english/csr/</u>
- ·Integrated Report: https://www.hds.co.jp/english/csr/hdsreport/
- *1 CDP is an international non-profit environmental organization that runs a global environmental disclosure system for companies and local governments. Since its establishment in the UK in 2000, CDP has played a leadership role in encouraging companies to disclose their environmental impacts, reduce greenhouse gas emissions, and conserve water resources and forests, by working with over 700 financial institutions holding 142 trillion US dollars in assets and by leveraging the capital market and corporate purchasing power. In 2024, a record high of about 24,800 companies disclosed their environmental information through CDP's questionnaire.
- *2 CDP evaluations are graded at eight levels: Leadership (A and A-), Management (B and B-), Awareness (C and C-), and Disclosure (D and D-) based on the comprehensiveness of information disclosure, the awareness and management of environmental risks, ambitious goal setting and other benchmarks.