Further Developing the Kuraray PSA System

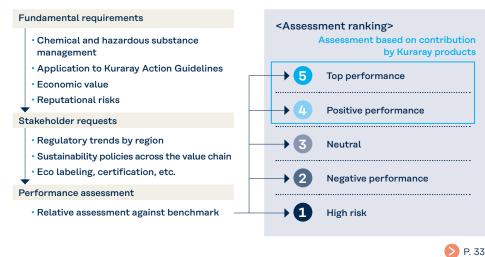
Seeking to Expand the Product Lineup from the Starting Point of Contributing to the Natural and Living Environments

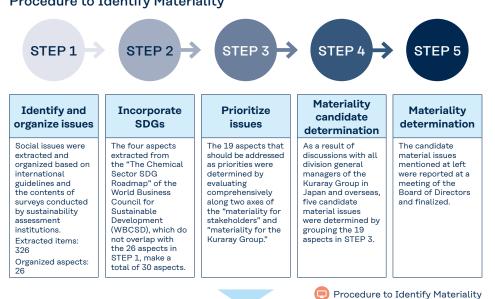
The Kuraray Group has identified material issues relevant to the Company. following the steps shown at right. Among these issues, we are taking products and technologies that contribute to the natural and living environments as our starting point as we aim to create a sustainable product portfolio. To this end, we constructed the Kuraray PSA system based on the PSA guidelines of WBCSD*, which offer a consistent methodology for evaluating products with a high degree of objectivity and transparency.

Looking at products, applications, and the regions where they are used, we evaluate products using a five-point scale based on criteria such as fundamental requirements, social and regulatory trends, and comparison of contributions to the natural and living environments against benchmark products. Products receiving the two top rankings are designated as products that contribute to the natural and living environments. We will increase sales of such products Group-wide from 46% in the benchmark year of 2020 to 60% by 2026. Furthermore, we will build a more sophisticated business portfolio going forward by linking the Kuraray PSA system with business profits.

* World Business Council for Sustainable Development.

Assessment of Contribution Using Kuraray PSA System





Materiality of the Kuraray Group

vironment	Improvin	g the living environment
oment of neration tions, products, hnologies	and water • Improvement of • Promotion of hea • Development of r	Ith and wellness for all next-generation applications, products,
ue to Strengthe	en the Foundatio	on of Kuraray
		Building a "company that people can take pride in"
		Promotion of safety activities Improvement of safety and disaster prevention preparedness Enhancement of technology and working smarter Promotion of workplace diversity and inclusion
	Improving manag	rsity conservation ment of neration tions, products, hnologies • Contribution to t and water • Improvement of • Development of n • Development of n

Creating Value through Business

Procedure to Identify Materiality

"For People and the Planet

Toward Realizing the Vision

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