

Roadmap for the Vision

Kuraray Group has declared its mission: “For people and the planet—to achieve what no one else can.” Based on this mission, we formulated the “Kuraray Vision 2026” long-term vision and the Sustainability Long-Term Vision. By pursuing the Three Challenges laid out in “PASSION 2026,” our Medium-Term Management Plan, we are aiming to achieve sustainable growth and realize the vision.

 Medium-Term Management Plan

Measures and Results of Past Management Plans

Previous Medium-Term Management Plan “PROUD 2020” (2018–2020)

- **Pursue competitive superiority**
 - Acquired Calgon Carbon Corporation in the United States. Decided to expand production facilities for virgin activated carbon (United States) and reactivated carbon (Belgium)
 - Decided to invest in a new plant in Thailand for the isoprene business
 - Boosted production capacity for optical-use poval film (Japan), water-soluble PVOH film (United States), PVB film (South Korea), and SentryGlas™ ionoplast interlayers (Czech Republic)
- **Expand new business fields**
 - Expanded existing production capacity for VECSTAR™ liquid crystal polymer film (Japan)
 - Decided to invest in resin production facilities for PLANTIC™ biomass-derived gas barrier material (United States)
- **Enhance comprehensive strength of the Kuraray Group**
 - Generated integration synergies with the Environmental Solutions business (carbon materials)
 - Established Personnel Development Department for the purpose of reinforcing personnel development and handing down technical expertise
 - Promoted work-style reforms
- **Contribute to the environment**
 - Improved the natural environment: Expanded activated carbon business
 - Enhanced the living environment: Strengthened and expanded the EVAL business and Plantic businesses

Fiscal 2021 Management Plan*

- **Steadily implement capital investment decided in previous Medium-Term Management Plan “PROUD 2020”**
 - **Expand the Environmental Solutions business (carbon materials)**
 - Further integrated operations after organizational consolidation. Steadily captured expanding demand by drawing on our ability to address environmental regulations
 - **Increase production capacity of EVAL™ EVOH resin**
 - While tracking demand trends and business feasibility, explored candidate sites mainly in the Asian region
 - **Promote digitalization across the entire Group**
 - Established the Global Digital Transformation (GDx) Office
 - **Initiatives to create innovation**
 - Established the Innovation Networking Center
- * Given uncertainties over the future of the global economy and the business environment in 2020 due to the COVID-19 outbreak, the Fiscal 2021 Management Plan was for a single year.

Our Mission

We are committed to developing new fields of business using pioneering technology that improves the environment and enhances the quality of life throughout the world.

“For people and the planet—to achieve what no one else can.”

“Kuraray Vision 2026” Long-Term Vision

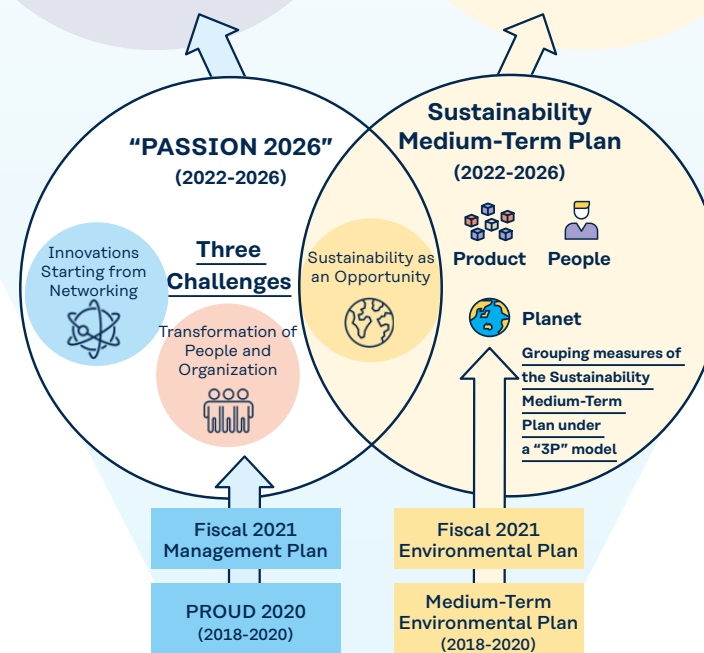
Specialty Chemical Company contributing to customers, society, and the planet and growing sustainably by incorporating new innovation platforms into its own technologies

- Pursue competitive superiority
- Expand new business fields
- Enhance comprehensive strengths of the Kuraray Group

Sustainability Long-Term Vision

As a sustainability leader, Kuraray will develop innovative solutions with unique products and cleaner technologies to improve the natural environment and enhance quality of life for people everywhere.

- Enhancing sustainability management
- Initiatives to achieve net-zero carbon emissions by 2050



Roadmap for the Vision

Medium-Term Management Plan “PASSION 2026”

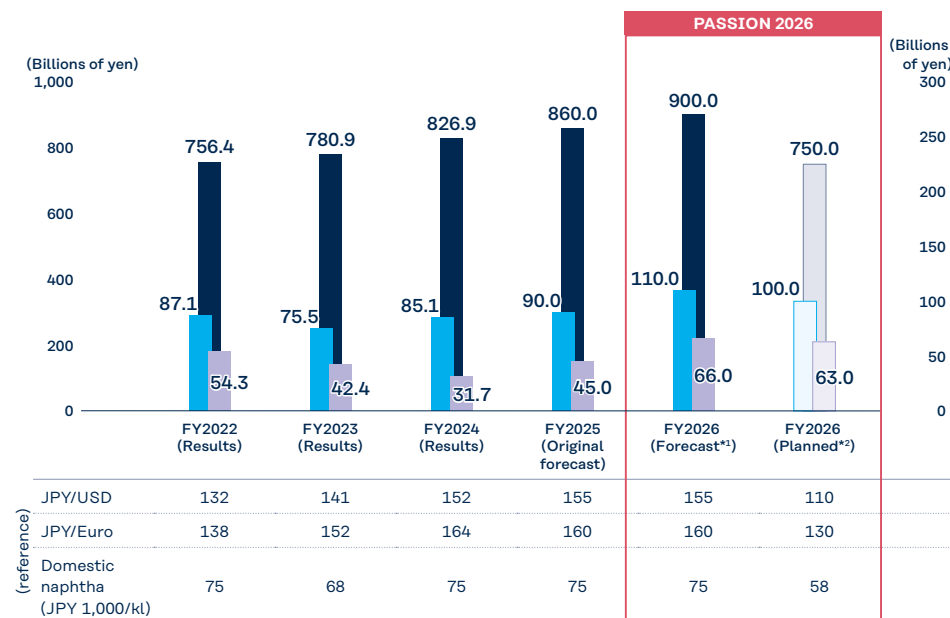
Based on our “Kuraray Vision 2026” long-term vision and Sustainability Long-Term Vision, the Kuraray Group is implementing “PASSION 2026,” a five-year plan spanning fiscal 2022 to fiscal 2026. “PASSION 2026” identifies Three Challenges for the Kuraray Group in order to achieve sustainable growth in an era of unpredictability. These are: “Sustainability as an opportunity” (➤ P. 28), “Innovations starting from networking” (➤ P. 40), and “Transformation of people and organization” (➤ P. 44).

In order to steadily execute these management strategies, we established financial and non-financial KPIs (see tables at right) and regularly report on progress to the Board of Directors and the Executive Committee.

In our financial forecast announced in February 2025, we revised up our net sales, operating income, and net income forecast for fiscal 2026, the final year of the plan, and set new ambitious GHG emission reduction targets for Scopes 1, 2, and 3 (Category 1).

Financial Results and Forecast during “PASSION 2026”

■ Net Sales (left axis) ■ Operating income (right axis) ■ Net income (right axis)



Financial KPIs

	FY2022 results	FY2023 results	FY2024 results	FY2025 plan	PASSION 2026	
					FY2026 forecast*1	FY2026 targets*2
ROIC	7.0%	6.2%	7.3%	8%	9%	8%
EBITDA (Operating income + depreciation and amortization)	¥152.6 billion	¥152.6 billion	¥170.3 billion	¥172.0 billion	¥186.0 billion	¥170.0 billion
ROE	9.0%	6.2%	4.3%	6%	9%	10%
EBITDA Margin (reference)	20.2%	19.5%	20.6%	20%	21%	23%

Non-Financial KPIs

		Benchmark	FY2024 results	Targets	
GHG emissions (Scope 1, 2) (➤ P. 28)	FY2021	3,020 thousand tons-CO ₂ e	2,868 thousand tons-CO ₂ e	FY2035	63% less than FY2021 (1,117 thousand tons-CO ₂ e)
Sales ratio of products contributing to the natural and living environments (➤ P. 33)	FY2020	46%	58%	FY2026	60%
Diversity of core human resources (➤ P. 36)	End Sep. 2021	12%	18%	FY2030	25%

Added during the Term

GHG emissions Scope 3 (Category 1) (➤ P. 29)	FY2021	2,941 thousand tons-CO ₂ e	3,062 thousand tons-CO ₂ e	FY2035	37.5% less than FY2021 (1,838 thousand tons-CO ₂ e)
Global talent development Ratio of senior managers taking global leadership training (➤ P. 37)	(FY2023 result)	40%	45%	FY2030	60%
Executive Candidate Development Ratio of candidates prepared for general managers equivalent positions (➤ P. 37)	(FY2023 result)	90%	130%	FY2030	200%
DX talent development Total number of participants per class (➤ P. 47)	(FY2023 results)	Gold 44 persons Silver 163 persons Bronze 5,114 persons	Gold 82 persons Silver 471 persons Bronze 5,938 persons	FY2026	Gold 180 persons Silver 1,200 persons Bronze 5,700 persons
Ratio of females among new graduate hires - General career track - Job/location-specific track (➤ P. 36)	(FY2023 results)	34% 23%	22% 13%	FY2025 -FY2026	35% or more/year 10% or more/year
Male employees taking childcare leave - Rate of childcare leave-taking - Rate of male employees taking 14 days leave or more (➤ P. 36)	(FY2023 results)	83% 49%	94% 63%	FY2026	100% 90%

*1 Announced in Feb. 2025 *2 Announced in Feb. 2022