

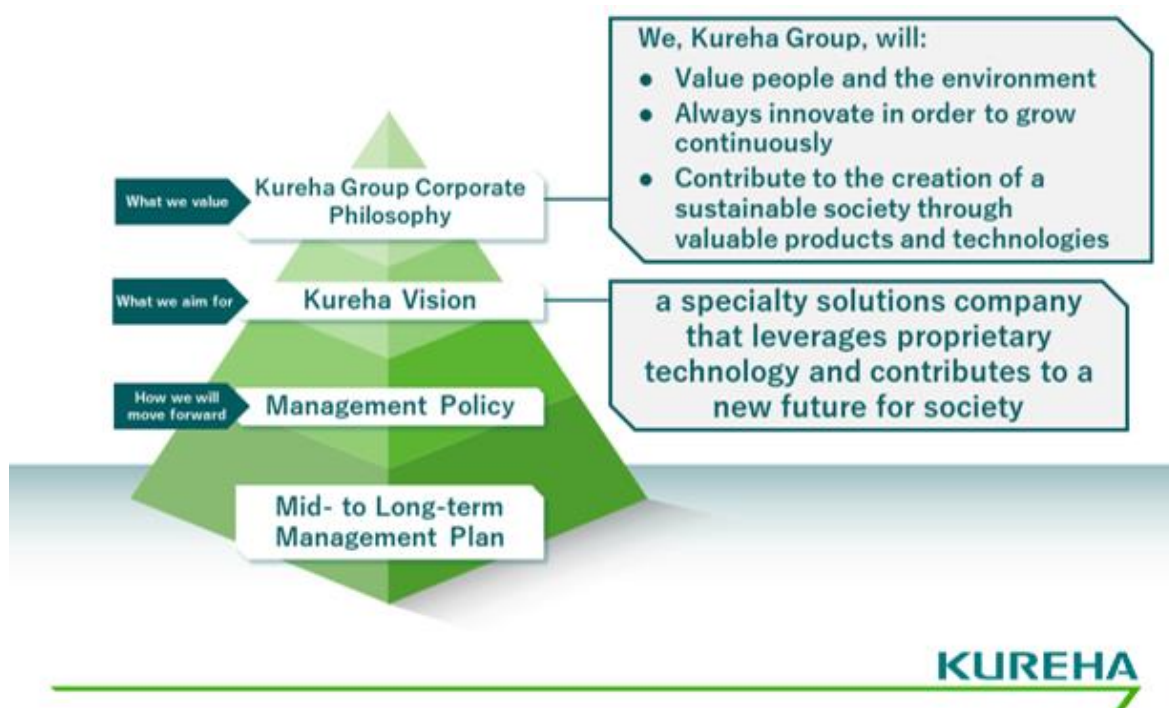
Announcing Kureha Group's New Mid- to Long-term Management Plan, Toward Creating a New Future (FY2023-2030)

Kureha Corporation (Chuo-ku, Tokyo; President: Yutaka Kobayashi) promotes sustainability-focused management to continually strengthen the Kureha Group, with the dual goals of improving mid- to long-term corporate value and contributing toward a sustainable society. To this end, Kureha Group has formulated a new Corporate Philosophy, Vision, and Management Policy for FY2030, as well as a new mid- to long-term management plan, Toward Creating a New Future (FY2023-2030).

1. The Kureha Vision

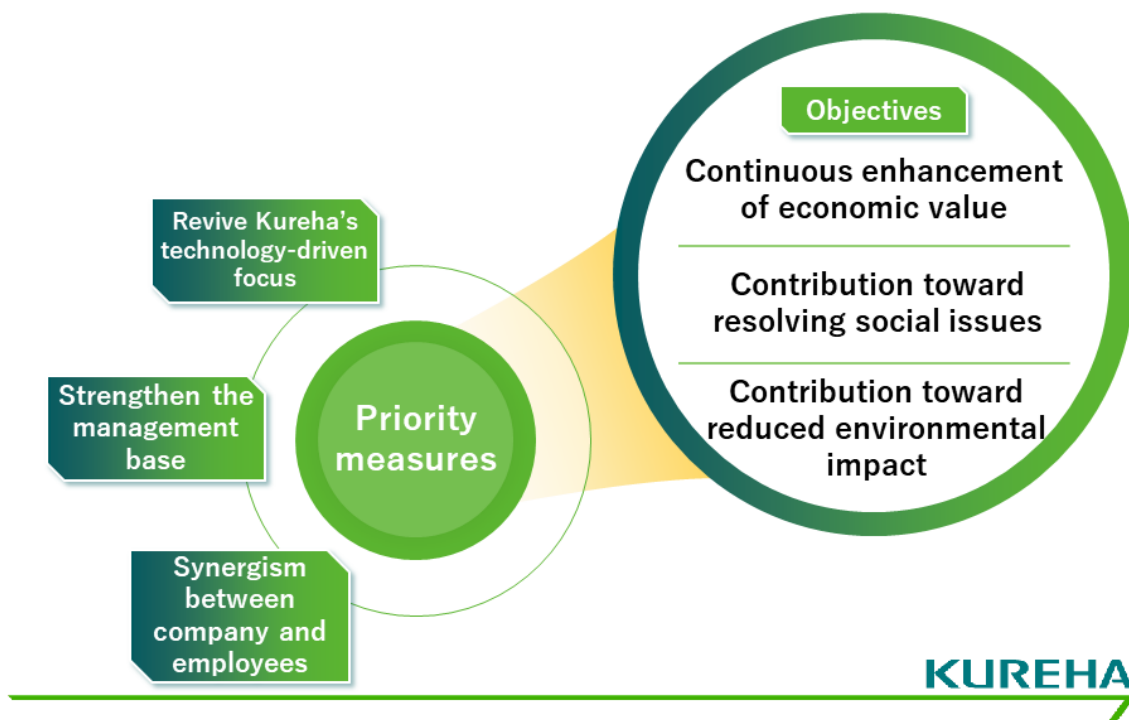
The world is seeing sweeping societal and economic changes. In the wake of a pandemic caused by an outbreak of a new virus, we see escalated tensions and conflicts between nations, heightened geopolitical risks, and restrictions and divisions in the movement of people and goods. With climate change-induced alternations to the global environment causing an increase in natural disasters, companies must contribute to the realization of a sustainable society by achieving carbon neutrality, securing energy and food supplies, and reducing environmental impact for the conservation of water resources and biodiversity.

In response to these changes surrounding the business environment, we have revised our corporate philosophy into a new Kureha Group Corporate Philosophy. To clarify our aims as a corporate group, we have also defined a new Kureha Vision, in which we strive to be “a specialty solutions company that leverages proprietary technology and contributes to a new future for society.”



2. The Management Policy

To realize the Kureha Vision, we have established three objectives and three priority measures.



Objectives

Continuous enhancement of economic value

- Kureha group will focus its resources on the three key business fields of Environment and Energy, Life, and Digital Communications in order to enhance economic value.
- We will raise the performance of existing products and expand the value chain from a market-in perspective, strengthen our ability to propose cost-competitive solutions to customers, and increase earnings.

Contribution toward resolving social issues

- Kureha Group products, which have been contributing to society in three key business fields, will be further evolved through the integration of in-house technology development and external technology to expand the range of products, technologies, and services provided to society.

Contribution toward reduced environmental impact

- We will strive to achieve carbon neutrality by FY2050.
- We will pursue the advancement of production technology suitable for recycling-oriented production and reduce our environmental burden by promoting waste reduction and recycling.

Priority measures

Revive Kureha's technology-driven focus (strengthen research and technology)

- We will accelerate the development of differentiated products by heavily concentrating resources into R&D for new product development and environmental load reduction technologies.
- Through co-creation/collaboration with other companies, M&A, and other means, we will integrate our proprietary technologies with external technologies to create and expand new businesses.
- We will promptly build a production system for high-growth businesses and strengthen production technology / engineering capabilities to reduce our environmental impact.

Strengthen the management base

- We will continue to strengthen our organization to promote sustainability management, improve executive efficiency and strengthen risk management.
- We will effectively utilize the management resources of the Kureha Group and build a strong consolidated business foundation.
- We will promote a digitization strategy enabling advanced management by linking the latent needs of customers and society with R&D, manufacturing, and sales in the value chain.

Promote synergism between company and employees

- Harmonize and unify employee satisfaction with our corporate mission, with the aim of growing both employees and the company.
- Enhance communication between the company and employees and value employees who try their best.
- Respect the diverse values and positions of employees, create a comfortable working environment, and actively provide employment opportunities.

3. Overview of Kureha Group's New Mid- to Long-Term Management Plan, Toward Creating a New Future (FY2023-2030)

Our ideal state in FY2030

- Kureha has attained growth in corporate value and expanded customer satisfaction by providing differentiated products and technologies based on proprietary technologies in the key business fields of Environment and Energy, Life, and Digital Communications.
- Kureha has increased its social value by providing products and services that contribute to the resolution of environmental and social issues.
- The Kureha Group's CO₂ emissions have been reduced along with the environmental impact of our operations.
- Employee engagement has improved, based on the Group's respect for the diverse values of its employees.

Quantitative targets for FY2030

Revenue	280 billion yen
Operating profit (Operating margin)	35 billion yen (12.5%)
R O E	More than 9%
Reduction of CO ₂ emissions from energy sources	More than 30% compares with FY2013 levels
Zero waste emission ratio	1.5%

Note: Zero waste emission ratio: Final landfill amount of industrial waste ÷ total amount of waste generated

Consolidated performance

(Unit: Billion yen)

	FY2025 Plan	FY2030 Objectives
Advanced Materials	100	170
Specialty Chemicals	30	34
Specialty Plastics	40	42
Construction/Other	30	34
Revenue	200	280
Operating profit	25	35
Profit attributable to the owners of Kureha	18	25
Depreciation	13.5	23

Cash allocation

Kureha Group will invest a cumulative total of 250 billion yen until FY2030.

Action item	Amount (Billion yen)	Details
Production capacity increase	200	Mainly focus on the Advanced Materials segment (e.g. new PVDF plant for LiB binders)
R&D and new business development	30	New business development, investment in startups, M&A, enhancement of R&D facilities
Environmental burden reduction	10	Measures to reduce CO ₂ emissions and waste
Investment into digitization	10	Integrate ERP system within the Group, and transform manufacturing and research processes

Shareholder returns

Kureha's basic policy on the distribution of earnings is to maintain stable dividends with a target dividend payout ratio of 30% or more, while enhancing internal reserves to enable active investment in future business expansion. To meet shareholders' expectations, we will aim for a total payout ratio of 50% or more through the acquisition of treasury stock and acquire a total of approximately 20 billion yen in treasury stock during the three-year period until FY2025 year-end.

Main themes for research and technology development

Field	Main themes
Environment and Energy	<ul style="list-style-type: none">• Improve the performance of advanced materials such as PVDF and PPS, while reducing environmental impact and manufacturing costs• Develop and bring to market new materials for the aerospace industry (focus on weight reduction and energy savings)• Establish technological foundations to achieve carbon neutrality
Life	<ul style="list-style-type: none">• Continually develop and launch agrochemicals that contribute to sustainable agriculture and food supply
Digital Communications	<ul style="list-style-type: none">• Expansion of applications and market introduction of PVDF piezo film for next-generation digital devices

4. Other

A briefing session for institutional investors on the Kureha Group's new medium- to long-term management plan, Toward Creating a New Future (FY2023-2030), will be held after the announcement of full-year financial results for the fiscal year ending March 31, 2023 and full-year forecasts for the fiscal year ending March 31, 2024 (scheduled for May 12, 2023).

For inquiries about this release, please contact Kureha Corporation Corporate Planning Department (IR Group). Tel: +81-3-3249-4651 E-mail. <https://www.kureha.co.jp/en/contact/ir.html>