

Corporate Mission and Contents

Materials Innovation

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

Management Policies

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

Fundamental Pillars of Management

- Continuous creation of businesses
- Enhancement of corporate culture
- Increase in corporate value

Responsibility to Our Stakeholders

- **Responsibility to our customers / business partners**
Our responsibility to all JSR Group customers and business partners.
- **Responsibility to our employees**
Our responsibility to all JSR Group employees.

- **Responsibility to society**
Our responsibility to the communities in which we live and work and society around the world.
- **Responsibility to shareholders**
Our responsibility to all shareholders.

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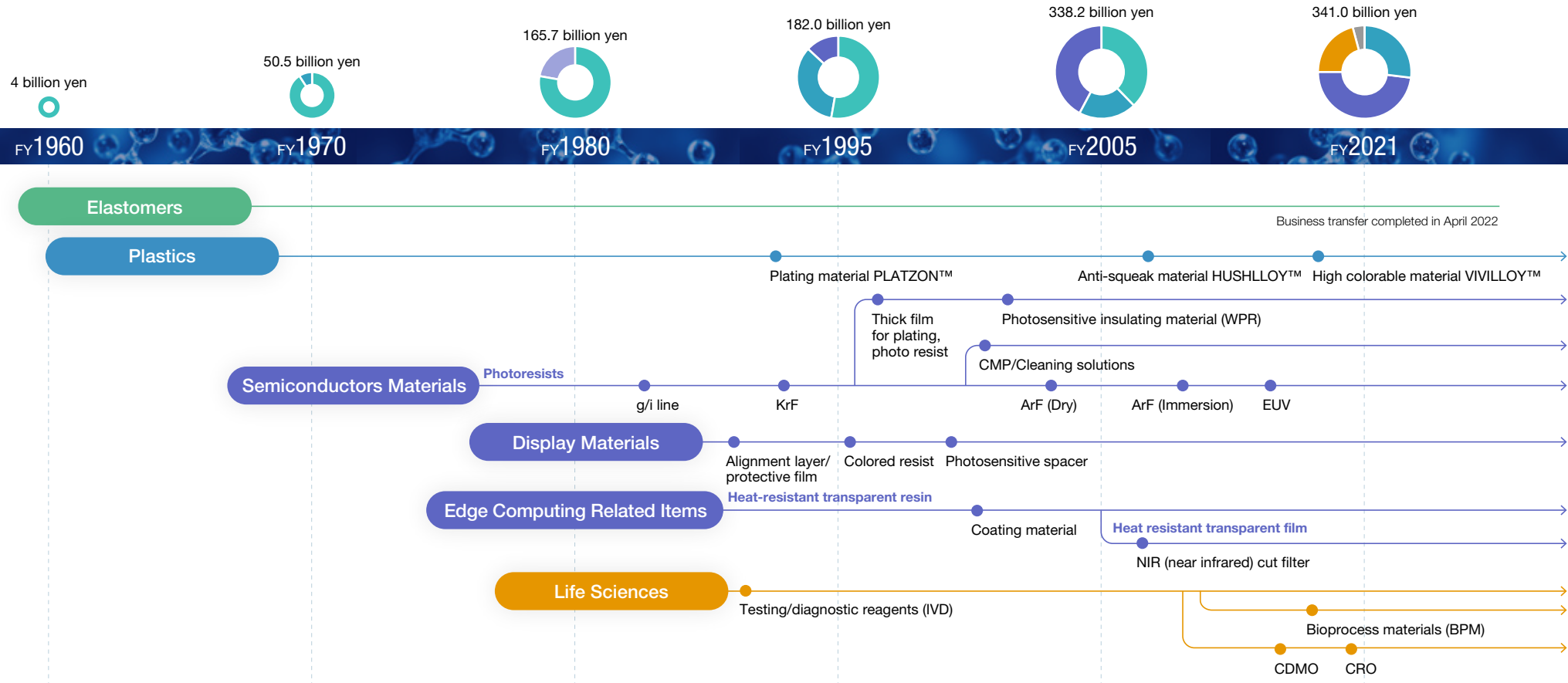
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Trajectory for Achieving Our Corporate Mission

As a leading technology company, JSR has had important impacts on society while optimizing its business portfolio by responding to the changes and needs of the times.

Shift in the business portfolio (The size of the circle represents amount of sales)

■ Elastomers
 ■ Plastics
 ■ Digital Solutions
 ■ Plastics & Digital Solutions
 ■ Life Sciences
 ■ Others



Business transfer completed in April 2022

Contribution to society through business (impacts)

For example, the spread of automobiles

We launched domestic production of synthetic rubber in 1960 and contributed to the development of motorization. Moreover, plastics are now used for interior materials, contributing to ride comfort.



For example, the spread of electronics

Photoresists, which enable miniaturization, used in the semiconductor manufacturing process make it possible to develop high performance electronic equipment, thereby contributing to the development of the information and communication industry.



For example, at the height of LCD televisions

Utilizing our polymer technology, we have developed a wide range of product lineups that contribute to high brightness and high definition LCD displays. In addition, our products have also contributed to the spread of flat-screen televisions.



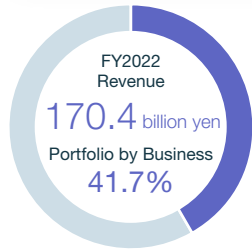
For example, the development of biopharmaceuticals

JSR developed Protein A Affinity carrier using its proprietary polymer particle. This contributes to increased productivity in the manufacturing process of biopharmaceuticals.



At a Glance

Digital Solutions Business



Achieving a wide array of digital technology with world class products

Semiconductor Materials Business

We feature a wide lineup of products to meet the needs of the world's semiconductor manufacturers, including lithography materials to support semiconductor production processes (photoresists, multilayer materials), CMP* materials, cleaning solutions, and advanced packaging materials used in device packages.

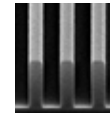
Display Materials Business

We offer Alignment Layer and Passivation Coat used in liquid crystal display panels for smartphones, LCD TVs, etc.; Passivation Coat and Planarization Layer for OLED displays; and other materials meeting the need for lightweight, power-saving devices with excellent picture quality.

Edge Computing Business

We offer materials applicable for technological innovation through ICT and AI, and for the evolution of mobile devices.

* Chemical and mechanical planarization



Lithography Materials

Used for miniaturization of electronic elements and circuits on substrates in semiconductor production processes, these photosensitive materials help to miniaturize semiconductor chips while boosting their performance.



LCD Materials

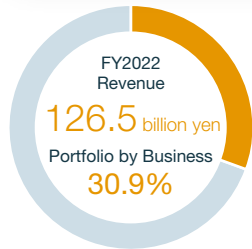
Materials used in liquid crystal displays to achieve power savings and excellent picture quality.



Heat-resistant transparent resin ARTON™

ARTON™ is a transparent resin material with excellent optical properties, dimensional stability, and heat resistance. It makes optical correction displays possible as well as enables photographs to capture natural colors as a built-in camera feature.

Life Sciences Business



Contributing to healthy life expectancy by supporting drug discovery in oncology

JSR Group's drug discovery and development services operate a contract development and manufacturing organization (CDMO) for biologics and a contract research organization (CRO). We also provide materials and services using the latest technology, such as diagnostic reagents that contribute to more advanced disease diagnosis and preventive diagnosis, and bioprocess materials used to purify antibodies and drugs.



Drug Discovery and Development Services

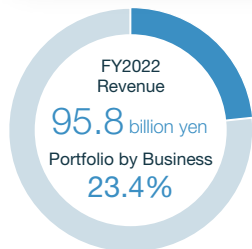
We have a global support system covering all aspects from drug discovery to manufacturing, which increases the probability of successful drug development and shortens development times.



Bioprocess Materials for Diagnostic and Research Reagents

Materials for the isolation and purification of biomaterials like proteins and cells and in vitro diagnostic reagents for diagnosing disease, which are key to personalized medicine. Materials that support the optimization of biologics manufacturing processes.

Plastics Business



Offering high quality, high performance ABS resins for all five senses

Offering anti-squeak materials, non-coated high colorable materials, and plating materials for automobiles, with a primary focus on ABS resins used for a wide range of purposes, including automobile parts, household appliances and building materials. Using JSR Group technological capabilities flexible enough to meet a variety of needs to develop unique products and design components that combine multiple desirable characteristics, providing users around the world with products of consistently high quality and added value.



ABS Resin

Providing heat- and weather-resistant grades of ABS used in automobile and building materials, with high resistance in practical use, impact resistance, workability, and weather resistance.

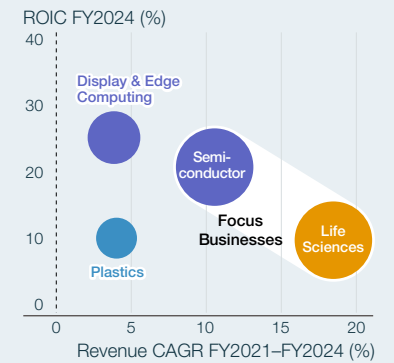


HUSHLLOY™ Anti-Squeak Material

Prevents unpleasant squeaking when parts rub against each other; the anti-squeaking effect lasts for the lifetime of the product and helps to lower parts costs.

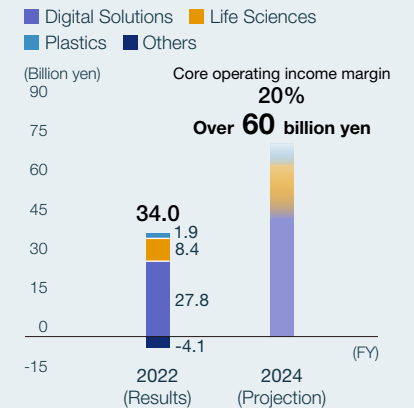
Target Business Portfolio in FY2024

Digital Solutions Business & Life Sciences Business become core businesses



* Circle size: Core operating profit in FY2024

Core operating profit is expected to reach a record high of over 60 billion yen



The Search for Solutions to Society's Problems

With a long-term view of social issues, JSR Group has identified the following four macro trends. We aim to contribute to society by clearly identifying risks and opportunities for the company.

Macro trends seen by JSR (social issues)



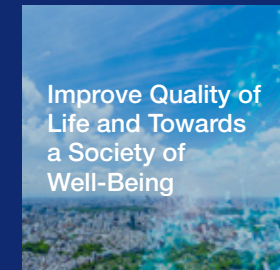
Opportunities for growth

- Increased momentum to reduce lifecycle CO₂ emissions (Climate change issue comes into focus)
- Increased demand for environmentally conscious products
- Living structure reform
- Widespread of advanced decarbonization technology
- Changes in the automotive industry and impact of EVs becoming mainstream
- Increased demand for recycled and recyclable resins

Potential risks

- Enhanced GHG emissions regulations
- Setting and the rising of carbon pricing
- Emergence of customers requiring decarbonized products (RE100, etc.)
- Progress in low-carbon energy sources
- Sustainable financing becoming mainstream
- Changes in securing human resources

Contributions to society, resolution of issues



JSR Group's outstanding technological capabilities are always advancing. Our aim is to leverage them to contribute to smart societies built on IoT, AI, and 5G and to realize societies where every person in the world can live more prosperously.



JSR offers materials and services powered by the latest technologies. These bring greater efficiency and speed to biopharmaceutical development processes. We are also helping to enhance health and longevity in society by offering products and services to enable personalized medicine.

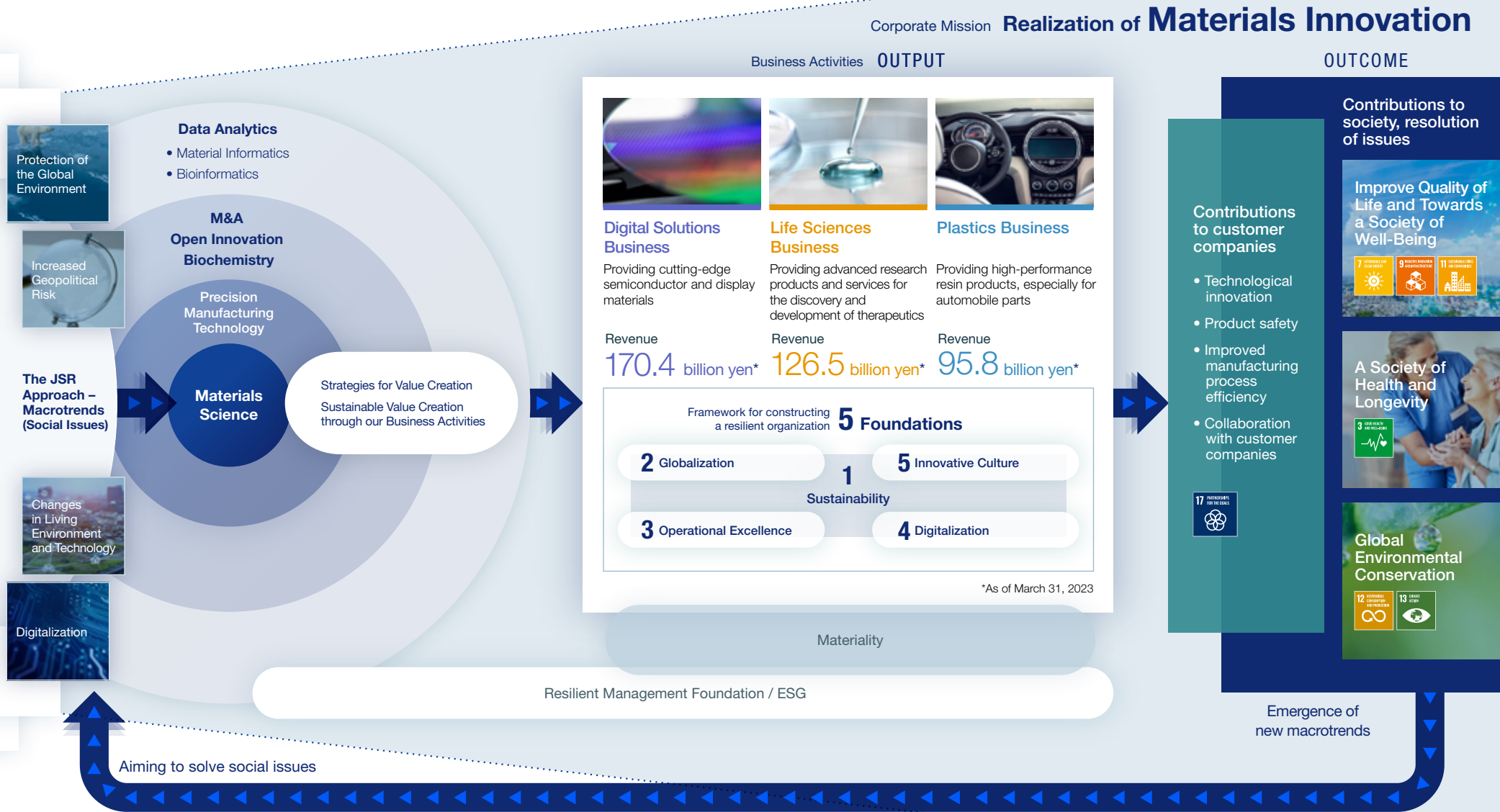


JSR Group is working to protect the global environment not only at the manufacturing stage but from many different angles. This includes creating new business opportunities that could help reduce the environmental impact of products themselves.



Medium- to Long-term Value Creation

We seize upon social issues and use JSR's technological strengths to strive to contribute to society and increase our corporate value.



JSR's Materiality

JSR's materiality is formulated from both aspects of Business Activity and Management Foundation. Materiality is also reflected in the Medium-term Management Policy announced in March 2021, and positioned as the core of our resilient management foundation.

Materiality will evolve based on changes in demands from society, as well as opinions and needs from various stakeholders. We will continue to review and identify materiality going forward.

Implementation of materiality review and identification

1. Confirm the appropriateness through engagement in Responsible Care activities, with experts and employees, at an appropriate timing.
2. Regularly review and ensure the transparency and persuasiveness of the process of materiality identification through exchanging opinions with experts at the time of formulating the new Medium-term Management Policy.

Identification process

Business Activity

Interviews of each business division

Conduct interviews and discussions on the positive and negative impacts with each of the four business divisions

Digital Solutions Business

Life Sciences Business

Elastomers Business

Plastics Business

Joint discussion among business divisions

Understand the positive and negative impacts of JSR Group

Summarize both positive and negative impacts of the entire Group for all four businesses

Management Foundation

Two workshop sessions with younger employees

Ten young employees of JSR engaged in a discussion on priority for JSR's key themes with consideration for balanced diversity without bias towards specialized departments

Environment

Employees (DE&I and work styles)

Health and safety

Human rights

The above were extracted. We were able to collect valuable opinions from general employees across the company who were not in specialized departments.

Workshop involving specialized departments

In response to the results of the two workshop sessions, we conducted more in-depth work on the main topics of environment and employees involving specialized departments.

Exchange of opinions concerning the supply chain between seven manager level staff of each department

Exchange of opinions between employees of specialized and other departments

JSR Corporation's Materiality

Business Activity

Promoted for each business
Impacts of outcomes

Contribution to quality of life and happiness

Contribution to a healthy and long-living society

Contribution to preservation of the global environment

Management Foundation

Promotion throughout the Group
Five priority issues

Environmental conservation and impact reduction

Employees, DE&I, and work styles

Health and safety

Respect for human rights

Supply chain

Corporate Governance

Materiality and Key Performance Indicators (KPIs)



Please refer to the JSR Sustainability Site for more details.
https://www.jsr.co.jp/jsr_e/sustainability/management/issues.shtml

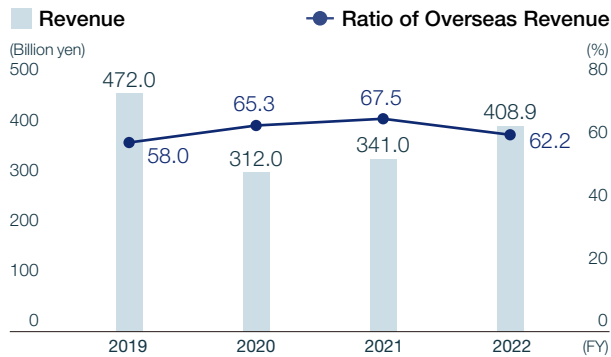
Materiality in Business Activity	Purpose	KPI	Progress and results in 2022	Goal (In FY2024)	Target
Contribution to quality of life and happiness	Digital Solutions Business <ul style="list-style-type: none"> Provision of materials to support digital development in a smart society Reducing power consumption in a smart society 	Sales of sustainability products	2.3 times	3 times as many*1	Global
		Sustainability products sales ratio	2.0 times	2 times as many*1	
Contribution to a healthy and long-living society	Life Sciences Business <ul style="list-style-type: none"> Early development of medical products Improvement of development success probability and development efficiency 	Sales of sustainability products	126.5 billion yen	100 billion yen	Global
Contribution to preservation of the global environment	Plastics Business <ul style="list-style-type: none"> Comfortable driving by improving vehicle creak noise Providing products designed to support plastic recycling 	Sales volume of sustainability products	14,000 tons	27,000 tons*2	Global
		Sustainability of products sales ratio	7%	10%*2	

*1 Compared to FY2020 *2 Revised the definition of sustainability products and modified numerical targets

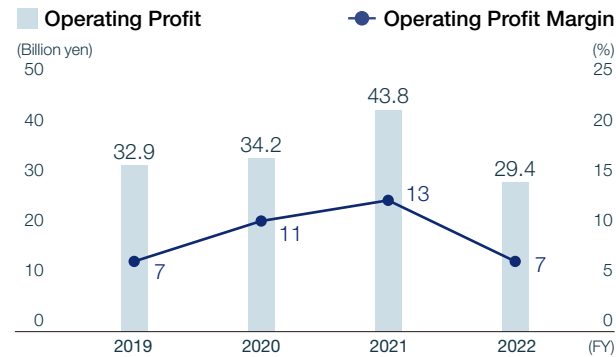
Materiality in Management Foundation	Purpose	KPI	Progress and results in 2022	Goal	Target
Environmental conservation and impact reduction	Reducing GHG emissions	Reduction of GHG emission (vs FY2020)	9.2% decrease ▶P.36	FY2030: -30% FY2050: -100%	Global
	Waste reduction	Final landfill amount	Maintained at 0.1% and below (DS, PL businesses) ▶P.37	<0.1%	Global
Employees, DE&I, and work styles	Increase employee engagement	Employee engagement	Advancing initiatives for clarifying our strengths globally and addressing common issues, along with individual initiatives particularly in Japan and North America ▶P.33	Continuously improve engagement and continue efforts to achieve this	Global
	Promote DE&I	Ratio of women in managerial positions	5.8% (as of March 31, 2023) 6.5% (as of April 1, 2023) ▶P.34	10% in FY2030	JSR Corp
Health and safety	Create a safe work environment	The number of workplace accidents The number of facility accidents	4 (lost time) 0 ▶P.40	Zero (Target to reduce by half in FY2023) Zero	Global
	Improve the health of employees	Obtain certification as an "Excellent Health Management Corporation (White 500)" by METI	Selected as a Certified Health & Productivity Management Outstanding Organization (not selected for White 500)	Obtain "White 500"	JSR Corp
Respect for human rights	Give all employees opportunities to learn about human rights	Participation rate in e-learning on respect for human rights	82% ▶P.41	>80%	Global
Supply chain	Strengthen supply chain management	Collection rate of acknowledgement of receipt received after sharing the JSR Group's CSR/Sustainable Procurement Policy and Human Rights Policy with our suppliers	90% ▶P.42	100%	Global
		Collection rate of RMI templates (survey on the use of Conflict Minerals and Cobalt) from our suppliers	CMRT: 88% EMRT: 88% ▶P.42	100%	Global

Financial Information

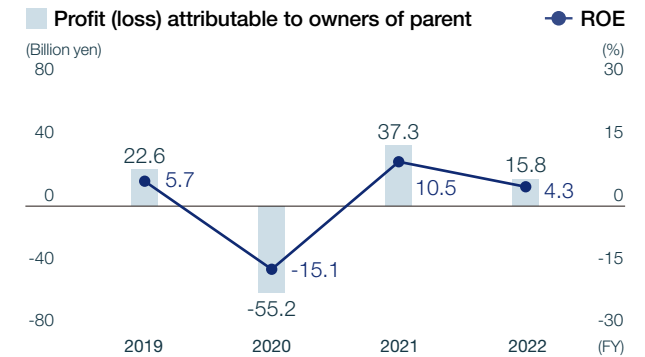
* The Elastomers Business has been categorized as a discontinued business from FY2021. Certain data for FY2020 is presented after reclassification.



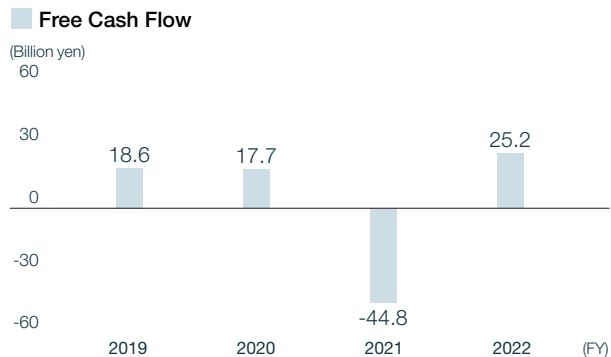
Revenue rose in the Semiconductor Materials Business and Life Sciences Business. The main markets of these two core businesses are located outside of Japan and, consequently, the ratio of overseas revenue continues to increase.



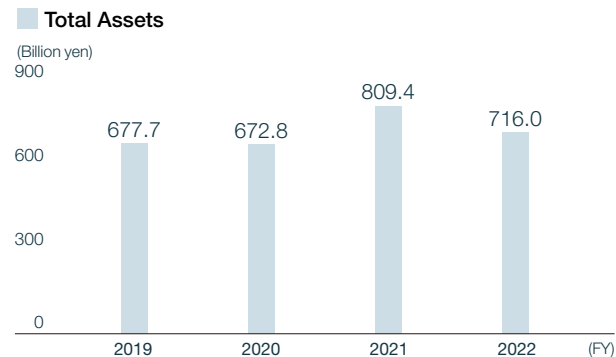
In order to achieve record-high profits of over 60 billion yen as set out in our management policy for FY2024, we will prioritize capital investment on high value-added products and strive to further improve profit margins.



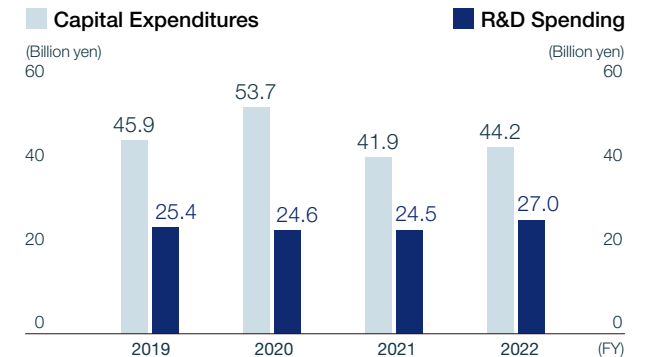
In order to achieve the ROE target of 10% or higher laid out in management policy for FY2024, we will prioritize the deployment of capital in high value-added products and further increase profits in an effort to boost ROE.



We are achieving sustainable profit growth while seeking to increase corporate value by steadily implementing investments in growth fields.

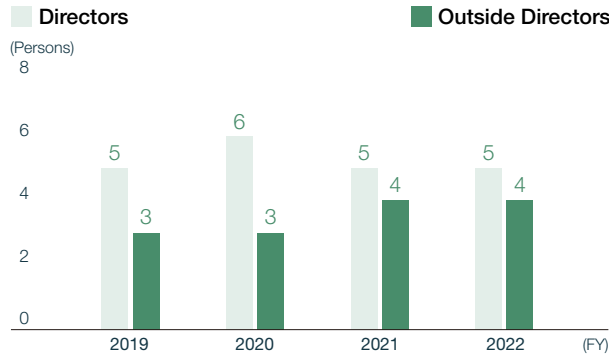


Assets are trending upward on M&A to expand our business operations. To maintain financial soundness, we have established medium-term resource allocation plans and manage asset efficiency and investment efficiency using ROIC and ROE on a company-wide and business segment basis. We are also working on debt capacity monitoring to maintain financial soundness and diversification of capital procurement methods.

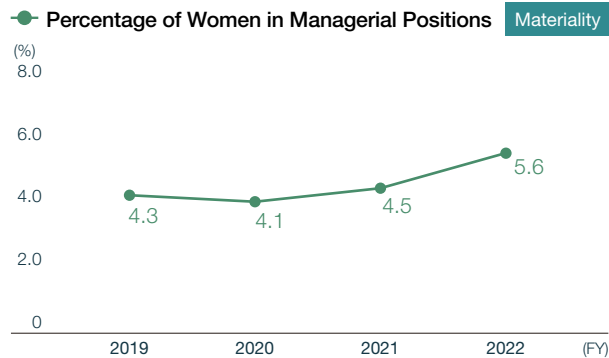


We anticipate operating cash flow of around 250 billion yen during management policy period. Around 140 billion yen of this amount will be committed to CAPEX in the form of investments in the Semiconductor Materials Business and Life Sciences Business. Other uses will involve growth investments, including M&A, while increasing agility and flexibility.

Non-Financial Information



In FY2019, JSR Corporation appointed a foreign national to CEO for the first time, while a female internal director was elected for the first time in June 2020, in order to address the rapid changes in business environment characterized by globalization, IT adoption, and digitalization. In FY2021, a foreign national was elected as outside director, further increasing the diversity of the Board of Directors.



JSR Corporation is evolving itself in response to the changing needs of employees in terms of respect for diversity, equity and inclusion. We are moving ahead with measures targeting the KPI of having women occupy 10% of managerial positions by FY2030.

* As of April 1 of each FY

Number of Employees (Consolidated)

7,994 persons

Global Network

Japan 19 locations

Overseas 28 locations

As of July 1, 2023

Greenhouse Gas Emissions

Materiality

218 thousand t-CO₂

Energy Usage

(Including Elastomers Business)

0.33 KL/ton

Amount of waste

(Final landfill amount)

Materiality

Maintain at 0.1% or less

(Digital Solutions, Plastics)

Number of Workplace Accidents

Materiality

JSR Corporation 1

Manufacturing Partners of JSR Corporation 0

Group Companies in Japan 2

Manufacturing Partners of Group Companies in Japan 2

Group Companies Overseas 1

Manufacturing Partners of Group Companies Overseas 0

Employment Rate of

Persons with Disabilities

2.47 %

Number of Patents Held

4,930