

# A Long History of Addressing Social Issues

Throughout its history, the Kuraray Group has continually sought to develop new technologies and markets, and has launched numerous pioneering businesses.

“For people and the planet—to achieve what no one else can.” Grounded in this mission, we have drawn on our creativity and resourcefulness to overcome technical challenges, giving rise to highly distinctive products that offer new value to society. These products have found widespread use throughout the world.

## A History of Addressing Social Issues and Advancing Economic Development through Business Activities

A look at some of the businesses and products that have helped to address social issues and advance economic development

Social issues and historical context

1926–

### Company founded with the aim of commercializing rayon, giving rise to Japan's first synthetic fiber, KURALON™ PVA fiber, and birth of a new business

Kuraray was founded in 1926 as Kurashiki Kenshoku Co., Ltd. in Kurashiki City, Okayama Prefecture for the purpose of commercializing synthetic rayon. In the 1950s, Kuraray became the first company in the world to commercialize PVA fiber, the first synthetic fiber made in Japan. These synthetic fibers replaced arboreous cotton, helping to ensure a sufficient supply of fabric for clothing and other daily commodities. Since then, we have launched a series of new businesses, including PVOH resin, CLARINO™ man-made leather, EVAL™ EVOH resin, isoprene chemicals, and dental materials, helping to address social issues and advance economic development through our business activities.

### Ensuring sufficient daily commodities, developing social infrastructure

- ◆ World War II
- ◆ Growth of heavy and chemical industry
- ◆ High economic growth period
- ◆ Oil crisis

1980–

### Creating highly functional synthetic fibers

We sought to diversify our business, focusing on the advantages of synthetic fibers, such as strength, weatherability, and resistance to chemicals. In 1983, we developed PVA fiber for cement reinforcement as a substitute for asbestos, which poses a danger to health, and entered into a long-term export agreement with Eternit (Schweiz) AG in Switzerland. We then developed VECTRAN™ liquid crystal polymer fiber, newly adding it to our product lineup of core fiber materials. In these and other ways, we worked to shore up the comprehensive strengths of the industrial materials business and speed up market development.

### Making life more convenient and more comfortable

- ◆ Plaza Accord
- ◆ Deregulation of telecommunications sector, privatization of national railways
- ◆ Flourishing of the electronics industry
- ◆ Bubble economy

1990–

### Growth of telecoms business, overseas expansion of chemicals and resins businesses

As the spread of the Internet and mobile phones were changing the way people lived, we developed VECSTAR™ liquid crystal polymer film, which supports faster communications. In 1999, we commercialized GENESTAR™ heat-resistant polyamide resin, anticipating brisk demand for use in electrical and electronic components for computers and mobile phones as well as automotive components. Meanwhile, in our chemicals and resins businesses, backed by strong product appeal, we increased sales overseas, expanded market share, and built a global production framework.

### Spread of the Internet, lifestyle changes

- ◆ Bursting of bubble economy
- ◆ Spread of Internet and mobile phones
- ◆ Adoption of Kyoto Protocol

A look at some of the businesses and products that have helped to address social issues and advance economic development

Social issues and historical context

2000–

**Development of environmentally friendly products, expansion of vinyl acetate business through acquisitions**

In response to mounting global awareness of environmental issues, in the United States we started full-scale operation of a newly completed production line for SEPTON™ thermoplastic elastomer, used as a substitute for vulcanized rubber and vinyl chloride. In the vinyl acetate segment, we reinforced the value chain and scaled up the business through overseas acquisitions. Due to these measures, the Kuraray Group's unique technologies and products found widespread use throughout the world, leading to dramatic growth in the ratio of overseas sales.

**Globalization, mounting environmental awareness**

- ◆ Izanami Boom (2002–2008 economic expansion period in Japan)
- ◆ Flourishing of IT and venture companies
- ◆ Global financial crisis

2010–

**Expansion of businesses, products that contribute to the natural and living environments**

Through ongoing overseas acquisitions and alliances, we achieved the global expansion of businesses and products that contribute to the natural and living environments, including activated carbon that aids in water and air purification, and PLANTIC™ biomass-derived gas barrier material that helps lower the logistical burden and reduce food loss.

**Realizing a sustainable society**

- ◆ World population surpasses 7 billion
- ◆ Paris Agreement
- ◆ SDGs adopted by UN
- ◆ Spread of COVID-19

2022–

**Business portfolio emphasizing social and environmental value alongside economic value**

Our Mission sets target fields for social issues needing to be addressed to achieve sustainable growth, in light of macro trends. Meanwhile, we aim to build a more sophisticated business portfolio by using the two axes of social and environmental value and economic value to assess our businesses. We are channeling resources into strategic businesses such as water-soluble PVOH film, EVAL™ EVOH resin, carbon materials, dental materials, highly functional plastics, and optical-use poval film.

**Positioning efforts to address social issues as an engine for growth**

**Net Sales in Japan and Overseas**

Net Sales (Billions of yen)

