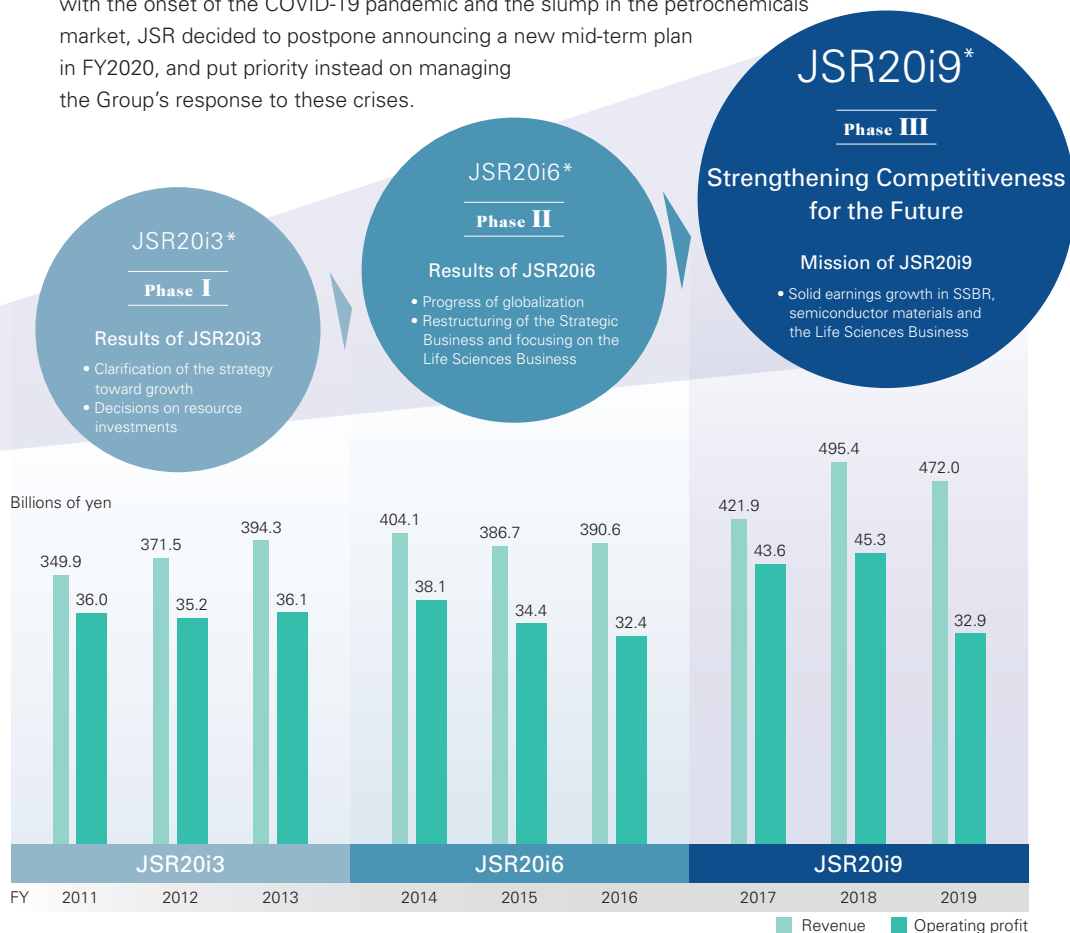


# Mid-Term Business Plan and Sustainability Challenge

## Mid-Term Business Plan Review

The JSR20i9\* Mid-Term Business Plan, whose three-year period started from the fiscal year ended March 31, 2018 (FY2017), was positioned as a time for “strengthening competitiveness for the future.” Initiatives under the plan resulted in increased sales of cutting-edge photoresists and other products in the Semiconductor Materials Business and the establishment of the Life Sciences Business as a third core business, while in the Elastomers Business, sales of strategic solution styrene-butadiene rubber (SSBR) outpaced growth in the market. JSR began formulating a new mid-term business plan to succeed JSR20i9, with a view to achieving the long-term vision for 2050, namely, to “fulfill our responsibilities to stakeholders through sustainable future growth.” However, with the onset of the COVID-19 pandemic and the slump in the petrochemicals market, JSR decided to postpone announcing a new mid-term plan in FY2020, and put priority instead on managing the Group’s response to these crises.

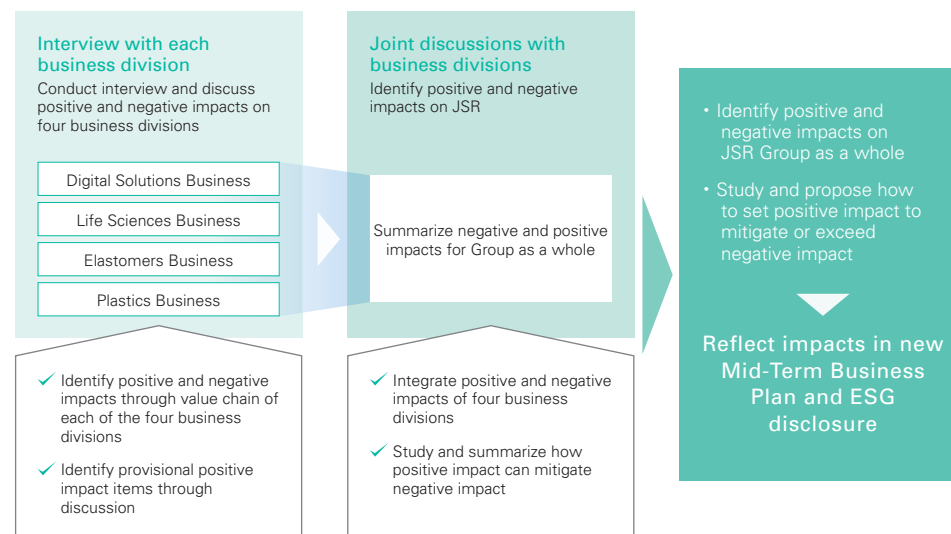


## Sustainability Challenge

For the new mid-term business plan, JSR is considering a reassessment of its priority issues (materiality). In reviewing materiality, based on points raised in discussions with experts conducted in 2019, the Group is recategorizing its material issues into “business activities” and “management foundations.” With regard to business activities, the JSR Sustainability Challenge was undertaken to identify positive and negative impacts on society.

In the JSR Sustainability Challenge, hearings were conducted to grasp the positive and negative social impacts of each of the Group’s four business segments. An interim report was generated, incorporating the positive and negative impacts identified. Based on these findings, a joint workshop for all business segments was held to discuss which negative impacts should be reduced and which positive impacts should be reinforced while envisioning the future ideal shape of the Group. The Group is also working to develop, as far as possible, quantitative measurements for both positive and negative impacts. JSR is also preparing to address priority issues related to the management foundations in a similar way.

### Implementation Process for “JSR Sustainability Challenge”



\* 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.