

Notice Regarding Termination of Corporate Adviser System and Revision of Executive Compensation Program

Kureha Corporation hereby announces that it has resolved at its Board of Directors meeting today to abolish the positions of Executive Corporate Adviser and Senior Corporate Adviser for retired Board Directors and to revise its executive compensation program as follows.

1. Purpose

Kureha aims to further enhance corporate governance, make executive remunerations more closely linked with the business performance, and motivate Board Directors to contribute to the Company's performance and value creation while in office. To this end, as recommended by the Nomination Advisory Committee and the Remuneration Advisory Committee which serve as voluntary advisory bodies to the Board of Directors, Kureha will terminate its current system of appointing former Board Directors to Executive Corporate Advisers or Senior Corporate Advisers and also make revisions to the current compensation program for active Board Directors.

2. Details of changes

- 1) Positions of Executive Corporate Adviser and Senior Corporate Adviser for retired Board Directors are abolished.
- 2) For the compensation paid to Board Directors, which consists of fixed monthly payments and variable compensation in forms of a bonus and stock options (stock acquisition rights), Kureha raises a proportion of variable compensation (bonus and stock options) and reduces that of fixed compensation (monthly payments) to pay each Director according to his/her roles and responsibilities.

3. Date of effect

- 1) The abolishment of Executive Corporate Adviser and Senior Corporate Adviser will take effect as of April 1, 2019 and for all Board Directors who will retire on and after April 1, 2019.
- 2) Changes to the compensation program for Board Directors will take effect as of April 1, 2019. Payment of bonuses is subject to approval by shareholders in June 2020.

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For further information, please contact:

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