

Sustainability Report 2025

Kureha and Kureha Group

Sustainability Report 2025

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Sustainability

Sustainability Initiatives
(Fiscal 2024 Results)



Message from the President



[Sustainability Management](#) —

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Kureha Group's Sustainability —

Read about our corporate identity and sustainability activities.

ESG Report

Read about our ESG (Environmental, Social, and Governance)



**Environmental
Report**



**Social
Report**



**Governance
Report**



Contributing to the Solution of Environmental and Social Issues through Our Business



Read about Kureha products and services that contribute to the solution of environmental and social issues.



External Recognition →



GRI Standards Content Index/
SASB Content Index



ESG Data Collection



Sustainability Report
Archive



Sustainability Site
Editing Policy and
Contents of the Report



FAQ/Contact

Message from the President

GRI 2-22



Based on the changes in the business environment surrounding the Kureha Group, and aiming to raise Kureha's value by growing sustainably in the future, we launched the Kureha Group Mid- to Long-Term Management Plan, Rolling Plan 2025, in fiscal 2024, the second year of our mid- to long-term management plan, Toward Creating a New Future (FY2023–2030). However, revenue and profit decreased in fiscal 2024, mainly due to sluggish growth in the electric vehicle market. To boost our earning capability, we must accelerate our three priority measures: reviving Kureha's technology-driven focus, strengthening the management base, and synergism between company and employees.

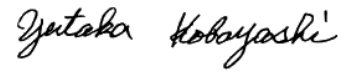
Reviving Kureha's technology-driven focus is essential for driving growth in each of our businesses. In our key business fields, namely Environment and Energy, Life, and Digital Communications, we are focusing resources into developing new products and cultivating new business while accelerating the development of differentiated products. Several new businesses have already begun to emerge. Moreover, we are making steady progress in shifting to a cost-competitive structure, building a production system for growth businesses, and researching technologies that can contribute to carbon neutrality. By considering markets, customers, and the challenges we face, I believe the Kureha Group will be able to further refine its technologies going forward.

One step toward strengthening the management base is increasing the effectiveness of Kureha's Board of Directors. In an evaluation of the Board's effectiveness, it became apparent that deliberations on important issues were not being sufficiently carried out. Therefore, revisions were made to ensure that important issues identified in advance by management are systematically and sufficiently deliberated. Another issue was promoting digitalization. To effectively and strategically implement this, we established a DX Implementation Committee in October 2024, with myself serving as the chair. We are reforming operations from management's point of view.

Synergism between the company and employees is about ensuring that our management values people. Compared with our industry, results of our employee engagement surveys conducted since fiscal 2023 have indicated that Kureha's employees are above average in enthusiasm about their jobs, but their understanding of and identification with the company's objectives are only average, and even below average depending on the job category and age group. Therefore, to foster employees who want to work for Kureha and see what they can do, we have changed communication from a one-way style, to a two-way approach. By tackling those challenges and growing as a unified group, we can achieve our management goals.

For the Kureha Group, engagement with shareholders and all other stakeholders is highly important. While welcoming your valuable feedback, we are working to increase shareholder value and grow sustainably. We look forward to your continued support and understanding.

August 2025

A handwritten signature in black ink, reading "Yutaka Kobayashi". The signature is written in a cursive, flowing style.

Yutaka Kobayashi

President & Chief Executive Officer

Kureha Group's Sustainability

Sustainability Management →	The Kureha Group Creating Shared Value →
Material Issues →	Value Chain and Sustainability Activities →
Overview of Kureha Group Policies →	

Sustainability Management

↓ Policy/Policies ↓ Promotion of Sustainability Activities

Policy/Policies

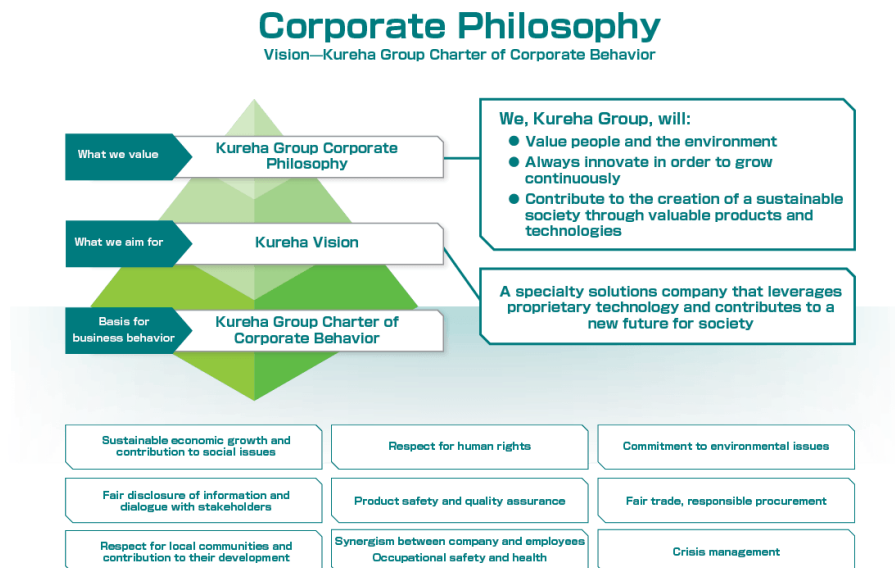
GRI 3-2

The business environment surrounding businesses is changing dramatically on a global scale. Progress in international efforts to address social and environmental issues, increased geopolitical risks due to conflicts and tensions between nations, and a pandemic are having a significant impact on corporate activities and future plans.

The Kureha Group aims to enhance its corporate value over the medium to long term by contributing to the development of a sustainable society through the development of corporate activities based on our Corporate Philosophy, Basic Policy on Sustainability, and proprietary technologies.

Kureha Group Philosophical System

In the spirit of "if it doesn't exist, create it," each of us in the Kureha Group will continue to produce products and technologies that contribute to enriching people's lives and reducing environmental impact under our Corporate Philosophy (What we value) and Vision (What we aim for).



→ Kureha Group Corporate Philosophy

Kureha Group Basic Policy on Sustainability

Kureha Group Basic Policy on Sustainability

We will implement the Kureha Group Corporate Philosophy, create the future by producing unique and differentiated products and technologies, and promote continuous improvement of economic value and contribution to solving social issues.

Promotion of Sustainability Activities

GRI 2-12, GRI 2-13, GRI 2-14

To ensure the implementation of sustainability initiatives, the Kureha Group has established a governance structure centered on the Sustainability Committee and the Sustainability Coordination Committee, and has oversight by its Board of Directors.

In addition, sustainability sharing meetings are routinely held for employees to share important information on the promotion of sustainability activities, such as through videos.

● Sustainability sharing meetings held in January 2024, who they were for and the topics

Who they were for: 1,667 Kureha employees; Participants: 886

Meeting topics: Kureha Group Code of Conduct, climate change, respect for human rights, and responsible procurement

Note: The next round of meetings is scheduled to be held in the second half of 2025.

Board of Directors

The Board of Directors is responsible for making decisions on important sustainability matters for the Group. Based on the recommendations of the Sustainability Committee, it determines the Group's material issues. The Board also receives and supervises reports at least once a year on activities related to material issues from the Sustainability Coordination Committee and the departments in charge.

Sustainability Committee

The Sustainability Committee principally meets twice a year as an advisory committee to the Board of Directors. The Committee monitors changes in the business environment surrounding the Group with regard to sustainability and makes recommendations to the Board of Directors about basic management policies and strategies related to sustainability, such as identifying material issues that require special focus for the Group's sustainable growth and enhancement of corporate value over the medium to long term. The Committee also monitors material issues through reports from the Sustainability Coordination Committee and other means. The Sustainability Committee is chaired by the President and Representative Director and consists of all directors. Experts from outside Kureha are invited to participate in discussions as needed.

Sustainability Coordination Committee

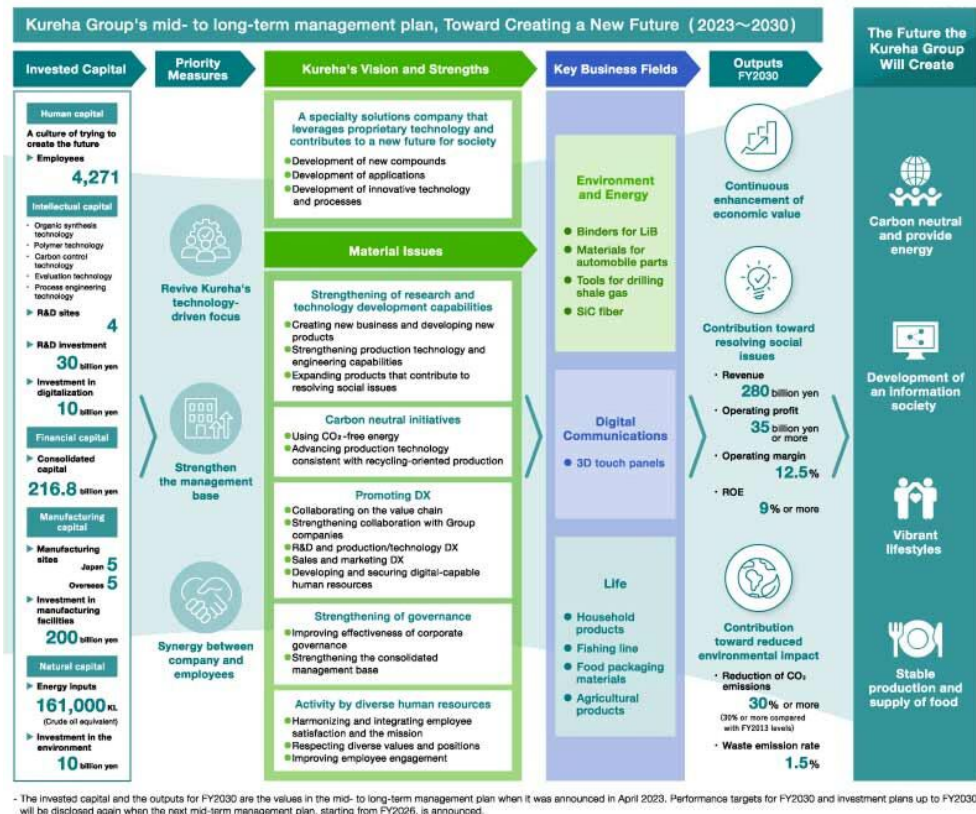
The Sustainability Coordination Committee has been established to promote sustainability activities throughout the Group. The Sustainability Coordination Committee identifies risks and opportunities that affect the sustainability of the Group and society as "sustainability issues," and works together with stakeholders to minimize risks and maximize opportunities. The Committee formulates specific plans for resolving sustainability issues, including material issues, in collaboration with its six subcommittees (Responsible Care Subcommittee, Compliance Subcommittee, Information Security Subcommittee, Information Disclosure Subcommittee, Human Rights Subcommittee, and Risk Management Subcommittee) and the departments in charge of each issue, and manages the progress of these activities. These results are shared with the Sustainability Committee. The Committee also reports to the Board of Directors at least once a year on activities related to material issues. The Sustainability Coordination Committee is chaired by the President & Chief Executive Officer (or an inside director or vice president appointed by the President & Chief Executive Officer), who appoints committee members from the divisions in charge of each sustainability issue and relevant departments.



The Kureha Group Creating Shared Value

By adhering to our corporate philosophy, the Kureha Group strives to develop and provide unique and differentiated products and services while leveraging our strengths to contribute to a sustainable society and to improve our corporate value sustainably.

Kureha Group's Value Creation Process



→ [Click here to check the enlarged view](#)

→ Strengthen Research and Technology Development Capabilities

→ Climate Change Disclosures Based on TCFD Recommendations

→ Promoting DX

→ Activity by Diverse Human Resources

→ Contributing to the Solution of Environmental and Social Issues through Our Business

Material Issues

The Kureha Group aims to contribute to the development of society and improve its corporate value by leveraging its unique technologies and strengths to solve social issues.

We have identified material issues that require particular focus in order to continuously improve the economic value of the Group and contribute to solving social issues. We have also reorganized our environmental, social, and governance issues to be addressed as "sustainability issues," and are promoting sustainability management integrated with our management policy and mid- to long-term management plan.

↓ **Material Issues and Sustainability Issues**

↓ **Steps for Identifying Material Issues**

Material Issues and Sustainability Issues

GRI 3-2, GRI 3-3

Material Issues

Material Issues



Strengthening of research and technology development capabilities



Carbon neutral initiatives



Promoting DX



Strengthening of governance



Activity by diverse human resources

Sustainability Issues

Category	Sustainability Issues
Environment	Promotion of global warming countermeasures
	Proper management of waste
	Prevention of air pollution, Prevention of water pollution
	Management of chemical substances
	Preservation of biodiversity
Social	Development of human capital
	Balance of work and life
	Management of mental and physical health
	Safety and Health, Security and Prevention of Industrial Disasters, and Safety in Logistics
	Strengthening of quality assurance system and reduction of quality complaints
	Respect and contribute to the development of local communities
	Respect for human rights
	Responsible sourcing
	Fair information disclosure and dialogue
Governance	Strengthening of research and technology development capabilities
	Promotion of Digital Transformation (DX)
	Strengthening of governance
	Risk management
	Thorough compliance
	Strengthening of information security

Steps for Identifying Material Issues

GRI 3-1

The steps for identifying material issues and sustainability issues are as follows:

Step 1: Select issues

We comprehensively selected issues for the sustainable growth of our Group with reference to international guidelines, SDGs, evaluation items of ESG assessment organizations, and requests from stakeholders.

Step 2: Classify and organize issues

We organized the issues selected in Step 1, and for each issue, we examined its relationship to the risks and opportunities for, and value chain of, our business activities, and the stakeholders it affects.

Step 3: Consider our targets in fiscal 2030

In formulating the Group's mid- to long-term management plan for 2030, the management team and others considered what society would be like in 2030, and a vision for the Group as of that time, and established the Kureha Vision: "A specialty solutions company that leverages proprietary technology and contributes to a new future for society," and three objectives: "Continuous enhancement of economic value," "Contribution toward resolving social issues," and "Contribution toward reduced environmental impact".

Step 4: Identify and approve material issues

The Sustainability Committee identified and the Board of Directors approved material issues, must be focused on to realize our three objectives: "Continuous enhancement of economic value," "Contribution toward resolving social issues," and "Contribution toward reduced environmental impact". Material issues are reviewed regularly by the Sustainability Committee and approved by the Board of Directors.

In addition, we reorganized the issues that the Group should address with respect to its impact on the environment and society as "sustainability issues," which were approved by the Sustainability Coordination Committee.

The structure for promoting sustainability, including material issues, is described on the Sustainability Activities page.

→ [Promotion of Sustainability Activities](#)

Value Chain and Sustainability Activities

GRI 2-6

Research and development	Procurement	Manufacture	Quality Control	Customer Satisfaction
→ <u>Contributing to carbon neutrality</u>	→ Practicing green procurement	→ Reducing greenhouse gas emissions	→ Improving quality management system	→ Behavioral guidelines for customer satisfaction
→ Contributing to the stable production and supply of food products	→ Practicing responsible mineral sourcing	→ Recycling resources and properly managing and disposing waste	→ Strengthening quality control, including Group companies	→ Improvement using customer feedback
→ Contributing to the development of an information society	→ Conducting supply chain CSR surveys	→ Reducing chemical substance emissions	→ Strictly preventing contaminants in products	→ Providing appropriate information on chemical substances using safety data sheets and product labels
	→ Conducting on-site audits of suppliers	→ Preventing pollution from wastewater		→ Conducting safety examinations to provide safe products and information
		→ Strictly enforcing occupational safety		
		→ Initiatives at the Skills Training Center		

Overview of Kureha Group Policies

GRI 2-23

The Kureha Group promotes each of its activities under the following policies and guidelines based on our corporate philosophy.

→ Kureha Group Corporate Philosophy

→ Kureha Vision

→ Kureha Group Basic Policy on Sustainability

→ Kureha Group Charter of Corporate behavior

1. Sustainable economic growth and resolution of social issues

→ Kureha Group Basic Policy on Sustainability

2. Respect for human rights

→ Kureha Group Human Rights Policy

3. Commitment to environmental issues

→ Responsible Care Policy

4. Fair disclosure of information and dialogue with stakeholders

→ Basic Policy on Information Disclosure

5. Relationship of trust with consumers and customers

→ Responsible Care Policy

→ Kureha's Quality Policy

→ Behavioral Guidelines for Customer Satisfaction

6. Respect for local communities and contribution to their development

→ Responsible Care Policy

7. Fair trade, responsible procurement

→ Kureha Group Procurement Policy

→ Kureha Group Anti-Bribery Policy

8. Synergism between company and employees, occupational safety and health

→ Basic Policy on Health

→ Basic Way of Thinking about Human Capital Development

9. Crisis management

- **Kureha Group Basic Policy on Risk Management**
- **Kureha Group Basic Policy on Information Security**
- **Policies for the Protection of Personal Information and Specific Personal Information**

Governance

- **Corporate Governance Guidelines**
- **Kureha Group Anti-Bribery Policy**
- **Kureha Group Tax Policy**
- **Kureha's DX Vision**

Environmental Report

Environmental Management →	Overview of Environmental Impact →
Climate Change Disclosures Based on TCFD Recommendations →	Recycling of Resources, Proper Management and Disposal of Waste →
Management of Chemical Substances, Prevention of Air Pollution, Water Use and Prevention of Water Pollution →	Conserving Biodiversity →

Environmental Management

In the interest of conserving the global environment and reducing the burdens that we place on it, the Kureha Group makes effective use of raw materials, energy, water, and other resources that we use in our business activities, while reducing and recycling the waste we generate in our activities and actively undertaking proper management of chemical substances, including those that impact the environment. We also make the outcomes of these activities known to the public.

↓ **Policy/Policies** ↓ **Management Structure**

Policy/Policies

Kureha Group is working on preservation of the global environment and has the following commitments in its Responsible Care Policy.

- Earth-friendly, safe operations

We shall take special care to preserve the global environment in our business activities, protect the safety and health of employees and the public in our operations, and make efforts to prevent accidents, disasters, and pollution.

Management Structure

The Kureha Group has ISO 14001 certification*, the international standard for environmental management systems, at its production sites in Japan and overseas, and operates under this standard. The Group works to protect the global environment and reduce environmental impact by promoting the proper management of, and prevention of emissions of, environmentally hazardous substances, the effective use of limited resources, and the reduction of waste in daily production activities while also promoting awareness on the part of each and every employee. In addition, the Group has a company-wide project, the Carbon Neutrality Project, to oversee and promote its efforts to become carbon neutral by 2050 and its implementation of industrial waste reduction measures to achieve the target of zero emissions.

To deal with climate change and other global environmental issues, Kureha recognizes that solutions must be devised not only by the Kureha Group but also across its supply chain as a whole. Accordingly, it has specified matters to address by both the Group and its suppliers in the Kureha Group Supply Chain CSR Guidelines, and is working together to combat climate change and reduce environmental impacts.

→ [Responsible procurement](#)

* Please contact us for more information about the scope of our ISO certification.

Overview of Environmental Impact

Overview of Kureha Group's Environmental Impact (FY2024)

GRI 302-1, GRI 303-3, GRI 303-4, GRI 305-7, GRI 306-5

Input

Item	Unit	Kureha	Group Companies in Japan	Overseas Group Companies
Energy consumption (crude oil equivalent)	1,000 kl	128	26	10
Water withdrawal	1,000 m ³	20,158	1,828	1,498

Output

Item		Unit	Kureha	Group Companies in Japan	Overseas Group Companies
Atmospheric Emissions	CO ₂	1,000 t	377	54	22
	SO _x	t	6	15	0.05
	NO _x	t	374	102	2
	Soot	t	9	3	1
	Chemical Substances Subject to the PRTR System	t	31	0.07	—
Emissions to Water	Total discharge	1,000 m ³	17,682	1,626	278
	COD	t	80	5	15
	BOD	t	31	2	1
	Chemical Substances Subject to the PRTR System	t	0.37	3	—
	Total nitrogen emission volume	t	45	0.19	0.05
	Total phosphorus emission volume	t	11	0.13	0.01
Release to Land	Chemical Substances Subject to the PRTR System	t	0	0	—
Waste	Waste generation volume	t	25,755	52,680	1,091
	Recycling volume	t	19,292	29,032	210
	Landfill disposal volume	t	931	22,692	177

Climate Change Disclosures Based on TCFD Recommendations

Amidst the increasing number of large-scale natural disasters caused by abnormal weather conditions around the world, the Kureha Group, which conducts business globally, views climate change as a material issue and aims to reduce environmental impact through the advancement of production technologies and achieve carbon neutrality by fiscal 2050. The Group supports international initiatives, starting with the Paris Agreement, as well as climate change-related regulations and various policies of the Japanese government. Furthermore, the Group regards efforts to adapt to changes in its business environment caused by climate change as opportunities for growth, and is reflecting this approach in its own policies and specific measures.

Since endorsing the Task Force on Climate-related Financial Disclosure (hereinafter, TCFD) recommendations in April 2022, we have been promoting information disclosure in line with the TCFD framework in order to strengthen the Group's engagement with shareholders, investors, and other stakeholders on climate change.

↓ Governance ↓ Strategy ↓ Risk Management ↓ Metrics and Targets
↓ Initiative(s)/Activity(ies)

Governance

To ensure the implementation of sustainability initiatives such as responses to climate change, the Kureha Group has established a governance structure centered on the Sustainability Committee and the Sustainability Coordination Committee and has oversight by its Board of Directors. The roles of each of the committees are as follows.

(1) Board of Directors

The Board of Directors is responsible for making decisions on important sustainability matters for the Group. The Board of Directors determines material issues based on the recommendations of the Sustainability Committee. Furthermore, the Board of Directors formulates and agrees on mid- to long- term management plans that reflect the initiatives for the material issues and disseminates the plan to each department. At least once a year, the Board of Directors receives reports from the Sustainability Committee on activities related to material issues, including carbon neutral initiatives, and supervises them.

(2) Sustainability Committee

The Sustainability Committee principally meets twice a year as an advisory committee to the Board of Directors. The Committee monitors changes in the business environment surrounding the Group with regard to sustainability and makes recommendations to the Board of Directors about basic management policies and strategies related to sustainability, such as identifying material issues that require special focus for the Group's sustainable growth and enhancement of corporate value over the medium to long term. The Committee also monitors material issues through reports from the Sustainability Coordination Committee and other means.

(3) Sustainability Coordination Committee

The Sustainability Coordination Committee identifies risks and opportunities that affect the sustainability of the Group and society as "sustainability issues," and works together with stakeholders to minimize risks and maximize opportunities. The Committee formulates specific plans for resolving sustainability issues, including material issues, in collaboration with its six subcommittees (Responsible Care Subcommittee, Compliance Subcommittee, Information Security Subcommittee, Information Disclosure Subcommittee, Human Rights Subcommittee, and Risk Management Subcommittee) and the departments in charge of each issue, and manages the progress of these activities. These results are shared with the Sustainability Committee. One of the material issues, carbon neutral initiatives, is addressed by the Responsible Care Subcommittee, and the results are shared with the Sustainability Committee. The Sustainability Coordination Committee reports at least once a year to the Board of Directors on activities related to material issues such as climate change.

(4) Carbon Neutrality Project

The Carbon Neutrality Project was established in October 2021 as a company-wide project under the direct control of the President, and is working to study new measures and develop technologies to achieve carbon neutrality by 2050.

Climate Change Response-Related Governance System

Committee name	Chairman	Constituents	Frequency of discussion of climate change
Sustainability Committee	President & Chief Executive Officer Yutaka Kobayashi	All directors and the chair of the Sustainability Coordination Committee	Two times per year
Sustainability Coordination Committee	Senior Executive Vice President Katsuhiro Nataka	Nominated by Chair	Two times per year

Strategy

SASB RT-CH-110a.2

The Group regards carbon neutral initiatives as material issues, and under the Kureha Group Mid- to Long-term Management Plan "Toward Creating a New Future," we are working to mitigate climate change both by reducing CO₂ emissions from the Group and through our products, aiming to achieve carbon neutrality by fiscal 2050. To reduce the Group's CO₂ emissions, the Iwaki Factory will make use of CO₂-free fuel at its coal-fired power plant, conserve energy through production technology innovation, expand the use of CO₂-free electricity at each business site and Group company, and increase the efficiency of large-scale facilities and equipment when they are upgraded, in line with the Management Plan. In addition, to contribute to the reduction of CO₂ emissions through our products and technologies, we are improving the performance and developing technologies aimed at reducing the environmental impact of advanced materials such as polyvinylidene fluoride (PVDF) and polyphenylene sulfide (PPS), and conducting R&D aimed at bringing even more highly advanced materials to market.

Specifically, to increase our supply of PVDF for the lithium-ion battery binders of electric vehicles, which can reduce the amount of CO₂ more than gasoline-powered vehicles, we are boosting production of this material as part of our goal of doubling sales of our Advanced Materials segment, which produces PVDF, from about ¥83 billion in fiscal 2022 to ¥170 billion by fiscal 2030.

Investment Plan

In our Mid- to Long-term Management Plan, we plan to invest a total of approximately ¥10 billion by fiscal 2030 in measures to reduce CO₂ emissions in production and waste reduction, etc. We will continue to make decisions on investments to reduce CO₂ emissions based on future risks and opportunities.

Furthermore, to build a technological foundation for helping the world become carbon neutral, the Group is developing technologies for reducing production costs, lowering environmental impacts, and improving the performance of PVDF, PPS, and other advanced materials for electric vehicles. It is also carrying out R&D with a view to entering the aerospace industry by supplying the market with performance- and cost-differentiated silicon carbide (SiC) fibers, which can replace metal components of aircraft as a means to reduce weight and improve fuel consumption. This technological development is moving ahead as part of R&D and new business investment totaling around ¥30 billion through 2030.

Scenario Analysis

GRI 201-2, SASB RT-CH-110a.2

We took the following steps to conduct a scenario analysis of the impact of climate change on our Group. We examined the impact on our profit-and-loss projection and financial plan, and categorized risks, opportunities, and countermeasures into short, medium, and long term.

1. Create a list of risks and opportunities from climate change that could have a long-term impact on its advanced materials, specialty chemicals, specialty plastics, and construction businesses and environmental services, which comprise the majority of the Group's businesses, and related responses in line with business planning and the R&D Policy.
2. Set three scenarios—growth scenario (1.5°C), standard scenario (2°C), and stagnation scenario (4°C).
3. Score the importance of risks and opportunities for each scenario by dividing the period up to 2050 into short (0-3 years), medium (4-10 years), and long (11-30 years) term.
4. Estimate the impact of highly important risks and opportunities on profit-and-loss projection and financial planning
The impact of a carbon tax was estimated by assuming that the Group's total emissions in the medium to long term will be approximately 430 thousand t-CO₂/year (Scope 1+2), the same level as in FY2021, and based on a carbon tax price for each production site equal to that used in the Net Zero Emissions scenario of the IEA World Energy Outlook 2021 (equivalent to the progress scenario, developed countries: approximately 18 thousand yen/t-CO₂).
5. Based on the estimated amount of impact, identify risks and opportunities of high importance and formulate countermeasures

We used the following tools: environmental impact assessments, climate change projections by the Intergovernmental Panel on Climate Change (IPCC), ISO 14001, desk research results, and analyses provided by consultants.

Highly Important Climate Change–Related Risks, Associated Opportunities and Responses

Type	Cause	Risks		Opportunities	Responses
		Short and medium term	Long term	Short, medium, and long term	
Transition risks	Policies and regulations	● Increase in tax burden due to introduction of a carbon tax (The burden will increase by about 7.3 billion yen/year.)		● Gaining business opportunities with differentiation based on early decarbonization	■ Use of CO₂-free fuels at our in-house coal-fired power plants ■ Expand the use of CO₂-free electricity
		● Increase in transition costs related to switching from electricity generated by in-house coal-fired power plants		● Greater business opportunities with the introduction of low carbon technology	■ Develop and introduce CCU/CCS-related technology
		● Increase in cost of reducing waste plastics due to the Plastic Resource Circulation Act		● Greater demand for environment-related businesses	■ Promote new environment-related businesses ■ Promote reuse of waste plastic ■ Develop and introduce new recycling technology
		● Increase in the price of raw materials and fuel ● Increase in transportation costs			■ Switch raw materials and reduce fuel use ■ Create high value added products
	Technology	● Increase in low carbon technology and product R&D costs ● Increase in R&D costs to improve efficiency of existing process, etc.		● New business opportunities based on development of low carbon technology	■ Develop and introduce energy creation and low carbon technology ■ Develop and introduce high-performance materials and technologies

Type	Cause	Risks		Opportunities	Responses
		Short and medium term	Long term	Short, medium, and long term	
	Market	Decline in market competitiveness due to delay in introducing low carbon versions of existing products		Greater demand for environmentally friendly products and materials	- Develop environmentally friendly products (for cars, electronic/electric devices, etc.) - Promote energy-efficient processes
	Reputation	Criticism from consumers and demand for response from investors regarding GHG emissions		Gaining of stable funding sources by indicating response to decarbonization and recycling	Improve disclosure and communication to respond to the interests of consumers and investors
Physical risks	Acute	- Delay or suspension of production due to supply chain disruptions caused by natural disasters - Delay or suspension of production due to damage to production factories and infrastructure and lifelines caused by natural disasters		Increase in disaster response and reconstruction (construction business)	- Reinforce supply chain - Regularly identify and reduce risks
	Chronic	- Increase in the number of employee health problems (heat stroke, infections, etc.) - Increase in need for temperature and humidity control for storage and transportation of raw materials and products		Greater demand for agricultural products	- Strengthen quality controls - Develop new agricultural products

● Impact: large (2 billion yen or more)* ● Impact: medium (1 billion yen or more but less than 2 billion yen)*

* A large impact is defined as at least 2 billion yen in operating profit, which is equivalent to about 10% of total consolidated operating profit in fiscal 2021, while a medium impact is defined as 1 billion yen or more but less than 2 billion yen in operating profit, equivalent to between about 5% and 10% of the aforementioned total.

Risk Management

The Kureha Group identifies risks that could have a material impact on the Group's management, and works to prevent such risks from materializing and to minimize their impact if they do materialize. And for this purpose, the Risk Management Subcommittee, a subcommittee of the Sustainability Coordination Committee, identifies risks that could have a material impact on the Group's management. Depending on the classification of the identified risks, each subcommittee and/or related department takes the lead in considering and implementing a response. The status of risk management is monitored and evaluated by the Risk Management Subcommittee, which reports to the Sustainability Coordination Committee and the Executive Committee, which in turn reports to the Board of Directors. The Group recognizes climate change as one of the major risks that could have a significant impact on the Group's management. The Responsible Care Subcommittee, a subcommittee of the Sustainability Coordination Committee, takes the lead in carbon neutral initiatives in cooperation with the Risk Management Subcommittee.

Metrics and Targets

The Kureha Group aims to achieve carbon neutrality by fiscal 2050 and to reduce its environmental impact through the advancement of production technology, and has set an interim target of reducing energy-related CO₂ emissions by 30% or more from the fiscal 2013 level by fiscal 2030.

Kureha Group's CO₂ Emission Reduction Target

- Aim for carbon neutrality in fiscal 2050
- Reduce energy-related CO₂ emissions by 30% or more by fiscal 2030 compared to fiscal 2013

The Company calculates both the overall Group's direct greenhouse gas (GHG) emissions from use of fuel and energy, etc., (Scope 1) and its indirect greenhouse gas (GHG) emissions from the use of energy purchased from other companies, including electricity, heat, and steam, (Scope 2) and discloses these as indicators of progress toward its goals. As a chemical company, Kureha recognizes that it is also important to manage emissions throughout the supply chain (Scope 3), from raw material purchases to waste disposal, and has begun to calculate those.

In addition, we are developing environmentally friendly products and technologies to contribute to the reduction of global GHG emissions, including new grades of existing products.

Kureha Group Energy-Related CO₂ Emission

	Unit	FY2013	FY2020	FY2021	FY2022	FY2023	FY2024
Kureha	1,000 t - CO ₂	426	363	379	393	367	377
Group Companies in Japan		21	21	20	22	21	20
Overseas Group Companies		18	28	30	26	24	22
Total		465	412	429	442	412	419
vs. FY2013	%	100.0	88.6	92.2	95.1	88.6	90.1

		FY2020	FY2021	FY2022	FY2023	FY2024
Kureha	Scope 1	340	359	355	327	341
	Scope 2 (Market-based)	31	31	38	41	36
	Total	371	390	393	367	377
Group Companies in Japan	Scope 1	154	160	103	102	36
	Scope 2 (Market-based)	6	5	20	19	18
	Total	159	165	123	120	54
Overseas Group Companies	Scope 1	4	4	3	3	3
	Scope 2 (Market-based)	24	26	23	21	19
	Total	28	30	26	24	22
Total		559	585	542	511	454

* Calculated GHG is CO₂ emissions, both related to energy and those not related to energy.

* The Scope 1 calculation method was revised in FY2022.

GHG Emissions by Scope (Kureha: Unit: 1,000 t-CO₂)

		FY2024
Scope 1		341
Scope 2 (Market-based)		36
Scope 3	Category 1: Purchased goods and services	251
	Category 2: Capital goods	13
	Category 3: Fuel- and energy-related activities	35
	Category 4: Upstream transportation and distribution	56
	Category 5: Waste generated in operations	0.9
	Category 6: Business travel	0.2
	Category 7: Employee commuting	0.7
	Category 12: End-of-life treatment of sold products	49
Scope 3 total		406
Total of Scope 1, Scope 2 (Market-based) and Scope 3		783

Initiative(s)/Activity(ies)

CO₂ Emissions Reduction Efforts

／ Promoting Energy Conservation

At the Iwaki Factory, we are steadily implementing energy saving plans, such as systematically updating to energy-saving equipment. We are also implementing various activities to promote energy conservation, such as energy-saving patrols and internal energy audits. In logistics, too, Kureha Unyu, which is responsible for the transport of our products, and relevant internal departments are working together to systematically upgrade to energy-saving vehicles. Other sites, such as the head office, are also promoting their own energy-saving and conservation activities.

／ Use of Renewable Energy Sources

GRI 302-1

In line with Japan's policies promoting the spread of renewable energy, we have installed solar power generation equipment at the Iwaki Factory that generates approximately 300 MWh of energy for the region per year. The Kureha Group has factories in the United States, China, Vietnam, and other countries. Each country's energy policies are different, but each of our production sites are actively promoting climate change mitigation measures, such as switching the electricity we use to renewable energy, according to the policies of each country. For example, China-based Kureha (Shanghai) Carbon Fiber Materials Co., Ltd. is proactively introducing solar power generation.

／ Product Carbon Footprint (CFP) Calculation

CFP is an indicator of CO₂ emissions throughout the product lifecycle, from the procurement of raw materials to production and use, and disposal. We have begun to calculate product CFPs for our main products.

In addition, because it is necessary to reduce CO₂ emissions throughout the supply chain in order to achieve carbon neutrality the company is promoting the exchange of CFP information with our suppliers.

／ Engagement with Suppliers

Beginning in fiscal 2017, Kureha has been periodically conducting surveys of its suppliers to determine the extent they fulfill their corporate social responsibility. We also evaluate key suppliers by having them complete check sheets of required items, such as calculations of CO₂ emissions and voluntary reduction targets. If requirements are not met, we engage with the supplier(s) to implement improvements.

／ Reducing CO₂ Emissions in Logistics

We are reducing CO₂ emissions by increasing the size of our fleet, shortening the total transport distance and promoting a modal shift to transport by rail and ship to achieve our target of an average annual improvement of 1% or more in energy consumption intensity*.

* Kureha's energy consumption intensity (logistics): an indicator of how efficiently we used energy as a specified shipper during the year in accordance with the revised Energy Saving Act 2006, which we calculate by dividing our energy consumption (crude oil equivalent) by the transport weight.

Compliance with the Fluorocarbon Emissions Control Act

In compliance with legal restrictions on fluorocarbon emissions specified in Japan, Kureha upgrades or replaces obsolete equipment that uses fluorocarbons specified in the law, and works to reduce fluorocarbon leaks by strictly carrying out basic and periodic inspections of equipment to detect leaks as soon as possible.

Endorsement of Regional Carbon Neutrality Declarations

In February 2021, the government of Fukushima Prefecture issued its "Fukushima Prefecture 2050 Carbon Neutral" declaration aimed at achieving a decarbonized society by 2050. With this action, the Fukushima Protocol, under which our Iwaki Factory has participated in advancing voluntary measures to combat global warming, has now become the Fukushima Zero Carbon Declaration. As our Group is also working to achieve carbon neutrality by fiscal 2050, the Iwaki Factory is in agreement with the aims of this declaration.

Contribution to Carbon Neutrality through Products

→ [Contributing to the Solution of Environmental and Social Issues through Our Business](#)

Recycling of Resources, Proper Management and Disposal of Waste

With the conservation of resources and the reduction of our impact on the environment in mind, we make efforts to reduce our generation of waste and promote recycling to reduce the volume of waste generated from production activities at our business sites that is disposed of in a landfill. We also work to manage and dispose of waste in compliance with laws and regulations.

- ↓ Target(s) and What We Have Done/Are Doing ↓ Initiative(s)/Activity(ies)
- ↓ Industrial Waste Final Disposal Sites : Maintenance Information

Target(s) and What We Have Done/Are Doing

Kureha's Waste Emission Rate* Targets

1. Achieve a waste emission rate of 1.5% by fiscal 2025
2. Maintain a waste emission rate of 1.5% in fiscal 2030

* Definition of waste emission rate: volume of industrial waste sent to final disposal (landfill) ÷ total volume generated (excluding volume from construction work).

The waste emission rate for fiscal 2024 was 2.2%.

KPI	Company/companies	FY2023 Results	FY2024 Results	FY2025 Targets
Number of serious incidents of waste disposal causing damage offsite	Kureha	0	0	0

Initiative(s)/Activity(ies)

Recycling of Waste Materials

Kureha strives to reduce the generation of waste from each production facility by improving production efficiency and reducing production losses. The amount of coal ash discharged from the coal-fired power plants at the facilities accounts for the majority of waste, which is contracted to a recycling company for recycling as a raw material for cement and other materials. For other wastes, efforts are being made to further reduce the volume sent to a landfill for disposal by developing products that use production losses and promoting recycling by considering disposal methods.

Kureha steadily carries out the recycling obligations it bears under the Containers and Packaging Recycling Law. Since fiscal 2002, we have outsourced recycling, mainly of paper and plastic containers and packaging, under contract to the Japan Containers and Packaging Recycling Association, a designated corporation and a public interest incorporated foundation.

Waste Management

Kureha complies with waste-related laws and regulations and works to properly manage waste.

The ISO 14001 environmental management system is used to educate and raise awareness among employees, as well as to systematically confirm that waste storage sites are properly managed and waste is properly stored. Regular on-site checks are also carried out on contract recycling and waste contractors to monitor the status of management and treatment.

Awareness of, and Initiatives on, Marine Plastic Pollution and Recycling of Plastics

GRI 306-2

The Kureha Group is committed to providing useful products and services based on technology, while at the same time striving for environmentally friendly production activities. We are working on initiatives to tackle the problem of marine plastic pollution and other plastic resource recycling.

Basic Awareness

As a plastics manufacturer, the Kureha Group has the following basic awareness of environmental issues:

Plastics have a wide variety of uses and, when their unique characteristics are effectively utilized, they contribute to such things as increasing energy efficiency and reducing food loss.

However, since their recycling rate is still quite low and because they are improperly disposed of, they end up as marine plastic waste, becoming a huge factor in environmental pollution.

We at the Kureha Group believe it is necessary to participate in the global effort toward:

1. Development of a plastic recycling system, and
2. Prevention of pollution by marine plastic waste.

Group Initiatives

In order to fulfill our corporate social responsibility, the Kureha Group is taking the following measures against these issues:

Promoting the three R's (reduce, reuse, and recycle)

1. Reducing losses and examining ways to reuse and recycle in the manufacturing process
2. Promoting environmental businesses such as recycling and heat recovery technologies

Responding in product design and development

1. Designing products which reduce household waste and simplify the task of garbage separation
2. Reducing raw materials used while maintaining functionality
3. Developing biodegradable plastic products such as PGA degradable plugs

Promoting efforts to prevent littering on land and into the ocean

1. Raising consumer awareness through proper labeling of product disposal
2. Preventing plastic waste leaking into water bodies during the manufacturing process
3. Collaborating with local and regional governments to eradicate littering and illegal dumping
4. Promoting cleanup efforts around each business site and neighboring areas

We will continue to make sincere efforts, together with industry Groups, to fulfill our corporate responsibility to preserve the natural environment according to the policies and plans of the international community and the Japanese government.

* PGA "Kuredux" is certified as a biodegradable plastic in Europe and Japan.

Targets for Reducing Plastic Waste Emissions (Plastic Resource Circulation Act)

GRI 306-3

In accordance with the Plastic Resource Circulation Act*, which came into force in April 2022, we, as a business that generates industrial waste from plastic products, actively work to reduce waste generation and recycle waste, and disclose relevant information. In addition, to raise awareness within the company, internal training on the Plastic Resource Recycling Act is provided on an ongoing basis.

* A law involving the promotion of resource recycling related to plastics

Industrial Waste Final Disposal Sites : Maintenance Information

→ [About the disclosure of industrial waste final disposal site maintenance information \(Japanese Only\)](#) 

Management of Chemical Substances, Prevention of Air Pollution, Water Use and Prevention of Water Pollution

- ↓ Management of Chemical Substances
- ↓ Prevention of Air Pollution
- ↓ Water Use and Prevention of Water Pollution

Management of Chemical Substances

GRI 417-1

Chemical substances are an indispensable factor in the enrichment, comfort, and convenience of daily life, and we use many different chemicals in daily life and in industry. However, some chemicals may have an adverse effect on the environment and human health. To minimize these adverse effects, international goals and strategies for chemical substance management are being formulated, and laws and regulations based on these are being developed all around the world. This has been reflected in the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015.

Kureha handle all of our products in compliance with domestic and international chemical substance regulations. We also provide all necessary information about the adverse effects of chemicals in our products to domestic and overseas customers through Safety Data Sheets (SDS)* and labels, and always respond to customer surveys. Furthermore, we disseminate information about harmful chemicals within and without Kureha as the need arises.

In addition to the above, we continuously conduct education for departments involved at every stage, to ensure that we properly comply with laws and regulations on chemical substances throughout the life cycles of our products.

* This document is issued when a business transfers or provides a chemical substance or a product containing a chemical substance to another business. SDSs are prepared in accordance with Japanese Industrial Standards' (JIS) statement (Method of communicating chemical hazard and toxicity information) and are issued to users, etc., of chemical substances.

Initiative(s)/Activity(ies)

Actions in Japan

Throughout every process from the procurement of raw materials to the manufacturing and shipment of products, Kureha complies with laws and regulations in Japan. We also engage in active disclosure of information in accordance with laws, including national-, prefectural-, and regional-level communication of information on the state of environmental impacts from our manufacturing. We have also introduced management systems for quality, the environment, and occupational safety and health, and are making efforts to raise the level of our chemical substance management through the use of the PDCA cycle.

Actions Overseas

Kureha is expanding its business activities globally. Following the lead of the European REACH regulations,* countries worldwide are moving to develop registration systems for chemicals. Although the situation is complicated by countries' specific systems and circumstances, we are conducting surveys to support our global expansion and are steadily taking actions such as registering our products in countries to which we export. We also conduct regular education related to chemical regulations overseas to enhance legal understanding and compliance awareness.

* Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH): Regulations involving the registration, evaluation, authorization and restriction of chemicals in the EU.

Reduction of Chemical Substance Emissions

To lower the environmental impacts of chemical substances as much as possible, Kureha continuously works to reduce the volumes of chemical substances discharged from production activities at our business sites. In line with the Act on the Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion Improvements to the Management Thereof (PRTR system), every year we assess the volumes of our discharges (Air, Public water bodies, Land on site, Landfill on site) and transfers (Sewage, Off-site) of class I designated chemical substances, and check and disclose our own status with regard to these. To reduce emissions of the substances, we study improvements to equipment and work to maintain stable operation, while also examining measures to reduce environmental impacts from the design stage onward when expanding or installing equipment.

→ ESG Data Collection (Emissions of Class I Designated Chemical Substances) 

Prevention of Air Pollution

Fully recognizing the impacts that atmospheric emissions from our production sites can have on the environment and on local communities, the Kureha Group continually strives to minimize these as an ongoing material issue. Most of Kureha's atmospheric emissions come from our main production site, the Iwaki Factory. The emissions of air pollutants at Iwaki Factory, such as sulfur oxides (SOx) and nitrogen oxides (NOx), were kept under a level set voluntarily by Kureha and agreed upon by local authorities as well as the emission standards set based on the Air Pollution Control Act.

In February 2022, the factory renewed a pollution control agreement with Iwaki City and set stricter limits on the emission of SOx, NOx, and soot and dust. The factory continues to operate well within those values.

Target(s) and What We Have Done/Are Doing

KPI	Company/companies	FY2023 Results	FY2024 Results	FY2025 Targets
Number of serious incidents of air pollution causing damage offsite	Kureha	0	0	0

→ ESG Data Collection (Calculated amount of fluorocarbon leakage, SOx • NOx • Soot and dust emission volume, Emissions of Class I Designated Chemical Substances) 

Measurements from Soot- and Smoke-Generating Facilities Based on the Pollution Control Agreement with Iwaki City

→ Disclosure of measurements from soot- and smoke-generating facilities based on the pollution control agreement with Iwaki City (Japanese Only) 

Water Use and Prevention of Water Pollution

GRI 303-1, GRI 303-2, GRI 303-4, SASB RT-CH-140a.3

Water resources are irreplaceable resources for our earth and are indispensable to the production activities of the Kureha Group. We recognize that the conservation of these resources is a vital global issue and address conservation as one of our material issues.

Kureha's main production site, our Iwaki Factory, uses large amounts of water in its chemical product manufacturing processes (heating, cooling, cleaning, removal of by-products, etc.). This accounts for the majority of our Company's water usage. While the risk of water shortages (water stress) in our water intake is low, we fully recognize that wastewater discharged from our treatment facilities into river and sea areas can impact the environment and local communities. Accordingly, we strive to properly manage wastewater in compliance with all laws and regulations and to thereby reduce our impacts on the environment.

Target(s) and What We Have Done/Are Doing

KPI	Company/companies	FY2023 Results	FY2024 Results	FY2025 Targets
Number of serious incidents of water pollution causing damage offsite	Kureha	0	0	0

In fiscal 2024, there were no violations of environmental regulations pursuant to Japan's Water Pollution Prevention Act.

→ ESG Data Collection (Water withdrawal, Emissions of Class I Designated Chemical Substances, Violations of the law) 

Initiative(s)/Activity(ies)

Initiatives at the Iwaki Factory

At the Iwaki Factory, we comply with the emission standards set by the Water Pollution Prevention Act and local ordinances. Furthermore, in February 2022, the factory renewed a pollution control agreement with Iwaki City and set even stricter limits on chemical oxygen demand (COD). We are continuing operation at levels well below these limits. At each of our manufacturing sites, we are working to reduce our environmental footprint by making a daily effort to maintain stable operation of all equipment, including wastewater treatment equipment. We are also working to ensure thorough wastewater management by making improvements to our machines and updating our water quality monitoring equipment. Aiming to further reduce its environmental impact, we are also expanding our integrated wastewater treatment facilities with plans to start operations in fiscal 2025.

Initiatives at the Plastics Processing Factory

Our Plastics Processing Factory (Ibaraki), located in the Lake Kasumigaura basin, conducts monthly water quality inspections along with daily patrols and continuous pH monitoring of wastewater, in accordance with emission standards ordained in the Water Pollution Prevention Act and the applicable local ordinance. At the Plastics Processing Factory (Hyogo), too, we conduct voluntary water quality analysis and in fiscal 2022 began continuous monitoring of wastewater pH to continue proper management. Since groundwater is pumped and used in industry in both districts, we also keep the amount of water collected within the limits set by the Industrial Water Act and local ordinances related to pumping groundwater.

Initiatives at Group Companies in Japan

Kureha Extron Co., Ltd., and Resinous Kasei Co., Ltd., use some recycled water in the cooling water used in their production processes. Kureha Gohsen Co., Ltd., determines the amount of groundwater it uses by periodically checking the water gauges of its water pumps. Meanwhile, Kureha Ecology Management Co., Ltd., reuses wastewater as well as steam generated from condenser equipment at its intermediary industrial waste treatment facility, Wastech Kanagawa.

Initiatives at Group Companies Overseas

Kureha (Shanghai) Carbon Fiber Materials Co., Ltd., recycles water cooled in its cooling tower heat exchangers as cooling water used in its production process. Kureha (Changshu) Fluoropolymers Co., Ltd., has a wastewater recycling system. The company biologically treats wastewater from manufacturing at its factory, runs it through the ultrafiltration and reverse osmosis membranes of the recycling system, and then again through a water purifier, enabling about 70% of all wastewater at the factory to be reused. Kureha Vietnam Co., Ltd., began recycling cooling water in 2016, enabling it to reduce the amount of discharged cooling water from its Krehalon film production line to 0.63% of the original amount.

Conserving Biodiversity

GRI 101-4, GRI 101-5

Conservation of biodiversity, along with action on climate change, is becoming increasingly important for establishing a sustainable society, and is widely recognized as a global environmental issue that should be tackled in tandem with action on climate change. Over the past 50 years human activities have caused the extinction of species and the degradation of ecosystem services. Kureha Group is committed to understanding the dependence and impact of its business activities on natural capital, and to formulating and promoting initiatives for the conservation and restoration of biodiversity.

- ↓ **Determining Dependencies and Impacts on Nature Based on TNFD Recommendations**
- ↓ **Initiatives for Conserving Biodiversity**

Determining Dependencies and Impacts on Nature Based on TNFD Recommendations

The Kureha Group applies the LEAP approach for assessing nature-related risks and opportunities, as recommended by the Taskforce on Nature-related Financial Disclosures (TNFD).^{*} The Leap approach is based on four phases: Locate a business's interface with nature and specify priority locations to assess and report on, Evaluate its dependencies and impacts on nature, Assess nature-related risks and opportunities, and Prepare to respond and report information on those nature-related risks and opportunities.

At present, the Kureha Group is at the Locate phase of assessing its Specialty Chemicals business, its largest business in terms of operational scale.

^{*} The TNFD is an international organization founded in 2021 for the purpose of creating a framework for managing and disclosing risks associated with natural capital and other related issues.

Determining Dependencies and Impacts on Nature

SASB RT-CH-140a.3

To identify its natural capital-related issues at the Locate phase, the Kureha Group has determined its dependencies and impacts on nature by using ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure),^{*} and selected the "manufacture of basic chemicals" and "manufacture of other chemical products" categories of the International Standard Industrial Classification (ISIC) for its Specialty Chemicals business. The results of the assessment showed that the Specialty Chemicals business's dependencies on nature may have a comparatively high dependence on water supply services, soil and sediment retention services, water purification services, flood mitigation services, storm mitigation services, and water flow regulation services. The results also showed that the business appears to have an impact on nature with respect to its volume of water use, emissions of GHGs, emissions on non-GHG air pollutants, and generation and release of solid waste, and a very high impact on nature with respect to its emissions of toxic pollutants to water and soil, as well as noise and light disturbances.

^{*} Online tool developed jointly by international financial industry associations in the natural capital sector, the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCSC) and others. It is used to assess dependencies and impacts according to the five levels of very low, low, medium, high, and very high.

► Dependencies

	Provisioning services	Regulating and maintenance services								
	Water supply	Soil and sediment retention services	Water purification services	Dilution by atmosphere and ecosystems	Air filtration services	Flood mitigation services	Noise attenuation services	Climate regulation services	Storm mitigation services	Water flow regulation services
Manufacture of basic chemicals	Medium	Medium	Medium	Low	Very low	Medium	Very low	Low	Medium	Medium
Manufacture of other chemical products	Medium	Medium	Medium	Low	Very low	Medium	Very low	Low	Medium	Medium

► Impacts

	Volume of water use	Area of land use	Area of freshwater use	Area of seabed use	Emissions of GHG	Emissions of non-GHG air pollutants	Generation and release of solid waste	Emissions of toxic pollutants to water and soil	Disturbances (e.g. noise, light)
Manufacture of basic chemicals	Medium	Low	N/A	N/A	Medium	Medium	Medium	Very high	Very high
Manufacture of other chemical products	Medium	Low	N/A	N/A	Medium	Medium	Medium	Very high	Very high

Based on results of the assessment of its business's dependencies and impacts on nature, the Kureha Group has specified 11 of its chemical production and processing sites around the world as priority locations for assessments and information disclosure.

Assessing Water Risks

GRI 303-1, SASB RT-CH-140a.3

In its priority locations, the Kureha Group has assessed physical water risks, specifically water stress¹ and flood risks, using Aqueduct² water risk analysis tools. This confirmed that none of its directly operated sites are in areas where the risk of water stress is high or extremely high, while five directly operated sites in Japan and other countries in the Asia/Oceania region are in areas where the risk of water stress is medium to high. At these sites, steps are being taken to appropriately manage and reduce water usage. The assessment also confirmed that the flood risks are high at two sites, one in North America and the other in the Asia/Oceania region. These sites have established emergency response plans and official procedures for dealing with floods as a means to mitigate disaster risks.

- 1 Water stress is defined as the ratio of the amount of water demand to the amount of surface water and groundwater supply. Water demand includes water for consumer, industrial, irrigation, and livestock use.
- 2 A group of tools from the World Resources Institute (WRI) for assessing global water risk based on latitude and longitude. The tools are used to assess water risks according to the five levels of low, low-medium, medium-high, high, and extremely high.

	Water Stress					Flood risk
	Low	Low-Medium	Medium-High	High	Extremely High	High
Japan		4	3			
North America	1					1
Europe						
Asia, Oceania		1	2			1
Total	1	5	5	0	0	2

In the future, at the Evaluate phase of the LEAP approach, the Kureha Group will conduct assessments of priority locations identified at the Locate phase. To quantitatively assess its dependencies and impacts on nature, the Group is reviewing the environmental data it collects.

Initiatives for Conserving Biodiversity

To lower the impact of its business activities on natural capital and to conserve biodiversity, the Kureha Group is working to reduce its greenhouse gas emissions and waste disposal, properly manage chemical substances, and implement measures for reducing environmental impact.

- Climate Change Disclosures Based on TCFD Recommendations
- Recycling of Resources, Proper Management and Disposal of Waste
- Management of Chemical Substances, Prevention of Air Pollution, Water Use and Prevention of Water Pollution

Social Report

The Kureha Group is addressing various activities to meet the expectations of stakeholders related to its corporate activities and to achieve sustainable growth as a company that is trusted by society.

Human Rights Initiatives →	Fair Information Disclosure and Dialogue →
Product Safety and Quality Assurance →	Responsible Procurement →
Activity by Diverse Human Resources →	Occupational Safety and Prevention of Industrial Disasters →
Community Outreach Activities →	

Human Rights Initiatives

GRI 2-24

As the Kureha Group engages in corporate activities in many countries and regions, we view the consideration of human rights in accordance with international standards as a material issue in our sustainability management. The Kureha Group Charter of Corporate Behavior states, "We respect the human rights of all people affected by our corporate activities." In every scenario, we conduct our corporate activities with respect for the human rights of all stakeholders.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

GRI 3-2

On April 1, 2023, based on international standards such as the Guiding Principles on Business and Human Rights approved by the United Nations in 2011 and on input from outside experts, the Kureha Group established its Group Human Rights Policy.

Under this policy, the Kureha Group will undertake assured human rights due diligence and will advance initiatives aimed at ensuring respect for the human rights of all stakeholders in our own corporate activities and business relationships.

Kureha Group Human Rights Policy

As stated in our corporate philosophy, "we treasure people and the natural environment." The Kureha Group is committed to respect for human rights in our business activities and our business relationships.

To further promote Group-wide efforts to respect human rights, we have established the Kureha Group Human Rights Policy, based on the United Nations Guiding Principles on Business and Human Rights (hereinafter referred to as the "Guiding Principles") and it has been approved by the Board of Directors of Kureha Corporation.

Based on this policy, we will advance respect for internationally recognized human rights while collaborating and cooperating with stakeholders.

Kureha Group Human Rights Policy

1. Basic philosophy

The Kureha Group understands the businesses may directly and indirectly impact on human rights. We respect the human rights* set forth in the United Nations International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

* These human rights include freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment, as set forth in core labor standards of the ILO.

2. Scope of application

This policy applies to all officers and employees (including non-regular employees) who work for the Kureha Group.

We expect all our business partners, including partners in the value chain, to understand and support this policy and to respect human rights.

3. Our responsibility to respect human rights

By avoiding involvement in adverse human rights impacts through our own activities or business relationships and by taking appropriate measures to remediate any adverse human rights impacts that we identify we have caused or contributed to in line with the "Guiding Principles," we will fulfill our responsibility to respect human rights and will build responsible value chains.

4. Respect for human rights through our business activities

The Kureha Group will address human rights issues, including the following.

- We respect the basic rights of workers, including the freedom of association and the right to collective bargaining.
- We promote the improvement and enhancement of occupational health and safety in order to ensure safety.
- We comply with the laws and regulations of the countries and regions in which we engage in business, manage employees' working hours properly, and pay appropriate wages and benefits.
- We prohibit any form of discrimination or harassment.
- We prohibit child labor, unfair low-wage labor, or modern slavery including forced labor, human trafficking or the employment of workers under the age of 18 (young workers) for working at night, overtime, or in jobs that endanger their health or safety.
- We respect privacy and handle personal information properly in compliance with relevant laws and regulations.
- We respect the human rights, including the safety and health, of local communities.

We will seek, on a priority basis, to prevent and mitigate actual and potential adverse human rights impacts that are most severe or where delayed response would make them irremediable.

5. Education

The Kureha Group will conduct education for all officers and employees (including non-regular employees) to ensure that this policy is incorporated into all business activities and is embedded effectively.

6. Human rights due diligence

Based on the "Guiding Principles," the Kureha Group will establish a system of human rights due diligence, will identify any adverse human rights impacts that may be imposed through our business activities and our business relationships, and will construct continuous processes for the prevention and mitigation of such impacts.

7. Remediation

If the Kureha Group identifies that it has caused or contributed to adverse human rights impacts through our business activities or our business relationships, we will address the remediation of such impacts through legitimate processes.

If adverse human rights impacts in the value chain are found directly linked to our operations, or products or services by our business relationships, we will cooperate with our business partners and seek to prevent or mitigate the impacts.

We will provide an effective grievance mechanism for individuals and communities who may be subject to adverse human rights impacts in our business activities and business relationships.

8. Dialogue with stakeholders

In order to implement this policy, the Kureha Group will engage in sincere dialogue and consultation with our stakeholders including customers, business partners such as suppliers, shareholders and investors, employees, internal and external expertise, local communities, and rights holders who may be affected by our business activities.

9. Information disclosure

Through our website and other means, the Kureha Group will disclose information on the progress of our efforts toward respect for human rights under this policy.

10. Applicable law

The Kureha Group complies with applicable laws and regulations in the countries and regions in which we engage in business activities.

When the laws and regulations of countries and regions differ from international norms, we will comply with the laws and regulations of the countries and regions while pursuing ways to respect international standards for human rights.

Established on April 1, 2023



Yutaka Kobayashi
KUREHA CORPORATION
President & Chief Executive Officer

Management Structure

GRI 2-24

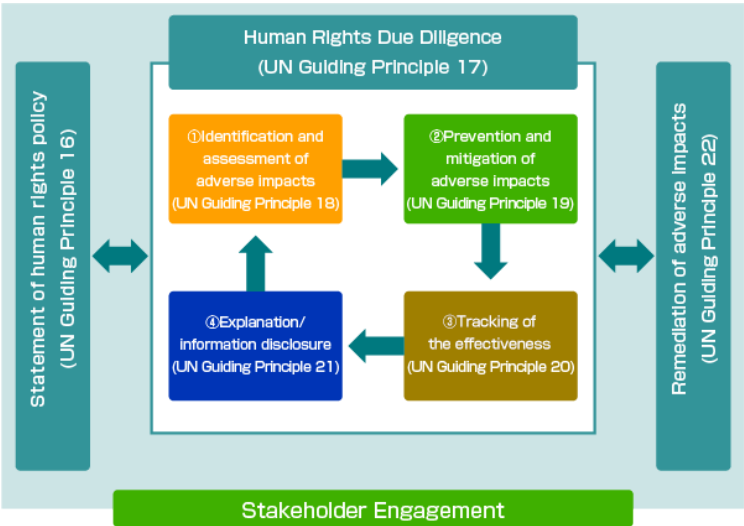
The Kureha Group has a Human Rights Subcommittee as a subordinate body of the Sustainability Coordination Committee in accordance with the Kureha Group Human Rights Policy. The Sustainability Coordination Committee is chaired by a director or executive officer. The Human Rights Subcommittee is composed of departments related to human rights issues identified in the Human Rights Policy, and is responsible for overseeing initiatives on respect for human rights, including human rights due diligence, as well as formulating annual plans and managing progress. Progress and results are reported to the Sustainability Coordination Committee for appropriate supervision by management.

In accordance with the policy, the Human Rights Subcommittee has been setting up a group-wide system for monitoring human rights issues over a three-year plan extending to fiscal 2025. In fiscal 2024, the plan's second year, it expanded the scope of its monitoring activities to group companies in Japan and a portion of group companies in other countries. The goal of the subcommittee's actions is to identify problems involving human rights and help reduce such problems as much as possible.

Human Rights Due Diligence

Human rights due diligence refers to the series of actions by which a company identifies, prevents, and mitigates adverse impacts on human rights within the company, Group companies, suppliers, and other parties, evaluates the effectiveness of efforts, and explains and discloses information on methods for dealing with adverse impacts. The Kureha Group has set up and is promoting its human rights due diligence process in accordance with procedures specified in the UN's Guiding Principles on Business and Human Rights.

Overall Picture of Corporate Human Rights Initiatives



* Adapted by Kureha from the "Handbook for Management that Respects Human Rights," Japan Business Federation (Keidanren)

Specifying and Assessing Negative Impacts on the Kureha Group

In fiscal 2024, negative impacts on the Kureha Group were specified and assessed in consideration of results of a CSR survey targeting all group companies as well as typical human rights issues in the industries that group companies operate in. The negative impacts were identified and assessed based on their likelihood of occurring and severity with respect to their scale, scope, and irremediable character. As a result, harassment, occupational injuries, and excessive working hours were specified as having the highest risks of human rights violations. Kureha's department in charge of supervising risks is taking measures to mitigate these three risks throughout the Group, and is using KPIs to confirm their progress.

Target(s) and What We Have Done/Are Doing

KPIs for issues specified as having the highest risks of human rights violations	Company/companies	FY2024 Results	FY2025 Targets
Number of cases of harassment ¹	Kureha	1	Lower than the previous fiscal year
	Group companies	1	Lower than the previous fiscal year
Number of cases of occupational accidents ²	Kureha	0	Lower than the previous fiscal year
	Group companies	2	Lower than the previous fiscal year
Number of cases of excessive working hours ³	Kureha	3	Lower than the previous fiscal year
	Group companies	21	Lower than the previous fiscal year

1 The number of cases of harassment refers to those that violate compliance rules at each respective company.

2 The number of occupational accidents refers to those resulting in death or a serious injury, defined as an injury causing a disability (rated at least level 3) or permanent disability (rated from level 4 to 14), or injury requiring at least four days off work.

3 The number of cases of excessive working hours are those in which overtime work exceeds 80 hours per month.

Initiative(s)/Activity(ies)

Participation in Initiatives

Since FY2022, we have participated in the UNDP's Business and Human Rights Academy, and we are making use of the opinions received from experts in our initiatives on respect for human rights. We also participated in the Human Rights Due Diligence (HRDD) subcommittee of the United Nations Global Compact Network Japan (GCNJ). In fiscal 2024, Kureha participated in a program jointly organized by the ILO and GCNJ for training employees to specialize in promoting respect for international human rights and labor standards. The knowledge gained from these activities is shared with internal personnel involved in respect for human rights and used to promote our efforts.

Grievance Mechanisms

GRI 2-25

The Kureha Group has established a consultation desk (i.e., hotline) for use in making reports or requesting counsel when an employee has become aware of problematic behavior, has doubts, or is unsure of judgment calls involving compliance. This hotline covers human rights-related matters as well. To encourage use of the hotline, we have set up an external consultation desk staffed by attorneys and a special harassment desk staffed by female counselors. Our regulations prohibit any unfair treatment of persons who use the hotline for reporting or counseling.

In fiscal 2024, two cases reported via the hotline were recognized as harassment, and disciplinary actions and other appropriate measures were taken in response.

Measures for Preventing Harassment

In the Kureha Group Code of Conduct, the section on preventing all forms of discrimination and harassment stipulates that the Group shall always maintain a healthy workplace environment free of discrimination based on race, beliefs, gender, religion, nationality, disability, illness, background, or birthplace. Moreover, the code specifically prohibits power and sexual harassment, clearly stating that words or actions constituting power harassment, sexual harassment, and other forms of harassment related to pregnancy, childbirth, childcare, and nursing care are forbidden.

Kureha has provided line managers with training and awareness programs designed to contribute to dynamic workplaces and ensure that employees never experience power or sexual harassment on the job.

In fiscal 2024, Kureha provided an e-learning course on preventing harassment to its employees and officers. Of the total of 1,688 people eligible for the course, 1,605 (95.1%) participated. It also provided education on the LGBTQ+ community to deepen their understanding of sexual orientation and gender identity diversity. Through these training programs and employee awareness initiatives, Kureha is working to eliminate harassment from all of its workplaces.

Fair Information Disclosure and Dialogue

Kureha Group recognizes the importance of providing timely and appropriate information and promoting constructive dialogue with all of our stakeholders in the value chain to be a company needed by society to continue earning widespread public understanding and trust.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Dialogues with Stakeholders
- ↓ Participation in Initiatives and Organizations

Policy/Policies

The Kureha Group established the Kureha Group Charter of Corporate Behavior as a set of principles for its management and employees to follow acts in accordance with socially accepted norms, and aims to grow sustainably while contributing to the sustainability of society. As stated in Article 4 of the Kureha Group Charter of Corporate Behavior, "We actively and fairly disclose reliable corporate information that is beneficial to a wide range of stakeholders, and engage in constructive dialogue with the purpose of enhancing corporate value. " Moreover, as stated in Article 8 of the Kureha Group Human Rights Policy, "In order to implement this policy, the Kureha Group will engage in sincere dialogue and consultation with our stakeholders including customers, business partners such as suppliers, shareholders and investors, employees, internal and external expertise, local communities, and rights holders who may be affected by our business activities." Kureha's Corporate Governance Guidelines set policies to promote constructive dialogue with shareholders and investors. In line with these Guidelines, we are conducting various IR activities that help us communicate to all of our stakeholders about our Company in a way that is easy to understand.

- [Charter of Corporate Behavior](#)
- [Human Rights Policy](#)
- [Corporate Governance Guidelines](#)

Based on the Basic Policy on Information Disclosure, Kureha will disclose information in a timely and appropriate manner in compliance with relevant laws and regulations and the Timely Disclosure Rules set out by stock exchanges, with a basic principle of information disclosure aimed at being a company that is trusted and supported by society. We also disclose information in a timely and appropriate manner when we judge that the information is useful to our stakeholders, unprompted by laws and regulations. We believe that disclosing information in a fair and continuous manner will lead to increased management transparency and stakeholder trust.

Basic Policy on Information Disclosure

Basic Policy on Information Disclosure

Kureha Corporation ("Kureha") will disclose information in a timely and appropriate manner with the fundamental aim of disclosing information to be a company that is trusted and supported by society.

1. Kureha will disclose information to stakeholders in a timely and appropriate manner in compliance with Japan's Financial Instruments and Exchange Act, the Timely Disclosure Rules set out by stock exchanges, and relevant laws and regulations.
2. Kureha will disclose information that is covered by Japan's Financial Instruments and Exchange Act, Timely Disclosure Rules, and other relevant laws and regulations using the method provided for in the rules, such as the Timely Disclosure network (TDnet) of the Tokyo Stock Exchange.
Kureha will also publish the disclosed information promptly on the corporate website. Kureha will disclose information that is not covered by Timely Disclosure Rules in a timely manner based on the spirit of timely disclosure through such means as providing materials, holding press conferences, organizing briefing meetings, distributing printed materials, and on the corporate website.
3. Kureha will disclose information based on this policy. The Sustainability Coordination Committee will also appropriately review the appropriateness of information disclosures that have been made.

Management Structure

GRI 2-24

At Kureha, the Corporate Communications Department is the lead department for matters related to the disclosure of corporate information, and it works with related departments, including group companies, to ensure timely and appropriate information disclosure. In addition, in accordance with the Basic Policy on Information Disclosure, we have an Information Disclosure Subcommittee, which is a subordinate organization of the Sustainability Coordination Committee. The Disclosure Subcommittee is responsible for promoting the disclosure of corporate information, including that of group companies, and verifying its appropriateness, as well as formulating an annual plan for information disclosure and managing its progress. These annual plans and results are reported to the Sustainability Coordination Committee which verifies their appropriateness.

In addition, we strictly manage undisclosed vital corporate information in accordance with the Insider Trading Management Regulations to prevent insider trading.

Target(s) and What We Have Done/Are Doing

KPI	Company/companies	FY2024 Results	FY2025 Targets
• Number of omissions of mandatory disclosure • Enhancement of disclosure of non-financial information	Kureha	• No omissions of mandatory disclosure • Sustainability reports and business reports were issued as disclosures of non-financial information	• No omissions of mandatory disclosure • Increase disclosure of non-financial information
	Group Companies in Japan		
	Overseas Group Companies		

Dialogues with Stakeholders

GRI 2-29

As corporate activities globalize, stakeholders demand more social responsibility from corporations, so building and maintaining relationships of trust by taking various opportunities for dialogue is positioned as an important factor in improving corporate value.

We at Kureha Group take all the requests and concerns of our neighbors into consideration as we contribute to the development of a sustainable society, by promoting dialogue with our important stakeholders, whether they be shareholders and investors, customers and clients, business partners, employees, the general public, local communities, government agencies, or industry groups.

Stakeholder Engagement

Stakeholder	Purpose of Engagement	Main Representative Department (Division)	Method of Communication	Frequency
Shareholders & Investors	Building mutual understanding and trust through timely and appropriate information disclosure and understanding of investors' expectations	Corporate Strategies and Accounting Division	→ Annual General Shareholders' Meeting	Each annually
			→ Annual Securities Report (Japanese Only)	
			→ Business Report	
			→ Briefings for securities analysts and institutional investors	Several times per year
			→ Shareholder Newsletter (Japanese Only)	Twice a year
			Events for private investors	Annual
Customers & Clients	Improving customer satisfaction by providing high quality products and services based on customer needs	Sales Department	→ Customer Support Center	Any time
			Customer events	Several times per year
			Exhibitions	Several times per year
			Daily communications	Any time
Business Partners (procurement sources, subcontractors)	Establishing business relationships based on fair partnerships with a concern for social responsibility	Procurement Department	Supplier audits	Annual
			→ Procurement sources	
			→ Subcontractors	Annual
			→ CSR surveys	
			Daily communications	Any time

Stakeholder	Purpose of Engagement	Main Representative Department (Division)	Method of Communication	Frequency
Employees	Creating a safe and stable employment environment where individuals can fulfill their potential	HR and General Affairs Department	→ Labor-management consultations → Health and Safety Committee Meetings	At least once a month
			→ Performance evaluation interviews, self-assessment system	Several times per year, biennial
			Daily communications	Any time
General Public	Sharing information regarding our compliance with laws and regulations, and contributing to the development of society	General Affairs Department	→ Factory tours, volunteering	Several times per year
			→ Educational sponsorships	Annual
Local Community	Building trust with the local community through disclosure of information and contributions to community development	General Affairs Department	→ CSR Local Dialogue Meeting	Annual
			→ Cultural, Academic and Sports Exchanges	Several times per year
			→ Factory tours	Several times per year
Government Agencies Industry Groups	Ensuring compliance with laws, agreements, and voluntary standards through information gathering and cooperation in various activities	General Affairs Department HR Department Planning Department Technology Department	Gathering information about and responding to laws and regulations	Any time
			Participation in councils, discussions, etc.	Any time

Mapping of Stakeholders in Line with the Value Chain

GRI 2-6

Stakeholder Engagement	Research and development	Procurement	Manufacture	Logistics	Sales	Products Usage	Dispose of Products
Shareholders and Investors	○	○	○	○	○	○	○
Customers & Clients	○				○	○	○
Business partners (procurement sources, subcontractors)		○		○			
Employees	○	○	○	○	○		
General Public		○	○			○	○
Local Community		○	○				
Government Agencies Industry Groups	○	○	○	○	○	○	○

Dialogue with Shareholders and Investors

GRI 2-29

Kureha holds its annual general shareholders' meetings in late June each year. The convocation notice is posted on our website and sent out by mail in early June, allowing shareholders the necessary time to examine the agenda. When exercising voting rights, shareholders may choose to exercise their voting rights via the Internet. At the general shareholders' meetings, we make use of video and other innovative methods, and we strive to provide frank and detailed explanations in response to questions. In addition, we began live streaming meetings in fiscal 2022 for shareholders who are unable to attend the meeting in person.

Twice a year, we provide our shareholders with the Kureha Report, which summarizes our financial results and other topics to promote a better understanding of our Company. We have also established an Inquiries about IR contact form and enhanced the content on our website to assist shareholders and investors in obtaining information and understanding our Company.

For institutional investors and securities analysts, we regularly hold briefings on growth scenarios based on our mid- to long-term management plan, financial results, and future prospects, and answer their questions. In order to deepen their understanding of our Company, we also engage in proactive dialogue through individual interviews and small meetings in Japan, as well as visits to, and online meetings with, overseas institutional investors. We are proceeding with both financial and non-financial initiatives in our mid- to long-term management plan based on the opinions of our shareholders and investors, aiming to achieve sustainability management that combines improvement of corporate value and contribution to a sustainable society.

Approach to Shareholder Returns

The Kureha Group's mid- to long-term management plan has set a basic policy to maintain stable dividends with a target payout ratio of 30% or more, setting the minimum amount for the annual dividend per share at 86.7 yen by FY2025, while enhancing internal reserves to enable active investment in future business expansion. In addition, we aim to achieve a total payout ratio of 50% or more through share repurchases, acquiring a cumulative total of approximately 40 billion yen in treasury stock during the three-year period ending fiscal 2025 to meet the expectations of our shareholders.

Participation in Initiatives and Organizations

Endorsement of the United Nations Global Compact (UNGC)

GRI 2-28

In July 2023, Kureha Corporation signed the UNGC to further promote the Group's corporate philosophy. The UNGC is a global initiative that encourages companies and organizations to act as good members of society and achieve sustainable growth by demonstrating responsible and creative leadership. The Company will contribute to the realization of a sustainable society by upholding and practicing the Ten Principles set forth in the UNGC, which are in the four areas of human rights, labour, environment, and the prevention of corruption. The Company is also actively participating in activities of the Global Compact Network Japan, a network of UNGC signatories in Japan. The network holds working groups on specific topics to study best practices at companies, learn from experts, and discuss and share views on sustainability approaches and initiatives. Kureha currently participates in working groups on supply chains, human rights due diligence, reporting, ESG, and environmental management, while cooperating with other member companies and organizations in initiatives for realizing a sustainable society.

Endorsement of the TCFD Recommendations

Kureha Corporation expressed its support for the TCFD recommendations* on April 20, 2022. The Company discloses its climate change initiatives in line with the TCFD's recommendations.

→ [Climate Change Disclosures Based on TCFD Recommendations](#)

Participating in the Japan Clean Ocean Material Alliance

Kureha Corporation and Kureha Extron Co., Ltd., are members of the Japan Clean Ocean Material Alliance (CLOMA). Established at the request of Japan's Ministry of Economy, Trade and Industry, CLOMA is a public-private sector alliance tasked with developing and promoting alternative materials to plastic, and providing information and technical consulting to various countries to help them set up efficient recycling systems tailored to their specific circumstances. As a manufacturer and seller of plastic products and materials, the Kureha Group is promoting efforts to recycle plastic.

→ [Recycling of Resources, Proper Management and Disposal of Waste](#)

Participating in the Japan Chemical Industry Association

Kureha Corporation is a member of the Japan Chemical Industry Association's Responsible Care Committee. The committee promotes voluntary responsible care activities aimed at protecting the environment and ensuring health and safety throughout all processes from chemical product development and production to distribution, usage, and final consumption, and discloses the results of those activities while engaging in dialogue with the public.

→ [Responsible Care Activities](#)

Participating in Pharmaceutical Associations

As a manufacturer and seller of pharmaceuticals, Kureha Corporation is a member of the Federation of Pharmaceutical Manufacturers' Associations of Japan (FPMAJ) and the Pharmaceutical Manufacturers' Associations of Tokyo (PMAT) to ensure the safety of pharmaceuticals and to guarantee quality, including proper labeling.

Product Safety and Quality Assurance

GRI 416-1, SASB RT-CH-410b.2

The Kureha Group continually reviews and improves its quality management system, while enhancing both education about quality for its employees and collaborative activities with partner companies, aiming to realize and maintain a high level of quality (Kureha quality) that customers can feel the value of. In addition, we have established mechanisms and an in-house examination system to ensure that safe and reliable products are delivered to our domestic and overseas customers.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

To provide goods and services that further satisfy our customers, we have established a quality policy, operate according to the international standard ISO 9001 quality management system, and engage in daily management and improvement efforts. We are also strengthening our quality assurance system and promoting and enhancing education about quality.

Kureha's Quality Policy

Kureha's Quality Policy

1. We will strive to improve the quality of our products and services in order to further satisfy the customer.
2. We will work to provide customers with safe products that they can feel good about using.
3. We will focus on safety and disaster prevention while endeavoring to achieve stable product supply.

All employees shall be made aware of this quality policy.

April 1, 2021
President & Chief Executive Officer
KUREHA CORPORATION

As for household products, we created our Customer Support Policy in accordance with the Quality management —Customer Satisfaction—Guidelines for complaints handling in organizations (ISO 10002/JIS Q 10002). We rely on this policy not only for consistent customer service, but also continual improvement of customer service and customer satisfaction. We have also introduced an information management system called the Customer Feedback Flow System in order to promptly and appropriately respond to customer feedback and complaints about products and reflect them in new product development.

Here at Kureha, each one of us takes our customer feedback seriously, setting and steadily achieving goals which help us provide products that bring maximum customer satisfaction.

Behavioral Guidelines for Customer Satisfaction

Behavioral Guidelines for Customer Satisfaction

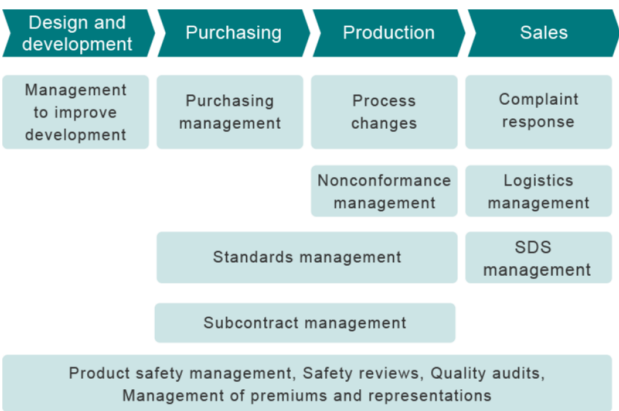
Behavioral Guidelines for Customer Satisfaction

1. We work to provide our customers with safe products they can use with peace of mind.
2. We work to improve the quality of our products and services for maximal customer satisfaction, by sharing their valuable feedback.
3. We take the feedback from our customers seriously, and respond promptly, in good faith, with fair and impartial treatment.
4. We will continue to improve the quality of our products and services by achieving the quality goals we set.
5. We will strictly adhere to relevant legislation and company standards.
6. We will resolutely oppose unreasonable demands.

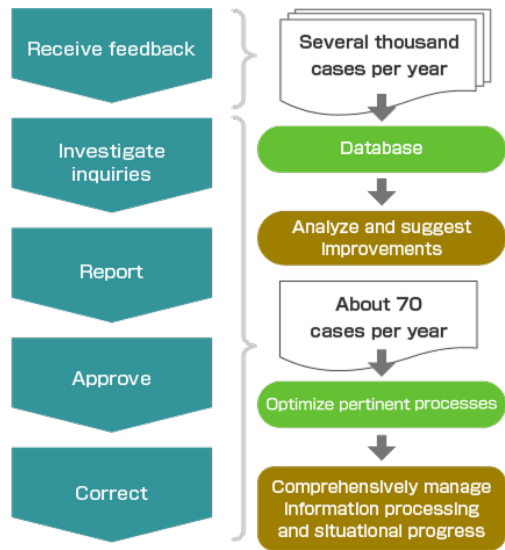
Management Structure

Kureha acquired ISO 9001* certification in fiscal 1995, and has continued to operate and maintain a quality management system since then. We have developed internal rules in accordance with ISO 9001 for every stage from product design and development to sales, and we work hard operating and making improvements to the appropriate system so that customers can be provided with safe products and feel good about using them.

* Please contact us for more information about the scope of our ISO certification.



The Customer Service Office manages complaints, comments, requests, and inquiries from customers who use our household products. We share the real voices of our customers with relevant departments, such as the development, manufacturing, and quality assurance departments, and to promptly respond to complaint cases with requests for investigation.



Workflow for making improvements from customer feedback

Ensuring the Safety and Quality of Pharmaceuticals

As a manufacturer and distributor of pharmaceuticals, we conduct our business activities in compliance with the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices, as well as other relevant laws and regulations, to supply high-quality pharmaceuticals to patients in a stable manner. In addition, we have internal regulations and procedures, a Pharmaceutical Safety and Quality Management Department, a Pharmaceutical Quality Assurance Department, and we carry out management of safety and quality and provide sales information appropriately.

Safety management: We collect safety reports (including information about adverse reactions) from Japan and overseas, evaluate and review them and, in collaboration with our partner companies, promptly provide the information necessary to ensure the safety of pharmaceutical products to healthcare professionals and patients.

Quality assurance: We ensure the quality of our products with our quality assurance system and supply high-quality pharmaceuticals both domestically and internationally.

Activities to provide sales information: we have a committee that reviews and supervises activities to provide sales information for prescription drugs based on the "Guidelines for Provision of Sales Information on Prescription Drugs" established by the Ministry of Health, Labour and Welfare. This ensures that advertising or advertising-like activities conducted as part of activities to provide sales information are conducted appropriately.

Target(s) and What We Have Done/Are Doing

KPI	Company/companies	FY2023 Results	FY2024 Results	FY2025 Targets
Number of serious accidents caused by the Group's products*	Kureha	0	0	0
	Group Companies in Japan	0	0	0
	Overseas Group Companies	0	0	0
Number of quality assurance compliance violations	Kureha	0	0	0
	Group Companies in Japan	0	0	0
	Overseas Group Companies	0	0	0

* Accidents subject to Japan's Product Liability Act and Consumer Product Safety Act, and accidents reported to the National Institute of Technology and Evaluation (NITE)

Initiative(s)/Activity(ies)

Initiatives to Strengthen Quality Control Including Group Companies

Our customers' and society's interest in quality control is on the rise, and the accuracy of quality inspections is becoming even more important. Our quality assurance staff has been visiting the quality assurance departments of our Group manufacturers to conduct audits and surveys since fiscal 2019 with the aim of improving the level of quality control throughout Group companies. These activities not only provide a good opportunity to be inspected from an external perspective, but also provide an opportunity to uncover issues common to all Group companies through the exchange of opinions and to identify the direction of activities for improvement.

Improvement Activities Focused on Countermeasures Against Foreign Material Contamination of Products

The prevention of foreign material contamination is a quality control issue of the highest importance that is fundamental to our customers' trust, because our products include food packaging materials such as NEW Krewrap. From the purchase of raw materials to when products are placed on store shelves, each and every employee must act with a heightened awareness of never allowing foreign material to be mixed in, and a strong sense of responsibility and awareness for working in the food packaging materials industry. We strive to raise awareness of quality control and improve facilities through a variety of initiatives.

Safety Examinations

GRI 416-1, GRI 417-1, GRI 417-3

We follow established internal rules regarding safety examinations to ensure compliance and safety. Since we offer a wide range of products from household items to industrial products, we check for a variety of factors such as field of use, target customers, and methods of manufacturing, quality control, transportation, and use. Raw materials used in products, changes in manufacturing processes, changes in export destinations, and samples provided are also subject to examinations. We also put ourselves in the customer's shoes while examining SDS, labels, product catalogs, and other provided information in order to provide safe, reliable products both inside and outside of Kureha.

For example, the status of examination concerning the content of documents such as product packaging, catalogs, and advertising materials is as follows.

→ [ESG Data Collection \(Status of safety document examination\)](#) 

Responsible Procurement

The Kureha Group strive to fulfill our social responsibilities throughout the entire supply chain in accordance with our Procurement Policy and CSR Procurement Guidelines. We also ask our suppliers to give consideration to the environment and society, and aim to build fair and equitable relationships with them.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

The Kureha Group established the Kureha Group Procurement Policy on April 1, 2024 to practice the Kureha Group Corporate Philosophy through procurement activities and promote continual improvement of economic value and contribute to solving social issues.

Kureha Group Procurement Policy

Kureha Group Procurement Policy

The Kureha Group is committed to contributing to the development of a sustainable society by providing products and services that help solve social issues and, at the same time, fulfilling our social responsibility throughout the supply chain. In our procurement activities, we aim to conduct responsible procurement in accordance with the following policies based on this basic concept.

1. Compliance with Laws and Regulations

In its procurement activities, the Kureha Group complies with the relevant laws, regulations, social norms, and spirit of the relevant laws and regulations of each country and region in which it operates.

2. Fair Procurement Activities

The Kureha Group conducts fair and open procurement activities both domestically and internationally. We prohibit restrictions on free competition and bribery, and ensure transparency of procurement activities through appropriate procedures.

We select our suppliers fairly, based on a rational economic analysis of quality, price, supply capability, technical capability, and other capabilities and reliability, as well as initiatives to improve the global environment and social sustainability.

3. Cooperation with suppliers

The Kureha Group collaborates with suppliers to continually maintain and improve quality, preserve the global environment, and respect human rights.

Kureha Group Supply Chain CSR Guidelines

GRI 2-23

To ensure that corporate social responsibility (CSR) is practiced throughout its supply chain and to help develop a sustainable society, the Kureha Group established the Kureha Group Supply Chain CSR Guidelines on April 1, 2024, as a set of CSR standards for it and its suppliers to follow. As a vital matter for its business, the Group periodically verifies measures taken by suppliers, and takes those opportunities to enhance communication with them and redeliver the Kureha Group Supply Chain CSR Guidelines and the Kureha Group Procurement Policy, recognizing the importance of having suppliers understand and comply with its procurement-related policies.

Items, points to comply with, and main topics of the Kureha Group Supply Chain CSR Guidelines

No	Item	Points to comply with	Main topics
1	Respecting the Laws and Internationally Recognized Standards	Companies must respect internationally recognized standards in addition to complying with the laws and regulations of their home country as well as countries and regions where they conduct business.	Respecting the laws and internationally recognized standards
2	Human Rights and Labor	Referring to international human rights standards, such as the UN's International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the Group respects the rights of labor.	Prohibiting forced labor, prohibiting child labor, working hour management, prohibiting discrimination, freedom of association, adequate wages and allowances, prohibiting inhumane treatment
3	Health and Safety	Companies must identify and assess risks related to occupational safety and maintain safety through appropriate design, engineering, and administrative controls.	Occupational safety, emergency preparedness, occupational injury, worker health management
4	Environment	Companies must actively address environmental problems such as resource depletion, climate change, and pollution, as well as address regional environmental problems considering the health and safety of its relevant local community.	Reducing energy consumption and greenhouse gas emissions, water management, effective utilization of resources and waste management, chemical substance management, biodiversity conservation
5	Fair Trading and Ethics	Companies must comply with laws and regulations of countries and regions they conduct business and internationally recognized standards and conduct business activities based on high ethical standards.	Preventing corruption, prohibiting inappropriate provision and improper benefit, fair information disclosure, respecting intellectual property, conducting fair business, protecting whistleblowers, responsible minerals procurement
6	Quality and Safety	Companies must ensure the safety and quality and provide correct and accurate information on provided products and services.	Ensuring product safety, providing accurate information on products and services
7	Information Security	Companies must prevent leaks of confidential information and personal information, and enhance information security.	Defense from cyber attacks, protecting personal information, preventing leak of confidential information
8	Business Continuity Planning	Companies must make preparations to ensure that they can quickly resume business activities in order to fulfill their responsibility of supply in the event that the company or a business partner becomes a victim of such as a large-scale natural disaster.	Developing and preparing a business continuity plan

No	Item	Points to comply with	Main topics
9	Coexistence with Local Communities	In addition to respecting the history, culture, traditions, practices, and religion of countries and regions throughout the world, companies must actively work to communicate with the residents of countries and regions they conduct business and contribute to the development and sustainability of local communities.	Coexistence with local communities
10	Constructing Management System	Companies must construct a management system to achieve the various items in these guidelines.	Establishing a management system, supplier management

→ [Kureha Group Supply Chain CSR Guidelines](#) 

Participation in the "Declaration of Partnership Building" Initiative

Kureha endorses the aims of the "Conference on Promoting Partnership Building for the Future" promoted by the Cabinet Office and the Small and Medium Enterprise Agency, and announced a "Declaration of Partnership Building" in 2024. Kureha aims to build new partnerships by promoting cooperation, coexistence, and co-prosperity with our business partners.



→ ["Declaration of Partnership Building" portal site \(Japanese Only\)](#) 

→ [Kureha Corporation's "Declaration of Partnership Building" \(Japanese Only\)](#) 

Management Structure

The Kureha Group promotes "responsible procurement" through the Human Rights Subcommittee, a subordinate body of the Sustainability Coordination Committee. The Sustainability Coordination Committee is chaired by a director or executive officer. The Human Rights Subcommittee is composed of departments related to human rights issues identified in our human rights policy and oversees efforts to respect human rights, including human rights due diligence in the supply chain, and formulates annual plans and manages progress. Progress and results are reported to the Sustainability Coordination Committee for appropriate supervision by management.

Target(s) and What We Have Done/Are Doing

KPI	Companies subject to the survey	FY2024 Results
CSR survey coverage rate	Kureha's suppliers ¹	85%
	Kureha's contract manufacturers ²	93%

¹ The CSR survey coverage rate is the percentage of the value of procured items in fiscal 2023 from suppliers that have completed the survey to the total value of procured items in fiscal 2023.

² The CSR survey coverage rate is the percentage of contract manufacturers surveyed compared to the total number of contract manufacturers with stable business relationships.

Initiative(s)/Activity(ies)

GRI 308-2

Green Procurement

Kureha procures raw materials based on the Green Procurement Guidelines to promote the use of products and raw materials that are safer and have less environmental impact. The Guidelines are updated as necessary to comply with environmental laws and regulations. When selecting new suppliers, we evaluate them based on our internal criteria and make decisions based on our overall judgment while adhering to the intent of the Green Procurement Guidelines. When necessary, we conclude a Basic Sales Transaction Agreement with the supplier.

→ [Green Procurement Guidelines \(Japanese Only\)](#) 

Supply Chain CSR Survey

GRI 2-29, GRI 407-1, GRI 408-1, GRI 409-1, GRI 414-2

Kureha has been periodically surveying its suppliers since fiscal 2017 to ascertain their status of CSR promotion. Target suppliers were selected by field based on transaction size and number of years of transactions, and a check sheet prepared by our company was sent to them, collected, and evaluated. From fiscal 2024, the purpose of the surveys was changed to that of confirming compliance with the "Kureha Group Supply Chain CSR Guidelines," and a newly created questionnaire was used to conduct the survey. In addition to suppliers, we now also survey contract manufacturers.

In fiscal 2024, we asked 40 suppliers to formally agree to the guidelines and complete a questionnaire, and 38 (95%) responded. Kureha confirmed which suppliers had room for improvement with respect to the guidelines, and provided them with feedback and requests for improvements.

Kureha also surveyed 29 contract manufacturers that it regularly depends on, and 27 (93%) responded. Kureha confirmed which contract manufacturers needed to improve, provided feedback, and requested improvements.

Kureha is verifying whether improvements have been made based on response of later CSR surveys and other methods.

In addition, Kureha used information disclosed by the suppliers and contract manufacturers that did not respond to the survey to confirm that they had no major problems.

This activity will be gradually expanded to suppliers of the entire Kureha Group.

On-site Audits of Business Partners

Kureha conducts on-site audits of suppliers in Japan and overseas to ensure that purchasing operations are carried out in accordance with the Kureha Group Procurement Policy.

Responsible Mineral Sourcing

As part of our commitment to responsible mineral procurement, Kureha Group conducts investigations that trace the supply chain of target minerals (gold, tin, tungsten, tantalum, cobalt, and mica) back to the source at the request of our customers. As a result of the investigations to date, no minerals suspected of being related to conflict or human rights abuses have been found to be used in our products.

Activity by Diverse Human Resources

GRI 401-2

To realize the Kureha Vision, "A specialty solutions company that leverages proprietary technology and contributes to a new future for society," the Group has positioned activity by diverse human resources" as a material issue. To do this, we aim to be a company where diverse human resources with different ideas and experiences play an active role based on their abilities and achievements, regardless of age, gender, nationality, and other factors, in accordance with our management strategy and business needs.

To realize our vision and accomplish our material issue, the current Mid- to Long-Term Management Plan includes the key measure of "synergism between company and employees" and aims to develop human resources, create a comfortable working environment, promote health, and improve employee engagement.

- ↓ Management Structure
- ↓ Strategy
- ↓ Target(s) and What We Have Done/Are Doing (Kureha)
- ↓ Initiative(s)/Activity(ies)

Management Structure

GRI403-3, SASB RT-CH-320a.2

In accordance with Kureha's corporate governance structure, the Board of Directors makes decisions on important matters, such as human resources development policies and personnel systems. In addition, the Board of Directors regularly receives reports from the Human Resources Department, an executive division, on the status of efforts to have activity by diverse human resources, and monitors and supervises these efforts.

In our efforts to promote activity by diverse human resources, the human resources departments at the head office and business sites work together to study and promote various measures. In addition, the human resource departments of the entire Kureha Group share and exchange information and opinions not only on human resource policies but also on initiatives for human resource development and health promotion, and the entire Kureha Group promotes initiatives for human resource development, enhancement of work-life balance, health promotion, and improvement of the workplace environment.

Strategy

Developing Human Capital and Having Them Flourish

GRI 404-2

Kureha Group's basic way of thinking about developing human capital is that we aim to cultivate human capital with diverse strengths whose performance we can count on and who have the self-motivation and career awareness to continually improve themselves.

To bring this about, we are actively promoting various measures, including education in the workplace, various systematic training programs, and support for autonomous career development that support the autonomous and continual growth of each employee.

Human Capital Development System

Human Capital Development System*

	Regular employees	Executive employees
Rank-based training	Section manager training	Training for promoted executives
	Advanced planning and development training	Training for new line managers
	Intermediate planning and development training	Evaluation skill training
	Planning and development training for new transfers	
	Follow-up training by category and position	
	Mandated training	
	Induction training for new hires	
Purpose-specific training	Social training for next-generation leaders	Supervisor training (coaching)
	Leader Training	
	Mentoring	
	In-house thesis review	
	New product and business development training	Technical management training
	Practical Skills Training (PST)	
Global human capital development		TOEIC/TECC
		Online English conversation course
		English e-mail composition course
		Practical English training program
		Multilingual Conversation Training
	Study abroad	

	Regular employees	Executive employees
Digital human capital development	Senior Data Analyst course	
	Digital human capital basic training	
Open enrollment training	e-learning	
	Distance learning	
	Management path	
	Seminars by instructors from inside and outside Kureha	
Autonomous career development support	Senior seminar	
	Career interviews	
	Training to create and foster career awareness	
	Development plan	

* Some training programs are currently under review.

Development of Technical Human Capital

In order for our company to continue to grow as a technology-driven manufacturer, it is essential that our technical human capital be active. We are promoting the development of such human resources under the education program of the Human Resource Development Committee for Technology and Innovation.

Promoting the Participation of Women

For female participation, we continually run a program where female employees are selected as candidates based on their potential to fulfill future management positions, and the candidates are provided with knowledge and skills, and helped to foster a mindset for management and administration.

Creating a Comfortable Working Environment

Kureha is aiming to enable every employee to choose and realize flexible and productive work styles and diverse lifestyles according to their life stages, while gaining a sense of fulfillment and satisfaction.

To do this, we are working to enhance various systems, such as flextime, telecommuting, per half-day or per hour annual paid leave, so that employees can work vigorously, while maintaining harmony between work and family life, child-rearing, caregiving, and other life events. In addition, we hold seminars and prepare and publicize guidebooks to deepen understanding of the systems and promote their use.

Overview of Main Systems

The ★ in the table below indicates Kureha's in-house system or a system that exceeds legal requirements

Flexible working style		Pregnancy & childbirth	
	Half-day annual paid leave		Limits and exemptions for overtime work, holiday work, and late-night work
	Hourly annual paid leave		
★	Accumulated annual paid leave ¹	★	Adjustment of working hours, duties, and reducing work burden (paid)
	Flextime system	★	Hospital visits during work hours (paid)
	Telecommuting system	★	Prenatal and postnatal leave (six weeks before and after childbirth, paid)
★	Refresh system ²	★	Congratulatory/Condolence leave (for spouses at the time of birth) (up to three days, paid)
★	Self-development support		
★	Leave system when a spouse is transferred overseas		

Childcare		Nursing	
	Limits and exemptions for overtime work, holiday work, and late night work ³		Limits and exemptions for overtime work, holiday work, and late night work
	Childcare leave (until the second birthday)	★	Nursing leave (three times up to two years cumulative)
	Maternity leave	★	Shortened working hours for care-giving (up to three years cumulative)
	Childcare time		
★	Shortened working hours for childcare ⁴	★	Nursing leave (10 days for one person, 20 days for two or more people annually) ⁵
★	Childcare leave (for spouses, up to five days within six weeks after birth)		
	Nursing leave (five days for one child, ten days for two or more children per year) ^{4,5}		

1 Expired annual paid leave can be accumulated in units of a day and used in half-day units for care-giving, social contribution activities, self-development, childcare, infertility treatment, etc.

2 The purpose of this system is to provide employees with an opportunity to refresh their minds and bodies at certain ages in order to reevaluate their career and life plans and stimulate their motivation to work (100,000 yen will be provided at age 40 and 200,000 yen at age 50).

3 In the case of childcare, applicable for those with pre-elementary school aged children.

4 Can be taken.

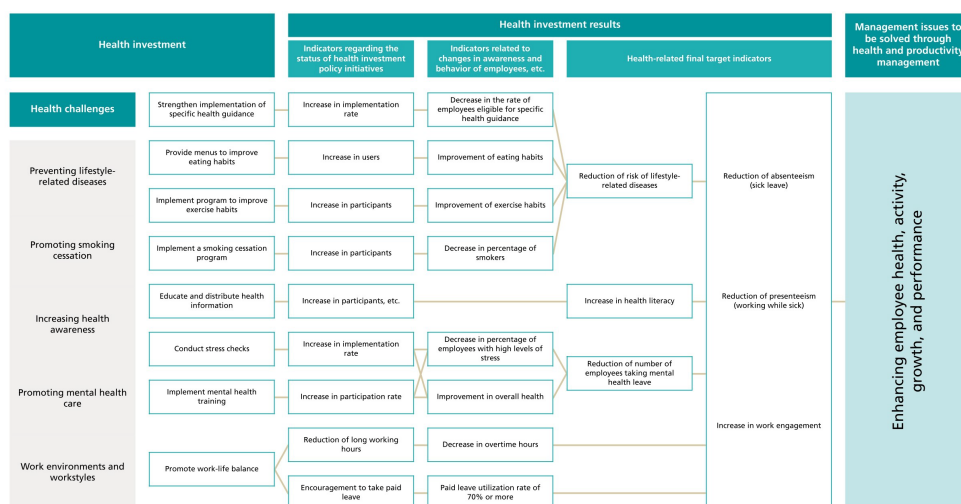
5 Can be taken in half-day or one-hour units.

Improving Employee Health

GRI 403-3, GRI 403-6, SASB RT-CH-320a.2

The following is the Kureha Group's Basic Policy on Health: Based on the belief that good employee health is essential for corporate growth, Kureha works with the Health Insurance Society to support employees' efforts to maintain and improve their own health. The Group also has a Health and Productivity Management Strategy Map and is working to create an environment where all employees in the Group can be healthy, work to their full potential, and grow.

Health and Productivity Management Strategy Map



→ [Click here to check the enlarged view](#)

Creating a System to Maintain and Improve Health

Through Healthcare Promotion Meetings, Kureha supervises every aspect of health and productivity management throughout the Company. These meetings are supervised by the President as the Chief Executive Officer and the Director and General Manager of the Administration Division as the Chief Health and Productivity Management Officer, and members consist of persons in charge of human resources and safety and health at each of the Company's business sites, and the Health Insurance Society. Also, in FY2023 the Group started a health improvement committee composed of the people in charge of personnel and general affairs at each of the Group's companies. The committee is working to maintain and improve health throughout the Group.

Reducing Employee Health Risks and Maintaining and Improving Mental and Physical Health

We are working to reduce risks that threaten our employees' health through reassessment of diet, exercise, and other fundamental, daily lifestyle habits, and prevention and early detection of stress-related illnesses such as mental health problems. In this way, Kureha aims to maintain and improve employees' mental and physical health.

Enhancing Engagement

The psychological connection (engagement) of employees to the company is essential for the sustainable growth of the Group. The feelings that employees have that make a psychological connection to the company range from "I am proud of the company, I like my colleagues, and I enjoy my daily work" to "I share the company's vision and policies" and "I have opportunities to grow through my work," each of which is a driving force for employees to work with high motivation. For this reason, we started engagement surveys in FY2023. We have analyzed the issues raised by the results of our engagement survey and are taking the following steps to improve engagement.

Promote Mutual Understanding Between Management and Employees

Town hall meetings are held to clarify and disseminate the vision and management policies and to promote mutual understanding between management and employees through dialogue with top management and small-group dialogues with management.

Line Managers Implement Measures to Enhance Engagement

We hold seminars and workshops for line managers, the former are to explain engagement and the latter are to consider improvement measures. Issues in each department are analyzed, and plans to enhance engagement are formulated and implemented.

Target(s) and What We Have Done/Are Doing (Kureha)

Strategies	Indicators	FY2023 Results	FY2024 Results	Targets (FY2025, FY2030)
Developing human capital and having them flourish	Percentage of women in management positions ¹ (%)	7.6	8.7	FY2025: higher than the current percentage FY2030: 10% or higher
	Percentage that are satisfied with educational opportunities ² (%)	50.7	47.2	FY2025: continual increase FY2030: continual increase
Creating a comfortable working environment	Percentage of paid holidays taken	88.1	84.9	FY2025: continue at 80% or higher FY2030: continue at 80% or higher
	Percentage of male employees taking childcare leave and other leave for childcare purposes ³	77.7	97.3	FY2025: 75% or higher FY2030: 80% or higher
Improving employee health	Received Health & Productivity Management Outstanding Organization certification ⁴	Certified	Certified	FY2025: certified FY2030: certified
	Percentage of presenteeism ⁵	22.2	22.2	By FY2030: 20% or lower
Enhancing engagement	Work engagement (deviation) ⁶	50.9	51.0	FY2025: continual improvement FY2030: continual improvement

1 Calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of September 4, 2015)

Management positions = executive officers, directors, advisors, vice presidents

2 Percentage of employees who feel that they are given educational opportunities that help them in their career

3 Percentage that took childcare leave and other leave for childcare purposes according to the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of October 15, 1991)

4 Certification for the Health & Productivity Management Outstanding Organizations (Large Enterprise Category) conducted by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi

5 Employees are working while they have mental or physical health problems

The total is calculated using the Single-Item Presenteeism Question: Presenteeism = 100% - answer

6 An indicator representing enthusiasm and attitude toward work

Initiative(s)/Activity(ies)

Promoting Action Plans Based on the Act on the Promotion of Women's Active Engagement in Professional Life

GRI 404-2

Kureha has established and is promoting an action plan based on the Act on the Promotion of Women's Active Engagement in Professional Life to promote a healthy work-life balance, and to create a comfortable and rewarding work environment so that each employee can make the most of their individual talents and fully realize their potential.

- [Database of companies promoting women's advancement \(Ministry of Health, Labour and Welfare's comprehensive website for supporting women's advancement and work-life balance\) \(Japanese Only\)](#) 
- [General Employer Action Plan \(Japanese Only\)](#) 
- [ESG Data Collection \(Management position, Legally mandated childcare leave system\)](#) 

Curbing Long Working Hours

To curb excessive working hours and promote health management, Kureha has had a prior approval system for overtime work since FY2016. Also, for employees who have overtime exceeding the company's internally established standard, supervisors check the reasons for the overtime and the outlook for the following months to ensure that such overtime does not become a regular occurrence. Furthermore, PC logs are used to appropriately manage working hours, aiming to ensure proper management of working hours and reduce overtime work.

- [ESG Data Collection \(Overtime hours\)](#) 

Childcare and Caregiving

Kureha is committed to creating an environment in which employees can work to their full potential, and has established systems that are accessible to both men and women according to their parental and nursing care needs, such as paid leave days for childcare, nursing, and caregiving, and shorter working hours. In addition, to deepen employees' understanding of these systems and promote their use, we have prepared a guidebook to explain work and family life balance support systems, which is posted on the intranet where employees can access it at any time.

- [ESG Data Collection \(Legally mandated childcare leave system, Corporate short-term childcare leave system, Nursing leave\)](#) 

Support for Balancing Work and Caregiving

Kureha has established a system that exceeds the legal requirement including a caregiving leave period of up to two years (and three times). In addition, to promote understanding of the various systems in society, we have created a handbook for supporting the balance between work and caregiving and have made sure employees know about it. The handbook not only has an explanation of the company's system but also explanations of public long-term care insurance systems and specific examples of their use, making it easy for employees to use. In addition, we proactively provide information on caregiving to employees by holding online seminars with external lecturers.

→ [ESG Data Collection \(Caregiving leave\)](#) 

Prevention of Lifestyle-Related Diseases and Enhancement of Health Management

GRI 403-3, GRI 403-6, SASB RT-CH-320a.2

To prevent lifestyle-related diseases, Kureha encourages 100% of employees to undergo health checkups and secondary checkups, has industrial physicians and public health nurses provide health guidance to employees who need to take measures against lifestyle-related diseases. In addition, Kureha regularly organizes walking events sponsored by the Health Insurance Society and stretching lessons given by outside instructors to promote opportunities for exercise. Cancer screenings are offered to women during working hours, leading to early detection and early treatment of breast and uterine cancer. We are also working to create an environment where employees can view the history of their own health checkup results on their PCs.

→ [ESG Data Collection \(Mental and physical health\)](#) 

Promoting Mental Health Care

GRI 403-3, GRI 403-6, SASB RT-CH-320a.2

To maintain and promote the mental health of our employees, we strive to prevent mental health problems and improve the work environment by holding regular training and e-learning sessions, as well as explanatory meetings on how to read the results of collective analyses of stress checks. In addition, we have a consultation service staffed by counselors from professional organizations outside Kureha and provide interview guidance by industrial physicians. For those on leave, we have a support system in place to help smooth employees' return to work.

→ [ESG Data Collection \(Mental and physical health\)](#) 

Promoting Anti-tobacco Policies

GRI 403-6, SASB RT-CH-320a.2

In consideration of the negative health effects of second-hand smoke, Kureha is making efforts to reduce the number of smoking areas in our business sites, hold anti-tobacco seminars, and create an environment where smokers feel motivated to quit by recommending the Health Insurance Society's No Smoking Challenge (financial aid for employees who try to quit smoking). From FY2025, smoking is prohibited during working hours.

→ [ESG Data Collection \(Mental and physical health\)](#) 

Labor-Management Relations

GRI 2-29, GRI 2-30, GRI 202-1, GRI 402-1

All regular employees are members of the Kureha Labor Union except for those who have been specially determined in consultation with us. Note that the results of the negotiations between labor and management will apply to all regular employees, including those who have been exempted from the Labor Union.

Kureha and the Kureha Labor Union hold a monthly management council as a space to respect the constructive opinions of both labor and management. With a common understanding of Kureha's management situation and various other issues, we discuss various measures to improve the work-life balance of our employees and other improvements in working conditions, introducing programs for flexible workstyles and enhancing benefit programs. Moreover, we usually try to provide at least one month's notice of any changes in business. We also hold regular labor-management co-sponsored events and branch council meetings at each business location to promote communication between the Company and staff. We will continue to maintain close and amicable communications between labor and management in order to grow the Company and improve the economic status and welfare of all of our employees.

Furthermore, in its remuneration system, the Company adheres to paying salaries above the legal minimum wage and applies a uniform payment level across genders in the same job category and grade.

Occupational Safety and Prevention of Industrial Disasters

GRI 403-7

Safety is the most important foundation of the manufacturing industry. In the Kureha Group, the Health and Safety Committee, supervisory departments, and all workplaces are developing various safety activities in their respective roles, with the aim of achieving zero accidents resulting in injury or death. We are also committed to educating the people who support these activities.

As corporate group in the chemical industry, we handle hazardous substances, high-pressure gases, and toxic substances on a daily basis, so we consider security and prevention of industrial disasters to be the most important responsibilities of the Group, and we thoroughly manage our facilities and operations. We aim to maintain safety, security, and the trust of our local communities, therefore we not only comply with laws and regulations, but we also establish our own control standard values and practice preventive maintenance of equipment.

↓ Policy/Policies ↓ Management Structure
↓ Target(s) and What We Have Done/Are Doing ↓ Initiative(s)/Activity(ies)

Policy/Policies

Kureha Group is committed to both occupational health and safety, and prevention of industrial disasters under its Responsible Care Policy.

- Earth-friendly, safe operations

We shall take special care to preserve the global environment in our business activities, protect the safety and health of employees and the public in our operations, and make efforts to prevent accidents, disasters, and pollution.

Management Structure

Occupational Safety and Health Management System

GRI 403-1, GRI 403-8

Kureha and its Group companies have quality, environmental, and occupational safety management systems and a systematic approach to ensure that no detriment is caused to customers, local communities, or employees by its business activities. For occupational safety and health, we are actively promoting the introduction of ISO 45001, prioritizing the safety and health of all of our workers, and conducting health and safety activities with the aim of achieving zero occupational accidents. All employees are constantly aware of strictly avoiding accidents and going home safely, and they thoroughly follow established rules, never take shortcuts and never break promises. To ensure continued safety, facilities and equipment are updated appropriately.

Safety and Health Committee and Health Committee

GRI 403-4

In accordance with the Occupational Safety and Health Act, Kureha has a Health Committee at our head office and a Safety and Health Committee at each business site, where labor and management work together to promote initiatives that meet the needs of each business site. Each committee reviews health management, improvement of the work environment, and prevention of accidents. The minutes are posted on our internal online information system, making them available to employees.

Promoting Safety Activities Throughout the Group

GRI 403-2

We have a Kureha Group Responsible Care Council, and as part of its activities, it promotes safety activities throughout the Group. In meetings, which are held twice a year, Group companies share examples of safety activities and analysis of trends in accidents. In addition, information on accidents is promptly shared within the Group with the aim of preventing similar accidents.

Target(s) and What We Have Done/Are Doing

GRI 403-9, SASB RT-CH-540a.1

KPI	Company/companies	CY2023 Results	CY2024 Results	CY2025 Targets
Occupational accident frequency rate (Number of lost time injuries and deaths per million total working hours)	Kureha	1.23	0.92	0.5
	Group Companies in Japan	—	0.89	1.0
	Overseas Group Companies	—	0	1.5
Occupational accident severity rate (Number of days of work lost per 1,000 total hours worked)	Kureha	0.00	0.00	0.00
	Group Companies in Japan	—	0.01	0.01
	Overseas Group Companies	—	0.00	0.01

KPI	Company/companies	FY2023 Results	FY2024 Results	FY2025 Targets
Number of serious equipment accidents (Accidents as defined by the Fire and Disaster Management Agency under the Prevention of Industrial Disasters in the Petroleum Industry Act)	Kureha	2	0	0
	Group Companies in Japan	—	1	0
Number of serious accidents involving fires or explosions at facilities	Overseas Group Companies	—	0	0

Initiative(s)/Activity(ies)

Occupational Safety and Health Awareness Programs

GRI 403-4, GRI 403-5

Every year during National Safety Week in July, each Kureha Group site carries out activities in line with the idea of Safety Week. At the Iwaki Factory, the implementation of safety measures and awareness among employees are improved through initiatives from the convention on safety and patrols by site executives. Also, during National Occupational Health Week, which takes place in October every year, activities are organized in line with the idea of Health Week, as well as hygiene management and health-related activities and lectures.

Chemical Substance Risk Assessment in the Workplace

GRI 403-2, 403-10, SASB RT-CH-320a.2

Kureha Group proactively conducts chemical substance risk assessments to protect the health of employees. Risk reduction measures are taken under the leadership of the chemical manager and the person in charge of personal protective equipment management for operations identified as high risk.

Skills Training Center

GRI 403-5

We opened the Skills Training Center in November 2005 at the Iwaki Factory, so employees can learn to work with a heightened sense of danger by experiencing simulations of dangers that may occur during work. In FY2023, education for subcontractor employees was continued from the previous year, with 380 employees having taken the course by the end of October. In addition, education for supervisors was repeated starting in February 2024. Also, a VR disaster experience system was introduced to increase sensitivity to danger and was added to the experience menu.

Responding to Revisions to the Industrial Safety and Health Act

The Occupational Health and Safety Regulations and other regulations to prevent occupational accidents caused by chemical substances have been partially amended. At least one chemical substance manager must be appointed at plants that manufacture and handle chemical substances for which risk assessment is mandatory. Kureha appoints chemical substance managers for each workplace in a plant where chemicals are handled, providing detailed support.

Disaster Prevention Training at the Iwaki Factory

Every year, the Iwaki Factory conducts a comprehensive disaster drill for the entire site to prepare for large-scale disasters and accidents. Individual training is also conducted on an ongoing basis to improve communications and other initial activities in the event of a disaster, as well as disaster suppression capability according to the equipment and substances handled. In addition, to prepare for natural disasters, which have become increasingly severe in recent years, the company is reviewing how it sets operating standards for heavy rain and strong winds, checks the integrity of its facilities, deals with flying debris, and ensures employee safety.

Disaster Prevention Training at the Hyogo and Ibaraki Sites of the Plastics Processing Factory

Comprehensive disaster drills were held at two sites of the Plastics Processing Factory: the Ibaraki site and the Kaibara site, with the General Manager of the Production and Technology Division in attendance.

At both sites, the drills were conducted assuming there was a limited number of personnel to minimize damage safely and quickly. It was an opportunity to reaffirm the necessity to develop response skills and reduce disasters while protecting the safety of employees through drills in a variety of situations, and to raise disaster awareness and improve response capabilities.

Disaster Prevention and Safety in Logistics

GRI 403-5

Kureha collaborates with Group companies involved in logistics to carry out training and education for disaster prevention and safety during freight transportation, and we are working to make sure procedure manuals and communication systems are examined and followed.

At the monthly safety meetings for crew members of Kureha Unyu Co., Ltd., which transports chemicals, employees are alerted about any logistics accidents that have occurred and notified of changes in the equipment of our business partners. We also carry out hands-on training using actual vehicles and chemicals to raise safety awareness of crew members and eliminate accidents.

Community Outreach Activities

GRI 413-1

As a corporate group in the chemical industry, the Kureha Group has production sites in various regions and is engaged in production activities. We are committed to developing together with local communities through various contribution activities including economic, cultural, and educational activities, not to mention environmental preservation in the areas where we have production sites.

The Kureha Group has established "respecting local communities and contributing to their development" as one of our sustainability objectives and is engaged in various activities to gain the trust of society and contribute to the development of local communities by maintaining good communication between local residents, Group companies, and employees, centered around main production sites.

- ↓ Policy/Policies
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

The Kureha group is committed to respecting local communities and contributing to their development, as stated below in our Responsible Care Policy.

- Building better relationships with society
We shall practice proper public relations through the provision of environmental and safety information, bearing in mind the concerns of administrative authorities and the public. We shall also participate actively as a citizen in the activities of civil society and strive to maintain and build better relationships with society.

Target(s) and What We Have Done/Are Doing

Goals

Build relationships of trust with local communities and contribute to their development, disclose information, have dialogues with them, participate in volunteer activities, and cooperate with local organizations.

Performance and Outcomes (Kureha)

		FY2020	FY2021	FY2022	FY2023	FY2024
CSR local dialogue meeting	Number of participants	Held in writing	Held in writing	Held in writing	About 50 people	About 80 people
Volunteer activities	Number of times	• Blood drive: 3 times • Local cleaning: 5 times • Planting: 15 times	• Blood drive: 3 times • Local cleaning: 5 times • Planting: 15 times	• Blood drive: 4 times • Local cleaning: 5 times • Planting: 15 times	• Blood drive: 3 times • Local cleaning: 5 times • Planting: 15 times	• Blood drive: 3 times • Local cleaning: 5 times • Planting: 16 times

Initiative(s)/Activity(ies)

Kureha-kai Medical Corporation (Kureha General Hospital)

GRI 203-1

Kureha General Hospital was established in 1935 as a clinic associated with Showa Jinken Co., Ltd.'s Nishiki Factory (currently Kureha Iwaki Factory). Since 1951, the hospital has been open not only to employees but also to the local community. In 1972, it became independent as Kureha-kai Medical Corporation (Kureha General Hospital).

Currently, we have also opened a Health Management Center, a nursing care facility for the elderly called Gardenia, a visiting nursing station, and an integrated facility for medical and long-term care, all functioning as a multifunctional medical and nursing care base for the southern part of Iwaki City.

→ [Kureha General Hospital \(Japanese Only\)](#) 

→ [ESG Data Collection \(Number of people using the facility\)](#) 

Sunshine Kureha

In July 2014, Kureha established Sunshine Kureha as a special subsidiary* within the Iwaki Factory. Since its establishment, Sunshine Kureha employees with physical, intellectual, and mental disabilities have worked together with able-bodied employees while making the most of their unique capabilities. In July 2024, we celebrated our 10th anniversary. We also accept students from local special education schools for work training and experience, and visit schools to conduct recruitment activities. To ensure that our employees can enjoy a long work life, we create a support network between ourselves, families, and support organizations and conduct periodic interviews.

* Special subsidiary - A company established to promote employment stability of people with disabilities; according to the "Act on Employment Promotion etc. of Persons with Disabilities," when certain requirements are met, the disabled employee of the subsidiary will be counted in the employment rate of the parent company.

→ [Sunshine Kureha \(Japanese Only\)](#) 

→ [ESG Data Collection \(Employment of people with disabilities\)](#) 

CSR Local Dialogue Meeting

GRI 2-29, SASB RT-CH-210a.1

The Iwaki Factory, Kureha's main production site, has held annual CSR Local Dialogue Meetings since fiscal 2003 to report the Group's CSR activities to the local community and to provide an opportunity to exchange opinions.

In addition to inviting local organizations (government agencies, community organizations, neighborhood association board members, and neighborhood businesses) to participate, we also set up booths for group companies to deepen interaction with attendees. We also conduct business site tours after the meeting.

Visit and Tour of Iwaki Factory

The Iwaki Factory and the Plastics Processing Factory actively welcome visitors from the local community to familiarize themselves with our production sites. We also hold Kureha Tours for employees' families.

Educational Support

- Conducted tours for local junior high school, high school, and technical college students to learn about the equipment and the work done at the chemical factory (Iwaki Factory)
- In 1999, employees started providing assistance with science classes for sixth grade students at a local elementary school, took a five-year break due to the COVID-19 pandemic, and resumed these activities in fiscal 2024 (Iwaki Factory)
- Accepted local junior high school, high school, and technical college students for internships and sessions to experience the workplace (Iwaki Factory, Plastics Processing Factory)
- Provided an opportunity to learn about how employees work and examples of how to create an environment that promotes health, as part of the class on health activities for workers for nearby nursing students (Plastics Processing Factory, Hyogo site)

Culture and Sports Exchange

We participate in local community association events and interact with the local community to deepening our relationships with local residents, coexisting with, contributing to, the community.

Volunteering and Donating

- Held blood drives (Iwaki Factory)
- Neighborhood environmental beautification and conservation activities
- Collect plastic bottle caps to support vaccinations (Iwaki Factory, Plastics Processing Factory)
- Support for the Bellmark campaign* at a local elementary school following an employee's suggestion, and donations of printer ink cartridges (Iwaki Factory)
- Support for an aluminum can pull-tab collection campaign that supports learning about social welfare at a local elementary school aiming for anti-pollution awareness, prevention of aluminum can littering, and efforts to foster a spirit of service and resource usage (Iwaki Factory)
- Pink Ribbon support activities
- Support the United Nations World Food Programme (UN WFP)
- Sponsorship of the Bellmark campaign*
- Donations (including donations to the 2024 Noto Peninsula Earthquake through the Japanese Red Cross Society)

* Bellmark campaign: An education support campaign launched in 1960 by the Education Equipment Support Foundation (currently Bellmark Foundation), which was established by approval from the Ministry of Education, Culture, Sports, Science and Technology in response to a call to "provide every child with equal access to education in an enriching environment."

Provision of Supplies in Times of Emergencies

- Agreement with Omitama City of Ibaraki Prefecture to supply daily necessities in the event of a disaster, in October 2017 (Plastics Processing Factory, Ibaraki site)
- Agreement with Fukushima Prefecture regarding the procurement of supplies in the event of a disaster, in February 2018 (Iwaki Factory)
- Agreement with Tanba City of Hyogo Prefecture regarding the procurement of supplies in the event of a disaster, in August 2023 (Plastics Processing Factory, Hyogo site)

Governance Report

Strengthening our corporate governance is a key management issue for Kureha in achieving continuous enhancement of our corporate value and building strong relationships of trust with our stakeholders. Our Company has established Corporate Governance Guidelines that set forth our basic approach and policies regarding corporate governance and demonstrate our stance to shareholders and investors. Following our Corporate Governance Guidelines, we will enhance the transparency of our management and secure relationships of trust with our stakeholders as we continue to grow as a company and fulfill our social responsibilities. We will also work to enhance and improve the effectiveness of corporate governance throughout our Group.

Corporate Governance →	Risk Management →
Ethics and Compliance →	Promoting DX →
Information Security →	Responsible Care Activities →
Strengthen Research and Technology Development Capabilities →	

Corporate Governance

- ↓ Basic Policy
- ↓ Corporate Governance Structure
- ↓ Internal Control System
- ↓ Executive Remuneration
- ↓ Shareholding Status

Basic Policy on Corporate Governance

Kureha is committed to strengthening its internal control functions including practicing compliance, enhancing risk management and ensuring fair and highly transparent management. In addition, Kureha has adapted Corporate Governance Guidelines, which are separately established to further enhance the effectiveness of its corporate governance, through which Kureha pursues sustainable growth and improving the medium- and long-term growth of corporate value for the Kureha Group (Kureha and Group companies).

Corporate Governance Structure

In order to strengthen corporate governance and speed up decision-making and business execution in the Group management, Kureha has clarified its supervisory and executive responsibilities in management.

Board of Directors

The Board of Directors, which consists of a total of up to ten Directors, at least one-third of whom are Independent Outside Directors, and chaired by the Chairman of the Board of Directors (if the position is vacant, the President & Chief Executive Officer), meets once a month, in principle, to make decisions on important management matters and supervise business execution.

As of the date of submission of this report, the Company's Board of Directors consists of the seven Directors listed under "Executives" on the Company's website. The Board of Directors is chaired by President & Chief Executive Officer Mr. Yutaka Kobayashi.

Executive Committee

The Executive Committee, chaired by the President & Chief Executive Officer and comprised of the President & Chief Executive Officer and other Vice Presidents, meets twice a month, in principle, to deliberate on important matters and other issues related to the management of Kureha, ensuring that management decisions are efficiently made.

As of the date of submission of this report, the Company's Executive Committee consists of the President & Chief Executive Officer and the Vice Presidents listed under "Executives" on the Company's website. The Executive Committee is chaired by President & Chief Executive Officer Mr. Yutaka Kobayashi.

／ Audit & Supervisory Board

The Audit & Supervisory Board consists of four or fewer Audit & Supervisory Board members, including two or more independent outside Audit & Supervisory Board members, and has appropriate knowledge of finance and accounting. The Audit & Supervisory Board members monitor the deliberation processes of board's resolutions and reports and audit the execution of duties. In addition, Audit & Supervisory Board members exchange opinions with the independent auditor and the Internal Control and Auditing Department regarding audit plans and the status of audits to ensure mutual cooperation.

／ Independent Auditor

Kureha has appointed Ernst & Young ShinNihon LLC as its independent auditor and has been subjected to fair and impartial accounting audits by properly providing management information.

／ Internal Control and Auditing Department

The Internal Control and Auditing Department, which acts independently of other departments, assesses and verifies the suitability and effectiveness of internal management control systems, makes suggestions and recommendations regarding improvements, and reports the results of audits to the Board of Directors and others. By doing so, we ensure a system that contributes to improving management efficiency and public trust in Kureha.

／ Nomination Advisory Committee and Remuneration Advisory Committee

With regard to matters concerning the appointment and remuneration of the Chairman of the Board of Directors, President & Chief Executive Officer, Representative Director, Directors, Vice Presidents with Title, and Vice Presidents in order to ensure transparency in the decision-making process of the Board of Directors and strengthen accountability to stakeholders, Kureha established the Nomination Advisory Committee and the Remuneration Advisory Committee on June 26, 2018 as a non-mandatory advisory board to the Board of Directors. Each of the Committees consists of three or more Directors, the majority of whom are Outside Directors, and is chaired by an Outside Director.

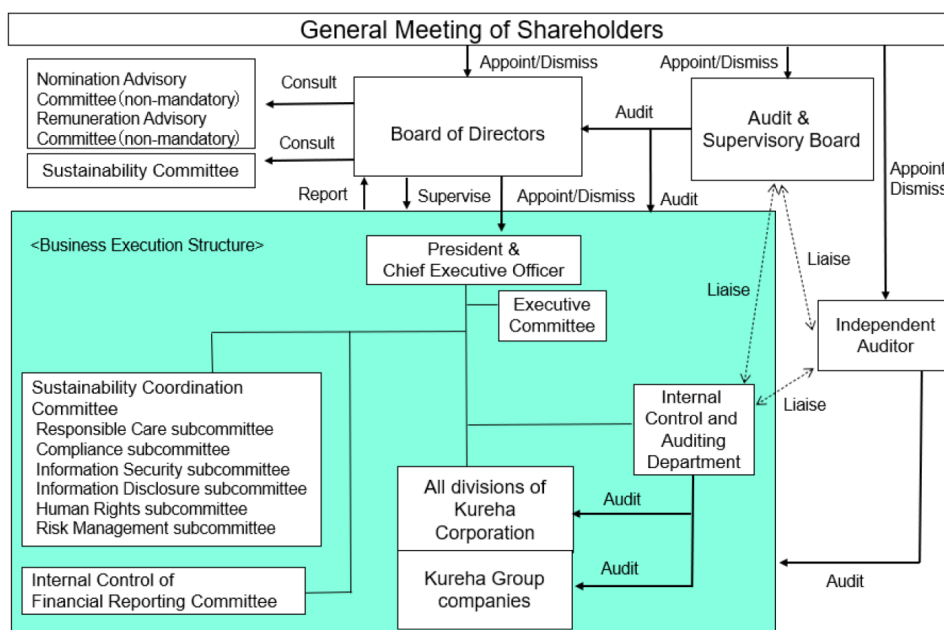
As of the date of submission of this report, the Company's Nomination Advisory Committee and Remuneration Advisory Committee consist of the President & Chief Executive Officer and the Outside Directors listed under "Executives" on the Company's website. Both committees are chaired by Outside Director Mr. Osamu Tosaka.

／ Assessment of the Effectiveness of the Board of Directors

To improve the functions of the Board of Directors, Kureha shall conduct an annual analysis and evaluation of the effectiveness of the Board of Directors and disclose an overview of the results. Due to the significant changes in the composition of the Board of Directors and the Audit & Supervisory Board in FY2023, the Company deemed it effective to use a 38-item questionnaire to obtain quantitative evaluation data to evaluate the effectiveness of the Board of Directors, and used a five-point scale based on the questionnaire in combination with another method in which opinions, requests, etc. could be freely expressed.

The aforementioned evaluation of the effectiveness of the Board of Directors in FY2023 confirmed that the effectiveness of the Board of Directors as a whole was adequately maintained. On the other hand, an opinion was expressed regarding the need to improve how the Board of Directors meetings are run, for example, by allocating more time to discussion rather than reporting, in order to enrich deliberations on important management issues. Considering the results of the evaluation and deliberations in FY2023, the Board of Directors will improve how it operates in FY2024 and further deepen deliberations on themes such as the progress of the mid- and long-term management plan, management that is conscious of capital cost and stock price, and the revival of technology-driven companies. We will also continue to flesh out our discussions on promoting sustainability management.

Corporate Governance Structure



Skills and Experiences of Board Directors

(As of June 26, 2025)

	Name	Gender	Corporate Management & Strategic Planning	Manufacturing	Research & Development	Marketing & Business Strategy Planning	Financial, Accounting	International, Global Business Management	Legal, Governance, Compliance, Risk Management	ESG, Sustainability	Personnel Strategy & Human Resources Management
Directors	Yutaka Kobayashi	Male	○			○		○	○		○
	Katsuhiro Nataka	Male	○			○	○	○			
	Naomitsu Nishihata	Male	○	○	○	○		○	○		
	Osamu Iida	Male	○	○	○	○		○	○	○	
	Yumiko Okafuji	Female					○	○	○	○	
	Keiji Nishio	Male	○			○		○	○	○	
Audit & Supervisory Board Members	Michihiko Hayashi	Male	○			○			○		○
	Tsukasa Sakane	Male	○				○	○	○		
	Reiko Yoshida	Female						○	○	○	

Corporate Governance Report

Corporate Governance Guidelines

→ "Corporate Governance Guidelines" (April 26th 2024) [📄](#)

→ "Corporate Governance Report" (June 27th 2025) [📄](#)

Internal Control System

Kureha aims to further improve internal control with the corporate philosophy system as the basic concept for internal control. In accordance with the Kureha Group Charter of Corporate Behavior, each Group company establishes its own Compliance Rules and strives to comply with domestic and international laws, as well as social norms and their underlying principles. Kureha establishes a Sustainability Coordination Committee, chaired by the President & Chief Executive Officer or a Director or Vice President appointed by the President & Chief Executive Officer. Under this committee, the Compliance Subcommittee is established as a subordinate body responsible for developing, maintaining, and operating a cross-departmental compliance system. Kureha ensures thorough compliance within the company through measures such as the Kureha Compliance Code of Conduct, which is based on the Kureha Group Charter of Corporate Behavior. Additionally, Kureha provides support to the Group companies in ensuring their own thorough compliance.

Kureha's annual internal audit plan is resolved by the Board of Directors. The Internal Auditing Department, operating independently of other departments, assesses and verifies the appropriateness and effectiveness of the internal control systems of Kureha and its Group companies, including compliance and risk management systems. It provides recommendations for improvement and reports audit results to the Executive Committee, the Board of Directors, and the Audit & Supervisory Board. This system contributes to enhancing management efficiency and strengthening public trust in Kureha.

Kureha has established Basic Rules for Internal Control over Financial Reporting and conducts Management's Assessment and Certified Public Accountant's Audit on the Effectiveness of Internal Control over Financial Reporting in accordance with the Financial Instruments and Exchange Act to ensure the reliability of its financial reporting. Under the responsibility of the Representative Director, Internal Control Reports are prepared and submitted.

Executive Remuneration

- When determining remuneration, etc. for Directors and Vice Presidents, the Board of Directors reflects corporate performance and medium- and long-term growth of corporate value, and also considers securing and retaining appropriate human resources, and sets the remuneration structure and level that are appropriate to the required roles and responsibilities.
- Remuneration for Directors consists of 1) basic remuneration and 2) bonuses as performance-linked remuneration, etc. as monetary remuneration, as well as 3) pre-delivery type restricted stock remuneration and 4) performance-linked restricted stock remuneration as performance-linked remuneration, etc. as nonmonetary remuneration; provided, however, remuneration for Outside Directors is limited to basic remuneration, considering their roles.
- Remuneration for Vice Presidents consists of 1) basic remuneration and 2) bonuses as performance-linked remuneration, etc. as monetary remuneration, as well as 3) pre-delivery type restricted stock remuneration as non-monetary remuneration.
- Changes to the remuneration system for Directors and Vice Presidents shall be decided by the Board of Directors based on comprehensive consideration of trends at other companies, and after deliberation by the Remuneration Advisory Committee, a non-mandatory advisory board to the Board of Directors.

Shareholding Status

／ Criteria and Approach for Classification of Investment Shares

Kureha holds shares either for the purpose of pure investment or for purposes other than pure investment and classifies them according to this difference. The shares classified as shares for pure investment are held for the purpose of receiving profits from fluctuations in the value of shares or dividends from the shares. The shares classified as shares for purposes other than pure investment are held based on the assumption that they will contribute to current business as well as the sustainable and medium to long-term enhancement of corporate value. Kureha does not hold shares for the purpose of pure investment.

／ Investment Shares held for Purposes other than Pure Investment

Policy on shareholdings, method for verifying the reasonableness of shareholdings, and details of verification of appropriateness of shareholdings for each stock conducted by the Board of Directors

Kureha holds the shares of its business partners if it is judged that doing so will contribute to current business as well as the sustainable and medium and long-term enhancement of corporate value. The Board of Directors verifies the significance of holding shares for purposes other than pure investment by examining whether the purpose of shareholdings is appropriate and whether the benefits and risks of holding the stock are commensurate with the cost of capital.

At the Board of Directors meeting held on May 17, 2024, keeping to the standard that the amount held (in total) should be less than 10% of consolidated net assets, Kureha will gradually reduce the number of shares that are no longer significant for Kureha to hold or whose holdings are excessive based on a comprehensive consideration of factors such as dialogue with companies in business relationships, the impact on the market, and availability of effective use of funds.

Risk Management

The Kureha Group analyzes and evaluates risks, then considers and implements countermeasures for high-priority risks in accordance with the Group's Basic Policy on Risk Management. We also apply the Plan Do Check Action (PDCA) cycle to this process to promote risk management.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

With the approval of our Board of Directors, the Kureha Group has the following basic policy on risk management.

Kureha Group Basic Policy on Risk Management

Kureha Group Basic Policy on Risk Management

Understand the risks to Kureha Group's management and prevent them from occurring, and take necessary preventive measures to reduce the impact of risks that occur to an acceptable range.

Management Structure

GRI 2-24

Acting under the supervision of the Risk Management Subcommittee (a body under the Sustainability Coordination Committee), the departments and subcommittees appropriate to the classification of risks accompanying business activities take charge of risk management, in cooperation with the departments that directly address individual risks.

The Risk Management Subcommittee works to build our risk management system and verify implementation processes, while preventing omissions in the recognition of high-priority risks from a group management perspective.

Risk Management Implementation

GRI 2-25

Kureha and Group companies use the following process to manage risk:

1. Identify risks

The supervising department identifies individual risks (in detail) according to type, analyzes their level of importance, and rates them by priority of response.

2. Analyze and rate risks

The Risk Management Subcommittee and the Risk Management Committee and Secretariat at each Group company review the analyses and ratings of individual risks and gives any necessary instructions to the supervising department.

3. Monitor the response to risks

The supervising department monitors how the responsible department responds to individual risks judged to be high-priority and gives further instructions accordingly.

4. Report and verify monitoring results

The supervising department and the Risk Management Committee and Secretariat at each Group company report the results of monitoring to the Risk Management Subcommittee. Reports are submitted by the Subcommittee to the Sustainability Coordination Committee, which verifies the results of monitoring and, in line with the results of verification, provides necessary instruction to the supervising department.

The Risk Management Subcommittee reports on the status of the above to the Executive Committee and the Board of Directors through the Sustainability Coordination Committee, and releases timely updates on responses to major high-priority risks as appropriate.

Target(s) and What We Have Done/Are Doing

Target

Reduce to zero the risks that could materialize which could have a significant impact on business continuity and profit of Kureha Group companies.

What We Have Done (the Kureha Group)

In FY2023, risks arose in the PVDF business due to market influences. However, activities aimed at mitigating these risks and keeping them within acceptable limits are progressing in accordance with the key risk management policies.

Furthermore, as of FY2024, no newly arisen risks have been identified.

Initiative(s)/Activity(ies)

Important Risks

→ [Annual Securities Report, Business Risks \(Japanese Only\)](#) 

Business Continuity Plan

In fiscal 2014, we developed and strengthened countermeasures to large-scale disasters such as earthquakes and formulated a Business Continuity Plan (BCP). In fiscal 2019, we started updating our BCP to include countermeasures to storm and flood damage, which have been increasingly severe in recent years. And we will continue to enhance our BCP by predicting and analyzing ever-changing disaster scenarios.

With the recent COVID-19 pandemic, we revised our Guidelines for Control of New Infectious Disease. We created COVID-19 response manuals matched to the specifics and circumstances of our head office and business sites, ensuring business continuity.

Overseas Crisis Management System

Kureha and Group companies have formulated a manual for expatriates and business travelers to use in crises to ensure employee safety and minimize damage in the event of an emergency overseas. We are also providing a medical assistance service run by a crisis management company for our employees while they are overseas. We also support our overseas employees by providing crisis management information, timely alerts, instructions on travel restrictions, etc.

Ethics and Compliance

The Kureha Group recognizes compliance – the foundation for sustainability management that pursues sustainable development for society and the company – as a material issue in sustainability. In all aspects of corporate activities, the management and employees of our Group companies comply with domestic and international laws and regulations and conduct activities in line with social norms.

- ↓ **Policy/Policies**
- ↓ **Management Structure**
- ↓ **Target(s) and What We Have Done/Are Doing**
- ↓ **Initiative(s)/Activity(ies)**

Policy/Policies

The Kureha Group established a Charter of Corporate Behavior as the guideline for actions to be taken by management and employees, carries out activities in line with social norms, promotes activities that consider ESG (environmental, social, governance), and aims to achieve a sustainable society and sustainable growth. The Group also established the Kureha Group Code of Conduct as a basis for evaluating compliance responsibility to encourage officers and employees to foster a sense of shared values as members of a global enterprise.

→ [Kureha Group Charter of Corporate Behavior](#)

Kureha Group Anti-Bribery Policy

GRI 205-2

In the Kureha Group Charter of Corporate Behavior, Article 7 states the following: "We engage in fair and free competition, appropriate transactions and responsible procurement. We also maintain sound relationships within the political and government sphere." Furthermore, in an effort to ensure transparent business transactions, the Group has stipulated items of compliance in the Kureha Group Code of Conduct, including rules for complying with anti-monopoly laws in countries around world, ensuring appropriate procurement transactions, facilitating responsible sourcing, and prohibiting bribery, conflicts of interest, insider trading, improper favors, and corruption, such as unlawful political donations, collusion, and information leaks.

To promote and enforce these rules, the Group has established the Kureha Group Anti-Bribery Policy and takes steps to ensure that all employees are aware of it.

Kureha Group Anti-Bribery Policy

The Kureha Group has set out engaging in appropriate transactions and maintaining sound relationships within the political and government sphere as one of the principles in the Kureha Group Charter of Corporate Behavior and has prohibited bribery in the Kureha Group Code of Conduct. This policy has been established with the objective of implementing and putting these principles into practice, and it applies to all Group officers and employees.

1. Prohibition on Acts of Bribery

The Kureha Group does not directly or indirectly provide, offer, or promise bribes to public officials, those in equivalent positions, or business partners in Japan or overseas. Moreover, the Kureha Group does not accept or request bribes or the promise of bribes from public officials, those in equivalent positions, or business partners in Japan or overseas.

2. Prohibition on Bribery via Third Parties

The Kureha Group does not give instructions to provide or accept bribes via third parties such as consultants or agents and does not condone bribes via such third parties when it is aware of actual bribery or indications of bribery.

3. Education

The Kureha Group provides regular training to officers, employees, and others to further reinforce awareness of ethics to prevent acts of bribery and to ensure the operation of systems to prevent bribery.

4. System Verification and Review

The Kureha Group verifies the functioning of systems to prevent bribery based on this policy through regular and irregular audits and makes revisions and improvements as necessary.

5. Records

The Kureha Group prepares accounting books and other records accurately based on facts and retains such records appropriately to enable compliance with this policy to be verified and demonstrated.

6. Reports

The Kureha Group requires its officers and employees to report any violations or suspicions of violations of this policy to their supervisor or the compliance hotline promptly to enable timely and appropriate action.

7. Discipline

The Kureha Group promptly takes appropriate disciplinary action in accordance with work regulations in the event that an officer, employee, or other related person violates this policy.

January 1, 2024

Kureha Corporation

Kureha Group Tax Policy

GRI 207-1, GRI 207-2, GRI 207-3

The Kureha Group's Tax Policy ensures that the Group has a proper understanding of the tax-related laws and regulations, and the spirit thereof, in each country and region where the Group operates, and fulfills its tax obligations appropriately. By ensuring transparency in taxation along with timely and appropriate payment of our tax obligations under this policy, we aim to contribute to economic and social development in every country and region where we operate.

Kureha Group Tax Policy

1. Compliance

The Group complies with the tax-related laws and regulations of the countries and regions in which it operates, appropriately utilizing preferential tax treatment and other benefits recognized under the tax laws of each country, and files and pays taxes accordingly, thereby contributing to the economies of those countries and regions, with the aim of fostering harmony and stable development together.

In addition, in order to ensure tax accuracy, the Group will perform proper accounting in compliance with applicable statutes and regulations.

2. Tax planning

The Group will conduct fair and appropriate tax planning that reflects its business activities. In addition, we will comply with international rules on taxation and the laws and regulations of each country and region in which we operate, and strive to minimize tax risks.

The Group does not engage in tax avoidance activities by using tax havens or by planning taxes in a manner that does not conform to its actual business situation.

3. Initiatives to minimize tax risks

Although the Group makes every effort to comply with the tax laws of each country in which it operates, there is a certain degree of possibility that the tax authorities in any such country may not understand the treatment that the Group deems appropriate.

The Group will seek advice from external tax specialists when deemed necessary, and will fully investigate, evaluate, and consider multiple alternatives in order to make appropriate decisions. We believe that these measures will minimize the risk of tax litigation and additional taxation.

4. International taxation

1. Transfer pricing

The Group believes that by distributing income internationally in accordance with the contributions of each Group company, appropriate tax payments will be implemented in each country and region. Based on this recognition, the Group applies a transfer pricing methodology based on function and risk analysis to determine the prices of transactions with foreign affiliates in accordance with relevant international regulations such as the OECD Transfer Pricing Guidelines.

In order to reduce tax risks related to transfer pricing, the Group obtains advice from external experts and utilizes the Advance Pricing Agreement (APA) and other methods with tax authorities.

2. Elimination of double taxation

In the event that double taxation occurs on the same economic benefit in more than one country or region, the Group will endeavor to eliminate such double taxation through application of tax treaties or mutual consultation between countries.

5. Relations with tax authorities

The Group will respond in a timely manner to inquiries and requests for information from tax authorities and maintain good relationships with them.

In addition, in order to reduce uncertainties associated with tax operations and ensure tax transparency, the Group will strive to provide tax treatments that can be reasonably explained, and to promptly resolve any differences of opinion with tax authorities in other countries that may arise.

In addition, for items that have received guidance from the tax authorities in the past, measures will be taken to prevent recurrence of error.

Established June 2022

Kureha Corporation

Management Structure

GRI 2-24, GRI 205-1, GRI 205-3, GRI 207-2, GRI 207-3

The Kureha Group established its Sustainability Coordination Committee for the purpose of promoting sustainability initiatives Group wide. The committee devises concrete solutions for sustainability and material issues in cooperation with relevant supervisory organizations and six specialized subcommittees (the Responsible Care Subcommittee, Compliance Subcommittee, Information Security Subcommittee, Information Disclosure Subcommittee, Human Rights Subcommittee, and Risk Management Subcommittee), and oversees progress made in executing those solutions. The Compliance Subcommittee monitors efforts to ensure compliance, including the prohibition of bribery, and the Sustainability Coordination Committee reports its findings to the Sustainability Committee. As an advisory body to the Board of Directors, the Sustainability Committee submits proposals to the board concerning sustainability-related management policies and strategies. The Sustainability Committee is chaired by the President and Representative Director and consists of all directors.

The Internal Control & Auditing Department, which reports directly to the President, evaluates and verifies the appropriateness and effectiveness of internal management systems and other systems, including compliance, in internal audits covering the Group.

The Group ensures thoroughness in all activities and controls based on its tax policy. We conduct reasonable tax work in compliance with tax-related laws and regulations by following proper accounting practices and seeking advice from external specialists such as certified public tax accountants. Duties related to tax work are carried out by the director in charge of the Accounting Department. The Audit & Supervisory Board and its members audit the execution of duties by directors from an independent and objective standpoint.

Target(s) and What We Have Done/Are Doing

KPI	Company/companies	FY2023 Result	FY2024 Result	FY2025 Target
Number of significant violations of laws and regulations significantly affecting the Kureha Group's profit and loss and operations	Kureha	0	0	0
	Group Companies in Japan			
	Overseas Group Companies			

In fiscal 2024, there were no employee terminations resulting from noncompliance and no fines, penalties, or settlements related to corruption.

Initiative(s)/Activity(ies)

Compliance Education

GRI 2-24, GRI 205-1, GRI 205-2

To ensure that every employee is aware of the importance of compliance, Kureha routinely provides training programs to all employees. In fiscal 2024, the following training programs were provided.

- Group training and E-learning programs for newly hired employees and newly promoted managers
- E-learning programs on harassment and LGBTQ+ issues for Kureha's officers and employees
- Practical training for those responsible for the whistleblower hotline

Through compliance awareness surveys and information exchange meetings on the topics of incident response and education at Kureha and Group companies, the Kureha Group is making efforts to foster a compliance mindset throughout the Group and to maintain and strengthen its compliance structure. The main activities in fiscal 2024 are below.

- Information exchange meetings on the topics of incident response and education at Kureha and Group companies
- Education on security export control
- Reviews of antitrust law compliance, personal information protection, etc.

→ [ESG Data Collection \(Compliance education and number of participants\)](#) 

Whistleblowing System

GRI 2-16, GRI 2-25, GRI 2-26, GRI 403-2

We also have a hotline-based whistleblowing system that employees can use if they discover a compliance problem, have a question, or are unsure of how to handle something. Compliance advice on product safety, human rights, the environment, health and safety, fair and free competition, and relations with politics, government, and society is also available through the hotline. Internal rules prohibit disadvantageous treatment of persons for reporting or consulting via the hotline.

Information reported via the hotline is promptly submitted to the chair of the Compliance Subcommittee. The information is then reported to the Sustainability Committee, which is chaired by the President and Representative Director and consists of all directors.

To encourage use of the hotline, we have set up an external consultation desk staffed by attorneys and a special harassment desk staffed by female counselors. We have also introduced an in-house leniency program that lessens discipline taken against those who voluntarily report their own violations.

There were 21 whistleblowing cases in fiscal 2024 (excluding overseas group companies) and disciplinary action was taken in accordance with internal regulations for cases that required it.

Whistleblowing System for Suppliers

GRI 2-29, GRI 207-3

Parties that conduct business transactions with the Kureha Group can report through an whistleblowing system specifically for them, if they are aware of or suspicious of any actions that might violate the law or corporate ethical standards. (They are requested, however, to refrain from reporting on actions that are unrelated to the law or corporate ethical standards, or from reporting for the purpose of slander, defamation, or other unfair reasons.) Information reported by whistleblowers is handled with full consideration of privacy concerns, and whistleblowers will not be subject to penalties for reporting.

Those who can use the system: officers and employees of companies that regularly conduct business transactions with the Kureha Group in Japan.

Where to contact for consultations or reports: Kureha's Compliance Subcommittee secretariat (Human Resources and General Affairs Department) of the.

→ [Whistleblowing system for suppliers \(Japanese Only\)](#)

Administration of Tax Matters

GRI 2-16, GRI 2-25, GRI 2-26

The Group ensures thoroughness in all activities and controls based on its tax policy. No significant issues related to tax risks were identified in fiscal 2024.

Guidelines for Suppliers

GRI 205-2

As a basis for the corporate social responsibility (CSR) to be fulfilled by both the Kureha Group and its suppliers, the Group has created the Kureha Group Supply Chain CSR Guidelines and provides them to its suppliers. The guidelines clearly stipulate items of compliance, including legal compliance, respect for international standards, fair transactions, and ethical practices.

The Group has its suppliers formally agree to the guidelines, and conducts CSR surveys of suppliers and contract manufacturers to verify compliance with the guidelines.

→ [Kureha Group Supply Chain CSR Guidelines](#) 

→ [Responsible procurement](#)

Promoting DX

The Kureha Group has positioned promoting digital transformation (DX) as one of the most important measures. Based on the DX infrastructure that we have built up to date, we will enhance our corporate competitiveness by leveraging data and digital technology.

Looking back on the seven years of Kureha DX (KDX) that began in fiscal 2017, we reviewed it from a systemic perspective and established a new DX Center in our headquarters organization in April 2024. Under the strengthened organization, Kureha will work to restart its DX strategy as KDX2.0 from fiscal 2024.

Kureha's DX strategy is not just about streamlining operations through the use of digital technology, but is also about improving management decision-making, maximizing earning power, and promoting innovation by leveraging data and digital technology.

↓ **Message from Management** ↓ **Vision** ↓ **Management Structure** ↓ **Purpose**
↓ **Focus Areas** ↓ **Initiative(s)/Activity(ies)**

Message from Management

Further Evolve “If it doesn’t exist, make it.” with DX

Since our founding, we have pursued the philosophy of “If it doesn't exist, make it,” and we have provided new value to society with our unique technologies. In particular, our uniqueness cultivated in the fields of polymer technology and specialty chemicals is our strength.

However, today's society is changing rapidly, and environmental issues, resource constraints, and the advancement of digitalization are bringing new challenges to our business activities. To respond to these changes and remain a leader in our industry, we have positioned digital transformation (DX) as a key pillar of our management strategy.

DX is not simply the introduction of technology, but rather an initiative to revolutionize all our business activities and further evolve what makes Kureha unique. We are promoting DX based on the following three perspectives.



1. Advance our proprietary technology and improve efficiency

We will start using AI technologies with our data to streamline production sites and our research and development processes, and further advance our proprietary technology. This will improve operational quality at production sites and enable our R&D to quickly respond to market needs with new products, thereby strengthening our competitive edge.

2. Create value for our customers

We will deliver our unique value to our customers by leveraging digital technology to gain a deep understanding of customer needs for each product and providing customized solutions.

3. Strengthen our management base

We will leverage data and digital technology to evaluate capital profitability using ROIC as an indicator for each business. We will also improve transparency across the entire supply chain, starting with our main products, and promote improvements. These activities will strengthen our management base.

The promotion of DX is an important step to further evolve our philosophy of “If it doesn't exist, make it.” To achieve this, it is essential that each and every employee use digital technology and generate new value by thinking creatively. At our company, we are creating an environment that encourages employees to continue taking on new challenges, while also collaborating with external partners to accelerate DX through open innovation.

Kureha will continue to contribute to solving social issues and building a sustainable future by integrating its unique technologies with digital technologies. We promise to further evolve the essence of Kureha and deliver new value to everyone by using DX.

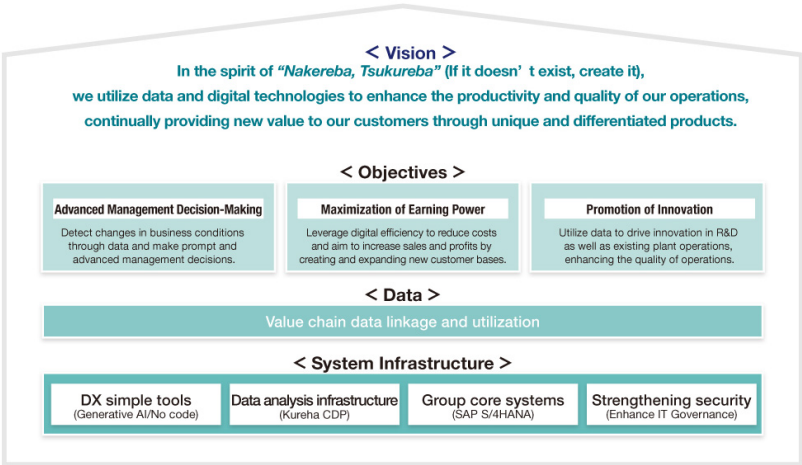
We look forward to your continued support of Kureha Corporation.

Katsuhiro Natake
Senior Executive Vice President
General Manager, Corporate Strategies & Accounting Division
Kureha Corporation

Vision

Kureha's DX Vision

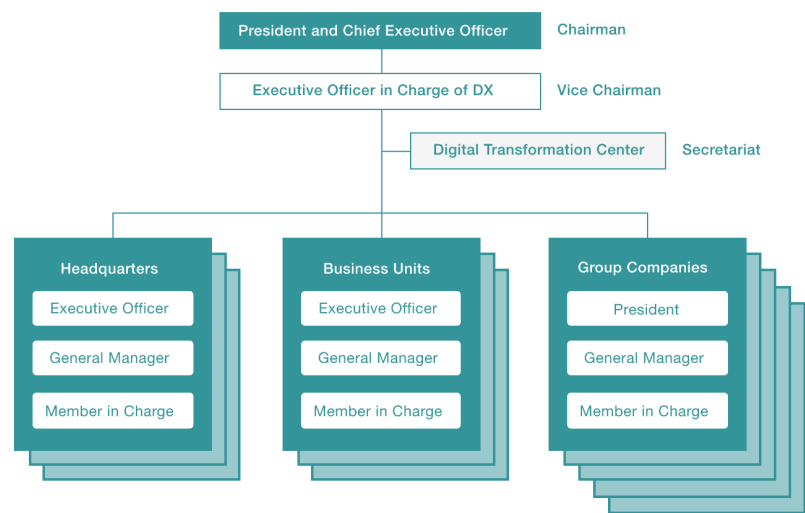
In the spirit of "If it doesn't exist, make it." we will continue to provide new value to our customers with unique and differentiated products by leveraging data and digital technology to improve the productivity and quality of our operations.



Management Structure

In April 2024, a Digital Transformation Center was newly established in the headquarters, and the Digital Transformation Promotion Department was made a permanent organization for the DX project we have been undertaking. It consists of the Information Systems Department and Digital Transformation Promotion Department, formulating policies for DX and IT, and unifying and coordinating the activities of both departments. If necessary, cross-organizational projects and task forces are established in the Center to solve company-wide issues.

Additionally, since October 2024, we have established the 'DX Implementation Committee,' chaired by the President and Chief Executive Officer, to strategically and efficiently execute 'DX' within our group. For each important DX theme, we have selected committee members from general managers of headquarters and business units, and presidents of group companies to monitor the progress of the DX themes and confirm the effects of business transformation and improvements in the DX themes. In addition to regular committee meetings, we will hold ad-hoc committee meetings as needed for urgent matters to ensure the alignment of DX policies and themes in our entire group.



Purpose

We have set the following defined purposes to realize Kureha's DX Vision.

1. Improve management decision-making
Support right and rapid management decisions on business strategy and resource allocation etc. by detecting anomalies (changes in data) from various systems spread throughout our entire group and quickly identifying signs of change.
2. Maximize earning power
Not only eliminate unnecessary operations and reduce costs by improving work efficiency and minimizing workforce, but also increase sales and profits by creating new customers, through automation and digitization.
3. Promote innovation
Promote innovation in existing operations, such as R&D and factories, through use of data and digital technology. In addition, develop an educational foundation to foster human resources capable of achieving these purposes.

Focus Areas

In accordance with the three purposes above, we have established the following seven focus areas from the perspectives of the corporate, infrastructure, and headquarters and business division topics, and are promoting them.

(1) Corporate			
Focus Areas	Purpose ¹	Targets	FY2024 Results
Business management system	1, 2	Monitor ROIC/WACC by business unit and make appropriate management decisions.	Completed development of software to acquire financial data from the main computer system and make analysis reports visualizing ROIC by business unit.
Optimization of supply chain	1, 2	Monitor and optimize production, sales, and inventory. Detect anomalies and respond quickly. Establish an SCM improvement cycle.	Based on the KF products business, we have decided on the requirements for global PSI ² visualization and completed the development of a PSI dashboard.
(2) DX Infrastructure			
Focus Areas	Purpose ¹	Targets	FY2024 Results
Development of digital talent	3	Aim to have all employees be human resources that can reform and improve business operations with high-level use of data and digital technology.	Redefined the types of digital talent to be developed (added business designers and IT engineers to the existing data scientists). Created a new education system (scheduled to resume in FY2025).
Development of DX infrastructure	3	Development of infrastructure for data analytics to support data-driven management, and establishment of IT governance to standardize and integrate systems and data.	Established basic guidelines and policies for Group IT governance. Standardized gate checks for each phase from the start to the completion of IT projects, and will begin implementation in FY2025.
(3) Headquarters and Business Division			
Focus Areas	Purpose ¹	Targets	FY2024 Results
Digital marketing	2, 3	Identification of potential customers for our products, accurate understanding of customer needs, and offer of optimal customer services.	Introduced and established a sales support system for the KF products business. Achieved a significant increase in inquiries about our products through web marketing.
Materials informatics	3	Computational science to improve accuracy and speed up the search for new materials.	Worked on our medium-term focus area, pesticide development, and our short-term focus area, high-performance products (PGA, KF, etc.)
Smart factories	2, 3	Promotion of labor and cost reduction through factory automation, improvement of production efficiency and quality, and reduced the burden on workers.	Digitized work instructions and reports to machine operators, significantly reducing the time required for handover and other tasks. Introduced image analysis technology to the product inspection process.

1 1. Improve management decision-making, 2. Maximize earning power, 3. Promote innovation

2 Production, Sales, Inventory

Initiative(s)/Activity(ies)

Integration of ERP Systems and Operations

The Company's core systems (financial accounting, management accounting, sales management, inventory and purchase management, production management, etc.) had been optimized for each site. The core systems of domestic and Asian Group companies were integrated on the occasion of the introduction of SAP S/4HANA (as of May 2024). At the same time, simple and standardized business processes were developed and deployed to each company. This has led to standardization of data, more efficient and faster collection of consolidated management information, and enhanced management across the group.

Improvement of Business with Intelligence Tools

Business intelligence tools are distributed to each department to support the making of decisions based on data. This has allowed visualization and analysis of data in daily operations to permeate throughout the company. About 70 business applications are in operation in the areas of procurement, production, distribution, sales, and after-sales service, and the number of users is now over 600. They are now indispensable tools for business operations, and have improved operational efficiency and quality.

Enhancement and Improvement of the Efficiency of Production and Operation Management

Iwaki Factory has a number of chemical plants that manufacture our main products. With the introduction of an integrated system to manage operation information, plant operation data that until now could only be checked on-site can now be used in many departments. With this system, it has been possible to speed up the troubleshooting and equipment adjustments due to analysis of operating conditions. Also, the introduction of a system to manage operation has enabled reliable transmission of work instructions and reports, leading to a reduction of about 2,500 hours of work time over about one year since the system was introduced. In the future, we will further strengthen our analysis and improve our quality competitiveness.

Digitalization of Marketing Operations

The company is promoting digitalization in all areas of marketing, including web advertising, web page improvement, marketing automation, and the introduction of sales force automation to improve the quality and efficiency of sales promotion activities in the sales division. For particular products, the number of inquiries increased tenfold after we put advertising on the Web and other significant effects were observed. In addition, the reporting and confirmation of customer contact information has been firmly established, management within the sales department has been strengthened and streamlined, supporting daily sales activities.

Promotion of the Use of Generative AI

We see generative AI (ChatGPT) as a tool that can be applied to a wide range of internal operations and expect it to greatly improve them. We introduced a generative AI system that can be used by all employees, and began using it in December 2023. We are establishing guidelines for use of the system and are promoting its use through internal announcements. Currently, about 60% of employees are using the system in their work, and it is bringing about improvements in such areas as market research, preparation of reports and minutes, translation, and the creation of software programs.

Information Security

Kureha Group has basic policies for information security and maintains the availability, integrity, and confidentiality of the information assets of our Group, managing information appropriately with an information security management system, and avoiding the occurrence of major incidents related to information management that affect the sustainability of management.

- ↓ Policy/Policies
- ↓ Management Structure
- ↓ Target(s) and What We Have Done/Are Doing
- ↓ Initiative(s)/Activity(ies)

Policy/Policies

Kureha Group Basic Policy on Information Security

Establishing safe and reliable controls for appropriate sharing and utilizing of all business-related information is one of our most important management issues. Kureha Group's basic policy on information security is as follows:

Kureha Group Basic Policy on Information Security

1. Kureha Group will maintain the availability, integrity, and confidentiality of our information assets and promote appropriate information security management activities.
2. Based on the entire group's continual efforts to improve the information security, Kureha Group will continue to provide education so that every employee can recognize the importance of information security and put it into practice.
3. Kureha Group will carry out risk assessments on their respective information assets and take appropriate risk management measures.
4. Kureha Group will strictly adhere to relevant laws and regulations.

Basic Information Security Policy

Kureha Corporation recognizes the establishment of secure and reliable management for appropriate sharing and use of all information concerning business activities as one of the priority issues for management and sets out the following as its basic policy on information security.

→ [Basic Information Security Policy](#)

Management Structure

GRI 2-24

In accordance with our corporate governance structure, the Board of Directors oversees information security and makes decisions on important matters such as the Basic Policy on Information Security. The Sustainability Committee, an advisory body to the Board of Directors, meets twice a year in principle to monitor sustainability issues to be addressed by the Group, including information security, and makes recommendations to the Board of Directors. As an executive function, the Sustainability Committee formulates specific plans for the Group as a whole regarding sustainability issues, including information security, and manages the progress of these plans. We have an Information Security Subcommittee under the Sustainability Coordination Committee, and have built and operate an Information Security Management System (ISMS) conforming to JIS Q 27001:2014 in order to effect continuous improvements to our information security. In fiscal 2019, we set up a Computer Security Incident Response Team (CSIRT) and a system to minimize information security incidents. We are also undertaking a review of our workflows and systems to address major threats and enable immediate action by the CSIRT.

Target(s) and What We Have Done/Are Doing

KPI	Company/ companies	FY2020 Results	FY2021 Results	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Target
Number of security incidents affecting management	Kureha	0	0	0	0	0	0
	Group Companies in Japan	0	0	0	0	0	0
	Overseas Group Companies	0	0	0	0	0	0
Number of incidents of personal information leaks	Kureha	0	0	0	0	0	0
	Group Companies in Japan	0	0	0	0	0	0
	Overseas Group Companies	0	0	0	0	0	0

Initiative(s)/Activity(ies)

Countermeasures to Cyberattacks

We have systems to detect and block incoming cyberattacks and to minimize damage when intrusion is detected. We maintain stable operation of the systems through 24/7 year-round monitoring by a security vendor. To prepare for a possible information security breach, we have set up a system utilizing a security incident response service provided by a security vendor to ensure that its operations can resume as quickly as possible and to fulfill its legal responsibilities.

Risk Assessment of Information Assets

We are reducing risk by systematically assessing the security risks of our information assets and implementing countermeasures.

Preventing Information Leaks

We maintain a system of high-level security at all times through regular diagnostics by security vendors and through measures to strengthen security in response to cyberattacks, which are increasing in sophistication and ingenuity day by day.

Education and Training about Information Security

Kureha and its group companies in Japan periodically provide training on information security to all of its officers and employees. In fiscal 2024, 100% of approximately 3,800 of these members participated. The training includes simulated cyberattacks targeting email users to teach the trainees how to properly handle suspicious emails they receive, and in fiscal 2024, it focused on promptly reporting particularly high-risk emails. As a new component of the training in fiscal 2023 and 2024, the trainees faced a scenario of a production plant losing control of its manufacturing processes due to a ransomware attack, and learned the procedures for safely shutting down the plant.

Information Security Measures for Telecommuting

We have a user's guide for the telecommuting system detailing the concept of information security and various rules for doing work at home, and have stipulated compliance with the guide as one of the conditions for applying telecommuting.

Countermeasures to Information System Disasters

We use cloud services with environments that are disaster resistant for our enterprise system, internal email system, and electronic file system.

Responsible Care Activities

SASB RT-CH-530a.1

As a company in the business of handling chemical substances, the Kureha Group makes voluntary efforts to preserve the environment and protect personal safety and health in all business processes, from product development to product manufacturing, distribution, usage, final consumption, disposal, and recycling. The Kureha Group refers to these efforts as Responsible Care (RC) activities.

Responsible Care (RC) activities are based on seven items: environmental protection, safety and disaster prevention, occupational safety and health, product safety & quality assurance, logistics safety, energy management, and community relations.

Signed the Responsible Care Global Charter and Announced International Cooperation and Promotion of RC Activities: Kureha

Responsible Care (RC) is a global initiative practiced by chemical companies in 63 countries and territories. The Global Charter was established as a guiding principle of activities to spread and promote RC activities around the globe, which all chemical companies operating globally are encouraged to sign and implement.

The RC Global Charter, enacted by ICCA, was first published in 2006. By 2014, key activities were changed in the revision of the Charter. Kureha signed the revised Charter in September of the same year, in the name of the President and Representative Director, announcing our international cooperation with RC activities.

↓ Policy/Policies ↓ Management Structure

Policy/Policies

GRI 2-23

Kureha has belonged to the Japan Responsible Care Council (currently Japan Chemical Industry Association RC Committee) since its inception. We declared the implementation of RC in April 1995, and, having established our RC policy, have been promoting RC activities.

Declaration of Responsible Care Implementation

Declaration of Responsible Care Implementation

Kureha Corporation and the companies of the Kureha Group believe that preservation of the global environment and ensuring the safety and health of people are core elements of business operations. Recognizing these as our corporate social responsibility, we declare a commitment to implement Responsible Care. Kureha and the companies of the Kureha Group shall formulate and put into practice a plan of implementation under the following Responsible Care Policy.

This policy shall be applied in common to Kureha and the companies of the Kureha Group.

April 20, 1995

July 1, 2002 Partially revised
October 1, 2005 Partially revised

Responsible Care Policy

- Compliance with international regulations and laws

We shall comply with international regulations and domestic laws with respect to safety and disaster prevention, occupational safety and health, product safety, and preservation of the global environment, including the environment for community life, and shall participate actively in Responsible Care activities promoted by the Japan Chemical Industry Association.

- Earth-friendly, safe operations

We shall take special care to preserve the global environment in our business activities, protect the safety and health of employees and the public in our operations, and make efforts to prevent accidents, disasters, and pollution.

- Providing safe products to society

We shall quickly and accurately ascertain society's demands, making use of them in product design and manufacture, and shall provide products and services that customers can trust and use with peace of mind.

We shall also provide society with products and services that are safe, reliable, and environmentally friendly throughout the entire lifecycle, from product research and development through production and marketing to disposal.

- Managing and putting to use environmental and safety information

We shall centrally manage appropriate information on the correct handling and disposal methods of our products as well as the environment, safety, and disaster prevention and shall provide such information to consumers, users, companies involved in product delivery, and others.

- Building better relationships with society

We shall practice proper public relations through the provision of environmental and safety information, bearing in mind the concerns of administrative authorities and the public. We shall also participate actively as a citizen in the activities of civil society and strive to maintain and build better relationships with society.

Management Structure

GRI 2-24, GRI 403-1

Promotion Structure of RC Activities and RC Management System: Kureha

Kureha's RC activities include the following seven items: environmental protection, safety and disaster prevention, occupational safety and health, product safety & quality assurance, logistics safety, energy management, and community relations. These seven items are integrated into one RC management system, with each item promoted primarily by a department covering that area under the Responsible Care Subcommittee, a subcommittee of the Sustainability Coordination Committee. These departments formulate a plan for every fiscal year, promote activities, then receive reviews of activity results from management, and reflect these results in the next fiscal year's activity plan.

We aim to continually improve results through such a PDCA (Plan, Do, Check, Act) Cycle. We have also acquired external certification for our Environmental Management System (ISO 14001), Quality Management System (ISO 9001), and Occupational Safety and Health Management System (ISO 45001),* and we are working to utilize this in maintaining and improving each Management System.

* Please contact us for more information about the scope of our ISO certification.

■ The Kureha Group RC Council

Under the Responsible Care Subcommittee, we established the Kureha Group RC Council, consisting of Kureha and Group companies in Japan that have declared the implementation of RC. The Council also has working groups to promote each activity. The RC Council promotes activities as a Group by sharing the plans, goals, and issues of RC activities to the entire Group, and by understanding and discussing the activities of each company and working group.

Management System Audit: Kureha

GRI 3-3

The results of the reviews of our RC Management System by management and the external examinations of each ISO Management System are reported to the Sustainability Coordination Committee, which then deliberates on how to address important issues of concern.

As environmental management-related regulations become stricter around the world, Kureha periodically provides its management and employees with training programs on environmental laws and regulations to maintain their awareness of legal requirements. At the same time, it identifies issues using environmental management system audits and carries out regular activities to address those issues.

- [Environmental Report](#)
- [Product Safety and Quality Assurance](#)
- [Occupational Safety and Prevention of Industrial Disasters](#)

Strengthen Research and Technology Development Capabilities

↓ Research and Technology Development System ↓ Initiative(s)/Activity(ies)

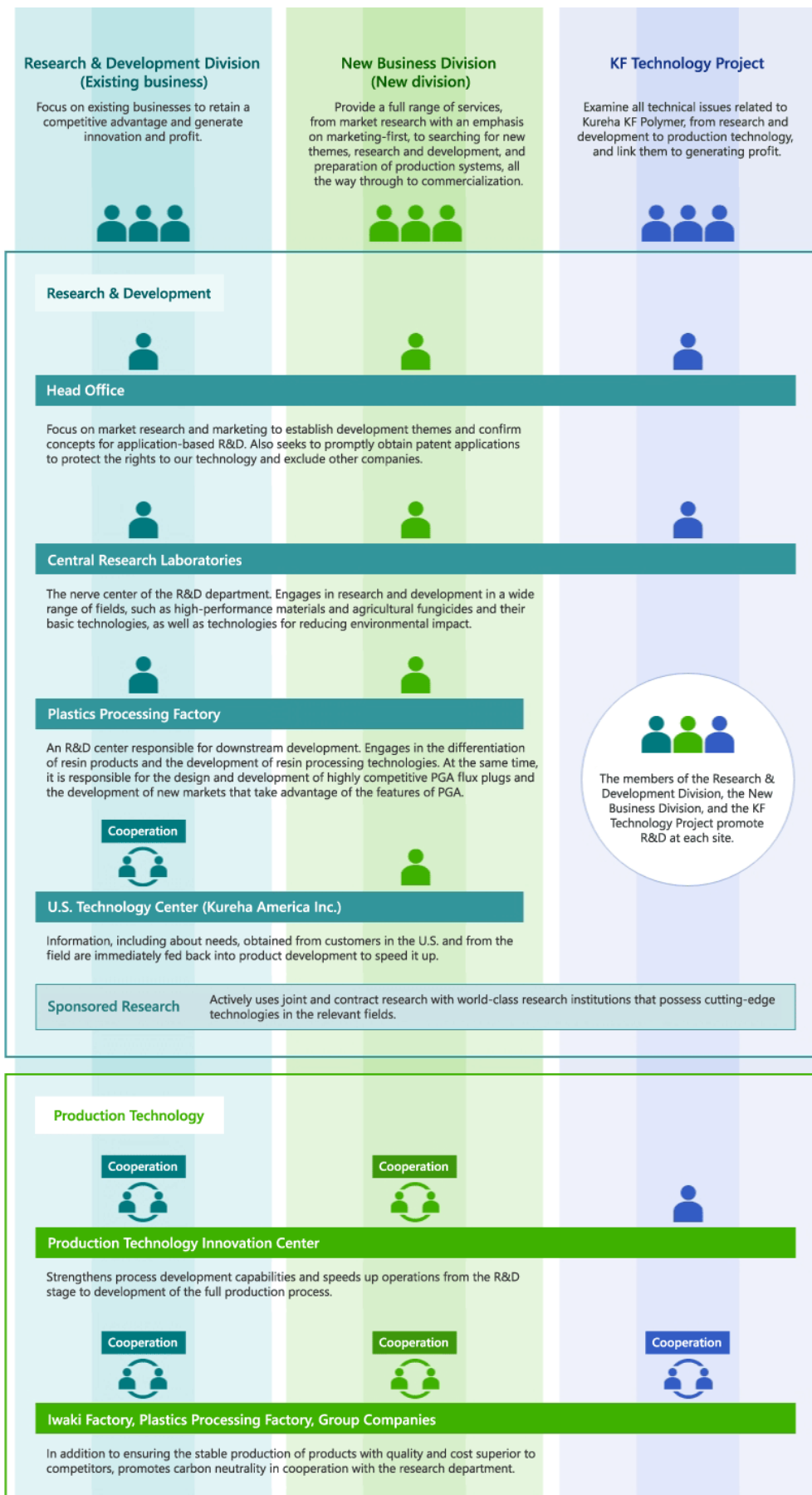
Kureha's vision is to be "a specialty solutions company that leverages proprietary technology and contributes to a new future for society," and one of the most important measures of its mid- to long-term management plan is to revive Kureha's technology-driven focus. And with policies below, promote new business development, new product development, and the strengthening of process development capability and production capacity.

Revival of Kureha's Technology-Driven Focus

- Focus resources on new product development and reduce environmental impact, accelerate development of differentiated products
- Create and expand new businesses by fusing proprietary and external technologies through collaboration and cooperation with other companies, M&A, etc.
- Strengthen production technology and engineering capabilities to build a production system for growth businesses and reduce environmental impact

Research and Technology Development System

In April 2023, Kureha reorganized its organization to maximize R&D capabilities and create new businesses, and established a New Business Division dedicated to corporate research. The organization has been flattened to improve agility and establish a structure that enables rapid decision-making. Also, in November 2023, the KF Project was established to bring together various technology development functions under a single chain of command in order to speed up the resolution of technological issues for KF Polymers. In July 2024, Kureha established its Innovation and Technology Department to improve core technologies for manufacturing and R&D, integrate advanced technologies including those based on computer science, and to pass down skills to new generations of employees. By establishing and clearly allocating roles within its research and technology development system, Kureha has been accelerating its research and technology development.



Initiative(s)/Activity(ies)

Establishment of the New Business Division

Kureha established the New Business Division in April 2023.

In this division, market needs and applications are clarified at the stage of setting development themes, centered on application-based development, and differentiation, including patentability, business economics are confirmed, and the business model is solidified before moving forward with development activities. However, the division also takes on the challenge of developing themes with extremely high technology-based innovation, and conducts development and marketing activities in tandem.

The New Business Division has three departments: the New Business Products and Marketing Department, the New Business Development Department, and the New Business Creation Department. Highly specialized personnel are assigned to each department to understand market needs and investigate trends in cutting-edge technologies. In particular, the New Business Creation Department, is based in Houston, Texas, U.S.A., conducts marketing in the U.S., and scouts for technology at universities and start-ups.

Establishment of the Tokyo Research Laboratories

In our R&D activities, we face the challenges of securing excellent human resources, strengthening our information-gathering capabilities, collaborating with external research institutions, and integrating marketing and R&D. To create an R&D organization capable of dealing with these challenges, Kureha established the Tokyo Research Laboratories in fiscal 2024, and commenced R&D activities there in the same year. This facility has various equipment for conducting experiments, is conveniently located in Tokyo, and has active communication with external organizations. With this facility, we will continue to promote the development of unique and differentiated technologies and products.

Development of Technology for PVDF for Automotive Lithium-ion Battery Binders

Kureha decided to expand its production capacity for PVDF (Kureha KF Polymer) for automotive lithium-ion battery binders in response to the expanding electric vehicle market, and is building an optimal global supply system. The KF Technology Project, established in November 2023, studies technical issues across all divisions related to Kureha KF polymers, from research and development to production technology.

For more information on the development of existing products, please refer to the following pages.

→ [Contributing to the Solution of Environmental and Social Issues through Our Business](#)

Promotion of New Business Development

We are working on development themes in the fields of Life, Environment and Energy, and Digital Communications from a marketing-first perspective, utilizing other companies' technologies, and expanding globally.

／ Life

Agricultural Fungicides

Kureha is developing highly safe agricultural fungicides for growing wheat, corn, fruit, and vegetables, with the aim of releasing products to the market by about 2030 that comply with strict agrochemical regulations around the world, particularly in Europe.

Anti-Adhesion Film

Anti-adhesion film is used to prevent adhesions after surgery. Kureha is developing film that better prevents adhesions and is easier to handle than currently available products. It is aiming to start clinical trials of the film by about 2027 and launch it on the market by about 2030.

Biostimulants

A new technology different from pesticides and fertilizers, biostimulants activate natural processes of plants to help boost crop yields. Kureha has identified bio-stimulants possessing unique mechanisms and effects compared with currently available products, and is verifying these findings in field experiments in Japan, Europe, and the United States. Kureha is working on development, aiming to launch it on the market by about 2027.

／ Environmental and Energy

SiC Fibers for Aircraft Engine Components

Ceramic composites using SiC (silicon carbide) fiber are used as substitutes for metal parts in aircraft to reduce weight and improve fuel efficiency. We are developing SiC fiber with higher performance and price competitiveness than existing products of other companies. Currently, we are working on the development of a mass production process at our Iwaki Plant, with the aim of commercialization around 2030.

PFAS Detoxification Technology

PFAS (per- and polyfluoroalkyl substances) are chemicals that don't decompose in the environment easily and are increasingly regulated in many countries. In collaboration with Claros Technologies, a U.S. startup company, we are developing a complete detoxification process that converts PFAS into safe byproducts, aiming to build a business model that will contribute to reducing environmental impact.

／ Digital Communications

3-D Touch Panel

By combining KUREHA's PVDF transparent piezoelectric film with a signal processing algorithm developed by Cambridge Touch Technologies of the UK, it is now possible to make a touch panel that detects pressing. With this technology it is possible to use a touch panel even underwater or with gloves on, and prevents unintentional actuation because it requires the user to "push" the touch panel.

Effective Use of Intellectual Property

To grow, promote, and facilitate our business activities, Kureha engages in intellectual property activities based on the following basic policies.

Basic Policy for our Intellectual Property

1. Formulation and execution of intellectual property strategies for the resolution of management issues
2. Acquisition and utilization of intellectual property rights to secure business competitiveness
3. Elimination of obstacles to business originating in the intellectual property rights of other parties

Our main intellectual property activities are as follows:

- We formulate and execute intellectual property strategies that utilize analyses of the competitive environment based on patents, markets, competitive information, and other factors, in collaboration with relevant departments of the Company.
- We consider the usefulness in business of intellectual property rights and secure usable rights that can be exercised against other companies. We also maximize the restraining power of our specific intellectual property rights to build effective high barriers to entry.
- We conduct regular intellectual property clearance surveys for every product and in-development work, and strive to prevent infringement of the intellectual property rights of other parties.

We conduct annual conferences among our research and development department, business department, and Intellectual Property Department to make appropriate intellectual property investments in line with our business plans and R&D plans.

Contributing to the Solution of Environmental and Social Issues through Our Business

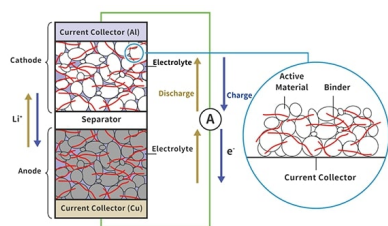
The Kureha Group is contributing to the solution of social issues such as carbon neutrality and contributing to the energy supply, contributing to the stable production and supply of food, contributing to vibrant lifestyles, and contributing to the development of the information society through our chemical-based products and services.

- ↓ Carbon Neutrality and Contributing to the Energy Supply
- ↓ Contributing to the Stable Production and Supply of Food
- ↓ Contributing to Vibrant Lifestyles
- ↓ Contributing to the Development of the Information Society

Carbon Neutrality and Contributing to the Energy Supply

"KF Polymer" Polyvinylidene Fluoride (PVDF)

Contributing to the Reduction of CO₂ Emissions with Lithium-ion Battery Binders



Composition of Lithium-ion Battery (Diagram)
and Adhesion of Active Material and Aggregate

→ [Click here to check the enlarged view](#)



Social Background

As the movement toward a carbon-neutral and decarbonized society gains momentum, environmental regulations are being tightened in many countries.

The European Commission has set a goal that all new cars sold in the European Union (EU) after 2035 will, in principle, be zero CO₂ emission vehicles, and the US has set a goal of electric cars accounting for at least one-third of new car sales by 2032. Also, China has announced that all new cars sold will be eco-friendly vehicles by 2035.

Against this backdrop, the global automobile sales market has been witnessing an active shift from gasoline- and diesel-fueled vehicles to electric vehicles (EVs) and other environmentally friendly vehicles.

Meanwhile, energy storage systems for electric power have been proliferating in line with the widespread use of solar, wind, and other renewable energy sources, and the rising electricity consumption of data centers, which have been increasing due to the expansion of AI and cloud computing services.

Value Provided to Society

Storage batteries are a key technology for decarbonizing society and achieving carbon neutrality. Lithium-ion secondary batteries are currently used in most electric vehicles due to their high energy density and low degradation from repeated charging and discharging. There is now a strong need to solve issues such as improving the reliability of lithium-ion secondary batteries, increasing their capacity and output to extend driving range, increasing charging speed, reducing battery costs, and installing charging stations. Our KF polymer meets various performance requirements of binders for lithium-ion secondary batteries: showing high adhesion to active materials and current collectors, electrical stability over a wide potential range, and high lithium-ion permeability. For these reasons it is widely used in automotive lithium-ion secondary batteries, which require long-term reliability.

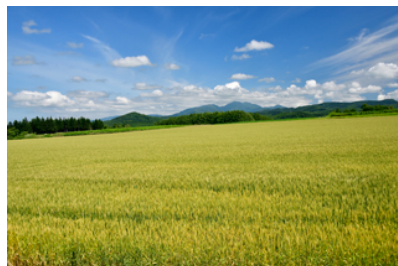
Growth Strategy

As a pioneer in lithium-ion secondary battery binders, we are actively developing binders for ternary cathode active materials and iron phosphate cathode active materials (LFP). In addition, we are constructing a new factory under a plan to increase production capacity to meet the increasing demand for automotive lithium-ion batteries. At the same time, we are striving to reduce environmental impact and costs by improving production efficiency. Furthermore, in anticipation of the needs of the times, we will actively proceeding to be ready for the next generation of batteries, such as all solid-state batteries.

Contributing to the Stable Production and Supply of Food

Agricultural Products

Contributing to Improved Crop Productivity with Agrochemicals



Social Background

According to the United Nations Population Fund's (UNFPA) *State of World Population 2023*, in November 2022, the world population surpassed 8 billion for the first time. That global population is expected to reach 9.7 billion by 2050, with the majority of that population growth occurring in developing countries (United Nations Department of Economic and Social Affairs, *World Urbanization Prospects 2019 Revision*). As the demand for food expands with the growth of the world population, agrochemicals have played an important role as a production material for effective use of limited farmland and to support stable and sustainable increases in agricultural production.

Value Provided to Society

Kureha is committed to the research and development of agrochemicals that enhance agricultural productivity while protecting the environment, aiming for a symbiotic relationship between people who grow food, people who eat food, and ecosystems. Kureha's agricultural fungicides, which require only a small amount of chemicals to produce outstanding results and have a low environmental impact, are making a significant contribution to improving agricultural productivity around the world.

Metconazole is a fungicide that is highly effective against important diseases of wheat and corn. In 1994, after the registration of metconazole as a fungicide in France, the number of countries where it is registered has increased. It is now used in over 40 countries around the world, primarily in Europe, and North and South America, as a fungicide for wheat, corn, rape, and soy, etc.

Ipconazole is used to disinfect seeds prior to sowing. It is highly effective in controlling seed-borne and soil-borne diseases at low chemical doses. Since its launch in Japan in 1994, it has gained a large share of the paddy rice seed disinfectant market. Overseas, it is sold as a seed disinfectant for corn, wheat, soybean, and other crops primarily in North America, Latin America, and Asia.

Growth Strategy

As the demand for food grows in tandem with the increase in the world's population, the need for agricultural chemicals is increasing and is expected to continue to grow. Also, seed disinfection is attracting attention as a treatment method with less environmental impact, and is expected to grow in overseas markets.

In addition to existing agrochemicals, we will work to develop new products that contribute to sustainable agriculture and a stable supply of food, such as agrochemicals that are designed to have less impact on producers, consumers, and the environment.

Contributing to Vibrant Lifestyles

Household-use Products

Making Meals Delicious, and Housework Easier



Social Background

The shape of families around the world continues to change with the times. In Japan, the percentage of dual-earner households has been increasing year by year, and it is said that two-thirds of all households in Japan are now dual-earner households. In addition to the increase in the number of dual-earner households, the declining birthrate and aging population, as well as the shift to nuclear families, many people want to streamline their household chores and spend more quality time with their families, resulting in a variety of ways people deal with household chores. Also, as lifestyles change, families' view of kitchens is also becoming more varied.

Value Provided to Society

For Kureha to contribute to creating vibrant lifestyles, supports its customers' household chores based on the concept of making life more enjoyable, convenient, and comfortable. Through products closely related to housework, such as the NEW Krewrap household plastic wrap and the Kichinto-San series of products that make the kitchen area fun and convenient, we increase the smiles on the faces of families by making meals more delicious and housework easier.

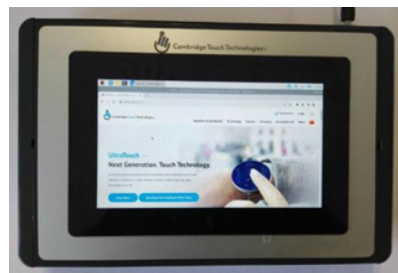
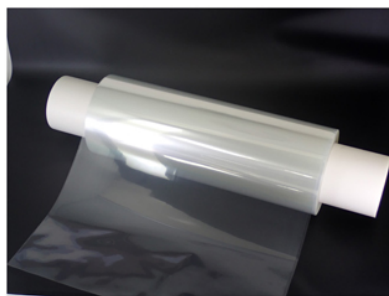
Growth Strategy

With changing lifestyles, the demand for household products for storage and cooking is expected to diversify and expand. We will strive to expand the market by proposing new lifestyles, placing importance on the voice of the customer, those who use our household products.

Contributing to the Development of the Information Society

3D Touch Panels

Widespread Use of 3D Touch Panels Will Make Our Lives More Convenient



Social Background

IoT stands for "Internet of Things." The IoT, which exchanges data in a variety of scenarios, is expected to be widely used in homes, offices, factories, and medical facilities. Development of electronic devices, sensors, networks, applications, etc. is proceeding to make the IoT a reality.

Value Provided to Society

Touch panels have become indispensable in our daily lives as an interface connecting people and electronic devices because they can be operated intuitively. Capacitive touch panels, which are currently the mainstream, detect position based on capacitance changes that occur between the finger and the touch panel, making it impossible to operate a wet touch panel or a touch panel when wearing gloves. We are collaborating with Cambridge Touch Technologies, a UK start-up company, to develop a 3D touch panel capable of load detection using PVDF piezo film. This new functionality of judging by load will enable touch panels to be used in a variety of applications and environments. By providing an interface that can be operated intuitively by more people, the IoT can be used by a variety of people in a variety of situations.

Growth Strategy

The 3D touch panel, a product developed by our company, is transparent, has excellent screen visibility, and can be laminated on top of LCD and OLED displays. It is also thin and flexible, and can be processed into curved surfaces and other shapes. We are currently developing PVDF piezoelectric film with transparent electrodes, for added value, and aim to establish mass production technology in FY2025. Development projects are underway in collaboration with several companies for various applications, such as wearable devices, smartphones, and notebook PCs.

GRI Standards Content Index

GRI Standards Content Index

SASB Content Index

The Kureha sustainability refers to the GRI Sustainability Reporting Standards.

In principle, the reporting time frame for Kureha's CSR activities is the same as its fiscal year (from April 2024 to March 2025). However, some sections of this report may refer to the calendar year (from January 2024 to December 2024) or activities after April 1, 2024.

2 : General Disclosures

GRI 2 : General Disclosures 2021

1. The organization and its reporting practices

Standard		Disclosure
2-1	Organizational details	→ Corporate Profile → The Kureha Group Network → Group Companies in Japan → Overseas Group Companies
2-2	Entities included in the organization's sustainability reporting	→ Coverage
2-3	Reporting period, frequency and contact point	→ Reporting Period → Updates of the Sustainability English Site → FAQ/Contact(CSR Department)
2-4	Restatements of information	N/A
2-5	External assurance	The authenticity of some data has been confirmed by an in-house safety review

2. Activities and workers

Standard		Disclosure
2-6	Activities, value chain, and other business relationships	→ Product Groups → Value Chain and Sustainability Activities → Mapping of Stakeholders in Line with the Value Chain → Major purchasing items
2-7	Employees	→ ESG Data Collection (Social) 
2-8	Workers who are not employees	→ ESG Data Collection (Social) 

3. Governance

Standard		Disclosure
2-9	Governance structure and composition	→ Corporate Governance Structure → Corporate Governance Report II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management V. Other 
2-10	Nomination and selection of the highest governance body	→ Corporate Governance Structure → Corporate Governance Report I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information 
2-11	Chair of the highest governance body	→ Corporate Governance Structure → Corporate Governance Report II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management 
2-12	Role of the highest governance body in overseeing the management of impacts	→ Promotion of Sustainability Activities → Annual Securities Report, Sustainability Philosophy and Initiatives (Japanese Only) 
2-13	Delegation of responsibility for managing impacts	→ Promotion of Sustainability Activities
2-14	Role of the highest governance body in sustainability reporting	→ Promotion of Sustainability Activities → Editorial Policy
2-15	Conflicts of interest	→ Corporate Governance Report I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management 
2-16	Communication of critical concerns	→ Whistleblowing System → Administration of Tax Matters
2-17	Collective knowledge of the highest governance body	We held a briefing session on “Recent Issues in Corporate Governance” for directors, audit & supervisory board members, and vice presidents, inviting external experts.
2-18	Evaluation of the performance of the highest governance body	→ Assessment of the Effectiveness of the Board of Directors
2-19	Remuneration policies	→ Annual Securities Report, Remuneration for Officers, etc. (Japanese Only) 
2-20	Process to determine remuneration	→ Annual Securities Report, Remuneration for Officers, etc. (Japanese Only) 
2-21	Annual total compensation ratio	→ ESG Data Collection (Governance) 

4. Strategy, policies and practices

Standard		Disclosure
2-22	Statement on sustainable development strategy	→ Message from the President
2-23	Policy commitments	→ Overview of Kureha Group Policies → Kureha Group Supply Chain CSR Guidelines  → Responsible Care Activities—Policy/Policies
2-24	Embedding policy commitments	→ Fair Information Disclosure and Dialogue—Management Structure → Ethics and Compliance—Management Structure → Compliance Education → Risk Management—Management Structure → Responsible Care Activities—Management Structure → Information Security—Management Structure → Human Rights Initiatives—Management Structure
2-25	Processes to remediate negative impacts	→ Kureha Group Charter of Corporate Behavior → Grievance Mechanisms → Whistleblowing System → Risk Management Implementation → Administration of Tax Matters
2-26	Mechanisms for seeking advice and raising concerns	→ Whistleblowing System → Administration of Tax Matters
2-27	Compliance with laws and regulations	→ ESG Data Collection (Governance)  No violations of the law
2-28	Membership associations	Japan Economic Federation, Japan Chemical Industry Association, Japan Soda Industry Association, Japan Technology Association of Poly Vinylidene Chloride, Battery Association for Supply Chain, United Nations Global Compact Associations related to pharmaceuticals: The Federation of Pharmaceutical Manufacturers' Association of Japan (FPMJ), The Pharmaceutical Manufacturers' Association of Tokyo (PMAT), Pharmaceutical Manufacturers' Association of Fukushima

5. Stakeholder engagement

Standard		Disclosure
2-29	Approach to stakeholder engagement	→ Promoting Dialogue with Stakeholders → Dialogue with Shareholders and Investors → Supply Chain CSR Survey → Labor-Management Relations → CSR Local Dialogue Meeting → Whistleblowing System for Suppliers
2-30	Collective bargaining agreements	→ Labor-Management Relations Percent of labor union members 100%* * Number of labor union members ÷ Number of eligible people × 100 (excluding those stipulated in the labor agreement)

3 : Material Topics

GRI 3 : Material Topics 2021

Standard		Disclosure
3-1	Process to determine material topics	→ Steps for Identifying Material Issues
3-2	List of material topics	→ Material Issues and Sustainability Issues
3-3	Management of material topics	→ Management System Audit: Kureha → Material Issues and Sustainability Issues

Topic specific Standards

GRI 101: Biodiversity 2024

Standard		Disclosure
101-1	Policies to halt and reverse biodiversity loss	—
101-2	Management of biodiversity impacts	—
101-3	Access and benefit-sharing	—
101-4	Identification of biodiversity impacts	→ Conserving Biodiversity
101-5	Locations with biodiversity impacts	→ Conserving Biodiversity
101-6	Direct drivers of biodiversity loss	—
101-7	Changes to the state of biodiversity	—
101-8	Ecosystem services	—

GRI 201: Economic Performance 2016

Standard		Disclosure
201-1	Direct economic value generated and distributed	→ Annual Securities Report, Key Financial Data (Japanese Only)  → ESG Data Collection (Governance) 
201-2	Financial implications and other risks and opportunities due to climate change	→ Scenario Analysis
201-3	Defined benefit plan obligations and other retirement plans	→ Annual Securities Report, Notes to the Consolidated Financial Statements (Japanese Only) 
201-4	Financial assistance received from government	→ Annual Securities Report, Notes to the Consolidated Financial Statements (Japanese Only) 

GRI 202: Market Presence 2016

Standard		Disclosure
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	→ Labor-Management Relations → Recruitment Requirements (Japanese Only)
202-2	Proportion of senior management hired from the local community	—

GRI 203: Indirect Economic Impacts 2016

Standard		Disclosure
203-1	Infrastructure investments and services supported	→ Kureha-kai Medical Corporation (Kureha General Hospital) → ESG Data Collection (Social) 
203-2	Significant indirect economic impacts	→ ESG Data Collection (Governance)  There were no significant indirect economic impacts identified.

GRI 205: Anti-corruption 2016

Standard		Disclosure
205-1	Operations assessed for risks related to corruption	→ Ethics and Compliance—Management Structure → Compliance Education
205-2	Communication and training about anti-corruption policies and procedures	→ Compliance Education → Kureha Group Anti-Bribery Policy → ESG Data Collection (Governance) 
205-3	Confirmed incidents of corruption and actions taken	→ Ethics and Compliance—Management Structure No instances of fines.

GRI 206: Anti-competitive Behavior 2016

Standard		Disclosure
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A → ESG Data Collection (Governance) 

GRI 207: Tax 2019

Standard		Disclosure
207-1	Approach to tax	→ Kureha Group Tax Policy
207-2	Tax governance, control, and risk management	→ Kureha Group Tax Policy → Ethics and Compliance—Management Structure
207-3	Stakeholder engagement and management of concerns related to tax	→ Kureha Group Tax Policy → Ethics and Compliance—Management Structure → Whistleblowing System for Suppliers
207-4	Country-by-country reporting	—

GRI 301: Materials 2016

Standard		Disclosure
301-1	Materials used by weight or volume	—
301-2	Recycled input materials used	—
301-3	Reclaimed products and their packaging materials	—

GRI 302: Energy 2016

Standard		Disclosure
302-1	Energy consumption within the organization	→ Overview of Kureha Group's Environmental Impact (FY2024) → Use of Renewable Energy Sources → ESG Data Collection (Environment) 
302-2	Energy consumption outside of the organization	—
302-3	Energy intensity	→ ESG Data Collection (Environment) 
302-4	Reduction of energy consumption	→ ESG Data Collection (Environment) 
302-5	Reductions in energy requirements of products and services	Not applicable. Reason: Most of the Group's products are intermediate products, and post-sale processing, final products, and end consumers vary widely.

GRI 303: Water and Effluents 2018

Standard		Disclosure
303-1	Interactions with water as a shared resource	→ Water Use and Prevention of Water Pollution → Assessing Water Risks → Production Site
303-2	Management of water discharge-related impacts	→ Water Use and Prevention of Water Pollution
303-3	Water withdrawal	→ ESG Data Collection (Environment)  → Overview of Kureha Group's Environmental Impact (FY2024)
303-4	Water discharge	→ ESG Data Collection (Environment)  → Water Use and Prevention of Water Pollution → Overview of Kureha Group's Environmental Impact (FY2024)
303-5	Water consumption	—

GRI 305: Emissions 2016

Standard		Disclosure
305-1	Direct (Scope 1) GHG emissions	→ Metrics and Targets → ESG Data Collection (Environment) 
305-2	Energy indirect (Scope 2) GHG emissions	→ Metrics and Targets → ESG Data Collection (Environment) 
305-3	Other indirect (Scope 3) GHG emissions	→ Metrics and Targets → ESG Data Collection (Environment) 
305-4	GHG emissions intensity	GHG emissions per net sales Scope1+2/Consolidated revenue=2.8 t-CO ₂ /Millions of Yen
305-5	Reduction of GHG emissions	→ Metrics and Targets → ESG Data Collection (Environment) 
305-6	Emissions of ozone-depleting substances (ODS)	→ ESG Data Collection (Environment) 
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	→ ESG Data Collection (Environment)  → Overview of Kureha Group's Environmental Impact (FY2024)

GRI 306: Waste 2020

Standard		Disclosure
306-1	Waste generation and significant waste-related impacts	Analyzing

Standard		Disclosure
306-2	Management of significant waste-related impacts	→ Awareness of, and Initiatives on, Marine Plastic Pollution and Recycling of Plastics
306-3	Waste generated	→ ESG Data Collection (Environment)  → Targets for Reducing Plastic Waste Emissions (Plastic Resource Circulation Act)
306-4	Waste diverted from disposal	→ ESG Data Collection (Environment) 
306-5	Waste directed to disposal	→ ESG Data Collection (Environment)  → Overview of Kureha Group's Environmental Impact (FY2024)

GRI 308: Supplier Environmental Assessment 2016

Standard		Disclosure
308-1	New suppliers that were screened using environmental criteria	—
308-2	Negative environmental impacts in the supply chain and actions taken	→ Responsible Procurement— Initiative(s)/Activity(ies)

GRI 401: Employment 2016

Standard		Disclosure
401-1	New employee hires and employee turnover	→ ESG Data Collection (Social) 
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	→ Annual Securities Report, Notes to the Consolidated Financial Statements (Japanese Only)  → Activity by Diverse Human Resources
401-3	Parental leave	→ ESG Data Collection (Social) 

GRI 402: Labor/Management Relations 2016

Standard		Disclosure
402-1	Minimum notice periods regarding operational changes	→ Labor-Management Relations

GRI 403: Occupational Health and Safety 2018

Standard		Disclosure
403-1	Occupational health and safety management system	→ Occupational Safety and Health Management System → Responsible Care Activities—Management Structure → ESG Data Collection (Information on external certification) 
403-2	Hazard identification, risk assessment, and incident investigation	→ Promoting Safety Activities Throughout the Group → Chemical Substance Risk Assessment in the Workplace → Whistleblowing System
403-3	Occupational health services	→ Activity by Diverse Human Resources—Management Structure → Improving Employee Health → Prevention of Lifestyle-Related Diseases and Enhancement of Health Management → Promoting Mental Health Care
403-4	Worker participation, consultation, and communication on occupational health and safety	→ Safety and Health Committee and Health Committee → Occupational Safety and Health Awareness Programs
403-5	Worker training on occupational health and safety	→ Skills Training Center → Disaster Prevention and Safety in Logistics → Occupational Safety and Health Awareness Programs
403-6	Promotion of worker health	→ Improving Employee Health → Prevention of Lifestyle-Related Diseases and Enhancement of Health Management → Promoting Mental Health Care → Promoting Anti-tobacco Policies
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	→ Occupational Safety and Prevention of Industrial Disasters
403-8	Workers covered by an occupational health and safety management system	→ Occupational Safety and Health Management System
403-9	Work-related injuries	→ Occupational Safety and Prevention of Industrial Disasters—Target(s) and What We Have Done/Are Doing → ESG Data Collection (Social) 
403-10	Work-related ill health	→ Chemical Substance Risk Assessment in the Workplace → ESG Data Collection (Social) 

GRI 404: Training and Education 2016

Standard		Disclosure
404-1	Average hours of training per year per employee	→ ESG Data Collection (Social) 
404-2	Programs for upgrading employee skills and transition assistance programs	→ Human Capital Development System → Encouraging Senior Human Capital
404-3	Percentage of employees receiving regular performance and career development reviews	→ ESG Data Collection (Social) 

GRI 405: Diversity and Equal Opportunity 2016

Standard		Disclosure
405-1	Diversity of governance bodies and employees	→ Annual Securities Report, Information about Officers (Japanese Only)  → ESG Data Collection (Social) 
405-2	Ratio of basic salary and remuneration of women to men	→ ESG Data Collection (Social) 

GRI 406: Non-discrimination 2016

Standard		Disclosure
406-1	Incidents of discrimination and corrective actions taken	N/A

GRI 407: Freedom of Association and Collective Bargaining 2016

Standard		Disclosure
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	→ Supply Chain CSR Survey The investigation found no suppliers whose freedom of association or right to collective bargaining could be at risk.

GRI 408: Child Labor 2016

Standard		Disclosure
408-1	Operations and suppliers at significant risk for incidents of child labor	→ Supply Chain CSR Survey The investigation found no suppliers with significant risks related to child labor.

GRI 409: Forced or Compulsory Labor 2016

Standard		Disclosure
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	→ Supply Chain CSR Survey The investigation found no suppliers with significant risks related to forced labor.

GRI 411: Rights of Indigenous Peoples 2016

Standard		Disclosure
411-1	Incidents of violations involving rights of indigenous peoples	N/A

GRI 413: Local Communities 2016

Standard		Disclosure
413-1	Operations with local community engagement, impact assessments, and development programs	→ Community Outreach Activities
413-2	Operations with significant actual and potential negative impacts on local communities	N/A

GRI 414: Supplier Social Assessment 2016

Standard		Disclosure
414-1	New suppliers that were screened using social criteria	—
414-2	Negative social impacts in the supply chain and actions taken	→ Supply Chain CSR Survey

GRI 415: Public Policy 2016

Standard		Disclosure
415-1	Political contributions	→ ESG Data Collection (Governance) 

GRI 416: Customer Health and Safety 2016

Standard		Disclosure
416-1	Assessment of the health and safety impacts of product and service categories	→ Product Safety and Quality Assurance → Safety Examinations → ESG Data Collection (Governance) 
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A

GRI 417: Marketing and Labeling 2016

Standard		Disclosure
417-1	Requirements for product and service information and labeling	→ Management of Chemical Substances → Safety Examinations
417-2	Incidents of non-compliance concerning product and service information and labeling	N/A → ESG Data Collection (Governance) 
417-3	Incidents of non-compliance concerning marketing communications	N/A → Safety Examinations → ESG Data Collection (Governance) 

GRI 418: Customer Privacy 2016

Standard		Disclosure
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A

SASB Content Index

GRI Standards Content Index

SASB Content Index

This is an index of disclosed information in accordance with the SASB Standards, a framework for ESG disclosure published by the U.S. Sustainability Accounting Standards Board (SASB).
(The table below refers to the criteria for the Chemicals industry in the Resource Transformation sector and indicates where the relevant information is located.)

Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	UNIT OF MEASURE	CODE	Disclosure
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissionslimiting regulations	Metric tonnes (t) CO ₂ -e, Percentage(%)	RT-CH-110a.1	→ Scope 1 and 2 GHG Emissions
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	RT-CH-110a.2	→ Strategy
				→ Scenario Analysis
				→ Metrics and Targets
Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Metric tonnes (t)	RT-CH-120a.1	→ ESG Data Collection(Environment) 
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy	Gigajoules(GJ), Percentage(%)	RT-CH-130a.1	→ ESG Data Collection(Environment) 
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic metres (m ³), Percentage (%)	RT-CH-140a.1	→ ESG Data Collection(Environment) 
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Number	RT-CH-140a.2	→ ESG Data Collection(Governance) 
	Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	RT-CH-140a.3	→ Water Use and Prevention of Water Pollution
				→ Determining Dependencies and Impacts on Nature
				→ Assessing Water Risks
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Metric tonnes(t), Percentage(%)	RT-CH-150a.1	→ ESG Data Collection(Environment) 

TOPIC	METRIC	UNIT OF MEASURE	CODE	Disclosure
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	n/a	RT-CH-210a.1	→ CSR Local Dialogue Meeting
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Rate	RT-CH-320a.1	→ ESG Data Collection(Social) 
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	n/a	RT-CH-320a.2	→ Activity by Diverse Human Resources— Management Structure
				→ Improving Employee Health
				→ Prevention of Lifestyle-Related Diseases and Enhancement of Health Management
				→ Promoting Mental Health Care
				→ Promoting Anti-tobacco Policies
				→ Chemical Substance Risk Assessment in the Workplace
Product Design for Use-phase Efficiency	Revenue from products designed for usephase resource efficiency	Presentation currency	RT-CH-410a.1	—
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals(GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Percentage(%) by revenue, Percentage(%)	RT-CH-410b.1	—
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	n/a	RT-CH-410b.2	→ Product Safety and Quality Assurance
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Percentage(%) by revenue	RT-CH-410c.1	—
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	n/a	RT-CH-530a.1	→ Responsible Care Activities

TOPIC	METRIC	UNIT OF MEASURE	CODE	Disclosure
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Number, Rate	RT-CH-540a.1	→ Occupational Safety and Prevention of Industrial Disasters—Target(s) and What We Have Done/Are Doing
	Number of transport incidents	Number	RT-CH-540a.2	—

Table 2. Activity Metrics

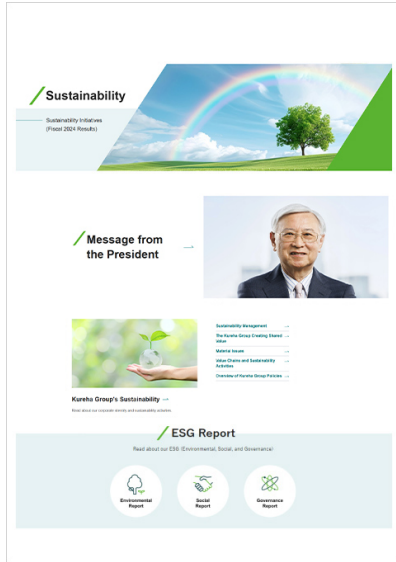
ACTIVITY METRIC	UNIT OF MEASURE	CODE	Disclosure
Production by reportable segment	Cubic metres(m ³) or metric tonnes (t)	RT-CH-000.A	—

Sustainability Report Archive

Here you can find our Sustainability activities and detailed data.

Latest Sustainability Report

Sustainability Report 2025



The PDF version of our Sustainability Website as of the end of August 2025 has the title "Kureha Sustainability Report 2025".

- The name of the website and the report will be changed to "Kureha Sustainability Website" and "Kureha Sustainability Report" beginning with the 2023 edition.

The Sustainability English site will be updated from time to time.

[Download](#)



[→ ESG Data Collection](#) 

Back Number

[→ Sustainability Report 2024](#)

[→ CSR Report 2022](#)

[→ CSR Report 2020](#) 

[→ CSR Report 2018](#) 

[→ CSR Report 2016](#) 

[→ CSR Report 2014](#) 

[→ Sustainability Report 2023](#)

[→ CSR Report 2021](#)

[→ CSR Report 2019](#) 

[→ CSR Report 2017](#) 

[→ CSR Report 2015](#) 

External Recognition

The Kureha Group is actively working to promote sustainability, anchored by the Kureha Group Corporate Philosophy. As a result, we have received the following recognition from outside the Company.

- ↓ Inclusion in ESG Indices
- ↓ Recognition by External Parties on ESG

Inclusion in ESG Indices

ESG Indices Selected by GPIF

- MSCI Japan Empowering Women (WIN) Select Index

This index, developed by the U.S.-based MSCI Inc., selects companies that promote women's advancement by calculating a score based on corporate disclosure materials related to gender diversity and publicly announced data from companies under the Act on the Promotion of Women's Active Engagement in Professional Life.

Kureha has been included in the index since 2023.

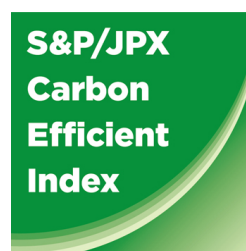
2025 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

- THE INCLUSION OF Kureha Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Kureha Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

- S&P/JPX Carbon Efficient Index

Developed by U.S.-based S&P Dow Jones Indices LLC and the Tokyo Stock Exchange (JPX), this index weighs companies based on their level of carbon efficiency and environmental information disclosure.

Kureha has been included in the index every year since 2018.



- Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J) (Excluding REITs)

This index was developed by U.S.-based Morningstar, Inc. utilizing Equileap's gender equality assessment methodology. Companies that are actively engaged in gender diversity are included in the index with higher investment weightings.

Kureha has been included in the index since 2023.

Other ESG Indices

- MSCI Japan ESG Select Leaders Index

Developed by U.S.-based MSCI Inc., this index selects companies that have been highly evaluated based on environmental, social, and governance (ESG) criteria.

Kureha has been included in the index since 2025.

2025 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

- THE INCLUSION OF Kureha Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Kureha Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

- SOMPO Sustainability Index

This index was developed by SOMPO Asset Management Co., Ltd. by combining SOMPO Risk Management Inc.'s assessment of each aspect of ESG with stock valuation. The index consists of approximately 300 Japanese companies with excellent ESG performance and has been adopted by several pension funds and institutional investors.

Kureha has been included in the index since 2013.

2025



Sompo Sustainability Index

Recognition by External Parties on ESG

Recognized as a Health & Productivity Management Outstanding Organization by the Nippon Kenko Kaigi

- Recognized as a Health & Productivity Management Outstanding Organization by the Nippon Kenko Kaigi

This is a program to recognize enterprises, from large corporations to small and medium enterprises, that practice particularly excellent health and productivity management based on their efforts to address local health issues and their promotion of Nippon Kenko Kaigi's health promotion initiatives.

Kureha has been recognized as a Health & Productivity Management Outstanding Organization (large enterprise category) every year since 2021.



Sustainability Site Editing Policy and Contents of the Report

[↓ Editorial Policy](#)

[↓ Contents of the Report](#)

Editorial Policy

GRI 2-14

The Sustainability Website will convey the Kureha Group's approach to sustainability issues and its initiatives with the aim of deepening the understanding of all stakeholders.

The information presented is based on the material issues decided on by the Board of Directors.

We put all types of numerical ESG data in the "ESG Data Collection" and work for comprehensive information disclosure.

The website as it is as of the end of August 2025, will be compiled in PDF format and archived as the "Kureha Sustainability Report" at the end of August.

The information in this report has been verified by the Chairman of the Sustainability Coordination Committee (Executive Vice President).

The Kureha Group announced its implementation of Responsible Care (RC) in 1995, and began publishing a Responsible Care Report to report on its RC activities. Starting in 2010, we combined the three categories of a Company's foundation, its social report, and its RC and environmental reporting into CSR activities, and started publishing these activities in our CSR reports. Since fiscal 2021, we have shifted from the traditional booklet-centric format to a CSR Site, and have been disclosing and disseminating information on the Group's various CSR activities. The name of the site was changed to Sustainability in FY2023. Past information is available in the archive.

Contents of the Report

Coverage (As of March 31, 2025)

GRI 2-2

Kureha Corporation and Group Companies

Kureha Corporation and Its 24 Consolidated Subsidiaries:

- | | | | | | | | | |
|-----------------|---|---|---|---|--|---|---|--|
| ○ | ■ | ■ | ■ | ■ | Kureha Corporation | ■ | ■ | Kureha Europe B.V. |
| | ■ | ■ | ■ | ■ | Kureha Trading Co., Ltd. | ■ | | Kureha GmbH |
| ○ | ■ | | | | Resinous Kasei Co., Ltd. | ■ | ■ | Kureha America Inc. |
| ○ | | ■ | | | Kureha Gohsen Co., Ltd. | ○ | ■ | Kureha PGA LLC |
| ○ | ■ | | | | Kureha Extron Co., Ltd. | ■ | | Kureha Energy Solutions LLC |
| | | | | ■ | Kureha Unyu Co., Ltd. | ■ | ■ | Kureha (China) Investment Co., Ltd. |
| | | | | ■ | Kureha Unyu Truck Co., Ltd. | | | |
| | | | | ■ | Kureha Ecology Management Co., Ltd. | ○ | ■ | Kureha (Changshu) Fluoropolymers Co., Ltd. |
| | | | | ■ | Himeyuri Total Work Co., Ltd. | ○ | ■ | Kureha (Shanghai) Carbon Fiber Materials Co., Ltd. |
| | ■ | | | | Kureha Construction Co., Ltd. | ○ | ■ | Kureha Vietnam Co., Ltd. |
| | ■ | | | | Kureha Denki Co., Ltd. | | | |
| | ■ | | | | Kureha Setsubi Co., Ltd. | | | |
| | ■ | | | | Kureha Koji Co., Ltd. | | | |
| | | | | ■ | Kureha Service Co., Ltd. | | | |
| | | | | ■ | Kureha Special Laboratory Co., Ltd. | | | |
| | | | | ■ | Kureha-kai Medical Corporation (Kureha General Hospital) | | | |
| ○ Manufacturing | ■ | | | | Advanced Materials | | | |
| | ■ | | | | Specialty Chemicals | | | |
| | ■ | | | | Specialty Plastics | | | |
| | ■ | | | | Construction | | | |
| | ■ | | | | Other Operation | | | |

Non-Consolidated Subsidiaries 3 Companies: Kureha Korea Co., Ltd., NIPPON MEDICAL WASTE MANAGEMENT, Sunshine Kureha Co., Ltd.

Special Subsidiary 1 Company: Sunshine Kureha Co., Ltd.

- Fortron Industries LLC, Keiyo Monomer Co., Ltd., Iwaki Sanso Center Co., Ltd., ELMECH ELECTRONICS INDUSTRIES CO., LTD., and Chemicals Kogyo are not included in the scope of this report because they are companies related to the equity method.

Reporting Period

GRI 2-3

In principle, the reporting time frame for Kureha's CSR activities is the same as its fiscal year (from April 2024 to March 2025). However, some sections of this report may refer to the calendar year (from January 2024 to December 2024) or activities after April 1, 2025.

Reporting Guidelines

GRI "Sustainability Reporting Standards"

→ [GRI Standards Content Index](#)

SASB (Sustainability Accounting Standards Board) Standards

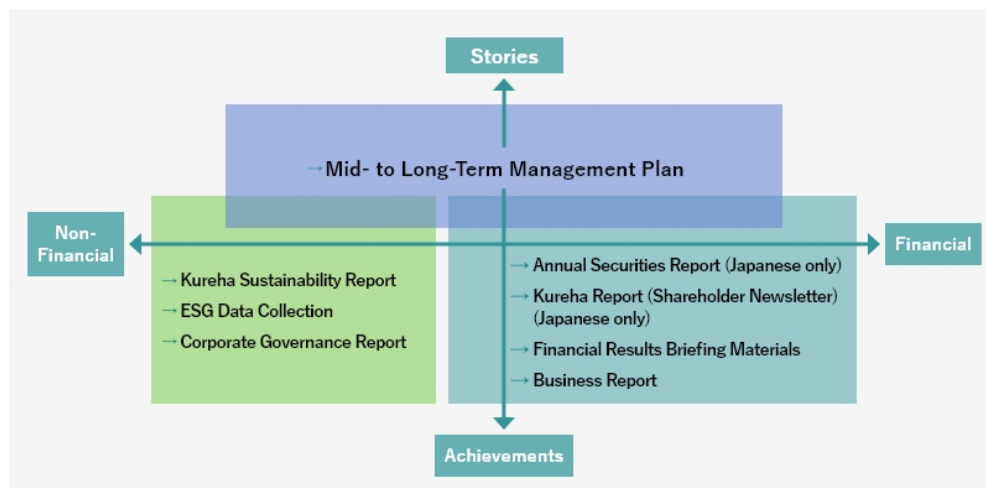
→ [SASB Content Index](#)

Ministry of Environment "Environmental Report Guidelines (2012 edition/2018 edition)"

Task Force on Climate-related Financial Disclosures (TCFD)

Disclosure Structure

In addition to this website, the Kureha website also discloses explanatory materials on financial results and Mid-to Long-Term Management Plan in the "Annual Securities Report" (Japanese only) and "Financial Results Briefing Materials".



Updates of the Sustainability English Site

GRI 2-3

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Disclaimer

This site and the Sustainability report include not only past and present facts about Kureha Corporation and Group Companies, but also forecasts of the future based on plans and outlooks at the time of publication and issuance. These forecasts are assumptions or judgments based on the information available at the time of writing and can be invalidated by unforeseen changes in conditions. The figures in the tables and graphs are rounded to the nearest unit. As a result, totals and breakdown totals may not agree. In addition, some of the figures in the tables and graphs have been revised from previous years due to changes in the target range and revision of the calculation method. Thank you for your understanding.



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