

CORPORATE MISSION

MATERIALS INNOVATION

We create value through materials to enrich society, people and the environment

MANAGEMENT POLICIES

Our efforts to realize the corporate mission of JSR Group are guided by a management policy consisting of two core components. The first is a set of universal and unchanging “fundamental pillars of management” through which we work to achieve continuing growth. The second is our “responsibilities to stakeholders,” which are an expression of our responsibilities as a good corporate citizen.

Fundamental Pillars of Management

Continuous creation of businesses

As society evolves, so does the demand for specialized materials and advanced products. JSR continuously evolves to anticipate and responds to changing marketing needs and, in doing so, achieve dynamic growth.

Enhancement of corporate culture

As society evolves, so will our organization. JSR will build on its existing positive corporate culture to create an organization and management style with the vitality to keep evolving.

Increase in corporate value

JSR will position itself to increase our overall corporate value by creating businesses through materials with focuses on customer satisfaction and the fulfillment of employees.

Responsibility to Our Stakeholders

Responsibility to our customers / business partners

When interacting with our business partners and customers, the JSR Group will:

- Constantly evolve to meet the demand for new materials
- Always strive to increase customer satisfaction
- Act in good faith and maintain fair and equitable business relations
- Continue to be socially and environmentally conscious throughout the supply chain

Responsibility to our employees

All employees should expect:

- To be evaluated and rewarded based on fair standards
- Continuous opportunities to grow by challenging themselves
- Acceptance of the diversity of fellow colleagues and to be provided a place where all employees can work together as a team

Responsibility to society

All members of the JSR Group will honor our responsibility to both the local and global communities through:

- Responsible and respectful business practices (Responsible Care) that consider the environment and safety
- Support of environmental conservation by providing eco-friendly products
- Reduction of our environmental impact throughout the entire product lifecycle
- Active contribution to conserving biodiversity throughout its business activities and the entire product lifecycle

Responsibility to shareholders

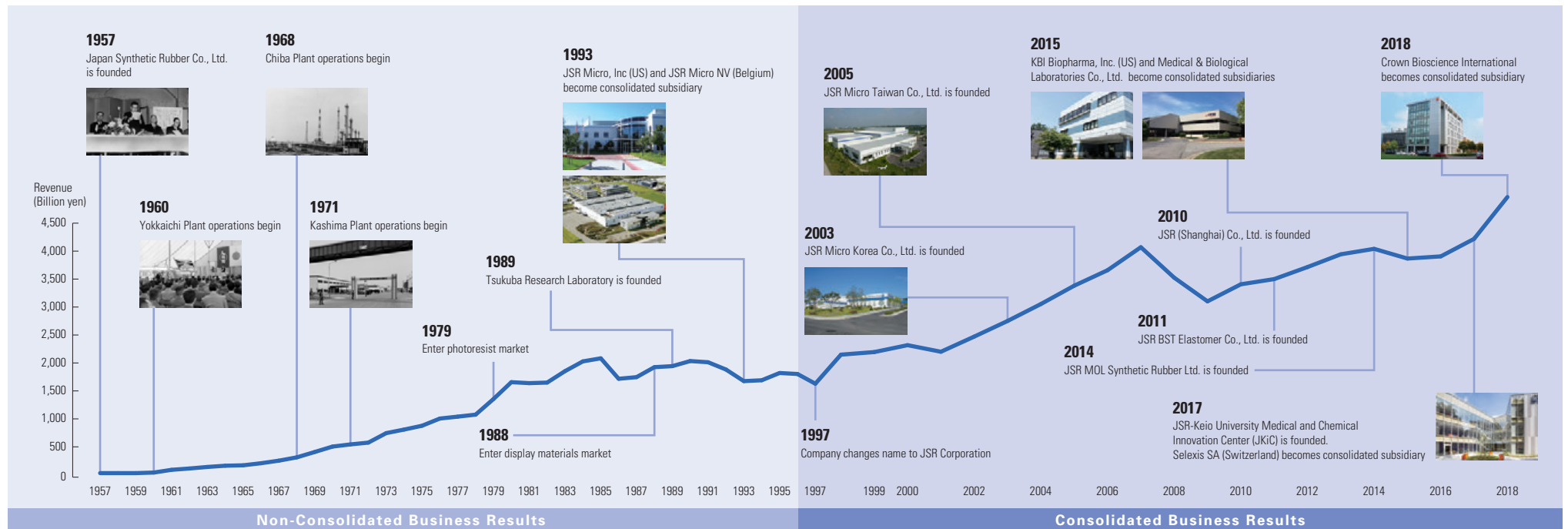
Group will maintain its responsibility to its shareholders by:

- Aiming to increase corporate value by creating business opportunities through materials
- Constantly enhancing its management efficiencies
- Inspiring trust by being highly transparent and conducting sound corporate management practices

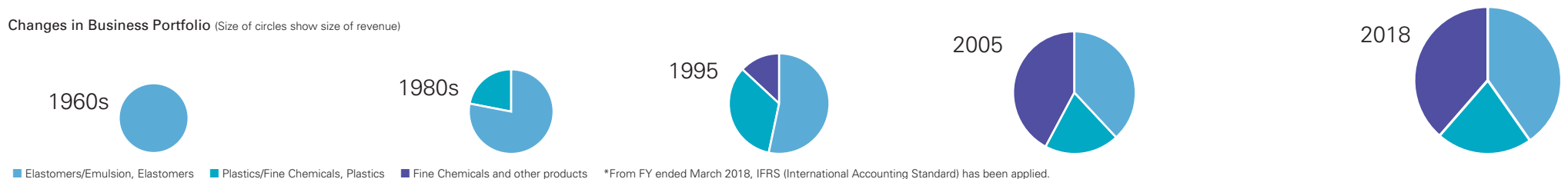
TRACK RECORD OF CREATING VALUE

JSR Corporation (formerly Japan Synthetic Rubber Co., Ltd.) was established in December 1957 under the Special Measures Law for the Synthetic Rubber Manufacturing Industry with the aim of pioneering synthetic rubber production in Japan. Since transitioning into a private corporation in 1969, JSR has expanded its petrochemical business from synthetic rubber to include emulsions, plastics and other materials, and has augmented business operations for the semiconductor, flat panel display and optical materials fields by leveraging proprietary polymer technologies. The promotion of the Fine Chemicals Business based on IT materials has served as a gateway to innovative changes to the

company's business structure and we changed our company name to JSR Corporation on our 40th anniversary on December 10, 1997. Recently, the Life Sciences Business was established as the third business pillar and is expanding its scale through measures such as mergers and acquisitions (M&A). A new company was established in the Plastics Business through a merger, too. Also, the previous Fine Chemicals Business was changed to Digital Solutions Business to seek new business opportunities. We will achieve sustainable growth by steadily overcoming issues in each business field and increasing our profits.

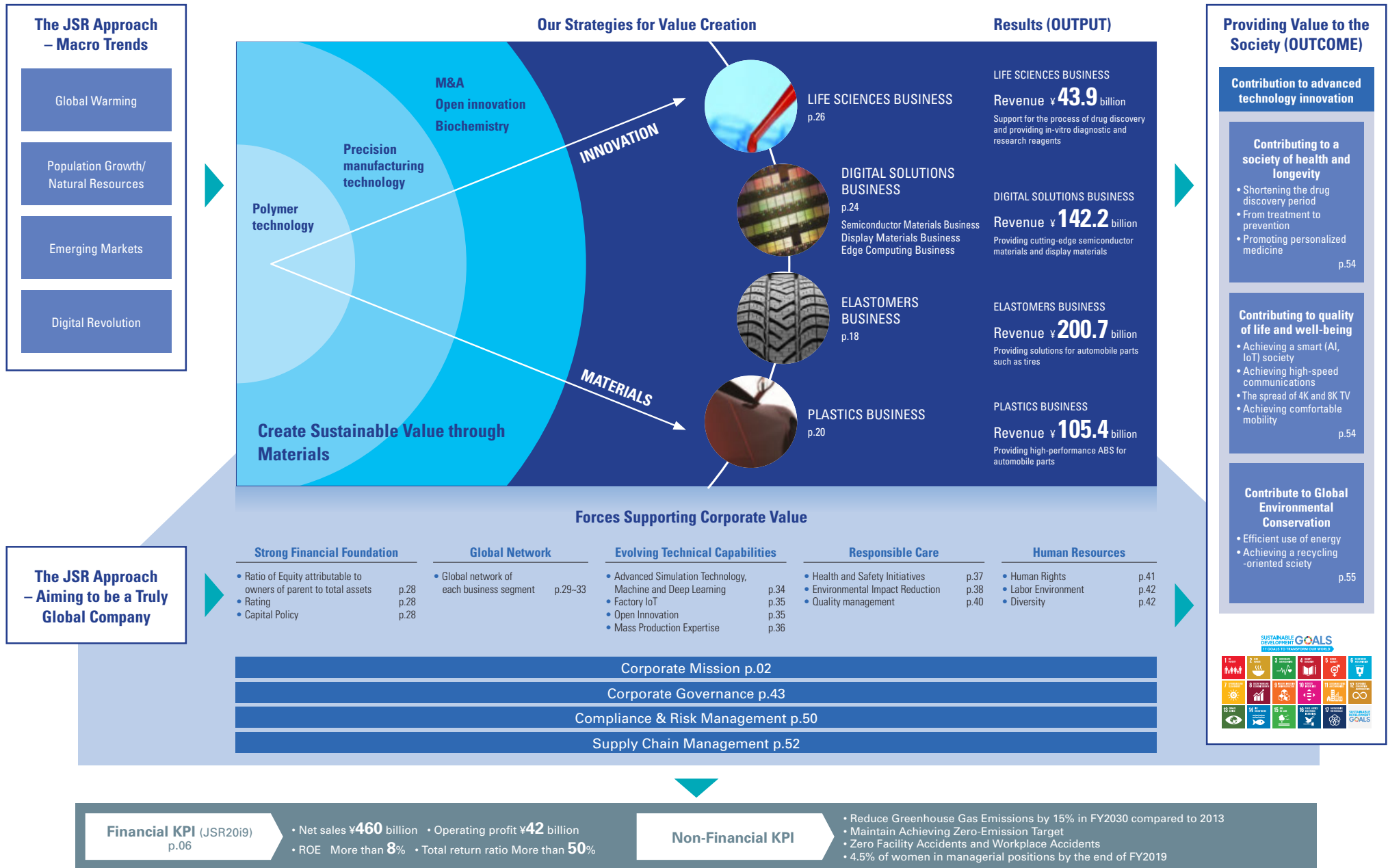


Changes in Business Portfolio (Size of circles show size of revenue)



INITIAL PHASE (1957-1973)	EXPLORATORY DIVERSIFICATION PHASE (1974-1990)	ACCELERATED DIVERSIFICATION PHASE (1991-2001)	BUSINESS ENHANCEMENT PHASE (2002-2010)	ACTIVATION TOWARD GROWTH (2011-)
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CORPORATE VALUE CREATION PROCESS



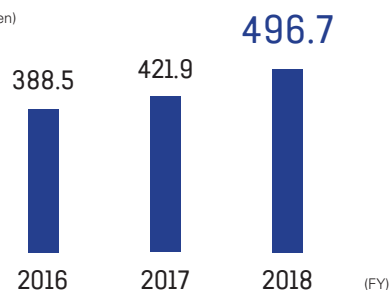
FY2018 FINANCIAL & NON-FINANCIAL HIGHLIGHTS

Financial Information

Financial Capital

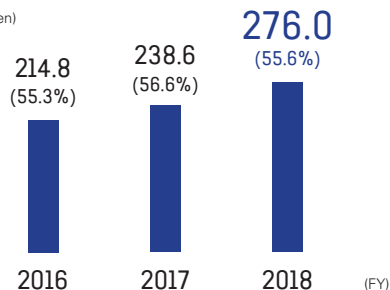
Revenue

(Billion yen)



Overseas Revenue (% against total revenue)

(Billion yen)



Operating Profit

43 Billion yen
(8.7%)

Profit, Attributable to Owners of Parent

31.1 Billion yen
(6.3%)

Dividend Payout Ratio

42.7 %

Capital Expenditure

36 Billion yen

ROE

7.8 %

Non-Financial Information

Human Capital and Intellectual Capital

Number of Employees (Group consolidated basis)

8,748
(As of March 31, 2019)

<Percentage of Women in Managerial Positions>

4.1 %
(JSR Corporation)

<Employment Rate of Individuals with Disabilities>

2.43 %
(JSR Corporation)

R&D Expenses

24.9 Billion yen

* Whole JSR Group, including contract research expense of goods purchased.

Social and Relationship Capital

Global Network

Domestic **28** locations
Overseas **41** locations

*Including JSR head quarter, main production and R&D sites and 21 group companies.

Number of Patents Held

7,051

Number of Industrial Accident

•JSR Corporation **0** (0)
•Manufacturing Partners of JSR or Group **1** (0)
•Group Companies in Japan **2** (3)
•Manufacturing Partners of Group Companies in Japan **0** (2)

*Number of non-working accident in brackets.

Natural Capital

Greenhouse Gas (CO₂) Emissions

1,078 kt-CO₂

*JSR Corporation, group companies in Japan and other countries in total, Scope 1 + Scope2.

Basic Unit of Energy Consumption

0.36 kL/ton

*Only for JSR Corporation. 0.18 for group companies in Japan and 0.56 for group companies in other countries.

PROGRESS OF MID-TERM BUSINESS PLAN

We launched a new three-year mid-term business plan, JSR20i9. We firmly established our SSBR, semiconductor materials and life sciences businesses as our three pillars to drive earnings and promote profit expansion. We also focused on improving productivity and competitiveness through digitalization and innovation.

The trends toward global diversification and the formation of the multipolar world are expected to accelerate. We see these environmental changes as opportunities to expand our corporate value through initiatives based on our corporate mission.

JSR20i3*
Phase I

Results of JSR20i3

- Clarification of the strategy toward growth
- Decision of resource investment

JSR20i6*
Phase II

Results of JSR20i6

- Progress of globalization
- Restructuring of the Strategic Business and focusing on the Life Sciences Business

JSR20i9*
Phase III

Strengthening Competitiveness for the Future

Mission of JSR20i9

- Solid earnings growth by SSBR, semiconductor materials and the Life Sciences Business

We Will Achieve Sustainable Growth to Fulfill Our Responsibility to All Our Stakeholders

Financial KPI (JSR20i9)

Net Sales

460 Billion yen

ROE

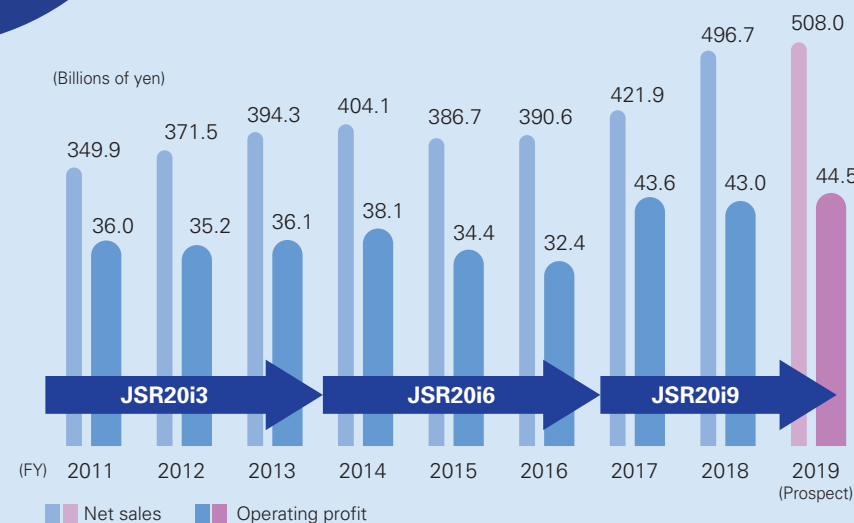
More than **8**%

Operating Profit

42 Billion yen

Total Return Ratio

More than **50**%



* The "i" in "JSR20i3" (twenty-thirteen), "JSR20i6" (twenty-sixteen) and "JSR20i9" (twenty-nineteen) emphasizes the "Innovation" to realize Materials Innovation, which is the heart of our corporate mission.

Note: From FY ended March 2018, IFRS (International Accounting Standard) has been applied.