

Strong Financial Foundation

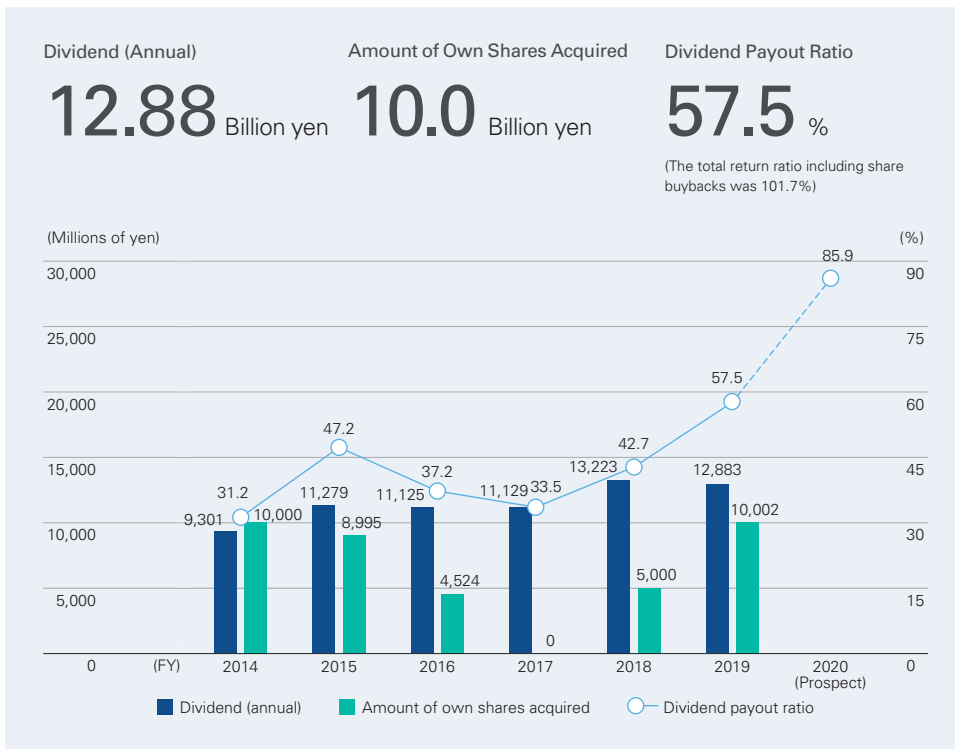
Ratio of Equity Attributable to Owners of Parent to Total Assets (FY2019)

58.5%

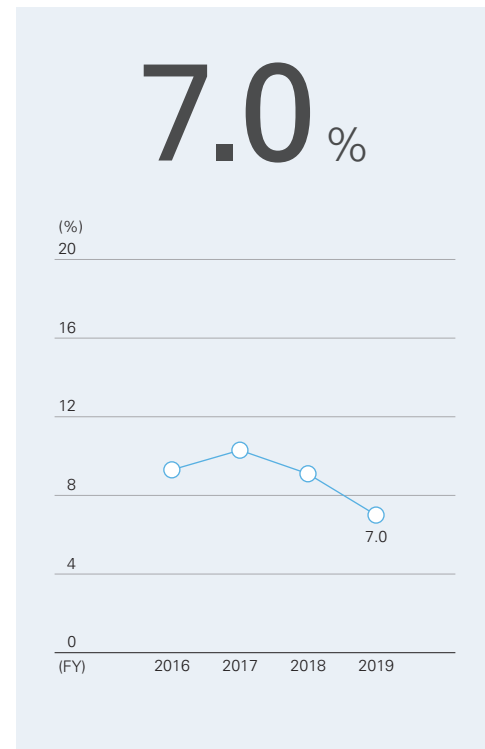
Rating (As of September 30, 2020)

Long-Term Bond **AA-** Short-Term Bond **a-1+**
* Rating & Investment Information, Inc.

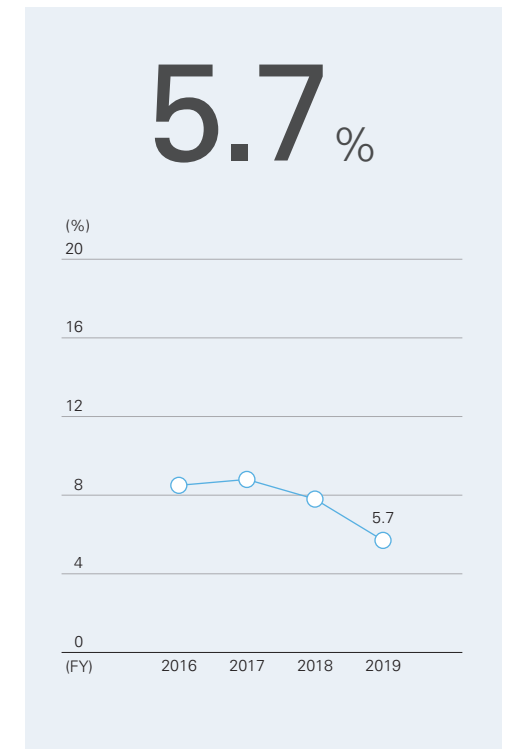
Capital Policy (FY2019)



Operating Profit Ratio (FY2019)

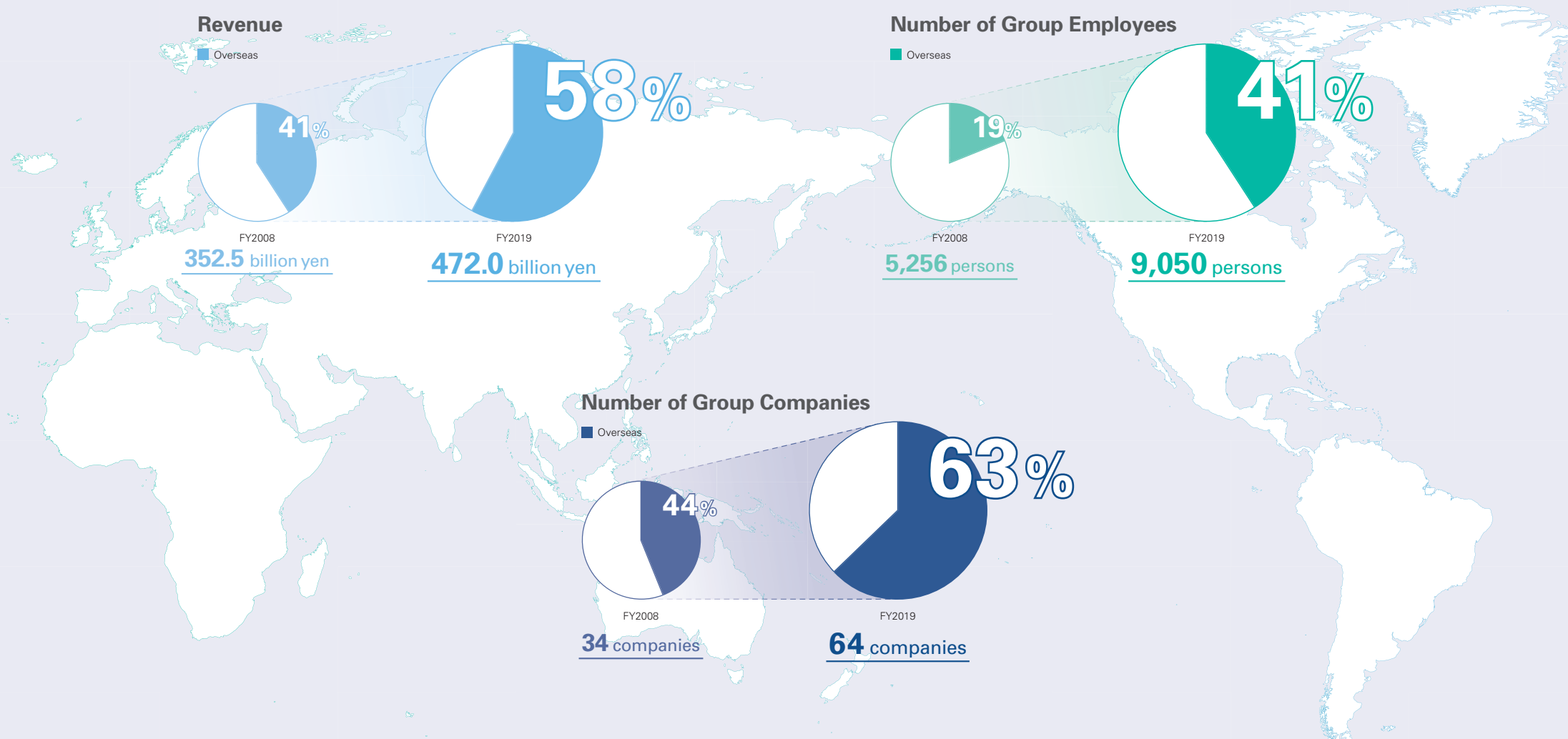


ROE (FY2019)



Global Network

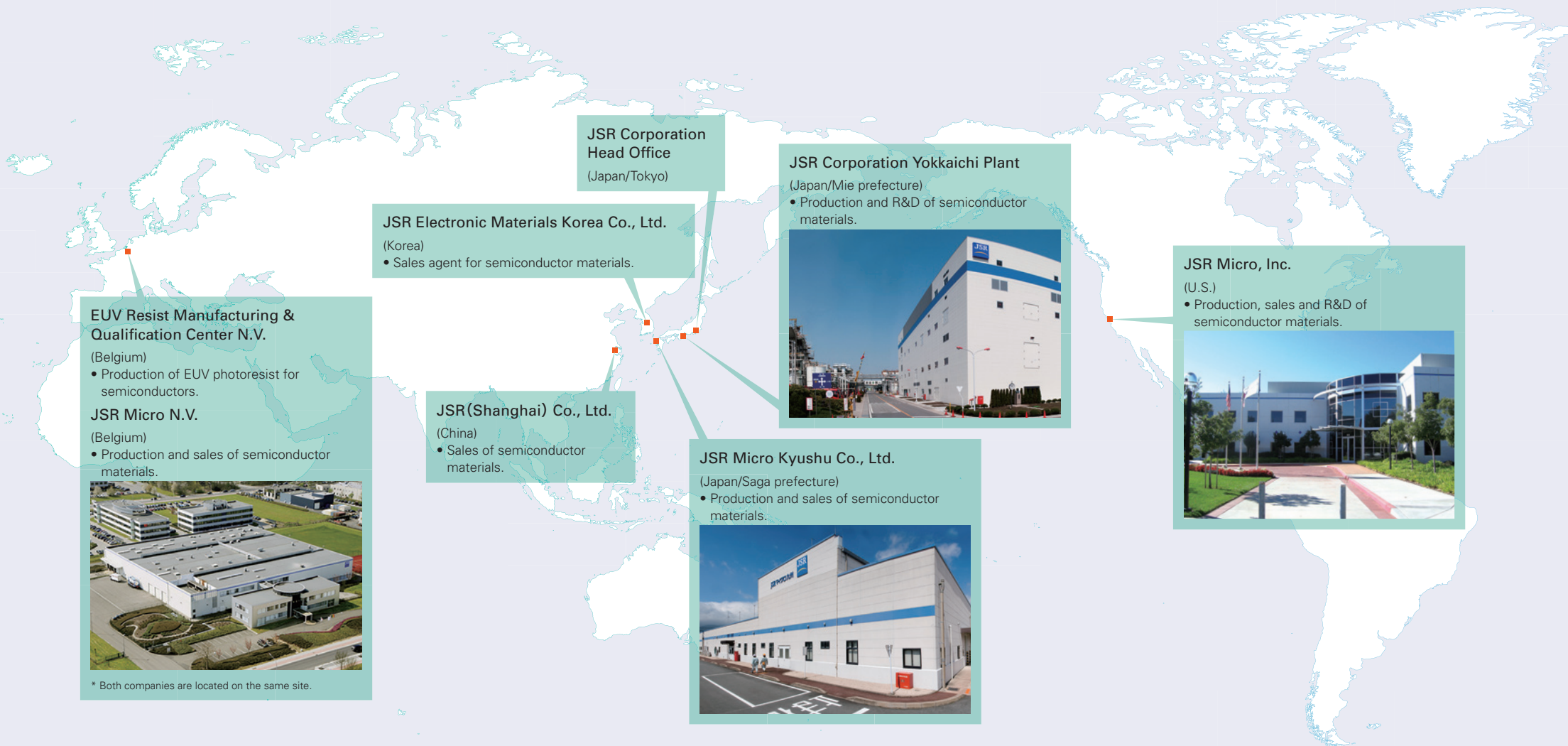
JSR was established as a national policy concern to pioneer synthetic rubber production in Japan and started production in 1960. Since then JSR has continuously expanded its business and currently has four main business segments –Digital Solutions, Life Sciences, Elastomers and Plastics– that operate not only in Japan but through the U.S., Europe and Asia. Our business has increased substantially overseas in the last decade or so.



Global Network

Digital Solutions Business [Semiconductor Materials Business]

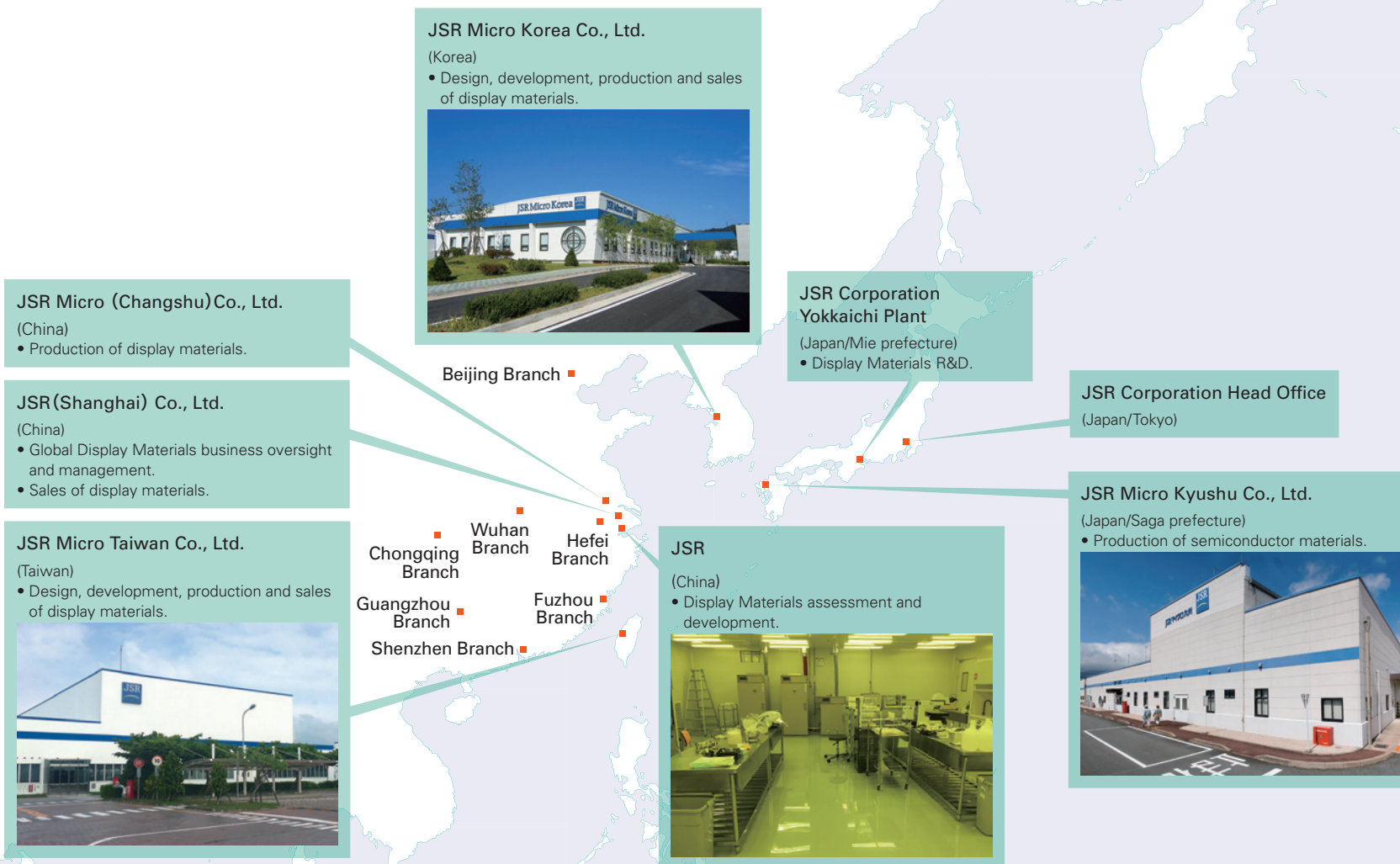
Major semiconductor manufacturers are located around the globe including the U.S., Europe, Korea, Taiwan, China and Japan. JSR Group has secured manufacturing bases in each region of the world to develop and provide cutting-edge materials that enable the evolution of semiconductor chips in a market driven by innovation in digital technology, such as with the development of IoT and Big Data.



Global Network

Digital Solutions Business [Display Materials Business]

Our target markets are China, Korea, Taiwan, and Japan, where LCD panel production is thriving. To support the continued growth taking place in China, we relocated the business's main operating body from our head office in Japan to China.



Global Network

Life Sciences Business

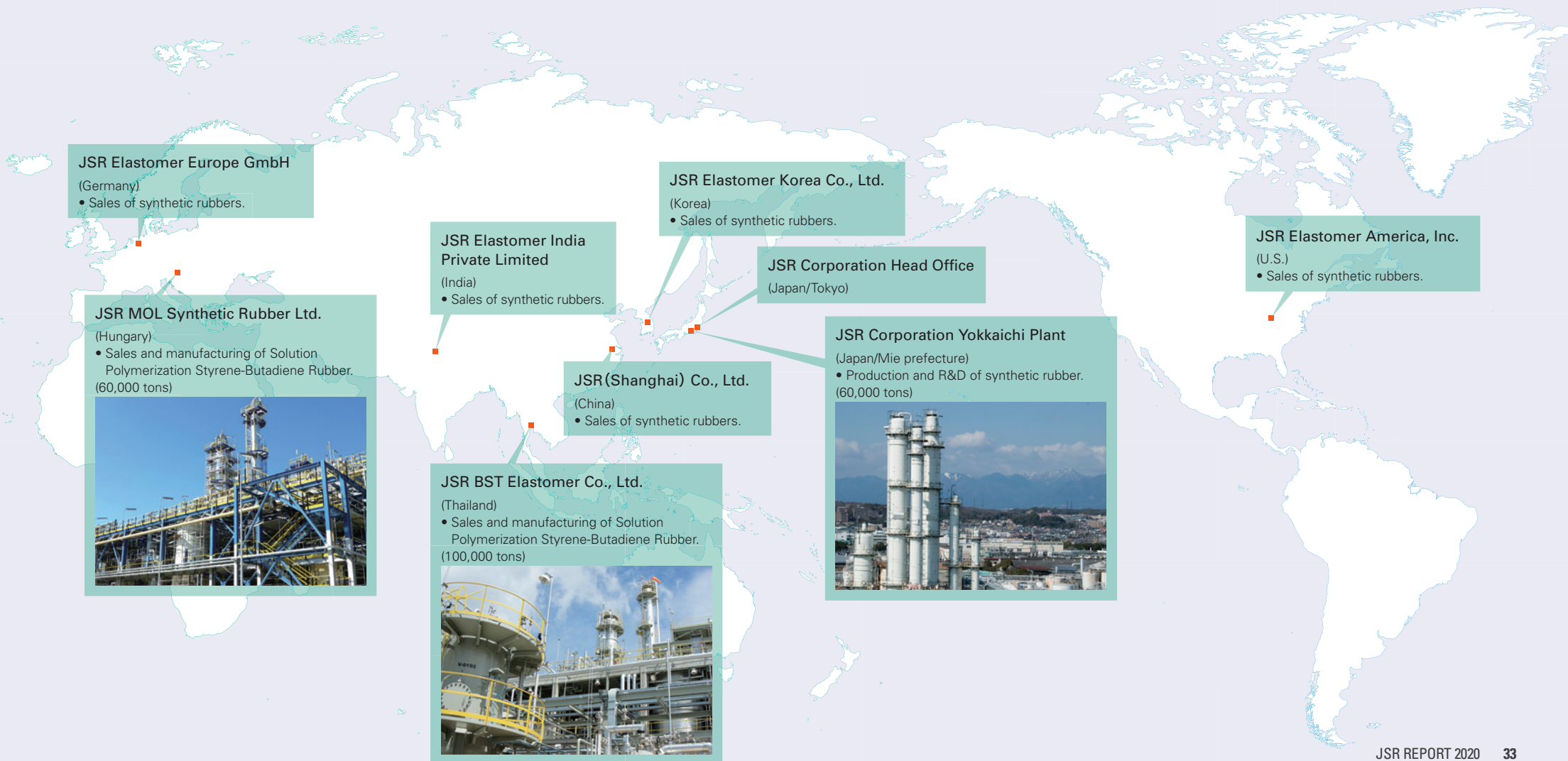
We are focused on expanding our business in the fields of biopharmaceuticals and high-precision diagnostics and research reagents, with an eye toward the major markets of Europe, the U.S., and Asia (China and Japan). JSR Group will provide new value while expanding Group companies globally through mergers and acquisitions.



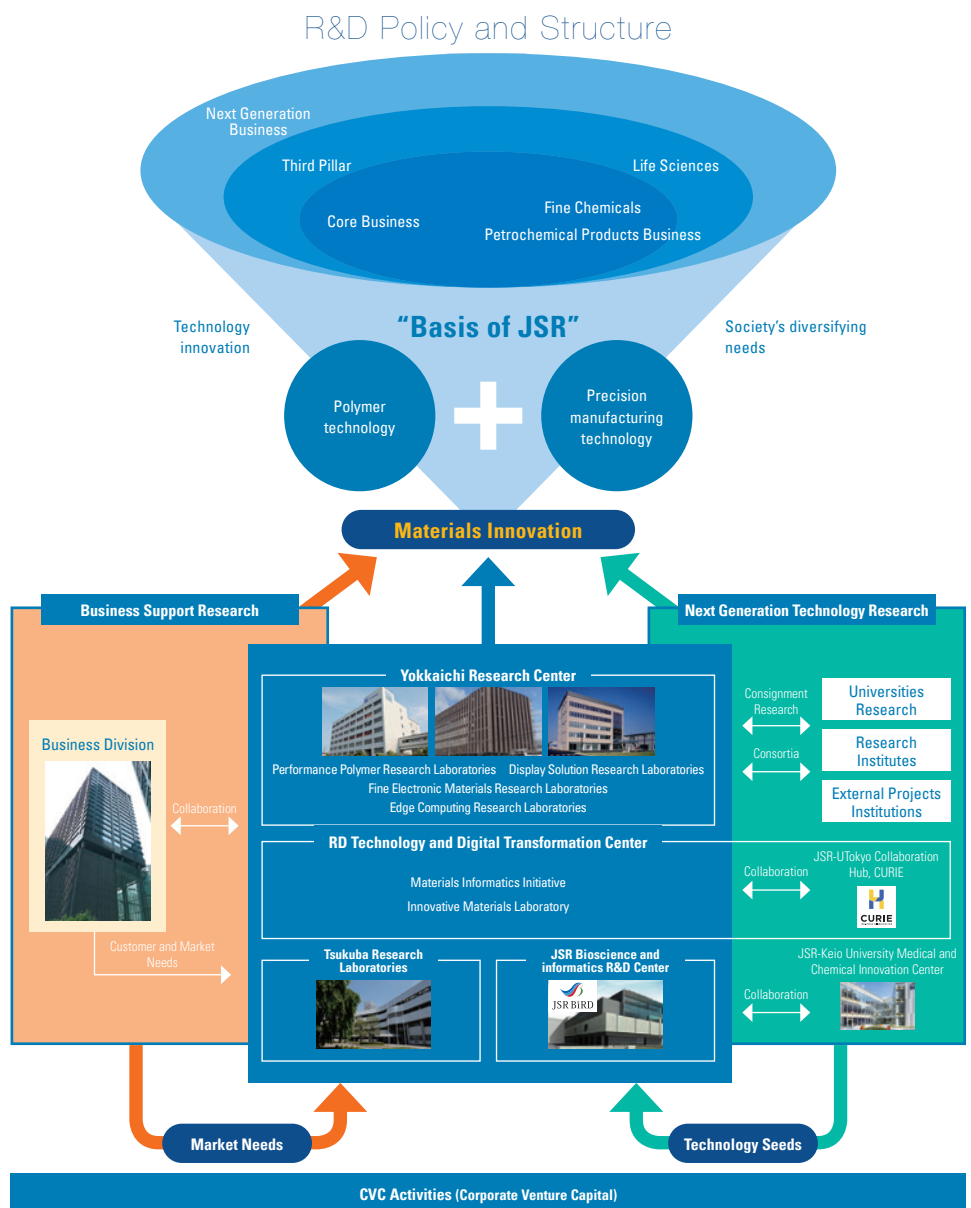
Global Network

Elastomers Business SSBR

The recent rise in environmental awareness has led to the introduction of a labeling system that promotes the wider use of fuel-efficient tires in Japan, EU, Korea, and China, and is expected to be introduced in the U.S., India, and other countries. Moreover, technological demands for high performance tires are also on the increase with the spread of electric vehicles. Our solution polymerization SBR (SSBR) is set to provide a range of solutions for all the diversified needs of our customers.



Evolving Technical Capabilities



JSR Group is promoting R&D activities to prepare for rapidly changing social needs, such as changes stemming from digital transformation and growing interest in personalized medicine and healthy longevity. There are two primary missions in the research department: to conduct "business support research" in fields that are currently being developed and to conduct new or applied research in peripheral areas, including "next-generation technology research" such as seed research where future growth is expected.

In promoting business support research, we focus on supporting market, process and manufacturing development, and cooperation with the value chain within the Group, specifically manufacturing, sales, and logistics. Researchers will directly contact customers in order to dig into specific needs and promote the integration of R&D and business. In this way we will enhance our technical service capabilities in each country to build an ecosystem that can support our customers' businesses globally and in a timely manner.

Regarding next-generation technology research such as seed research, we are working on research and development that anticipates the potential needs of the market. In June 2020, we reorganized the R&D divisions and created "RD Technology and Digital Transformation Center" to accelerate transformation. Especially in new fields, we are promoting open innovation such as joint research with domestic and international academic research institutes. In addition to establishing the JSR-Keio University Medical and Chemical Innovation Center (JKiC) for life sciences, we have established JSR-UTokyo Collaboration Hub, CURIE in April 2020 with Department of Physics, Graduate School of Science, The University of Tokyo to promote research and development in the basic principles of science. In addition, as an open innovation base focused on next-generation medical treatment and materials informatics, we are in the process of constructing the "JSR Bioscience and informatics R&D Center (JSR BiRD)" in KING SKYFRONT, Tonomachi International Strategic Zone of Kawasaki City, Kanagawa Prefecture, which is planned to begin operation in July 2021.

Open Innovation

1. JKiC

The Company and Keio University have established a joint research building, JSR-Keio University Medical and Chemical Innovation Center (JKiC), positioned as a base for collaboration among industry, academia, and medicine. This kind of collaboration between a university medical school and a chemical materials manufacturer is the first of its kind in the world. Through close collaboration with researchers from Keio University's medical department and hospital, who are developing basic, through to clinical, medicine and medical care, and JSR chemical materials researchers, who are developing advanced materials and products positioned as a strategic business in the field of the life sciences, we will realize a wide range of needs and advanced ideas in the medical field, conduct research and create businesses that lead to the establishment and spread of new diagnosis and treatment techniques, and medical support technologies that support a society of health and longevity.

At JKiC, where medical viewpoints and knowledge of material development come together, we plan to provide various solutions in the fields of health and longevity research based on new types of diagnosis and treatment techniques, medical support technologies that use digital health and 3D printing, and genome analysis. While ensuring there is adequate space for promoting collaboration among industry, academia, and medicine, we will establish a department that matches medical needs with the seeds of technology, working on new innovations in Japan where the advances of age are among the highest in the world. By delving into a completely new concept of fusion between medicine and chemistry, we will create innovations and establish practical technologies that contribute to a world of health and longevity.

2. JSR-UTokyo Collaboration Hub, CURIE

JSR and Department of Physics, Graduate School of Science, The University of Tokyo (the Department) agreed on a comprehensive collaboration and announced the start of a joint research program on April 1, 2020. Under this collaboration, the Department will deepen its understanding of the functions of various materials that have become an essential part of society and uncover universal truths and open up new academic fields. The fusion of academia and industry will enable JSR to bring new high-performance materials to society. This unique comprehensive collaboration also includes a fellowship and is the first such endeavor for both parties in the more than 130-year history of the Department and the over 60-year history of JSR.

JSR-UTokyo Collaboration Hub, CURIE office was set up in the Faculty of Science Building No. 1 on the Hongo Campus to carry out joint research. The hub, which aims to create great achievements through research and development results that fuse physics and chemistry, is named after Marie Curie, who was awarded Nobel Prizes in both Physics and Chemistry. In addition, the name stands for qualities considered important in research and development: CURiosity, Intelligence, and Emotion.

The collaboration will promote joint research aimed at the fusion of chemistry-based practical science and physics. The JSR Fellowship, a grant-type fellowship for Ph.D. candidates, was also established to cultivate experts who will contribute to the advancement of science and industry through physics that is not limited to theory and experiments, but comprehensive in scope, which will become increasingly important in the future. This comprehensive collaboration will enable JSR to deepen its understanding of the functionalization of its products and advance the science-based development of products with highly differentiated performance by integrating physics and chemistry.

3. JSR BIRD

Construction of the JSR Bioscience and informatics R&D Center (JSR BiRD) began in November 2019 at KING SKYFRONT, an open innovation hub in Kawasaki City, with plans to start up operations in 2021. JSR BiRD will be positioned as a base for early social implementation of microbiota, particularly the formulation of viable intestinal flora, which have recently gained attention as both a cause of, and treatment for, various diseases. JSR has taken major steps to enhance its R&D capabilities and create new value through digital transformation, and JSR BiRD will serve as a platform for revitalizing the Company's informatics activities. In addition, JSR BiRD's laboratory facilities and offices will be open to a wide range of partners to support the creation and growth of new businesses.

Advanced simulation and data science Materials informatics

1. Advanced Simulation Technology

IBM Q is the name of the quantum computer provided by IBM. The IBM Q Network is the world's largest network consisting of various private companies, universities, and public research institutions with the aim of utilizing quantum computers in different forms. JSR participates in the IBM Q Network as a member company of the IBM Q Network Hub at Keio University and also participates as an IBM Q Network Partner. The fastest practical application of quantum computers is expected to be simulations using high-precision quantum chemical calculations. When this technology is perfected it is expected to drastically reduce experimental trial and error testing, having an immeasurable impact on material development. JSR is working on the development and acquisition of quantum chemical calculation technology focused on actual materials through the IBM Q Hub, etc., and is also looking at applications for the tests. While it is expected to still be several years before a quantum computer is put into practical use, development of algorithms and the identification of major use cases are well underway.



IBM Q Network Hub at Keio University

2. Data Science

JSR is pushing forward with cross-organizational efforts in order to promote a digital transformation in R&D based on material informatics (MI).

In addition to various computer experiments and simulations, including first-principle calculation aimed at developing materials through cyberspace experiments as opposed to chemical experiments in the real world, we are working to establish underlying technologies such as advanced analytics, including machine learning. These technologies have been brought about by dramatic improvements in computer capabilities, but in the latter half of the 2020s, as more disruptive technologies, quantum computers and braintype chips become ever more powerful, we believe that completely different methods for developing materials will be available. In collaboration with Enthought, Inc., JSR has been working on the development of a data management system and various simulation technologies with an eye toward applications for actual product development. In the data management system, as a platform for data utilization such as machine learning, JSR has built a database of various materials and an automatic management tool for experimental results. By involving engineers with full knowledge of the current development process, in addition to placing importance on how easy the system will be to use in the workplace, we are expecting there to be a number of benefits including an evolution in the current development process. Through these efforts we will promote the development of data science with a business perspective and, not only improve efficiency, but also create real value for business.

Environment

JSR's Outlook on the Environment

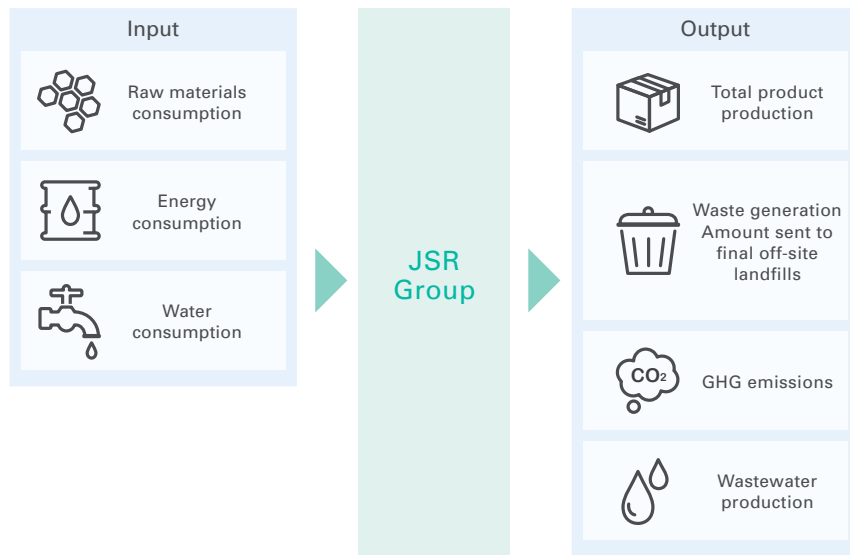
As a company that deals in chemical substances, JSR Group recognizes that it has a duty to help bring about a sustainable global environment and society.

Consequently, JSR considers reducing the environmental impact of business activities and managing chemical substances to be top priorities and strives to properly manage waste and greenhouse gas (GHG) emissions arising from energy consumption. Climate change in particular is expected to have a major impact on businesses due to the growing frequency of natural disasters and risks associated with future environmental regulations. For this reason, JSR has positioned the reduction of GHG emissions as a medium- to long-term management issue.

Reducing Environmental Impact: Material Balance

JSR Group strives to reduce its environmental impact in a comprehensive, efficient way by quantitatively ascertaining and closely analyzing the consumption of energy and resources in its business activities (input) as well as its product production, emissions into the environment, waste production, and other data (output).

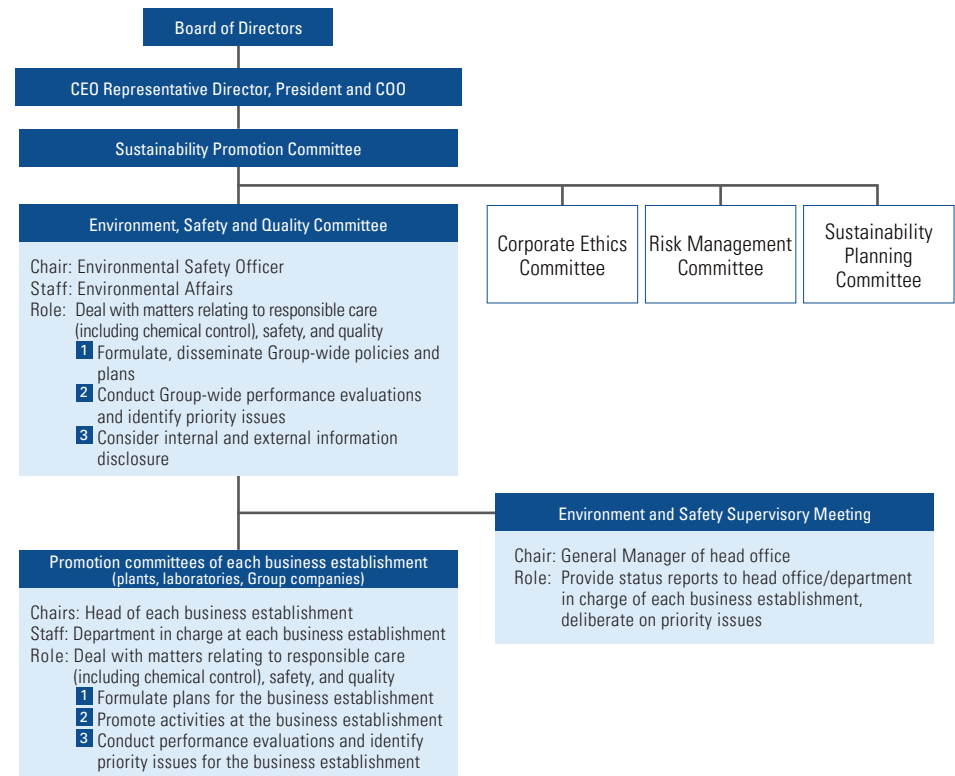
The chart provides an overview of JSR Group's environmental impact (material balance). It presents totals for three items as input (raw materials consumption, energy consumption, and water consumption) and five items as output (total product production, waste generation, amount sent to final off-site landfills, greenhouse gas (GHG) emissions, and wastewater production).



JSR's Approach to the Environment

JSR Group sets environmental targets based on its Environmental Safety Management Policy with the aim of integrating responsible care activities into corporate management. The Environmental Supervisory Department formulates initial targets, which are reviewed and approved by the Environment, Safety and Quality Committee chaired by the Environmental Safety Officer, and reported to the Sustainability Promotion Committee. The environmental affairs departments of each business play a central role in meeting established targets through responsible care activities in compliance with ISO 14001 environmental management system standards. JSR is also taking proactive responsible care measures such as the introduction of state-of-the-art equipment and technological development.

Environmental Management System Promotion Framework



Environment

JSR Group Response to TCFD Recommendations

JSR Group sees the problem of climate change as one of the most important issues facing society. We are therefore vigorously implementing activities to reduce GHG emissions by applying the technical strengths we have cultivated over the years. In such circumstances, we view the TCFD*1 Recommendations as contributing to the development of a sustainable society transitioning toward a low-carbon economy, and we have begun implementing initiatives that are in step with these recommendations.

First of all, we are further reinforcing our governance system by providing oversight by the Board of Directors and are beginning scenario analyses for the formulation of concrete management strategies, risk management plans, indices, and future targets.

Earnestly confronting climate change as a chemical company, we are deepening our understanding of the opportunities and risks brought about by our Group's corporate activities, taking action accordingly, and striving to proactively disclose our initiatives to the public.

*1 TCFD: The Task Force on Climate-related Financial Disclosures, established by the Financial Stability Board (FSB). In June 2017, the TCFD presented recommendations for the disclosure of the effects that climate change risk has on financial institutions, companies, and governments in financial reports. More than 1,000 organizations around the world have endorsed the recommendations (as of February 2020; published data of the TCFD).

Reducing GHG Emissions

The JSR Group is working to lower GHG emissions and support the realization of a low-carbon society by reducing the amount of energy used in various stages of manufacturing and through the products we provide to customers.

For information on how JSR products reduce GHG emissions, refer to the business impact data on page 7, "JSR Sustainability Challenge."

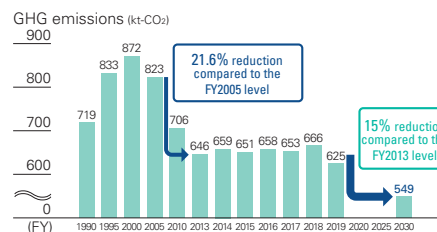
JSR Corporation

- Since FY2005, we have strived to upgrade our energy-saving technologies through various approaches, including installing fuel conversion facilities at the Kashima Plant (South Kashima Power Plant, Inc.) and introducing cogeneration facilities and a sludge dryer system at the Yokkaichi Plant. We thus achieved a significant GHG emissions reduction of 21.6% in FY2013 compared to FY2005.
- Although we have continued efforts to conserve energy since FY2013, our emissions have remained about the same. For this reason, in FY2019, we set a long-term goal of reducing emissions by 15% by FY2030 compared to FY2013. In addition to our energy conservation activities, we are endeavoring to further reduce GHG emissions by introducing highly-efficient equipment and using renewable energy.
- In FY2019, emissions fell by 3.2% compared to the FY2013 level, in part due to production volume.

JSR Group

- In FY2019, GHG emissions were down 6% from the previous year due to a slowdown in production. Globally, emission volume is increasing due to the expansion of production bases. In response to the growing proportion of overseas emissions, JSR will work to implement TCFD recommendations worldwide.

Trend for JSR and Reduction Targets for 2030



Trend for JSR Group



Efforts to Conserve Water

Water is an essential resource. Globally, freshwater in particular is a limited and valuable resource. In Japan, as in other countries, water resources are being affected by natural disasters caused by abnormal weather events, some of which are a result of climate change. This makes the appropriate management of water resources a necessity.

JSR Group uses such water resources as a raw material and coolant in its manufacturing processes. We strive to recycle water in our processes and, after it is used, appropriately purify it before discharging it into rivers.

Environment

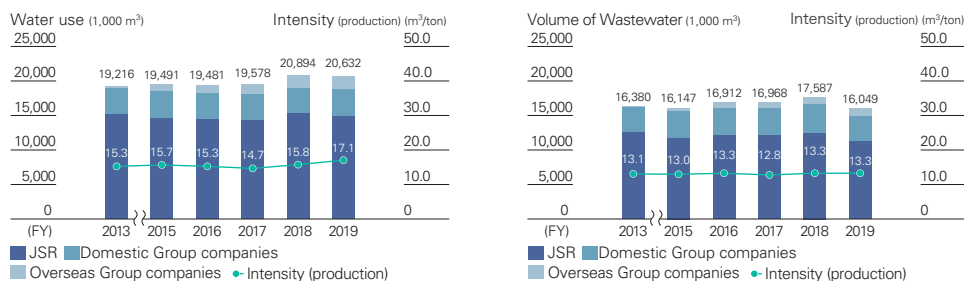
Breakdown of water use (by intake source) and recycling rate

JSR used 14,888,000 m³ of industrial water, groundwater* and tap water in FY2019. Of this amount, 29.3% was recycled in plant processes. We will endeavor to manage our water resources by continuing this effort with the goal of maintaining the current recycling rate.

* Groundwater is not used at the Yokkaichi and Chiba Plants.

Global Trend for JSR Group water use and total wastewater

Water use has been rising due to the expansion of overseas production bases, but in FY2019 it was down 1% from the previous year to 20,632,000 m³, while the total volume of wastewater was 16,049,000 m³, down 9%. Recognizing the growing attention paid to water resources, JSR will continue to pursue appropriate water resource management.



Efforts and Progress in Chemicals Management

Globally, regulations are tightening to minimize the hazard risks of chemical substances. From the perspective of ensuring product safety, JSR develops products in line with trends in chemical risk evaluations of each country from the design stage onward.

In addition, starting with Europe, legislation is being enacted in various countries to require existing substances to be registered including safety data.

New regulations went into effect in South Korea, Taiwan, and other regions in 2019, but by collaborating with local subsidiaries, JSR has been able to smoothly and effectively respond.

Building a Recycling-Oriented Society: Environmental Efforts to reduce industrial waste

Due to changing waste import regulations in many Asian countries, waste disposal has become a pressing issue in Japan. Meanwhile, the outflow or discharge of waste plastic into the ocean, which causes deterioration of the marine environment and ecosystem, has become a major environmental issue worldwide and demands are growing to build a recycling-oriented society. JSR Group is taking measures to reduce waste generation, thoroughly separate different types of waste, and seek proper recycling destinations, among other steps.

JSR Corporation

JSR's efforts to form a recycling-oriented society include the following.

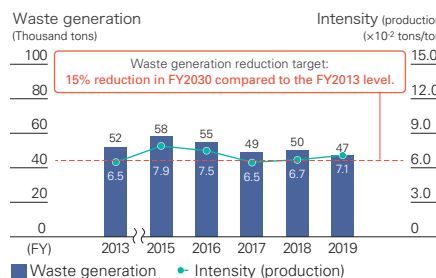
- In FY2018, JSR set a long-term target of reducing the volume of waste generated by 15% in FY2030 compared to FY2013 and is taking steps to generate less waste and promote recycling. The volume of waste generated in FY2019 was down 10.2% compared to FY2013. Efforts to meet this target are ongoing.
- Regarding waste recycling, in addition to promoting the use of cement as a raw material and other recycling approaches in FY2018, JSR also began operation of a new recycling center in the Yokkaichi Plant and is working to separate and recover composite waste.
- Marine waste plastic has become a global environmental issue in recent years. In response to the Japanese government's Resource Circulation Strategy for Plastics, JSR is working to further advance the recycling of waste plastics, in FY2019 setting long-term targets for FY2030 of: 1) 100% recycling (including heat recovery), and 2) 60% recycling (not including heat recovery). JSR will also take other measures to contribute to society, such as raising awareness and promoting the 3Rs in daily life through in-house seminars and road shows, and participating in coastal cleanup activities. In FY2018, JSR helped found the Japan Initiative for Marine Environment (JaIME).
- In FY2019, the waste plastic recycling rate (including heat recovery) was 100% for JSR and 67% for the domestic JSR Group as a whole. Going forward, JSR will continue to promote activities to further improve the recycling rate to achieve its targets.
- Regarding final off-site landfills, JSR has been working toward the target of "zero emissions" set in FY2000 and efforts have been ongoing since 2003.

* JSR's definition of zero emissions is final off-site landfill volume of 0.1% or less of total generated waste volume

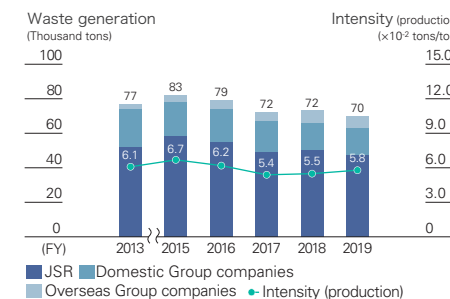
JSR Group

In FY2019, global waste generation was 70,000 tons, a decrease of 3% from the previous year, with a recycling rate of 86%. JSR will pursue waste reduction activities from a long-term perspective.

Trend for JSR and Reduction Targets for 2030



Industrial Waste Trend for JSR Group



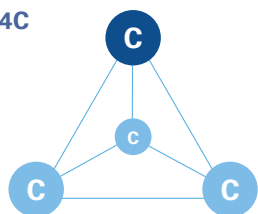
Human Resources

Philosophy

JSR Group drives its organization and personnel based upon the following measures:

- 1 Develop mechanisms and a corporate culture with a healthy balance of 'Freedom' and 'Discipline,' guided by the Course of Action's 4Cs to enable managers and junior staff to grow together, help all employees accurately perceive and solve issues in order to foster a JSR that not only maintains its organizational capacity, but ensures its future growth.
- 2 Promote the globalization of JSR corporation employees while developing a globalized workforce within JSR Group as well as train and manage the Group's human resources on a global level.
- 3 Generate synergies which take full advantage of the increasing range of diversity (in terms of nationality, culture, gender, values, etc.) throughout JSR Group's vast human resource pool.

Course of Action: 4C



Challenge
Communication
Collaboration
Cultivation

Challenge

All employees of JSR Group should share a common, global focus and desire to succeed. Employees should feel confident to autonomously take on new challenges, learning from successes while viewing setbacks as opportunities to learn, grow and improve.

Communication

All employees should feel comfortable and confident maintaining open lines of bi-directional communication at all levels within the JSR Group. Employees should strive for organizational transparency through direct conversations as the best means to share value and achieve common goals, especially in the face of growth and diversification.

Collaboration

Employees will work together in the spirit of cooperation valuing common corporate goals over internal or departmental barriers. Employees will also be encouraged to actively collaborate with external resources and not be bound to conventional ideas.

Cultivation

All employees will cultivate an environment that supports bi-directional communication between managers and subordinates and provides opportunities to develop together as individuals and as members of productive, supportive teams.

Diversity of Human Resources and Organizations

JSR promotes diversity in both its human resources and its organizations and continues with efforts to foster mutual recognition.

JSR's efforts to date have been well received. On October 28, 2019, JSR received "Eruboshi" (2nd stage) certification from the Ministry of Health, Labour and Welfare, which recognizes companies that have excelled in promoting the active participation and advancement of women in the workplace. The Group is implementing an HR system that recognizes and accepts not only women but all types of human diversity.

Organizationally, JSR has continued to carry out Work Style Innovation activities since 2017. The process has reaffirmed that, rather than developing uniform, Group-wide measures, there is a need to recognize that missions and systems differ among departments. A culture of mutual recognition is being fostered in which each department takes responsibility for devising measures that take advantage of diversity.

Work Style Innovation (WSI) Activities

Background

At JSR, the Company and its employees are engaged in Work Style Innovation (WSI) activities with the goal of boosting competitiveness and achieving sustainable growth.

To achieve this goal, the Company should encourage the active participation of diverse employees, each department should have a system in place to realize its ideal organization, and employees should work in a healthy and positive manner that balances work and lifestyle. WSI activities aim not only to increase work efficiency, but also to make use of digital resources to reassess the way work is done and dramatically increase productivity. The Group is also transforming its corporate culture to ensure that such initiatives are ongoing.

Initiatives

In the various departments, each employee is involved in discussions around the ideal structure of the organization, identifying issues and developing and executing concrete response measures. Once a year, the Internal Audit Office and Diversity Development Office conduct detailed hearings with each department, identify issues within and across departments, and report to management. Management is also committed to activities such as providing a venue for officers in charge to report on measures proposed by each department. In addition to promoting the use of IT and systems that support diverse work styles, management and employees are engaged in dialogue about desirable work attitudes and styles.

Examples of initiatives undertaken in departments

- Improved labor efficiency in regularly-scheduled repairs in plant districts
- Study of high-location inspections with drones^{*1} in plant districts
- Use of a chatbot^{*2} function for responding to common inquiries
- Promotion of IT democratization^{*3} by systems departments and use of simple web systems that can be created with knowledge of Excel

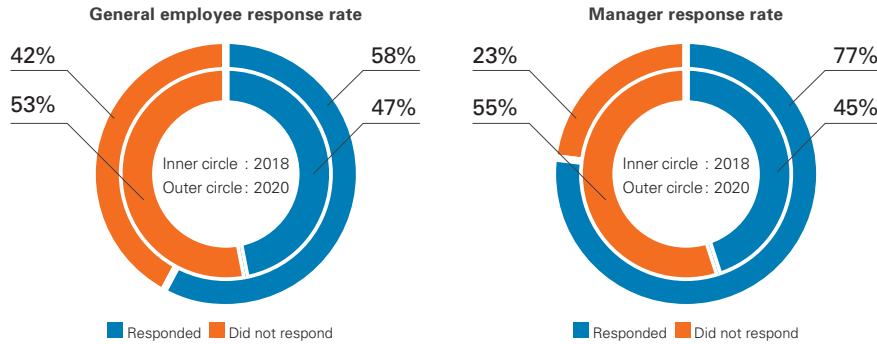
*1 A small unmanned aircraft that can be operated by remote control *2 An automatic conversation program that uses artificial intelligence *3 Improvement activities conducted together with systems strategy department members to help employees in charge of practical operations improve their productivity with IT

Fact-Finding/Awareness Survey

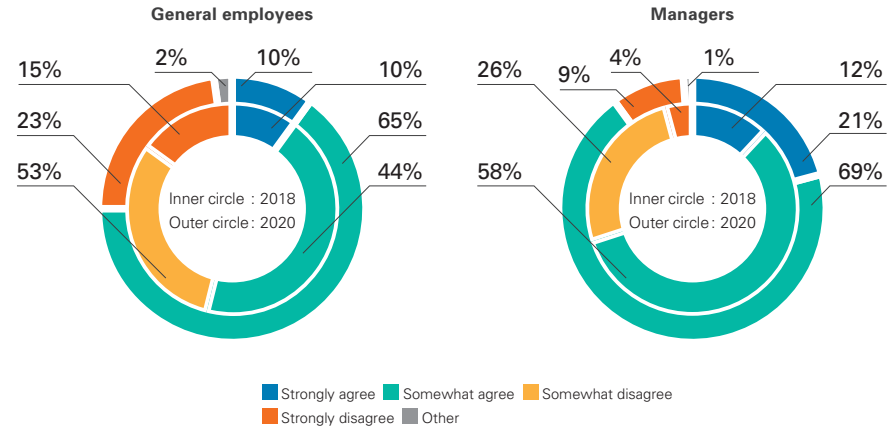
A survey conducted in May and June 2020 assessed employee participation in, and awareness of, WSI activities. The survey response rate was up compared to 2018, and participation and awareness scores also improved for both managers and general employees, indicating increased dissemination of WSI activities. Almost no respondents reported not knowing the purpose of WSI activities. On the contrary, there was broad understanding among respondents that the goal of WSI activities is to increase work efficiency and productivity, and growing awareness that WSI involves multiple objectives.

Fact-Finding/Awareness Survey Results

Survey response rate



I feel I am participating in WSI activities



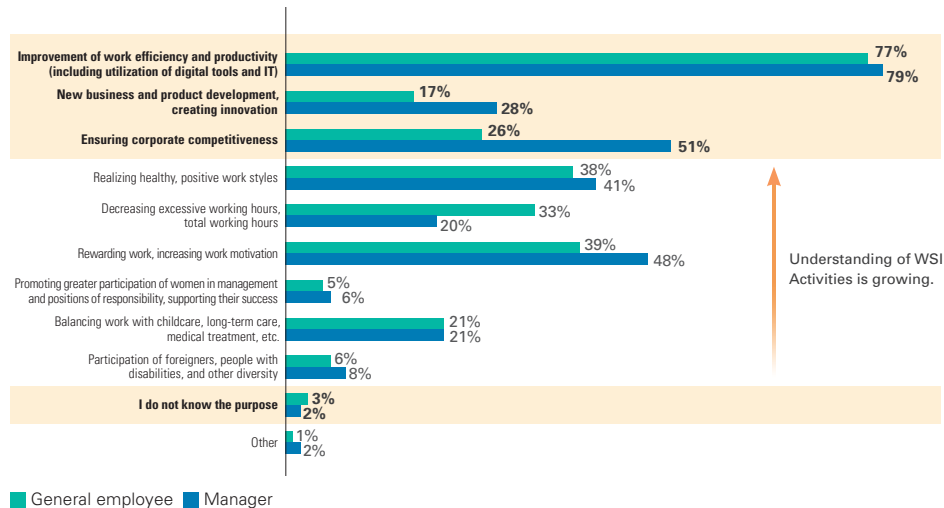
Going Forward

An important outcome of our three years of WSI activities has been a shift in the initial perception of WSI activities as simply a means of reducing excessive working hours. By FY2019, most JSR employees had come to realize that WSI activities were essential in empowering each department to achieve performance in its own way while respecting diversity among departments.

To sustain WSI activities going forward, JSR Group will leverage business inventory tools, create opportunities for discussions and seminars, carry out fixed-point observations through awareness surveys, expand horizontally to related departments, and provide case study-based information.

WSI activities have led to a fundamental reassessment of work styles, fostering a culture of mutual recognition of the diversity of human resources and organizations in the Group. JSR is striving to further deepen employee engagement and grow alongside employees.

Understanding of the purpose of Work Style Innovation activities (multiple answers allowed, selection rate shown)



Workshops for officers and managers

To strengthen managerial involvement, JSR held a total of 30 workshops for all officers and managers in FY2019. As workshop participants thought about the fundamental meaning of working, they gained a deeper understanding of WSI activities and the importance of mutually recognizing the diversity of work styles among departments.

Main feedback from officers

- Since each department's mission differs significantly, it is necessary to think about competitiveness in various ways.
- Increasing productivity and competitiveness must not come at the expense of JSR's basic emphasis on safety.
- With employees from diverse backgrounds, JSR's flexible work system is seen from the outside to be highly attractive.
- Diversity of employee values should also be taken into account in terms of maintaining competitiveness.

Main feedback from managers

- WSI activities should not be construed as activities to reduce overtime.
- WSI activities should be seen as a means of fully reassessing how work is done.
- WSI are activities to realize the ideal form of a department.
- We need activities suited to each department (rather than uniform Company-wide activities).



Initiatives to Develop Diverse Human Resources

Next-generation management

As globalization and digitalization make further inroads, what is required of leaders is also evolving. Since 2007, JSR has been focused on developing leaders by drawing on external support to conduct Next Generation Leader Training. Through case study-based discussions, trainees acquire the business skills next-generation leaders need, such as management standards and the essentials of digital management. Also, through role-playing exercises where they assume the role of the boss, trainees broaden their perspectives by thinking about what is important from a management viewpoint and practicing describing the ideal image of their department. There are already Group officers who are former trainees, and the training has produced numerous, diverse personnel who can think ahead and take initiative in effecting change.

Human resources tied in to technology

JSR is aggressively developing human resources in digital fields in response to the rapid spread of digital transformation (DX). Since 2017, the Group has enlisted US-based DX support company Enthought to run a training program. Engineers have been sent to the US and elsewhere to undergo Python-based advanced analytics training and receive training in research-focused data science. Multiple program graduates are already working at various Group laboratories, providing on-site data management, core system development, simulation technology development, and data analysis automation, helping to raise the level and efficiency of development in each business segment.

Participation in the United Nations Global Compact

JSR Group became a participant in the United Nations Global Compact in April 2009. As such, we will more proactively fulfill our corporate social responsibilities with recognition that businesses operating on a global level must make a greater commitment to human rights, labor, the environment and anti-corruption, as expressed in The Ten Principles of the United Nations Global Compact.



Representative Director, CEO
Eric Johnson

The Ten Principles of the United Nations Global Compact

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.
- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.
- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.
- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

Corporate Governance

Four Characteristics of Corporate Governance at JSR

The Company, by enhancing its corporate governance, endeavors to realize its corporate mission, achieve its business plan, and increase corporate value over the medium to long term.

Introducing the outside officers who ensure the fairness and appropriateness of managerial and oversight functions and management decisions

The current Board of Directors consists of nine (9) directors, three (3) of whom are independent outside directors with vast experience and extensive expertise in the management of corporations and businesses. In the future, the Company will appoint 1/3 (one third) or more independent outside directors with similar experience and expertise in order to enhance corporate value and oversee business management.

The current Audit & Supervisory Board consists of three (3) audit & supervisory board members, two (2) of whom are independent outside audit & supervisory board members with extensive and sophisticated expertise: one is a lawyer and the other is a certified public accountant qualified as a certified public tax accountant. In the future, the Company will appoint two independent outside audit & supervisory board members with vast experience and extensive and sophisticated expertise in such fields as law, accounting, etc., to effectively audit the execution of duties by directors and management.

Ratio of independent outside directors with experience in management of corporations

Ratio of outside audit & supervisory board members who are business specialists



The Nomination Advisory Committee and Remuneration Advisory Committee function effectively in appointing and dismissing officers and determining executive remuneration

The Company established the Nomination Advisory Committee of which a majority of members are independent outside directors and the chair of which is a lead independent outside director to ensure the transparency of the policy and procedures of appointing candidates for directors. The committee deliberates criteria for the size, diversity in breadth of knowledge, experience, and capabilities necessary for the Board of Directors as well as criteria and procedures for nominating and/or identifying candidates for future appointment as CEO and/or president, directors, officers with directorship status (including senior officers), and audit & supervisory board members, and submits its findings to the Board of Directors. In addition, the Nomination Advisory Committee evaluates the performance of the CEO and President based on the annual management activity reports submitted each year by the CEO and President, and advises whether improvements to the quality of management are needed. The Company also established the Remuneration Advisory Committee of which a majority of members are independent outside directors and the chair of which is a lead independent outside director in order to ensure the objectivity and transparency of its directors' remuneration framework. The committee deliberates the basic policy of remuneration, the remuneration structure, the mechanism of a performance-based remuneration, the setting of targets, and assessment of performance, and submits its findings to the Board of Directors.



- Nomination Advisory Committee Chair
- Remuneration Advisory Committee Chair

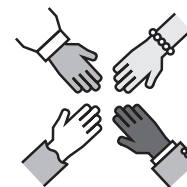
Effective management of a diverse Board of Directors

To respond to globalization, IT, digitalization, and other rapid changes in the business environment, the Company in FY2019 appointed its first non-Japanese CEO to assume responsibility for global management primarily from the United States. In addition, the Company appointed a President and COO who assists the CEO in Japan and oversees the Digital Solutions and Elastomers businesses. At the Ordinary General Meeting of Shareholders held in June 2020, the appointment of a female director from inside the company was approved, and the Company is working to further expand the diversity of the Board.

In addition, the effectiveness of the Company's Board of Directors is evaluated annually. The evaluation determines whether the structure of the Company's Board of Directors is appropriately diverse in terms of nationality and gender and other factors, whether, as a deliberative body, members' experience, skills, and knowledge in specialized fields are being drawn on in overseeing management and encouraging bold decision making and engagement with investors and shareholders, and identifies points that require efforts for improvement.

Going forward, the Company will continue to ensure the diversity of knowledge, experience, and abilities required by the Board of Directors, and work to improve corporate value over the medium and long term from the perspectives of sustainability and resilience.

A Diverse Board of Directors

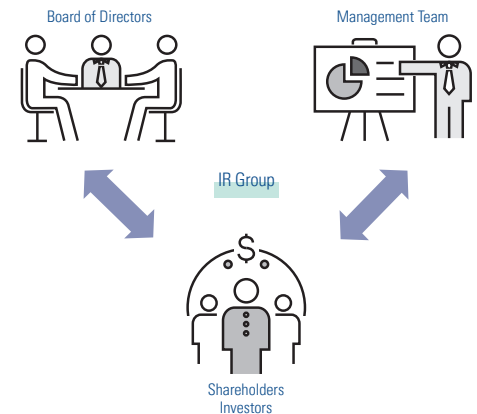


Reflecting the voices of investors and analysts in management

The Company appoints an officer in charge of IR. The CEO, the president or the officer in charge of IR explain, at briefings on business results and the mid-term business plan for institutional investors and/or market analysts, the business performance, financial positions, and the details and progress of the mid-term business plan.

In addition, the CEO, the president or the officer in charge of IR also hold face-to-face meetings with institutional investors, both in Japan and overseas, to explain the above mentioned business results and progress of the mid-term business plan.

In discussions with investors and/or analysts, the Company has strived to appropriately treat insider information and feed back to management and the board of directors the opinions and questions expressed by the investors and/or analysts during such discussions.



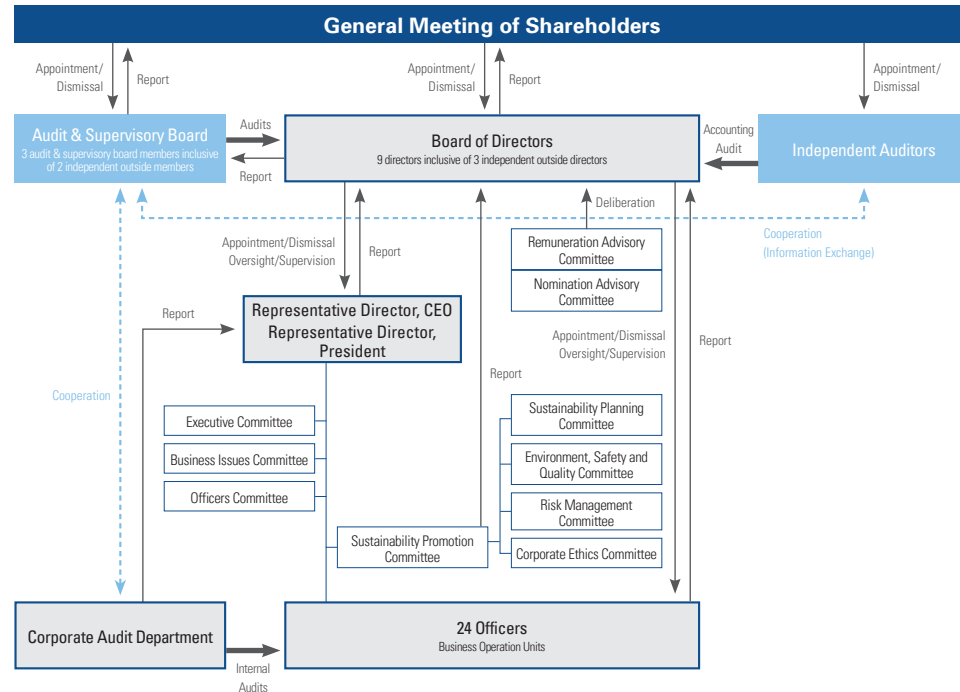
Corporate Governance

Basic Views

It is the JSR Group's goal to make steady progress in realizing its corporate mission (Materials Innovation: We create value through materials to enrich society, people and the environment). This shall be done through efficient and transparent business management and by sustaining sound and healthy business practices. The Group will also continuously strive to create new corporate value with the hope of becoming an attractive corporation that can earn the trust of, and satisfy the interests of, all our stakeholders.

As a company with audit & supervisory board members, JSR principally monitors and oversees the execution of duties by directors and the management through its Board of Directors and audit & supervisory board members. The Company continuously has strengthened the function of management supervision, improved efficiency in decision making and business duties execution, and enhanced the transparency and soundness of its business management to raise corporate value over the medium to long term. To that end, it has implemented measures, such as the introduction of an officer system, appointment of outside directors and audit & supervisory board members who are independent from the Company and have extensive business experience and expertise, establishment of the Remuneration Advisory Committee and the Nomination Advisory Committee,

Corporate Governance Structure Diagram (As of June 17, 2020)



each of which a majority of members are independent outside directors and the chair of which is an independent outside director, and the introduction of three types of performance-based remuneration for directors, other than outside directors covering short, medium and long term.

Corporate Governance Structure

1. Board of Directors

The Board of Directors consists of nine (9) directors, three (3) of whom are independent outside directors with independent and extensive experience in business and management, and holds meetings once a month, in principle. The Board discusses and makes decisions on important business matters, including the direction of the Company's business strategy, and also supervises directors' and officers' execution of their business duties.

To respond to globalization, IT, digitalization, and other rapid changes in the business environment, the Board of Directors in FY2019 approved the appointment of the Company's first non-Japanese CEO to assume responsibility for global management primarily from the United States, as well as of a President and COO to assist the CEO in taking charge of management in Japan. At the Ordinary General Meeting of Shareholders held on June 17, 2020, a proposal to appoint a female director from inside the company was approved, adding further diversity to the Board of Directors. Going forward, based on the findings of the Nomination Advisory Committee, the Company will ensure the diversity of knowledge, experience, and abilities required for the Board of Directors in light of current business strategies, and seek to maintain the optimal Board composition within a twelve (12) member limit.

2. Executive Committee

The Executive Committee holds extensive discussions on items relating to fundamental management initiatives, management policies and management plans, along with important matters concerning the execution of business activities at each department. The committee thus gives direction in relation to these issues or receives reporting. As required, certain items submitted to this committee are passed on to the Board of Directors for further discussion.

This committee is comprised of the CEO, the president, officers with directorship status, and officers appointed by the president, and responds to important business execution with the aim of expediting decision making and improving the efficiency of operations. As a rule, this committee meets once a week, and is chaired by the CEO or the president. The standing audit & supervisory board member also attends these committee meetings.

3. Business Issues Committee

The Business Issues Committee engages in broad-ranging debate about items related to fundamental management strategies and policies, basic policies behind specific projects, and changes to business strategies. It also shares information to ensure a common understanding of

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such matters and discusses the Company's direction. Its findings are reflected in deliberations of the Board of Directors and the Executive Committee. The Business Issues Committee, which meets twice a month in principle, consists of the CEO, the president and officers with directorship status, and is chaired by the CEO or the president.

4. Officers Committee

This committee consists of the CEO, the president and all officers and aims to ensure members' thorough understanding of business conditions and important business matters. This committee is chaired by the president and the standing audit & supervisory board member is also present.

5. Audit & Supervisory Board and audit & supervisory board members

The Audit & Supervisory Board, consisting of three (3) audit & supervisory board members and holding meetings once monthly in principle as stipulated in the Regulations of the Audit & Supervisory Board, receives reports on important matters, holds discussions, and makes decisions. The two (2) outside audit & supervisory board members are independent, a lawyer and a certified public accountant qualified as a certified public tax accountant, and conduct audits from a standpoint independent from the Company and by using their professional expertise.

In accordance with standards for audits by audit & supervisory board members, the audit & supervisory board members attend meetings of the Board of Directors, and other important meetings, including Executive Committee meetings, to monitor how important decisions are

reached and business activities are executed. The audit & supervisory board members also receive reports from independent auditors, directors, and employees. Through these activities, audit & supervisory board members hold the deliberations in order to form auditing opinions.

6. Outline of Audit by audit & supervisory board members, Internal Audit, and Independent Auditors

(1) Audit by audit & supervisory board members

The details of audit by audit & supervisory board members are stated as in the above (5) Audit & Supervisory Board and audit & supervisory board members.

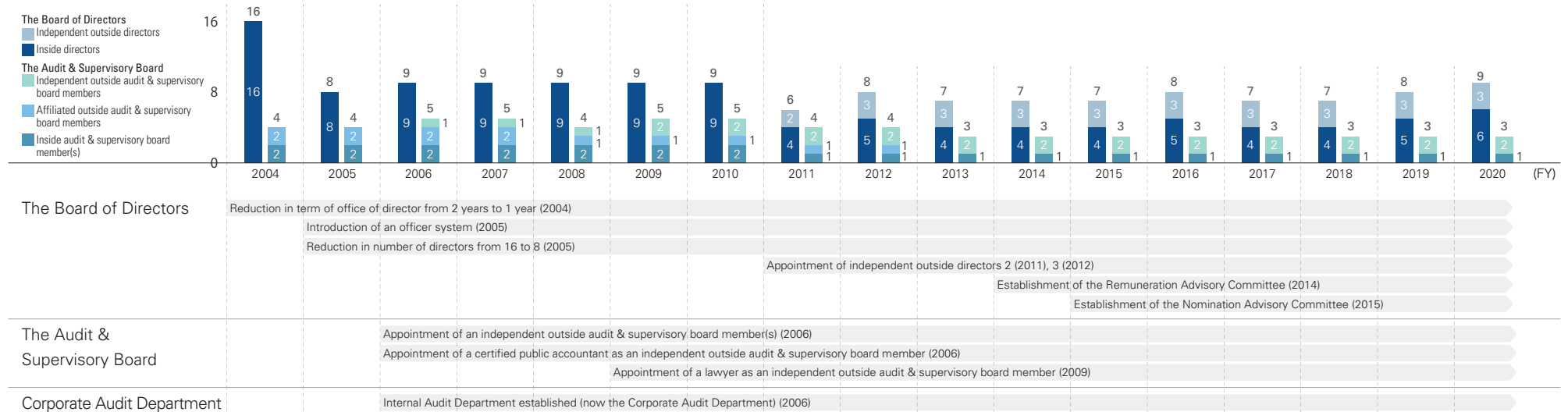
(2) Internal Audit

JSR has established the Corporate Audit Department to improve the effectiveness of the JSR Group's internal control system. In accordance with the internal audit plan, the Corporate Audit Department regularly conducts internal audits such as compliance audits and business operation audits at its divisions and departments as well as its Group companies both in Japan and overseas and reports the audit results to the CEO, the president, related departments, and audit & supervisory board members.

(3) Independent Auditors

JSR's independent auditor is KPMG AZSA LLC. The audit & supervisory board members work closely with the independent auditors. The audit & supervisory board members interview the independent auditors about the audit plan and receive reports on the audit results. Furthermore, the audit & supervisory board members and independent auditors exchange information and opinions as necessary in the course of each fiscal year.

Governance history since 2004



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7. Sustainability Promotion Committee

In order to establish good relationships with various stakeholders and to become a company that is trustworthy and indispensable, the JSR Group has established the Sustainability Promotion Committee with the purpose of shifting its focus from CSR (Corporate Social Responsibility) activities to Sustainability activities that contribute to all stakeholders by creating value through corporate activities.

The Company has set up the following four committees under the Sustainability Promotion Committee: the Sustainability Planning Committee, the Environment, Safety and Quality Committee, the Risk Management Committee, and the Corporate Ethics Committee. The Sustainability Promotion Committee integrates and guides the activities of the above four committees and meets four times each year, along with other meetings as necessary, to further strengthen the management of Company.

Concerning the summary of results of evaluation of the effectiveness of the Company's Board of Directors

The Board of Directors of the Company has been conducting an evaluation in order to maximize corporate value of the Company by enhancing its effectiveness. The FY2019 effectiveness evaluation findings reached the conclusion that the JSR Board of Directors is functioning effectively. Effectiveness evaluations will continue to be performed moving forward.

Summary and Results of Board of Directors Effectiveness Evaluation for FY2019

Overview of Evaluation Results

Evaluation process

The Board of Directors evaluated its effectiveness through a self-assessment while utilizing aggregated data and evaluation support provided by a third party that has expertise in the relevant field.

In November 2019, a questionnaire was distributed to all eight directors (including three independent outside directors) and three audit & supervisory board members of our company (including two independent outside audit & supervisory board members). After collecting questionnaire responses, the board members discussed the results of the questionnaire, as well as the opinions expressed through the questionnaire, and evaluated the effectiveness of the Board of Directors.

Evaluation Results

The Board of Directors is properly structured by consisting of inside and outside directors as well as audit & supervisory board members from diverse perspectives (e.g. different nationalities and gender). The Board of Directors serves as a meeting body that oversees management and encourages top management to make bold decisions by utilizing each member's experiences, skills, and specialization.

The Nomination Advisory Committee and the Remuneration Advisory Committee are enhancing their supervisory functions by working effectively and providing adequate advice to the Board of Directors while ensuring their own independence and objectivity towards the Board of Directors.

Conclusions

The Board of Directors has drawn the conclusion that "The Board of the Directors of the Company is functioning effectively."

Things that require improvement

- As ESG investment and activities for the SDGs are becoming increasingly important, the Board of Directors recognizes that it is necessary to increase opportunity to discuss the sustainability & resilient management while taking into account these activities. The Board needs to further monitor activities which allow the Company to proceed with business strategies that focus on "sustainability & resilience" and to enhance corporate value.
- Regarding the composition of the Board of Directors, an outside director who has a thorough knowledge of IT and digital technologies resigned from his position in the middle of the fiscal year. Therefore, the Company needs to find a specialist in this field to fill the position. Besides that, it is also desirable that the Company finds people from diverse backgrounds for its Board of Directors. The Board of Directors hopes that the Company will develop more female employees that assume roles as directors.

Future Activities

- The Board of Directors will appropriately monitor the execution status of a new mid-term business plan which starts in FY2020. From the perspectives of sustainability & resilience, the Board of Directors will also promote integration between sustainability and business strategies, enhance the Company's operations through resilient activities (establish a multi-layered and robust system, reinvest in the plants and ERP, etc.), in parallel with the growth of major businesses, it will strengthen the Company's ability to respond to various crises, and maximize its corporate value.
- The Board of Directors once again confirmed the ongoing need to monitor important business issues when evaluating the Board's effectiveness. The business issues listed below will be on the agenda of Board meetings, and Board members will carefully discuss the issues and monitor the status of response measures.

Important business challenges

1. Carry out business based on the "sustainability & resilience."
2. Streamline the Company's overall business portfolio and optimize its overall resource allocation.
3. Create business models and business strategies in the Life Sciences Business so that it will become JSR's third business pillar.
4. In the Elastomers Business whose profitability has declined, determine business strategies and the way the business should be.
5. Expand the portfolio of our Digital Solutions Business which is the primary source of our company's revenue at the moment.
6. Implement crisis management and response (including Business Continuity Plan (BCP) due to the novel coronavirus).

Going forward, JSR will continue striving to ensure a highly effective Board of Directors based on regular evaluations of its effectiveness.

Corporate Governance

Assurance of Fairness and Transparency in the Directors' Remuneration Scheme (Initiatives by the Remuneration Advisory Committee)

JSR established the Remuneration Advisory Committee in FY2014. The Committee is chaired by an independent outside director, and consists of three independent outside directors (including the chair) and the Chairman of the Board. The Committee, consulting data and recommendations from outside organizations and taking each fiscal year's business performance and other factors into consideration, reports its findings to the Board of Directors on a fair, transparent, and competitive remuneration framework and remuneration amounts as well as a basic policy on directors' remuneration.

In FY2019 ended in March 2020, the Committee, as in other years, verified the validity of the remuneration framework, remuneration amounts, and the basic policy on directors' remuneration against benchmark data and verified the interconnectedness between the mid-term business plan and the remuneration framework. The Committee also endeavors for full transparency in disclosures of the directors' remuneration framework. The Director Remuneration section in JSR's FY ended in March 2019 Annual Report was mentioned on the Japanese Financial Services Agency's website as an example of best practices.

Principles on remuneration for directors and audit & supervisory board members

In order to maintain the competitive advantages of JSR Group as a global company, the Company has established principles on remuneration for directors and audit & supervisory board members which enable the Company to develop and recruit internationally competitive and diverse human resources capable of managing the businesses, and to provide short-, mid- and long-term incentives for its directors that are aligned with the benefit of its shareholders, and to encourage and motivate its management, while maintaining the transparency and accountability, to accomplish the management strategies and business strategies of the Company. Remuneration framework should:

- (1) attract, secure, and reward diverse and excellent personnel regardless of nationality for the purpose of further enhancing and improving its competitive advantages and global management;
- (2) encourage the management to demonstrate healthy entrepreneurial spirit by motivating them to achieve the objectives of business strategies aiming at continuous growth; and
- (3) promote medium- to long-term improvement in corporate value by sharing the benefit between management and shareholders via the reinforcement of stock ownership during his/her term of office as director.

Remuneration Structure

Remuneration for directors of the Company consists of basic remuneration, annual bonuses linked to the annual business performance of the Company, and Mid-Term Performance-Linked Bonus that are linked to the level of achievement of medium- to long-term results and Restricted Stock Share as Remuneration designed to facilitate earlier sharing of corporate values between directors and the shareholders of the Company. However, remuneration for outside directors and audit & supervisory board members, in light of their roles, consists only of basic remuneration. Remuneration for the Chairman of the Board consists of 3 (three) types of remuneration: a fixed basic remuneration, a Mid-Term Performance-Linked Bonus, and Restricted Stock Share as Remuneration in a similar manner as described above. The Chairman of the Board of the board, who is responsible for monitoring and supervising the Board while striving to improve corporate value from a perspective different from that of executive directors engaged in business execution, is excluded from performance-based annual bonuses.

The table below shows each remuneration composition when basic remuneration is set at 100 and the standard amount of the performance-linked remuneration is set when a target has been achieved 100%.

Remuneration System

		Basic Remuneration	Performance-Linked Remuneration			Basic remuneration vs. performance-linked remuneration
			Annual Bonus	Mid-Term Performance-Linked Bonus	Restricted Stock Share as Remuneration	
Directors (not including outside directors)	CEO	100	100	About 133	About 67	100:300
	President	100	30	50	25	100:105
	Chairman of the Board	100	0	50	25	100:75
	Concurrently serve as Executive Managing Officer / Managing Officer / Senior Officer	100	25	30	15	100:70

* In view of the duties involved, an annual bonus has not been paid to the Chairman of the Board since 2020.

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Appropriateness of the remuneration level of the Company

When considering the above mentioned remuneration structure and composition thereof, the Remuneration Advisory Committee verifies the appropriateness of the level of remuneration through annual benchmarking study by using the remuneration database possessed by a third party consultant specialized in remuneration for executives and by comparing with the companies whose size, type, and line of business are similar to those of the Company.

In addition, when determining the composition of performance-linked remunerations and other remuneration for the director who is responsible for overseeing and managing the Company's international businesses, the Remuneration Advisory Committee verifies the appropriateness of remuneration level for such director through another annual benchmarking study using a method similar to the one described above and using the survey data on remuneration prevailing in the region where such director is responsible for as well as considering each director's job responsibilities and the magnitude of impact on management of the JSR Group.

Procedures for determining remuneration, etc.

In relation to remuneration for the directors, the Board of Directors (referred to as "BOD" in this section) deliberates and determines the policies of remuneration for directors, remuneration framework, and amount of remuneration for individual directors.

In order to ensure independence and objectivity during deliberation and decision-making processes at the BOD mentioned above and to enhance monitoring function and accountability of the BOD, the Company established the Remuneration Advisory Committee as an advisory body for the BOD.

Items for deliberation and reports by the Remuneration Advisory Committee

The Remuneration Advisory Committee, upon an inquiry from the BOD, deliberates the remuneration of the eligible persons and related items as listed below and reports the result to the BOD, or provides the Audit & Supervisory Board with advice.

Persons eligible: Inside directors (including representative directors and executive directors), outside directors, audit & supervisory board members, officers, executive advisors, senior advisors, and other important employees

Items for deliberation: Establishment of the remuneration policies, designing the remuneration framework, setting performance targets, reviewing rationale of incentive remunerations, appropriateness of the level and composition of the remunerations, and determination of the amount of remuneration of each position based on the remuneration framework and others

Composition of the Remuneration Advisory Committee and attributes of Chairperson

The Remuneration Advisory Committee consists of at least 3 committee members, and more than half of the members shall be independent outside directors, of which a chairperson shall be elected from independent outside directors by resolution of the BOD in order to ensure independence, objectivity, and accountability as well as effectiveness of the Remuneration Advisory Committee. In addition, a third party consultant, specialist in this field, and staff members for the Committee also attend the Remuneration Advisory Committee meetings as observers.

Annual Bonus Payout Ratio Targets and Results (FY2019)

	Performance Evaluation Reference		Payout Ratio
	Target	Result	
Consolidated Revenue	508.0 billion yen	472.0 billion yen	26.2%
Consolidated Operating Profit	44.5 billion yen	32.9 billion yen	46.7%

* (Notes on the Payout Ratio in the table above) As the consolidated revenue and operating income were affected by reduction in raw materials for petrochemical businesses and the extraordinary losses etc., the Company set the payout ratio relating thereto at 26.2% and 46.7%, respectively by re-calculating consolidated revenue and operating income after excluding such temporary factors in accordance with the suggestion by the Remuneration Advisory Committee. As a result, the payout ratio for Annual Bonuses was about 37% by averaging those from consolidated annual revenue and operating profit, respectively (reflecting evaluation result of performance of the Group as a whole).

Annual Bonus Payout Ratio Range (FY2019)

Payout Ratio	Range of Payout Ratio corresponding to the result of the Performance Evaluation Reference		200%
	0%	100%(Target)	
Consolidated Revenue	471.9 billion yen or less	508.0 billion yen	544.1 billion yen or more
Consolidated Operating Profit	29.1 billion yen or less	44.5 billion yen	59.9 billion yen or more

3-Year Average of Consolidated Annual ROE

FY Mar 2016	FY Mar 2017	FY Mar 2018	FY Mar 2019	FY Mar 2020
6.8%	8.4%	8.8%	7.8%	5.7%
		Target	Actual	Payout Ratio
FY Mar 2016-FY Mar 2018		10%	8.0%	50%
FY Mar 2017-FY Mar 2019		10%	8.3%	58.3%
FY Mar 2018-FY Mar 2020		10%	7.4%	50%

Range of Mid-Term Performance-Linked Bonus Payout Ratio (FY2019)

Actual ROE average	Range of Payout Ratio corresponding to the actual ROE of the most recent 3-year average				
	less than 6%	6% or more	8%	10%	12% or more
Payout Ratio	0%	50%	50%	100%(target)	150%

* Payout Ratio is 50% when actual ROE average is between 6% and 8% and is calculated proportionately in accordance with the above table when actual ROE average is between 8% and 12%.

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Succession and Evaluation of the Group's Management Structure (Initiatives by the Nomination Advisory Committee)

The Nomination Advisory Committee was established in FY2015. Currently, the Committee consists of three independent outside directors (one of whom is the chair), as well as the CEO and the President and COO. The Committee carries out objective and long-term examinations of appointments and dismissals of the CEO and President, the Board of Directors' composition and elections, the Group's management structure, and succession plans for vital management posts. In FY2019, the Committee carried out a follow-up review and evaluation of the new management structure and monitored such initiatives as the Board of Directors' composition and elections and the nurturing and training status of next-generation management candidates. Furthermore, the CEO and President submit annual management activity reports to the Committee, which deliberates on the nomination and removal/dismissal of top management and makes recommendations to the Board of Directors.

Nomination Advisory Committee

JSR established the Nomination Advisory Committee to ensure the transparency of the policy and procedures of appointing candidates for directors, audit & supervisory board members and officers with directorship status (including senior officers). A majority of Committee members are independent outside directors and the chair is also an independent outside director.

The committee deliberates the standard for the diversity in breadth of knowledge, experience, and capability necessary for the Board of Directors, criteria and procedures for the nomination, and candidates for future appointment as CEO, the president, directors, officers with directorship status (including senior officers), and audit & supervisory board members, and reports its findings to the Board of Directors.

In addition, the CEO and/or the president submit to the Committee an annual report on a broad range of strategic management activities. Based on the report, the Committee assesses the business result and performance of the CEO and/or the president and advises the Board of Directors whether or not improvement in management quality is necessary.

Dismissal of Directors

The Committee will deliberate and report to the Board of Directors in a timely fashion when the Committee judges there arises a reason that necessitates dismissal of directors including the CEO. In order to ensure transparency of the deliberation, the Committee takes necessary measures such as deliberation solely among outside independent directors for the agenda relating to appointment/reappointment or dismissal of CEO.

Upon receipt of the aforementioned annual management activities report and based on the business result and performance evaluation of the CEO and/or the president as well as business circumstances and economic outlook, etc., the Committee annually deliberates and judges appropriateness of the appointment, dismissal of the CEO and/or the president and terms of office.

Criteria for appointing candidates for directors

When nominating candidates for directors, JSR makes it a rule to ensure an appropriate balance among diversity in breadth of knowledge, experience, and capability essential to the Board of Directors and the size thereof in order to make important management decisions and oversee the execution of duties in an appropriate and timely fashion. JSR appoints persons who are mentally and physically sound and have an exceptional personality and popularity, and high principles and ethical view. In light of these considerations, JSR appoints as candidates for inside directors persons who have extensive knowledge, experience, and high capability with a superior track record in such fields as business management (including international), R&D, manufacturing, manufacturing technology, human resources, and finance and accounting, etc. JSR appoints as candidates for outside directors persons who have independence, vast experience and extensive expertise of management of the major companies in various fields and of business management both in Japan and overseas as well as the capability to actively express opinions and raise issues on growth strategy and enhancement of governance from a broad perspective.

Criteria for appointing candidates for audit & supervisory board member

From the perspective of ensuring the transparency and soundness of business management through auditing the process of directors' decision making and execution of duties in accordance with laws and regulations, such as the Companies Act, the articles of incorporation and internal rules, JSR appoints persons with vast experience and extensive and sophisticated expertise necessary for audit (including one person with sufficient knowledge of finance and accounting) among those who are mentally and physically sound and have an exceptional personality and popularity, and high principles and ethical view. Regarding candidates for outside audit & supervisory board members, in particular, JSR nominates persons who have independence and extensive experience and knowledge of laws and accounting.

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Policy for training directors and audit & supervisory board members

JSR conducts introductory seminars and plant and laboratory tours and other opportunities for newly elected officers, given their potential as future director candidates, to deepen their understanding of the Company and its businesses.

Moreover, when a Board of Directors meeting is held, JSR picks up key issues closely related to its businesses as “Specific Themes for Review and Discussion” and thereby provides an opportunity to exchange opinions on such themes. This opportunity helps directors and audit & supervisory board members not only deepen their understanding of the Company’s business challenges but also promotes communication between board members. Furthermore, JSR holds regular seminars by outside lecturers prior to the ordinary general meeting of shareholders to review the status of corporate governance in general and legal reforms.

Succession Plan

The Committee systematically develops and selects candidates for the successor to the CEO and/or the president in an objective and transparent manner by providing the pool of candidates with necessary training and coaching to enhance skills and leadership and by actively participating in the selection process through interviews, etc.

Policy on constructive dialogue with shareholders

To promote constructive dialogue with shareholders and investors, officers responsible for the Accounting and Finance Department and the Corporate Communications Department take charge of IR activities, and work together to facilitate dialogue. JSR holds an analyst meeting every quarter and a mid-term business plan briefing once every fiscal year. In such meetings, the CEO, the president or an officer in charge of IR, explain business performance, financial position, details and progress of the mid-term business plan to analysts. Every year, the CEO, the president or an officer in charge of IR holds interviews with major institutional investors in Japan and overseas to explain the details and progress of the mid-term business plan. JSR has been endeavoring to provide investors with Company information on its website, such as financial statements, information on mid-term business plans and progress thereof, and details of business performance of main businesses, as well as information on CSR activities including efforts to conserve the environment and responsible care, and on R&D activities. Opinions and questions that JSR receives from investors through the above-mentioned discussions are fed back to management as IR activity reports. In discussions with shareholders, JSR has appropriately treated insider information (setting moratoriums from the start of a new fiscal year to the day of announcing business results, establishing regulations for preventing insider trading, and conducting employee education seminars).

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Independent Outside Directors (As of June 17, 2020)

The Company has appointed 3 independent outside directors to further strengthen the functions of the Board of Directors to supervise management and make decisions in a timely and appropriate manner.

By appointing independent outside directors with a broad range of corporate management experiences and an independent perspective as outside personnel, the Company ensures fair and reasonable business judgement and transparent and sound management.



Yuzuru Matsuda

Mr. Matsuda served as the President and Chief Operating Officer of KYOWA HAKKO KOGYO CO., LTD and Kyowa Hakko Kirin, Co., Ltd (currently known as Kyowa Kirin Co., Ltd.) as well as an Advisor to Kyowa Hakko Kirin. He has vast experience in corporate management for global companies especially in the field of medical products and biochemical. He also possesses the independent perspective as outside personnel. He has utilized his experiences and independent viewpoints to help the Company in making crucial decisions, to supervise the performance of duty at the BOD level, and to strengthen the Company's fair corporate governance through enhancement of fair and reasonable business judgement and transparent and sound management, thereby continually contributing further to the enhancement of JSR Group's corporate value. He is therefore appointed again as an outside director.



Shiro Sugata

Mr. Sugata served as the Representative Director and President of USHIO INC., where he currently serves as Advisor. He also served as Vice Chairman, Executive Director at the Japan Association of Corporate Executives. He has vast experience in the corporate management of global companies especially in the field of optical application products and industrial machineries and also has experience obtained through activities in the business community, and possesses the perspective as independent outside personnel. He has utilized his experiences and independent viewpoints to help the Company in making crucial decisions, to supervise the performance of duty at the BOD level, and to strengthen the Company's fair corporate governance through enhancement of fair and reasonable business judgement and transparent and sound management, thereby continually contributing further to the enhancement of JSR Group's corporate value. He is therefore appointed again as an outside director.



Tadayuki Seki

Mr. Seki served as the Representative Director and Executive Vice President and thereafter as an Advisory Member at ITOCHU Corporation. He has vast experience in the corporate management of a general trading company which operates a global trading business and possesses the perspective of independent outside personnel. He has utilized his experiences and independent viewpoints to help the Company in making crucial decisions, to supervise the performance of duty at the BOD level, and to strengthen the Company's fair corporate governance through enhancement of fair and reasonable business judgement and transparent and sound management, thereby continually contributing further to the enhancement of JSR Group's corporate value. He is therefore appointed again as an outside director.

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Directors and Audit & Supervisory Board Members (As of June 17, 2020)



Representative Director, CEO
Eric Johnson
 North America Business
 President of JSR North America Holdings, Inc.



Representative Director, President, COO
Nobuo Kawahashi



Director, Chairman of the Board
Mitsunobu Koshiba



Director, Executive Managing Officer
Koichi Kawasaki
 Manufacturing and Technology, Product Safety & Quality Assurance, Safety and Environment Affairs, Human Resources, Diversity Development
 President of Japan Butyl Co., Ltd.



Director, Managing Officer
Hideki Miyazaki
 Accounting, Finance, Corporate Communications, IT Strategy, Cyber Security Management, Business Process Renovation



Director, Senior Officer
Mika Nakayama
 Sustainability Promotion
 General Manager of Sustainability Promotion Dept.



Outside Director
Yuzuru Matsuda



Outside Director
Shiro Sugata



Outside Director
Tadayuki Seki



Standing Audit & Supervisory Board Member
Tomoaki Iwabuchi



Outside Audit & Supervisory Board Member
Hisako Kato



Outside Audit & Supervisory Board Member
Sumio Moriwaki

Officers (As of June 17, 2020)*

Managing Officer
Hayato Hirano
 Supervising Elastomers Business, Plastics Business

Managing Officer
Katsuya Inoue
 Corporate Planning, Emerging Business, Office of the CEO General Manager of Corporate Planning Div.
 General Manager of Office of the CEO
 General Manager of Investment, Business Innovation
 Executive Officer of JSR Active Innovation Fund, LLC

Managing Officer
Tadahiro Suhara
 Supervising Digital Solutions Business
 Representative Director of JSR Micro Korea Co., Ltd.

Senior Officer
Kazumasa Yamawaki
 Plastics Business
 President of Techno UMG Co., Ltd.

Senior Officer
Makoto Doi
 Legal, General Affairs, Secretarial Office
 General Manager of Legal Dept.

Senior Officer
Yoshikazu Yamaguchi
 Electronic Materials Business
 General Manager of Electronic Materials Div.
 General Manager of Taiwan Branch., Electronic Materials Div.

Senior Officer
Kazushi Abe
 Elastomers Business
 General Manager of Elastomer Div.
 President of ELASTOMIX CO., LTD.
 Director and President of KRATON JSR ELASTOMERS K.K
 President of ELASTOMIX(FOSHAN)CO., LTD.
 Representative Director of JSR Elastomer Europe GmbH

Officer
Koichi Saeki
 Yokkaichi Plant
 Yokkaichi Plant Manager

Senior Officer
Seiji Takahashi
 Manufacturing and Technology (Deputy), Procurement, Logistics
 General Manager of SSBR Global Manufacturing & Technology Management Dept.

Officer
Eiichi Kobayashi
 Executive Vice President of JSR North America Holdings, Inc.

Officer
Yoichi Mizuno
 Edge Computing Business
 General Manager of Edge Computing Div.

Officer
Yasufumi Fujii
 General Manager of Corporate Audit Dept.

Officer
Mikio Yamachika
 Manufacturing and Technology (Deputy)

Officer
Tim Lowery
 Life Sciences Business
 General Manager of Life Sciences Div.
 President of JSR Life Sciences, LLC

Officer
Koichi Hara
 Executive Vice President of JSR North America Holdings, Inc.

Officer
Junichi Takahashi
 Product Safety & Quality Assurance (Deputy)

Officer
Keisuke Wakiyama
 Display Solution Business, China Business
 General Manager of Display Solution Business Div.
 Chairman of JSR (Shanghai) Co., Ltd
 Chairman of JSR Micro (Changshu) Co., Ltd.
 Chairman of JSR Display Technology (Shanghai) Co., Ltd.

Officer
Ichiko Tachibana
 General Manager of Support Dept., Emerging Business
 JSR Active Innovation Fund, LLC

Officer
Toru Kimura
 Research & Development (CTO)
 General Manager of Research & Development
 General Manager of RD Technology and Digital Transformation Center

Officer
Yutaka Yoshimoto
 Office of President
 General Manager of Office of President

Officer
Hiroaki Tokuhisa
 Research & Development (Deputy)
 General Manager of Yokkaichi Research Center
 General Manager of Performance Polymer Research Laboratories
 General Manager of Tire Materials Technology Development Center

* excluding those who concurrently serve as directors

Compliance

1. Philosophy

JSR Group has been endeavoring, by building up and maintaining good relationships with all our stakeholders, to become a trustworthy and indispensable corporate citizen.

We have been vigorously adhering to our Code of Conduct in order to fulfill “Our Responsibility to our Stakeholders,” an essential part of our Management Policies, as well as to ensure compliance with relevant laws and regulations during the course of our business.

2. JSR Group Principles of Corporate Ethics

JSR Group is advancing corporate ethics activities in an integrated manner at all Group companies, both at Japan and overseas. To achieve this, we have formulated the JSR Group Principles of Corporate Ethics as a concrete guideline for globally-shared corporate ethics that reflect our “Essential Elements.” The principles serve as a Code of Conduct that all directors and employees (full-time, contract, part-time, and temporary employees as well as employees on short-term contracts) of JSR companies should comply with in order to develop our corporate activities while fulfilling the Management Policies spelled out in “Our Responsibility to our Stakeholders.”

JSR Group shall never require directors and employees of Group companies to act in violation of this Codes of Conduct. Additionally, JSR Group shall not disadvantage any director or employee who refuses to execute an order to perform an act that is in violation of the Codes of Conduct because of that refusal.

3. Corporate Ethics Activities

(1) Corporate Ethics Awareness Survey

JSR Group works to identify and improve

corporate ethics-related issues by conducting annual surveys on corporate ethics awareness that target the directors and employees of JSR Group companies in Japan and overseas. The results are reported at the Corporate Ethics Committee and then to an Officers Committee. They are subsequently fed back to employees by being posted in a summarized form on the Company intranet together with a message from the assigned officer explaining issues and other matters gleaned from the results. Some overseas Group companies also strive to build awareness of corporate ethics and legal compliance among their employees, including their locally hired employees, using methods that are appropriate for the local culture.

(2) Hotline (Internal Reporting Channels)

① Hotline for Employees

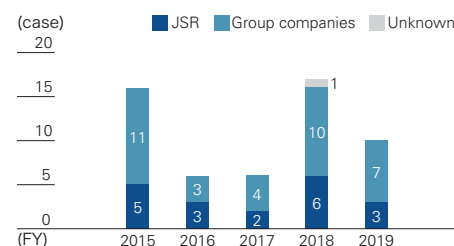
The JSR Group has introduced a system of internal reporting channels called the “Corporate Ethics Hotline.” An internal hotline is connected to the Corporate Ethics Committee in JSR or the relevant Group company. An external hotline is set up to connect to two contact points. One is a designated independent attorney and the other is an independent and specialized outside organization capable of handling communication in Japanese, English, Chinese, Korean, Thai, and Indonesian. This system is designed to facilitate use even by overseas employees. Reports made to the external hotline are also simultaneously reported to full-time auditors so that independence from management is assured. We encourage our employees to use these hotlines through promotions via internal newsletters and other media, and strive to build trust in the hotlines by ensuring confidentiality and prohibiting unfair treatment of hotline users.

We also hold regular once-yearly meetings between the corporate ethics officers of domestic Group companies and JSR’s Corporate Ethics Committee for the purposes of aligning all Group companies in Japan and tackling ethics-related issues. Furthermore, we post and display guides for accessing the hotlines on the Company intranet and online internal newsletters to make the hotlines easier to use.

For each report that comes in, the office of the Corporate Ethics Committee in the company concerned asks the relevant department to ascertain the facts. The office then discusses and decides on responses based on the department’s findings, and then follows up on the results. If the reporter desires feedback, the contact point that initially received the report contacts him or her with the results as well as any actions taken.

Ten reports were received during FY2019. Of them, five involved abuse of power.

State of Use of JSR Group’s Hotline (Number of Reports)



② Hotline for Business Partners

In its Procurement Department, JSR employs a Supplier’s Hotline, an external reporting channel for business partners, namely suppliers and services providers with whom domestic Group companies do regular business. It receives reports from business partners to quickly discover and resolve

violations of the law as well as actual and possible violations of corporate ethics in business transactions. Hotline services are entrusted to the same outside organization employed for the employee hotlines. Efforts are being made to improve reliability by enforcing strict secrecy of reports and prohibiting any handling of reports that would be disadvantageous to those reporting.

Since its introduction in FY2014, there have been no reports made using the Suppliers’ Hotline.

4. Legal Compliance Measures

Every JSR Group member defines legal compliance regulations that form the basis of its legal compliance. Each company then uses the regulations to solidify its compliance through regular review and improvement as well as legal training to increase awareness of laws and regulations and instill commitment to compliance. JSR Group establishes specific systems and executes other priority approaches to ensure compliance with laws and regulations that are particularly relevant to the execution of business.

① Approach to Preventing Bribery and Unfair Competition

JSR has formulated a “Policy for Bribery Prevention,” “Rules on Complying with Anti-Corruption Laws” and “Standards for Gift-Giving and Entertaining” that specify necessary items for all executives and employees to comply with the Japanese Unfair Competition Prevention Act, The U.S.

Risk Management

Foreign Corrupt Practices Act, The U.K. Bribery Act and other anti-corruption laws.

In addition, JSR has also formulated “Rules on Antimonopoly Law” (Japan), “Rules on Complying with U.S. Antitrust Laws,” “Rules on Complying with the EU’s Antitrust Laws” and “Rules on Complying with Korean Fair Trade Laws” that specify items necessary for complying with each country’s antimonopoly (antitrust) laws.

5. Protection of Personal Information

JSR Group recognizes the importance of protecting personal information. We have therefore formulated a Privacy Policy and Rules for Handling Personal Information that sets out our approach to the acquisition, use, and management of personal information based on the Act on the Protection of Personal Information. We have also established Rules for Handling Specific Personal Information in response to the introduction of Japan’s Individual Number system. Moreover, in accordance with relevant laws and our privacy policy, we ensure the appropriate handling of specific personal information in the Company by defining precautions and security standards necessary to ensure the proper use and protection of this information at each stage of acquisition, storage, use, provision, disclosure, correction, suspension of use, and deletion.

Furthermore, for Group companies that will handle personal data covered by the EU’s General Data Protection Regulation (GDPR), we are providing support for the development and operation of a GDPR compliance system to be applied to the acquisition, processing, and transfer of covered personal data.

1. Philosophy

JSR Group believes that preventing a major crisis from occurring and minimizing its impacts on business activities is an important management role. The Group has formulated Risk Management Policies and established a Risk Management Committee through which it actively pursues risk management activities.

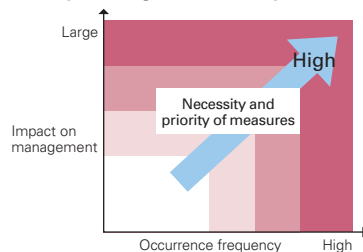
2. Risk Management Measures

(1) Identifying Risks and Selecting Important Risks

Since FY2009, JSR Group has fulfilled group-wide annual risk management procedures using its unique risk management system under the initiative of the Risk Management Committee. For each division of JSR Group companies in and outside of Japan, we identify and evaluate all potential risks and formulate measures to control such risks.

Utilizing a risk map that represents level of business impact and frequency of occurrence, we identify risks that could have a significant impact on business continuity and organize those risks into the JSR Group Risk Factors. By monitoring and regularly reviewing risks that senior management has personally ascertained, we are building and maintaining a system for prevention and crisis preparedness.

Conceptual diagram of risk map



(2) Crisis Management Training

JSR has formulated BCM procedures that summarize the BCM/BCP* systems in place for both normal circumstances and emergency situations. These procedures define the BCM organization and the actual BCP which includes stipulations on target recovery times, and BCP activation and cancellation standards. They also define the organizational structure that takes effect during activations of the BCP and corresponding priority businesses and operations.

Moreover, we maintain a stable supply of funds on hand to allow us to manage our businesses flexibly if a major risk arises. We also acquire issuer ratings and commercial paper ratings from rating agencies each year. JSR’s rating information is available on rating agencies’ websites as well as the JSR website.

Amid concerns of a global economic slowdown resulting from the COVID-19 pandemic, we issued three types of unsecured straight bonds with a total value of JPY 35 billion on May 8, 2020.

* BCM: Business Continuity Management/BCP: Business Continuity Plan

A BCP defines activities that need to be conducted before the occurrence of an emergency situation that may threaten the survival of a company (large-scale natural disaster, explosion/fire, terrorist attack, etc.), judgment criteria and action guidelines that enable business continuity in the event of such emergencies, and other matters necessary for ensuring the continuity and early restoration of important businesses. BCM is a management system that has been developed to operate and continuously improve the BCP through a PDCA (plan-do-check-act) cycle.

(3) Enhancing Information Security

JSR Group adopted an Information Security Policy and is working to implement appropriate information management by informing all personnel of the policy.

< Information Security Policy >

- The JSR Group, by complying with laws and regulations and by observing other social norms relating to the handling of information, will protect information that belongs to the JSR Group, its customers, business partners and other third parties.
- The JSR Group will strive to develop and actively use its information assets for the efficient execution of its business. The Group’s officers and employees will only use these information assets for the purposes of their work and within the scope of their authority.
- The JSR Group will improve organizations and systems, provide education on information security, thoroughly disseminate this policy and related regulations, and implement measures to ensure information security.
- The JSR Group will implement appropriate human, organizational, and technological measures and work to prevent unauthorized access to information assets from outside the company, as well as leaks, falsification, loss, theft and destruction of information assets.
- If an information security-related problem occurs, the JSR Group will promptly identify the cause and take measures to minimize damage and prevent recurrences.
- The JSR Group will periodically assess and review its information security measures to respond appropriately to changes in external environments.

Response to COVID-19

In view of the COVID-19 pandemic’s spread, we established a COVID-19 Response Committee led by the President at the end of January 2020. The committee’s first actions were to gather information in China, determine responses to be taken by local subsidiaries, and provide support. As it became clear that the pandemic was

Supply Chain Management

spreading to Japan and the rest of the world, we set up a BCP (Business Continuity Plan) Committee in mid-February. The committee quickly completed various measures taken with recognition that JSR Group is part of a materials industry that supports key industries around the world. They included establishing a code of conduct for maintaining operations at important manufacturing and R&D centers of the Group in Japan, Asia, Europe, and the United States; enforcing the supply of protective equipment and its use; stopping visits from outside personnel; sharing information with employees throughout the world; and establishing work-from-home environments at all business bases. The details of the BCP Committee's actions are also being shared with outside directors and auditors.

While respecting the cultural differences and individuality of JSR business bases around the globe, we are striving to manage the crisis and maintain our business by engaging in speedy and integrated information management within the BCP Committee and linking it to appropriate action. We are also endeavoring to post information concerning stakeholders on the "JSR's Response to COVID-19" page of the JSR website and to disclose new information as it becomes available.

JSR's Response to COVID-19
https://www.jsr.co.jp/sr_e/covid19/response/

1. Philosophy

We believe that an important role of JSR Group is to offer innovative materials and excellent products that meet customer needs and contribute to the making of a better society. We are able to respond to social issues through our business partners and supply chain management.

2. Supply Chain Management

(1) CSR/sustainable procurement

JSR Group is in a unique position as a chemicals manufacturer to deliver quality products to various industries to support society.

Supply chain management is specific to each of the businesses and is therefore different in the Elastomers, Plastics, Digital Solutions, and Life Sciences Business. The JSR Group Purchasing Policy states that when making purchases, JSR will give sufficient consideration to legal and regulatory compliance, resource protection, environmental conservation, safety, human rights, biodiversity, and other factors that lead to a sustainable society. With suppliers' understanding, and through communication, mutual understanding, and cooperation, we can continue engaging in effective initiatives.

Based on our Purchasing Policy and CSR/sustainable procurement initiatives implemented in FY2010, we surveyed the social and environmental considerations of our suppliers using a questionnaire. When an issue was detected, we dispatched the person in charge of procurement to the supplier to work on solving the issue together. We were able to survey the suppliers that

represent 99% of our purchased materials by FY2013. We will continue to conduct the same process as we establish new suppliers in the future.

Additionally, amid recent globalization of the supply chain, issues such as forced labor, child labor, environmental destruction, global warming, and corporate scandals have occurred, and boycotts and demand for improvement are being seen. Such developments are beginning to have significant impacts on corporate activities. In response, we revamped and expanded the questionnaire items used for surveying CSR/sustainable procurement in FY2017. We are now conducting the second round of surveys using this revised questionnaire.

Moreover, understanding that engaging in supply chain management in this way brings mutual prosperity to both JSR Group and our business partners. We rearranged the items that JSR Group wants business partners to comply with on the revised questionnaire and newly formulated the "JSR Group CSR/Sustainable Procurement Policy" in December 2018. We are distributing the new policy to our business partners asking them to adopt and communicate it within their organizations.

(2) Green procurement of raw materials

JSR has long been committed to green procurement, a policy that puts the highest priority on goods with minimal environmental impact when purchasing raw materials. In response to the growing industry trend in managing chemicals in the supply chain, JSR joined Joint Article Management Promotion-consortium (JAMP)*1 in October

2008, and reviewed its Green Procurement Guidelines*2. JSR will continue to practice green procurement with an emphasis on disseminating information through the supply chain.

*1 Joint Article Management Promotion-Consortium (JAMP) was established as an inter-industry organization in September 2006 to support activities that aim to create and expand specific systems for the proper management of information on chemicals in articles (components, products, and so on) and to facilitate the disclosure and dissemination of information within supply chains. JSR conducts activities that contribute to the practice of these principles through its participation in JAMP.

*2 Green Procurement Guidelines: JSR began formulating its Green Procurement Guidelines in 2000 and has been promoting environment-friendly "green procurement" based upon them. In 2008 JSR joined JAMP and revised the guidelines to bring its managed substances and format in line with JAMP MSDSplus. We again revised the guidelines during a switch from MSDSplus to chemSHERPA (a new format led by the Ministry of Economy, Trade and Industry for communicating information on chemical substances) in 2018. We will continue advancing green procurement with an emphasis on the dissemination of information so we can effectively manage chemical risks in our supply chains.

Sustainability Performance

Evaluation by Outside Organization

The JSR Group is highly regarded for its sustainability activities and other non-financial initiatives, as reflected by its inclusion in international socially responsible investment indexes and investment universes. Also, the JSR Group has been selected for inclusion in the FTSE Blossom Japan Index and MSCI Japan Empowering Women Index (WIN), S&P/JPX Carbon Efficient Index, which are ESG indexes selected by Government Pension Investment Fund (GPIF).

Inclusion in ESG indexes, socially responsible investment (SRI) indexes and investment universes (Current as of July 1, 2020)



FTSE4Good (U.K.)
For 16 consecutive years since 2004 we have been selected by FTSE Russell as a constituent of the FTSE4Good Index Series.



EURONEXT Vigeo Eiris World 120 (France)
We are reconfirmed for inclusion in the EURONEXT Vigeo Eiris World 120 Index as a global company with outstanding ESG (environment, social, governance) performance.



ETHIBEL PIONEER & EXCELLENCE Investment Registers (Belgium)
On May 8, 2020, we were reconfirmed for inclusion in the ETHIBEL PIONEER & EXCELLENCE Investment Registers, which is an international SRI universe.



FTSE Blossom Japan Index (Japan)
We were selected as an investment brand of the "FTSE Blossom Japan Index" for being a Japanese company with excellent consideration for ESG (Environment, Social, and Governance).



MSCI Japan Empowering Women Index (WIN) (Japan)
We were selected by MSCI as an investment brand of the "MSCI Japan Empowering Women Index (WIN)" for being a company with excellent gender diversity.



S&P/JPX Carbon Efficient Index (Japan)
We were selected for inclusion in the S&P/JPX Carbon Efficient Index by the S&P Dow Jones Index.



SOMPO Sustainability Index (Japan)
In recognition of our standing as a company with a high ESG (Environment, Social, and Governance) evaluation, we were reconfirmed by Sompo Asset Management Co., Ltd. as a brand to be included in the SOMPO Sustainability Index.



2020 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Japan)
We were selected by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi as a company practicing outstanding health and productivity management.

* The inclusion of JSR Corporation in MSCI indexes, as well as the use of the MSCI logo, trademark, service mark and index name, does not constitute support, endorsement or promotion of MSCI or any MSCI-affiliated company by JSR Corporation. MSCI indexes are the sole property of MSCI. MSCI and all MSCI index names and logos are the trademark or service mark of MSCI and its affiliated companies.