

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

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

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# 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 <sup>*1</sup>	2021 3 cases	Zero	4 cases	Zero	Zero	—
	Frequency rate of all occupational injuries <sup>*2</sup>	2021 2.89	1.8 or less	2.32	1.6 or less	1.3 or less	—
	A, B, and C rank accidents <sup>*3</sup>	2021 3 cases	Zero	4 cases	Zero <sup>*4</sup>	Zero <sup>*4</sup>	—
Process safety	D1 and D2 rank accidents <sup>*3</sup>	2021 7 cases	3 cases or less	21 cases	3 cases or less	3 cases or less	—
	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)		—
Diversity and inclusion	Ensuring diversity of core human resources <sup>*5</sup>	End September 2021: 12%	16%	18%	—	20%	2030: 25%

<sup>\*1</sup> Evaluation ranking of occupational injuries using Kuraray's proprietary system. Four ranks in order of seriousness: A > B > C > D.  
<sup>\*2</sup> Frequency rate of all occupational injuries: Number of all occupational injuries (lost time and no lost time injuries) per million working hours.  
<sup>\*3</sup> Evaluation ranking of process accidents using Kuraray's proprietary system. Five ranks in order of seriousness: A > B > C > D1 > D2.  
<sup>\*4</sup> 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.  
<sup>\*5</sup> Ratio of managers in Japan who are women, foreign nationals and mid-career hires, excluding production sites

**Respect for Human Rights**

**Occupational Safety and Process Safety**

**HR policies**

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

**Talent Acquisition and Placement**

**Talent Development**

**Interaction with Society**

**Sustainability Medium-term Plan for People**

## HR policies

- [▽The Kuraray Group HR Policy](#)
- [▽HR Strategy](#)
- [▽Establishing a Consistent Talent Infrastructure across the Group](#)

## The Kuraray Group Global HR Policy

Based on the Kuraray Group Global Human Resource (HR) Policy, the Kuraray Group is making efforts to develop its organizational system regarding the promotion of diversity, cultivation of human resources, and just and fair evaluation of performance, as well as fostering a healthy corporate culture and creating new employment opportunities, so that each employee can grow personally through work.

**The Kuraray Group Global HR Policy**

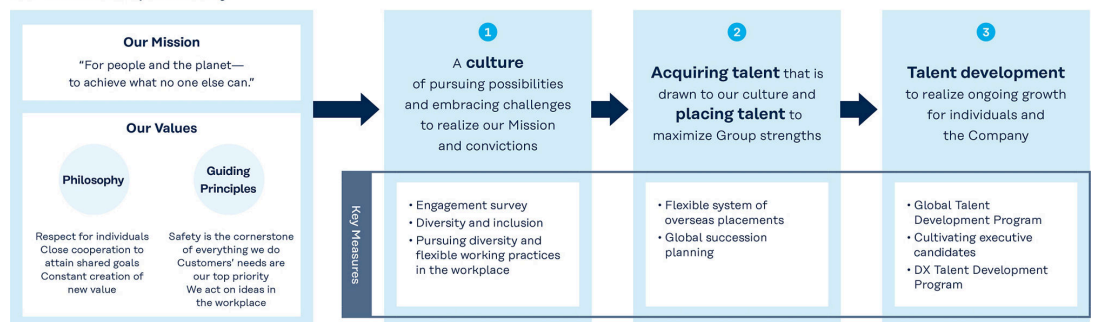
1. We will respect human rights of individuals.  
Based upon our Philosophy, "Respect for Individuals", we will respect the individual and the human rights of all people working in the Group. Any abuse of human rights, such as sexual harassment, bullying, child labor, forced labor and so on, will not 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.

## HR Strategy

The Kuraray Group consists of employees from various nationalities and backgrounds, and the active participation of all diverse members is essential for the long-term and sustainable enhancement of corporate value. Therefore, our HR strategy is based on "Our Mission" and "Our Values," which have been the basic spirit since our founding, and aims to enable diverse talents, who are the source of value creation, to play an active role with company-wide connections. We enhance our attractive culture ("1. Culture"), acquire people who are attracted to that culture and connect to it ("2. Acquire Talents and Placement") and motivate and develop those talents ("3. Talent Development").

### Our Talent Development Story



In "1. Culture," we will promote a culture which each employee takes on the challenge of pursuing their potential, with the aim of realizing "Our Mission" and "Our Values." To this end, we value a leadership team that draws out individual potential, which Kuraray has upheld since its founding, and we will develop workplaces and work styles that respond to the changes in the times and environment.

In "2. Talent Acquisition and Placement," we will acquire talents who resonate with and are attracted to our mission and values and place people in positions that promote connections between diverse members within the group to maximize group strength.

In "3. Talent Development," in order to realize our mission and values, we will enhance corporate value and achieve continuous growth as the Kuraray group through individual career support, development of executive candidates, and the development of skills and expertise at workplaces.

In order to reflect the changing business environment and business needs in our HR strategy, HR team will strengthen collaboration with management and the business. Apart from the Board of Directors Meeting and the Executive Committee Meeting, the "HR Committee Meeting," consisting of members of the Executive Committee and the HR Department, is held 12 times a year (in 2024) to discuss the key HR issues such as Talent Development, Placement and HR policies. In addition, "Opinion Exchange Meetings" with division general managers and "Talent Conferences" for succession planning for key positions are held globally every year.

## 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**

To realize the active involvement of diverse talents in the right place and treatment according to their roles and results across the Group worldwide, it is essential to build an HR platform that includes a globally common, fair, and impartial personnel system and personnel database.

The Kuraray Group Competencies, revised in 2023, are used as standards for evaluating behavior in the personnel evaluation system. In the future, we plan to support the development of each employee's abilities by disclosing the competencies required for representative job positions.

In addition, we will develop job grading standards and operational procedures that are standardized throughout the Group. To further enhance the persuasiveness of the treatment system based on roles and results, we will continue to review salaries, allowances, bonuses, and working systems.

Regarding the personnel database, we have expanded the target group and information on career and training courses. From 2024, we initiated a succession planning and development program utilizing this database to globally visualize the talent situation at the manager level and the readiness status of successor candidates for key positions across the group. Moving forward, we will continue to use this approach to accelerate systematic talent development and the assignment of diverse talents.

## **Mechanisms that Encourage Challenge and Collaboration**

The Kuraray Group has 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.

In addition, the Kuraray Group seeks to foster an organizational culture where employees take on challenges without fear of failure, without settling for the status quo, adopting a forward-thinking attitude and embracing new perspectives. To this end, we recommend setting "challenge goals" for individual employees and evaluating employees not only by results but also in light of the processes and actions they take to achieve their goals. Moreover, to spur the creation of business value for the Group as a whole, we encourage active participation in collaborative activities that transcend organizational barriers.