

Corporate Statements

The 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

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Respect for Human Rights

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Culture (Health Management, D&I, Diverse Work Styles, etc.)

Talent Acquisition and Placement

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Kuraray Report (integrated report) / Sustainability website

Initiatives, etc.

People

"PASSION 2026" Priority Issue Targets and Fiscal 2024 Results

		Benchmarks	FY2024		FY2025	FY2026	After FY2027
			Targets	Results	Targets	Medium-Term Plan	Medium-to long-term plan
Occupational injury	A and B rank occupational injuries ^{*1}	2021 3 cases	Zero	4 cases	Zero	Zero	—
	Frequency rate of all occupational injuries ^{*2}	2021 2.89	1.8 or less	2.32	1.6 or less	1.3 or less	—
	A, B, and C rank accidents ^{*3}	2021 3 cases	Zero	4 cases	Zero ^{*4}	Zero ^{*4}	—
Process safety	D ₁ and D ₂ rank accidents ^{*3}	2021 7 cases	3 cases or less	21 cases	3 cases or less	3 cases or less	—
	Diversity and inclusion	Global measures	—	- Develop personnel database and promote personnel recruitment - Promote global mobility	- Established project for database creation - Put in place short-term overseas assignment system	- Develop personnel database and promote personnel recruitment (To visualize human resource status, leverage resources efficiently) - Promote global mobility (To expand career opportunities, invigorate human resource exchanges)	—
	Ensuring diversity of core human resources ^{*5}	End September 2021: 12%	16%	18%	—	20%	2030: 25%

^{*1} Evaluation ranking of occupational injuries using Kuraray's proprietary system. Four ranks in order of seriousness: A > B > C > D.

^{*2} Frequency rate of all occupational injuries: Number of all occupational injuries (lost time and no lost time injuries) per million working hours.

^{*3} Evaluation ranking of process accidents using Kuraray's proprietary system. Five ranks in order of seriousness: A > B > C > D₁ > D₂.

^{*4} From fiscal 2025, in addition to zero process accidents in ranks A, B, and C, we will work toward the Medium-Term Plan target of also achieving zero process troubles in ranks A, B, and C.

^{*5} Ratio of managers in Japan who are women, foreign nationals and mid-career hires, excluding production sites

Respect for Human Rights

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Sustainability Medium-term Plan for People

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Culture (Health Management, D&I, Diverse Work Styles, etc.)

- [▽ Health Management](#)
- [▽ Diversity and Inclusion](#)
- [▽ Diversification of Work Systems and Initiatives for Work-style Reform](#)
- [▽ Other Data](#)

Health Management

Kuraray Group aims to promote a culture in which every employee pursues his or her own potential and takes on new challenges in order to sustainably increase corporate value. For this purpose, we believe it is essential to keep our employees physically and mentally fulfilled, positive and energetic. To clarify this belief, we have established the Declaration of Health Management.

We will continue to promote diverse initiatives to maintain and improve good health of our employees.

Declaration of Health Management

We declare the following in accordance with " Kuraray Group Global Human Resources Policy ".

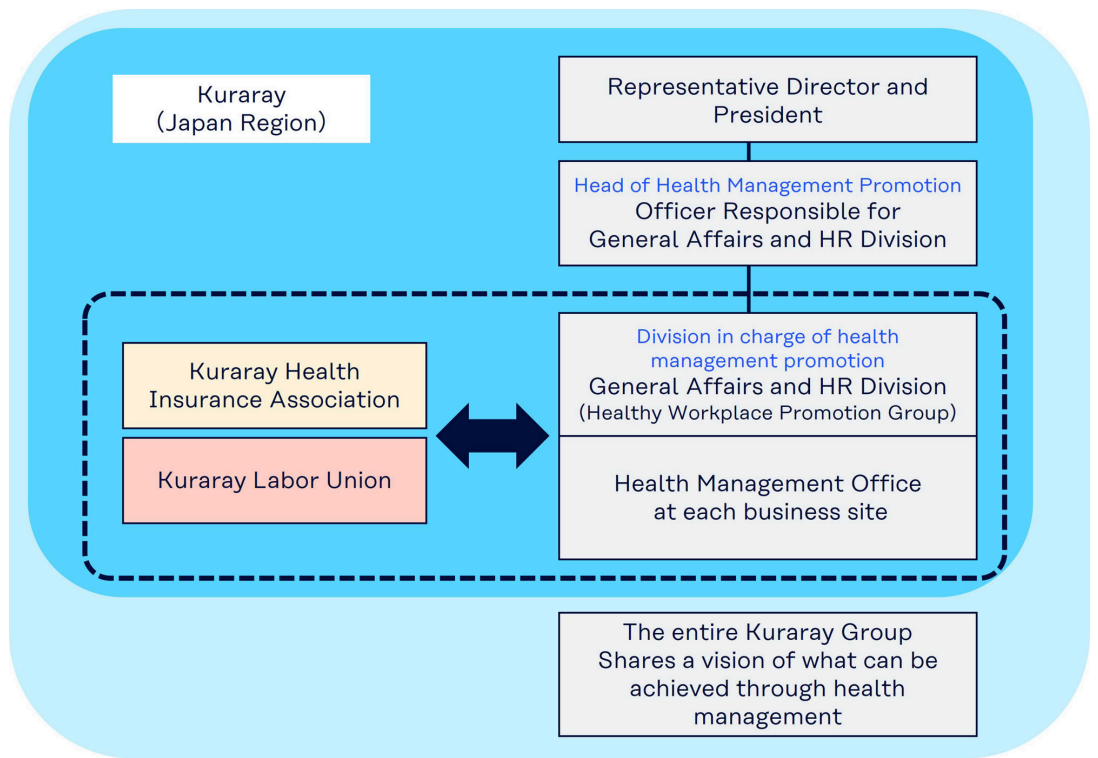
Kuraray Group Declaration of Health Management (established in April 2025)

Kuraray Group keeps challenge of realizing our corporate mission, "For people and the planet—to achieve what no one else can."

Therefore, we are committed to supporting the maintenance and improvement of the good health of each employee and to creating a vibrant and rewarding workplace.

Hitoshi Kawahara,
Representative Director and President

Health Management Promotion Structure



Specific measures to maintain and improve good health of employees are promoted in collaboration with the Healthy Workplace Promotion Group at the head office and the Human Resources and Health Management Office at each business site. These members discuss priority issues based on the results of implementation at each business site every year. In addition, the direction of initiatives on employee health issues and the results of various surveys such as engagement surveys and stress checks are reported and discussed as needed at the HR Committee attended by executive members.

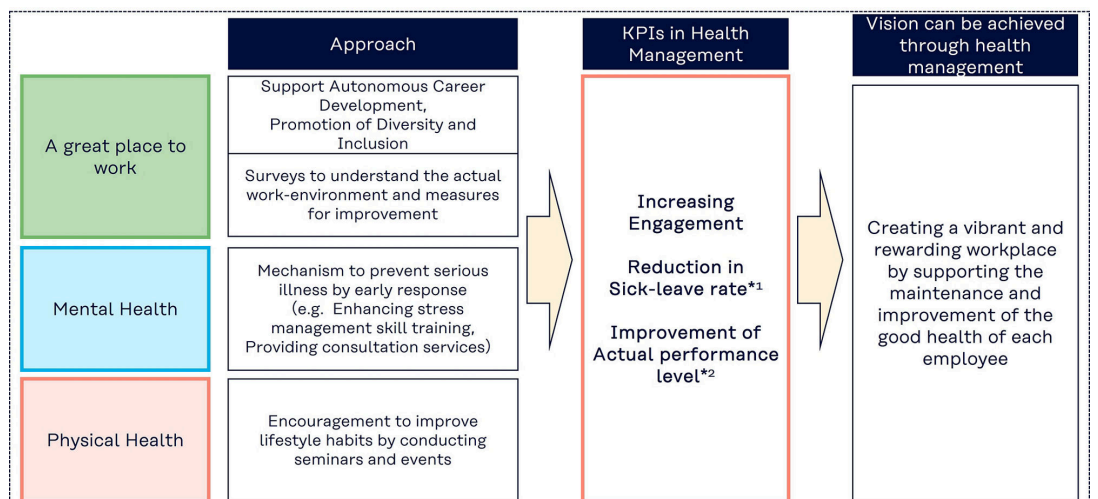
Furthermore, when considering measures, the company aims to promote more effective initiatives by working not only with the company, but also with the Kuraray Health Insurance Association, which promotes collaborative health insurance projects, and the trade unions, which exchange opinions on workplace environment and health measures on a daily basis.

The Kuraray Group shares a common vision of what it hopes to achieve through health management, and Group companies are stepping up their efforts by implementing initiatives according to their own circumstances, as well as organizing seminars and health promotion events in collaboration with Kuraray.

Strategy Map

We organized the initiatives and performance indicators (KPI) to realize the vision set forth in the "Health Management Declaration" as the strategy map.

We believe that in order to realize health management, it is necessary to implement measures to address the three aspects, A great place to work, Mental health, and Physical health.



*1 Same as "Absenteeism"

*2 Calculated by subtracting "presenteeism" (percentage of inability to perform due to illness) from the maximum condition =100

Health Management KPI Results

	2022	2023	2024
Engagement survey score	57.0	60.0	60.0
Sick leave rate*1	1.01%	1.11%	1.51%
Actual performance level*2	64.9%	64.7%	64.8%

*1 Same as "Absenteeism". Calculated by the number of days of absence from work due to illness (including annual paid leave)/by the total number of working days in a year.

*2 Calculated by subtracting "presenteeism" (percentage of inability to perform due to illness) from the MAX condition (100). "Presenteeism" measured by the method of WHO-HPQ.

[A great place to work]

- [Support Autonomous Career Development](#)
- [Promotion of Diversity and Inclusion](#)
- [Work-style Reform](#)
- Harassment Prevention

In order to create a healthy and vibrant work environment, we have various anti-harassment initiatives. Specifically, we continuously conduct activities such as understanding the actual harassment situation through stress check survey, conducting harassment prevention training for all employees including contract employees, preparing a various harassment consultation counter, and providing training for internal contact persons.

[Mental Health]

To reduce mental illness, we believe that in addition to initiatives for creating "A great place to work", it is important to have a mechanism to prevent serious illness by early response. For this purpose, we provide following programs: self-care training and line-care training (for managers) conducted at each business site; interviews between highly stressed employees and health offices; and contracting with external consultation services. In addition, A rehabilitation work system is in place to support employees who return to work from sick leave in cooperation with related department.

[Physical Health]

We are working to improve employees' health awareness through individual health guidance and promotion of exercise habits. The following are the priority measures taken in 2024.

1. Anti-metabolic syndrome Activities: "Health Improvement Operation", in which employees are required to set targets for exercising, is carried out companywide urging employees to voluntarily work on improving their lifestyles. In addition, health checkups that exceeded the legal requirements were conducted in order to identify employees who need improvement at an early stage.
2. Anti-smoking Activities: Measures were implemented according to actual conditions of each business site, such as introducing non-smoking hours, restricting smoking areas, and conducting seminars.
3. Sleep Improvement Activities: Since sleep deprivation and sleep disorders have a significant impact on quality of life and productivity of work, we have begun providing information through seminars to improve the quality of sleep of employees.
4. Improvement of drinking habits Activities: Since heavy drinking may cause mental and physical problems, we began to educate employees by distributing leaflets and conducting seminars, as well as conducting individual interviews with the target employees, as an effort to improve their drinking habits.

Accreditation from outside the company

Kuraray has been accredited from METI (the Ministry of Economy, Trade, and Industry in Japan) as a KENKO Investment for Health under the large enterprise category since 2022. Moreover, 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.

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 promotes 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, HR personnel, and employees in creating a vibrant workplace and culture. We will implement specific actions to instill these principles and promote diversity.

• **Engagement Survey**

The Kuraray Group has unified the surveys previously conducted by each affiliate company individually and has been conducting the global engagement survey, “Our Voice” once a year since 2022. We view engagement as “a relationship between employees and the company in which the direction of the company resonates with them and they want to contribute to each other.” We monitor the status of employees’ understanding and application of the company values, trust in their superiors and executives, and job satisfaction. The results are shared with all employees, including executives and division managers, and are used to improve departmental management and better communication in order to increase engagement and revitalize the organization.

• **Supporting Women’s Career Advancement**

Based on the idea that collaboration among diverse personnel leads to the creation of new ideas and innovations, we are working to create an environment where female employees can play an important role. This includes organizing networking events for female employees working at our domestic plants and creating communities where they can easily discuss their unique concerns and questions. As a foundation for this, we use the percentage of female in new graduates as an indicator to measure the progress of diversity of the workplace environment.

KPI	Targets	FY2024 Results
Ratio of female among new graduates		
a) General Career Track	35% more or every year (By FY2026)	22%
b) Job/Location-Specific Track	10% more or every year (By FY2026)	13%

• **Initiatives to support LGBTQ**

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 are conducting seminars for HR personnel to learn about appropriate responses to those involved and creating a comfortable workplace. Additionally, during harassment training, we are advocating for the prohibition of discrimination and harassment based on sexual orientation.

Diversification of Work Systems and Initiatives for Work-style Reform

Kuraray is promoting diversification of work systems and 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 2023, we implemented policy revisions to enhance convenience, including expanding the scope of employees eligible for these systems and introducing coreless working hours, which allow employees to work outside core hours under certain conditions.

In addition, the handling and operation of approval for dual employment has been reconsidered, and a system has been established to allow employees who wish to work concurrently to take on challenges outside of their main job based on certain rules.

• **Appropriate Working Hour Management**

Kuraray is developing 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.

• **Initiatives to Reduce Long Working Hours**

Kuraray has 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.

In addition, as a result of taking into consideration the work-life balance of employees in the context of the revised Child Care and Family Care Leave Act (for male employees taking childcare leave) and other factors, since it is possible that we will face personnel shortages in some areas, we will provide necessary personnel backup.

Furthermore, we will secure personnel by calculating the appropriate number of employees in each department, so that workplaces can operate without disruption within appropriate working hours. We will also build a framework that allows sufficient time for cultivating human resources and transferring skills from employees who are approaching retirement.

• **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% in 2024. Kuraray will continue its efforts to maintain and improve the rate in 2025 onward.

• **Developing a Childcare and Family Care Leave System**

Kuraray has systems 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 promote that male employees take childcare leave to encourage fathers' greater involvement in child rearing. In 2024, we set a numerical target regarding the ratio of male taking childcare leave to promote further utilization. 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.

KPI	Targets	FY2024 Results
Male employees taking childcare leave		
a) Acquisition rate	100% (FY2026)	94%
b) Percentage of taking 14 days leave and more	90% (FY2026)	63%

Number of Employees Taking Childcare and Family care 【Japan】

	2022	2023	2024
Childcare	83	126	174
(of which, male employees)	73	115	147
Family care	3	6	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.

• **Global Initiatives**

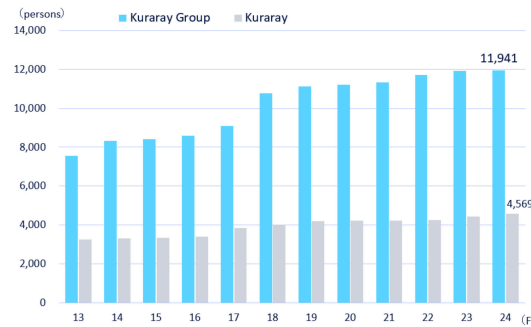
Also at Kuraray’s overseas bases, efforts are being made to carefully manage working hours and secure employees’ private time based on the laws of each country. In addition, amid growing international collaboration across regions, we established the Kuraray Group – Guidelines for International Remote Meetings in 2022, which stipulates the establishment of core time zones for meetings and other criteria.

Other Data

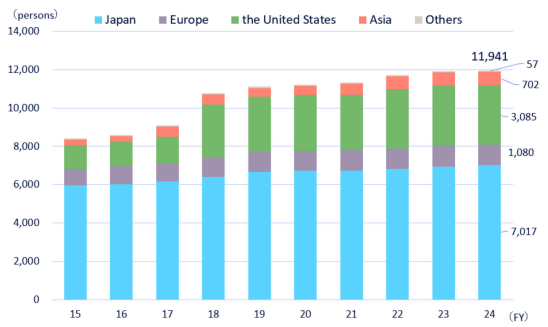
Number of Employees as of December 31, 2024

	Total	Male	Female
Kuraray Group	11,941	9,542	2,399
(Kuraray Co., Ltd.)	4,569	3,893	676

Trends in the Number of Employees



Trends in the Number of Employees by Region



(Note) The number of employees directly employed as regular employees and full-time contract employees, excluding contract employees and part-time contract employees.

Employee Turnover Rate (Kuraray Co., Ltd.) FY2024

	Number of Employee Turnover	Turnover rate
Personal reasons	78	1.48%