

# The DNA of the Kuraray Group and its Strengths Gained through the Years

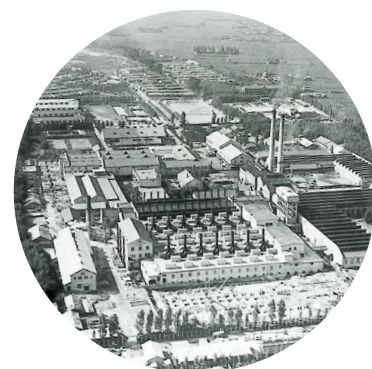
## Developing Solutions to Social Issues and Contributing to Economic Development through our Business Activities

Kuraray was founded in 1926 in Kurashiki City, Okayama Prefecture, for the purpose of commercializing synthetic rayon.

Our founder, Magosaburo Ohara, and second President, Soichiro Ohara, sought to build up the business through technological innovation while emphasizing the importance of fulfilling the company's social responsibilities, such as the response to environmental issues, focusing on addressing social issues through the company's business activities.

In 1950, shortly after World War II, Soichiro Ohara developed a technology to consistently manufacture synthetic fiber, KURALON™, from the raw material PVOH resin. The commercialization of this synthetic fiber, KURALON™, did not just benefit one company—it helped revitalize Japan's textile industry. This achievement arose out of management's unswerving conviction that "to produce high-quality products with stable profits, we needed to make a product from raw materials without relying on imports."

The pioneering spirit of the company's management has been passed down as the foundational DNA of the Kuraray Group. Since the beginning, it has been important to Kuraray, even before the phrase "corporate social responsibility" became mainstream.



**Magosaburo Ohara**  
First President

**"All the wealth gained from society should be returned to society."**

He established the Ohara Institute for Social Research, the Kurashiki Institute for the Science of Labour (now the Ohara Memorial Institute for Science of Labour) for the improvement and reformation of labor conditions, and the Kurabo Central Hospital (now the Kurashiki Central Hospital). These facilities contributed to the advancement of local medicine, welfare, education, culture, and people's standard of living.



**Soichiro Ohara**  
Second President

**"Any profit which a company might gain should be confined to those profits that come from technological innovation and from consideration of the social and economic benefits it brings to the entire nation."**

He was among the first to mention corporate responsibility for emissions at a time when the word "pollution" was still a rarity. In 1950, he pioneered the commercialization of KURALON™, the first synthetic fiber made in Japan using proprietary technology. He continued to help address social issues and advance economic development through business activities, such as the development and commercialization of CLARINO™, the world's first man-made leather to replace natural leather.

1926

Established to commercialize rayon

~1980

Creating KURALON™ and New Businesses

In 1950, Kuraray became the first company to commercialize KURALON™, the first synthetic fiber made in Japan. Since then, we have launched a series of new businesses, including PVOH resin, man-made leather CLARINO™, polyester, EVAL™ (EVOH resin), and isoprene chemicals.

~1990

Creating Highly Functional Synthetic Fibers

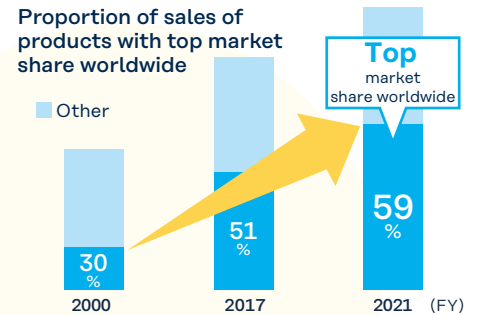
Diversification of our business has yielded highly functional synthetic fibers ideal for clothing and more—developing the industrial materials KURALON™ and VECTRAN™ has opened the doors to other business areas.

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 provide value to society. These products are widely used around the world.

## Original Technology Yields Products with Top Market Share Worldwide\*1

At Kuraray, we use our unique technical strengths to create products that the world has never seen before. Starting with the world’s first commercialization of synthetic fiber KURALON™, we moved on to produce PVOH resin, which is a raw material of KURALON™; optical-use poval film, which is essential to liquid crystal displays (LCDs); EVAL™ (ethylene vinyl-alcohol copolymer [EVOH] resin), which features excellent gas barrier properties; and, a lineup of various commercialized chemical products that use the world’s first synthetic isoprene monomers as materials. We have also launched a wide range of distinctive products, such as CLARINO™ (man-made leather), which recreates the structure of natural leather, and MAGIC TAPE™ (hook-and-loop fastener). Sales of products with the highest global market share that we have created using our unique technologies accounted for 59% of the Kuraray Group’s total sales in 2021.

\*1 Based on in-house research



## Products with Top Market Share Worldwide

 <p><b>PVOH resin</b> (Excluding China)</p>	 <p><b>Optical-use poval film</b></p>	 <p><b>Water-soluble PVOH film</b></p>
 <p><b>EVAL™</b> (EVOH resin)</p>	 <p><b>KURALON™ / KURALON K-II™</b> (PVOH fiber)</p>	 <p><b>Isoprene chemicals</b></p>
 <p><b>GENESTAR™</b> (Heat-resistant polyamide resin)</p>	 <p><b>Activated carbon</b></p>	 <p><b>VECTRAN™</b> (High-strength polyarylate fiber)</p>

<p>~2000</p> <p><b>Overseas Expansion in the Chemicals and Resin Businesses</b></p> <p>In our synthetic and resin product businesses, Kuraray increased overseas sales alongside our high market share and established localized production systems.</p>	<p>~2010</p> <p><b>Expansion in Vinyl Acetate-Related Business through M&amp;A</b></p> <p>Since 2001, Kuraray has been actively pursuing overseas mergers and acquisitions in the vinyl acetate-related business sector to advance downstream developments and business expansion and strengthen our business portfolio.</p>	<p>2022~</p> <p><b>Business portfolio emphasizing social and environmental value alongside economic value</b></p> <p>Using the two axes of social and environmental value and economic value, we will assess businesses and products to identify priorities for resource allocation, seeking to enhance the business portfolio.</p>	<p>2026</p> <p><b>100th anniversary</b></p>
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