People

Corporate Statements

The Kuraray Group Code of Conduct

TOP STATEMENT

Sustainability Long-term Vision and Sustainability Medium-term Plan

Materiality of Kuraray Group

Planet

Product

People

Occupational Safety and Process Safety

Activities at Workplaces

Interaction with Society

Sustainability Medium-term Plan for People

Governance

GRI Standards Content Index

Kuraray Report (integrated report) / Sustainability website

Initiatives, etc.

People priority measures in the Sustainability Medium-Term Plan

People			Benchmarks	2024	2026
Occupational Injury	A、B rank injuries ※1		2021：3cases	0 case	0 case
	Frequency rate of all occupational injuries ※2		2021：2.89	1.7 or less	1.3 or less
Process Accident	A, B, C rank accidents ※3		2021：3cases	0 case	0 case
	D1, D2 rank accidents ※3		2021：7cases	3 cases or less	3 cases or less
Diversity and Inclusion	Global measures		—	• Human resource development from a long-term perspective and promotion of global mobility • HR measures to promote diversity (personnel database, personnel recruitment, etc.)	
	Ensuring Diversity of Core Human Resources (Japan ※4)		End of September 2021：12%	16%	20%

Targets for 2022

People			2022
Occupational Injury	A、B rank injuries ※1		0 case
	Frequency rate of all occupational injuries ※2		2.0 or less
Process Accident	A, B, C rank accidents ※3		0 case
	D1, D2 rank accidents ※3		3 cases or less
Diversity and Inclusion	Global measures		• Human resource development from a long-term perspective and promotion of global mobility • HR measures to promote diversity (personnel database, personnel recruitment, etc.)
	Ensuring Diversity of Core Human Resources (Japan ※4)		13%

※ 1　Classification by Kuraray's original occupational injuries evaluation index: severe A > B > C > D light.
※ 2　The number of all occupational injuries per million working hours, including occupational injuries that did not result in lost time.
※ 3　Classification by Kuraray's original process accidents evaluation index: severe A > B > C > D1 > D2 light.
※ 4　Japan excluding Production sites.

Occupational Safety and Process Safety	Activities at Workplaces
Interaction with Society	Sustainability Medium-term Plan for People

Activities at Workplaces

The Kuraray Group consists of employees from various nationalities and backgrounds, and the active participation of all diverse members is crucial to the long-term and sustainable improvement of corporate value.
We have developed basic policies that will guide each company in Kuraray Group to follow and to establish HR policies, systems, and work environments that enable all employees in the Group to contribute to the growth of the company and, at the same time, to pursue their personal growth and happiness through their jobs, regardless of the work they are involved in or where they are located.

The Kuraray Group Global HR Policy

1) We will respect human rights of individuals.

Based upon our Philosophy, "Respect for Individuals", we will respect the individual and the human rights of all people working in the Group. Any abuse of human rights, such

as sexual harassment, bullying, child labor, forced labor and so on, will not be tolerated. We will also strive to prevent any direct or indirect complicity in or turning blind eyes to the conducts that may infringe on human rights.

2) **We will abolish discrimination and respect diversity and individuality.**
In all aspects of HR activities, including hiring, treatment, personnel development, assignment and evaluation, no discrimination based upon individual attributes such as race, nationality, age, gender, gender identity, sexual orientation, religious beliefs, shall be allowed. We will esteem and promote diversity that accepts the personal traits, culture and worldview of people from various nations.

3) **We will comply with applicable laws and regulations. We will create and carry out HR systems that uphold equality, fairness and transparency.**
We will strictly comply with applicable laws and regulations of each country. Based upon our Philosophy, "Respect for Individuals", we will give full consideration to equality, fairness and transparency in creating and carrying out HR policies and practices.

4) **We will promote dialogues with all people working in the Kuraray Group to build constructive relations.**
We respect the freedom of association and expression, and will build good relationships with people working for the Kuraray Group through direct and indirect dialogues to create an open workplace culture and environment.

5) **We will strive to improve the environment of workplaces.**
From the perspective of occupational health and safety, we will strive to maintain working environments that enable people to work safely and with regard for their physical and mental health.

6) **We will employ personnel who are able to contribute to the development of the Kuraray Group.**
We will employ people who possess a sound sense of morals and ethics, as well as the desire, skill and knowledge to make significant contributions to the development of the Kuraray Group.

7) **We will place the right person in the right job.**
We will place each individual in its right job, in due consideration of capabilities, knowledge, suitability and skill development, with an aim to maximizing operational contributions and job satisfaction.

8) **We will maintain an evaluation and benefits systems that is fair and transparent.**
We will maintain an evaluation and benefits system that is fair and transparent to employees, with a focus on job content, contribution, performance and attitude through dialogue with evaluators.

9) **We will support professional development.**
We will provide an appropriate level of support for job skill and personal career development through performance of individual works.
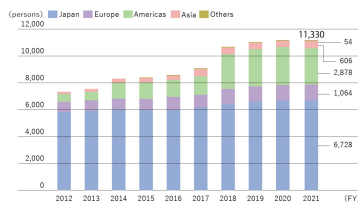
10) **We will maintain appropriate levels of disclosure of business information and protect privacy.**
We will provide appropriate levels of disclosure of business information so that all Kuraray Group personnel can perform their duty proactively with a sense of unity. We will comply with all relevant laws and regulations regarding the handling of personal information and strive to prevent the loss or leakage of information.
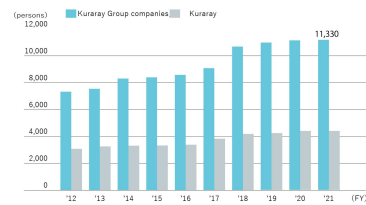
Number of Employees

Number of Employees As of December 31, 2021			
	Total	Male	Female
Kuraray Group as a whole	11,330	9,209	2,121
Kuraray only	4,212	3,687	525

Trends in Number of Employees by Region

(persons) ■Japan ■Europe ■Americas ■Asia ■Others
12,000

11,330
10,000
54
606
8,000
2,878

6,000
1,064

4,000

2,000
6,728

0
2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 (FY)

Trends in the Number of Employees

(persons) ■Kuraray Group companies ■Kuraray
12,000

10,000
11,330

8,000

6,000

4,000

2,000

0
'12 '13 '14 '15 '16 '17 '18 '19 '20 '21 (FY)

Employee Turnover Rate (Kuraray Co., Ltd.)

Employee Turnover Rate (Kuraray Co., Ltd.) FY2021

	Number of Employee Turnover	Turnover rate
Personal reasons	70	1.66%
Retirement	56	1.33%

Talent Development

The Kuraray Group operates a training scheme at each Group site in accordance with its global personnel policy. The program is designed to support acquisition of the knowledge and skills required for jobs and career-building efforts by employees themselves.
The Kuraray Group also operates a Global Talent Development Program aimed at continuously cultivating global talent.

In Japan, Kuraray Group plants and companies plan and implement their own talent development programs and provide their employees with finely tuned support for skill development and career-building. Training is open to regular as well as part-time and contract-based employees.
   We also have an incentive system under which we furnishe grants for acquisition of certain public qualifications by employees for their own self-improvement.

In 2020, we launched the talent development project Kuraray PRIDE as a mechanism to strengthen our business creation capabilities. The project includes workshops to think about new business creation, training exchanges with other companies, and classes in which employees introduce Group divisions, among other content. Some lectures are filmed and translated into English for sharing with the entire Group.

Kuraray Company-wide Training System

Category	Programs
Hierarchical training	New employee/young employee training New hire training Production field basic training Year 2 follow-up training
	New employee/young employee follow-up system New Adviser system Mentor system
	Training for promoted personnel
Selective training	Executive and manager candidate development program
	Global talent development program
	Production field leader training (Basic) Production field leader training (Specialist) Production field master training
Business skill/Mindset training	"Kuraray PRIDE" to strengthen business creation capability ・Classes to learn about Kuraray's history and its products ・Classes to put business creation into practice ・Classes on marketing ・Joint training with other companies
	Interpersonal communication skills training
	Assessor training
	Education on digital transformation skills
	Education on compliance
	Education on labor management
	Education on intellectual property
	Program per job type
Self-selective training	Autonomous Learning Program for Achieving Career Development (ALPACA) ・Capability assessment ・Attending outside business schools ・Online courses
	Language training programs
	Education by correspondence, e-Learning
	MBA scholarship programs
Career support training	Training for career design by self
	Career advisor system

Mechanism to Support Autonomous Career Development

The Kuraray Group has a mechanism to support career self-development. Its aim is to create an organization in which individual employees actively tackle their career development and engage in work enthusiastically. Part of the scheme involves training for employees on designing a career. Three age groups are covered: employees who joined the Company three years prior, employees in their forties, and employees in their fifties.

Since the program was launched in 2015, 800 people have received the training.
After the training, trainees are interviewed by an in-house career advisor and receive support to attain their career goals.

Global Talent Development Program

The Kuraray Group launched a Global Talent Development Program starting in 2007, to foster personnel who can actively play a part on the global stage. Over 900 persons globally have attended in the 14 years up to 2021.

Global Team Training (GTT) is a prominent example of our training, aimed at developing global leadership among section manager class personnel, and has been held 19 times with approximately 370 attendees. The network of training alumni offers significant contributions

toward promoting group-wide communication that goes beyond national borders.

Our trainee program is another successful example, where we send young employees between Japanese and overseas companies for a three-month period. More than 100 people have participated, and many of them have been engaging in achievements as global talent later, such as being stationed abroad.

Time Spent on Competence Development

The chart below shows the time our employees have spent in competence development each year (Kuraray Co., Ltd.).

	2017	2018	2019	2020	2021
1) Total hours employees spent in competence development	269,012	283,142	299,920	278,538	259,525
・Hierarchical Training	28,843	30,661	41,279	37,761	34,421
・Selective Training	5,442	5,705	7,237	8,379	7,181
・Global talent development program	7,656	9,754	11,678	5,402	7,358
・Business skill / Mindset training	59,261	65,705	60,443	50,648	45,077
・Self-selective training	24,068	20,408	24,320	35,486	28,028
・Career support training	4,557	4,904	6,364	3,136	3,696
・Trainings in divisions	139,185	146,006	148,599	137,726	133,764
2) Average hours spent per employee	57.2	58.2	60.0	55.3	51.9
3) Average days spent per employee	7.4	7.5	7.7	7.1	6.7

Establishing a Consistent Talent Infrastructure across the Group

We are working to develop a consistent talent management infrastructure for the Kuraray Group. Our aim is to optimize talent utilization globally so that both individuals and the organization can reach their full potential.

Introducing a Shared Global Personnel and Talent Information System

In 2017, we introduced a personnel evaluation and human resources information system shared globally across the Group. With this system, we aim to implement basic talent management on a global basis: (1) setting business goals and evaluating employees based on these goals, (2) supporting skills and career development, and (3) identifying outstanding talent and considering rotation, optimal placement, and succession planning.
Along with this, we introduced Kuraray Competency 5x5, a set of behavioral indicators shared globally across the Group. The indicators are used to evaluate personnel and guide skills development. In addition, the Group has organized the different qualification grades of each company into global grades based on job size. The grades are used for personnel assignments and for the selection of participants for talent development programs.

A Fair and Equal HR System

Kuraray and its Group companies have instituted a personnel evaluation system in which elements such as improvement of job execution capabilities, performances, roles, and the spirit to tackle demanding targets (as opposed to seniority or personal factors) are reflected in

remuneration. We have adopted a target management system in which supervisors and subordinates meet to set targets for job responsibilities and skill development and evaluate performance. We also provide ongoing training for evaluators.

We will continue to review wages, allowances, bonuses and work systems to further enhance people's understanding of the employee treatment system.

Diversity and Inclusion

In our Medium-Term Management Plan "PASSION 2026," we set a diversity and inclusion goal of becoming "a company where each employee in a diverse workforce works enthusiastically and tackles challenges without fear of failure, generating a succession of innovations while responding to change and continuing to grow." The Group provides support through the development of various policies and systems and by promoting a change in awareness to enable diverse personnel to maximize their abilities and contribute to their own growth and the growth of the Group.

・Establishing Basic Principles of Diversity and Inclusion

In 2021, we formulated Basic Principles for Diversity and Inclusion shared globally across the Group.

The principles define equality, diversity, and inclusion for the Group. They also stipulate the prevention of discrimination and outline the roles of the company, human resources, and employees in creating a vibrant workplace and culture. We will implement specific actions to instill these principles and promote diversity.

・Supporting Women's Career Advancement

In Japan, in particular, we recognize the career advancement of women as a priority area of diversity and inclusion. Our ongoing efforts focus on three areas: hiring more female employees, expanding their scope of work, and supporting their further active participation. We began training for managers with female subordinates in 2019. In 2020, we launched career training for female head office employees and roundtable discussions with female managers of other companies. In 2021, we started a program of exchanges between female employees working at our plants.

・Developing a Childcare and Family Care Leave System

Kuraray has a framework in place to help employees provide childcare and family care. Considering the time required to enroll children in a day-care center, employees are able to take the childcare leave until the child's second birthday if necessary. We recommend that male employees take childcare leave to encourage fathers' greater involvement in child rearing. To help employees balance work and family care, in addition to establishing a family care leave system, we also provide employees with basic knowledge about caring for family members.

Employee Use of Childcare and Family Care Leave System (Kuraray)

Employee Use of Childcare and Family Care Leave System (Kuraray)			
year	Childcare	(of which, male employees)	Family care
2019	60	39	0
2020	84	58	1
2021	93	60	4

・System Allowing Employees to Take Temporary Leave from Duty to Live Abroad with Spouse Assigned to Overseas Post

A system has been established and implemented allowing employees to take a temporary leave

from the duty to accompany their spouse who is assigned to an overseas post or in a similar circumstance. Those employees who take a temporary leave from the duty are allowed to return to their posts in the Kuraray Group when the overseas assignment of their spouse terminates or when the similar circumstance ends.

・"Come-back" Rehiring System

In addition to the system to rehire employees after family care leave and the system to rehire employees who retired for personal reasons for those who wish to work at Kuraray again, we newly launched the "Come-back" rehiring system through the Kuraray Alumni Network and other channels in 2019. Our doors are wide open to employees so they can thrive at Kuraray again by drawing on their experience outside the Company on top of their career at Kuraray.

・Efforts to Support LGBT employees

In the Basic Principles of Diversity and Inclusion, the Kuraray Group declares that it will not discriminate against any employee on the basis of sexual orientation, and that we will create a working environment in which all employees cooperate. To achieve this, we hold seminars for HR personnel to learn about responding appropriate to diverse employees and establish a comfortable workplace. In harassment training for managers, we call for the prohibition of discrimination or harassment due to sexual orientation.

・Employment of Persons with Disabilities

We continue to meet the statutory employment rate for persons with disabilities: The rate for Kuraray in June 2021 was 2.39%. We are also working to improve and share knowledge about persons with disabilities. We have set up facilities to employ people with intellectual disabilities in collaboration with local social welfare facilities at four plants in Japan, and hold seminars and information exchange meetings for facility supervisors.

Initiatives for Work-style Reform

Kuraray is promoting work-style reform to establish a working environment where each and every employee can work in good physical and mental health while striking a balance between work and private life and in turn, deliver results.

・Flexible Work-style

In an aim to enhance productivity and achieve work-life balance, Kuraray introduced a telework program in 2018, a conventional flextime system in 2019, and an hourly flextime system in 2020. In 2022, Kuraray is planning to expand the scope of employees eligible for these systems and revise them to improve convenience.

・Efforts to Curb Long Working Hours

To support employees' proactive efforts towards improved productivity, Kuraray implemented an initiative from 2019 to 2021 that gave employees the equivalent of compensation for their reduced overtime hours in their bonuses.

We also implement "training on high-intensity work technique to improve productivity" for employees to enhance productivity by reviewing how they carry out their work. Another initiative is "no overtime work week," in which each person declares a particular week as their "no overtime work week" and tries to leave work on time. This is based on an awareness of issues where "no overtime work days" would sometimes result in increased overtime on adjacent days, and was launched with the aim of improving efficiency in work arrangements and establishing a habit of leaving the workplace without engaging in overtime work.

・Appropriate Working Hour Management

Kuraray is developing the infrastructure for a work attendance management system. The system is used for appropriate work hour management by enabling employees to register working hours accurately so that we can identify any discrepancies with the uptime of PCs of all employees who use a PC including managers. The system will flag any departments with overtime work exceeding a certain number of hours so they can work on reducing overtime work by preparing a working hour improvement plan to mitigate long work hours in addition to health support such as having industrial physicians and other professionals interview the personnel whose overtime work exceeded the set standard.

   Kuraray has also established and operates the work-interval guidelines that states employees must take more than a certain number of hours as an interval (10 hours or more) between the end of the previous work day and the beginning of the next work day.

・Efforts to Promote Paid Holidays

As a result of efforts to improve the rate of taking annual paid holidays, targeting 80% or more, we achieved a rate of 85.0% in 2021. Kuraray will continue its efforts to maintain and improve the rate in 2022 onward.

・Initiatives at Overseas Bases

Also at Kuraray's overseas bases, efforts are being made to carefully manage working hours and secure employees' private time based on the laws of each country. In 2021, looking to the post-pandemic era, we established a system that incorporates working from home into our normal operations, while also considering the communication benefits of working at the office.

Scheme for Management of Healthy Minds and Bodies

・Basic Policy for Occupational Health

Based on the Kuraray Group Human Resource (HR) Policy, Kuraray has stipulated the Occupational Health Action Policy to promote occupational health promotion activities. The Director responsible for Administrative Unit, who is in charge of occupational health activities, attends the Central Council on Occupational Safety held every year, where attendees from both labor and management discuss the current situation and issues in occupational health activities, which are to be reflected in next year's activities.

<Occupational Health Action Policy>

1. Kuraray shall develop internal mechanisms and systems to maintain and improve employees' health and support employees so that each and every employee raises his/her awareness and take action regarding health.

2. Kuraray shall provide a safe, reliable and comfortable work environment for employees, secure their health and will always be considerate of the health condition of employees.

3. Kuraray shall ensure that it handles and manages the personal information including health information appropriately and promote health management in compliance with laws and regulations.

The Troisdorf site of Kuraray Europe GmbH and the Legnago and Rho sites of Chemviron Italia S.r.l. have been certified ISO45001, which is an international standard for the Occupational Health and Safety Management System.

・Mental Health Care Schemes

Kuraray has four care schemes including schemes for self-care and line care in an effort to reduce mental disorders. Kuraray has implemented and is promoting a stress check, training for the prevention of mental or physical disorders, a consulting system such as counseling, and a work attendance system allowing employees in a rehabilitation program to work on a time schedule suiting their rehabilitation programs when they return to their workplaces.

・Schemes to Prevent Harassment

Kuraray is striving to ensure employees' mental health and improve the working environment through schemes to prevent many forms of harassment, with a focus on power harassment (abuse of authority) and sexual harassment. Kuraray promotes measures including training sessions to prevent incidents of harassment, activities to utilize the results of stress checks and other tests, and work to reinforce our counseling desk system. Anti-harassment training is held at Kuraray Group companies inside and outside Japan, and all managers and supervisors (around 470 in 2020 out of around 900 in scope) have taken the course at Kuraray Co., Ltd. The anti-harassment training includes the topic of discrimination. Training for general staff started in 2021 and all employees required to undergo training have done so.

・Support for Health Improvement

Enhancement of health awareness of employees is promoted through personal guidance on health, promotion of health improvement campaigns and other means. "Health Improvement Operation" is carried out companywide urging employees to voluntarily work on improving their lifestyles as countermeasures against metabolic syndrome. In addition to requiring employees to set targets for exercising, they are provided specific health guidance as individual measures. The ratio of employees who received specific health guidance is 48.9% (2020). Health checkups featuring checkup items surpassing those required by laws are provided so that we can find employees at an early stage who need to improve their health.

In 2020, we held online exercise promotion seminars for Group company employees and their family members nationwide in Japan as a measure to tackle the lack of exercise due to self-quarantining amid the COVID-19 crisis.

About Us

Corporate Overview

Message from the President

Corporate Statements

Executives

Organization Chart

History

Awards and Accolades

Main Group Locations

Corporate Profile Video

covid19

Product Information

Search by Business

Search by Product Name

Search by Key Word

R&D

Basic Policy

Technologies and Products

Organization

Progress

Highlights

Sustainability

Corporate Statements

Kuraray Group Code of Conduct

Kuraray Group Human Rights Policy

TOP STATEMENT

Sustainability Long-term Vision and Sustainability Medium-term Plan

Materiality of Kuraray Group

Planet

Product

People

Governance

GRI Standards Content Index

Kuraray Report (integrated report) / Sustainability

Investor Relations

Management Policies

IR News

Learn about Kuraray

Results and Financial Information

IR Library

Stock Data

IR Calendar

FAQ

website

Initiatives, etc.