Our History of Creating Value

Business and Products that Contribute to Solving Social Issues

The Fujikura Kasei Group was founded in 1938 as a production company that mainly handles windshields and coatings for aircraft. The company has developed innovative technologies and produced high value-added products in a variety of areas including coatings for plastics, architectural coatings, functional polymers/polymers & resins, electronic materials, and medical materials. While striving to achieve our 2030 vision as a company that "Provide new value through Co-creation × Evolution × Power of Chemistry", we will aim to reduce CO_2 emissions and environmental burdens, create technologies and products that enhance people's lives, and contribute to solving social issues.

Fujikura Kasei's founding period

Since its founding in 1938, Fujikura Kasei has engaged in pioneering technical development as a chemical manufacturer, introducing value-added products using its basic technologies for polymer formulation and polymerization and expanding its business domains in response to the times and social needs. The company's 85-plus-year history is introduced below.

1938 (Founding)~1960s
Founding, Business Creation, and Growth

Social circumstances/Historical context

- Second Sino-Japanese War develops into World War II
- Reconstruction efforts begin in the aftermath of World War II
- Japan enters a period of rapid economic growth after the 1960s
- Social infrastructure development brings economic expansion

Fujikura Kasei's businesses and products

- The architectural coatings business and the functional polymers/polymers & resins business are respectively born from the coatings for aircraft and methacrylic ester that the company had been manufacturing at the time of its founding
- The electronic materials business is born out of a joint development project with Nippon Telegraph and Telephone Public Corporation (now NTT)

- Methacrylic resin
- Formal coatings
- Acrylic lacquer coatings
- Acrylic syrup

- Conductive resins
- Epoxy resin adhesives

1970s~1980s
Strengthening and Growth of Technological Foundations

Social circumstances/Historical context

- A period of economic turbulence and inflation caused by two oil crises is followed by a period of stable growth
- Land and stock prices soar
- The development of mass-production technology popularizes automobiles and home appliances

Fujikura Kasei's business and products

- Sano Plant is established, and the production framework is strengthened
- The expansion of domestic businesses leads to the establishment of the Fujichemi Group of companies

- Resins for copying processes
- Adhesives

- Metalac C
- Coatings for plastics
- Hard coatings
- Coatings for PVD process
- Suede-touch coatings

1990s~2000s
Development Enhancement, Group Expansion, and Growth

Social circumstances/Historical context

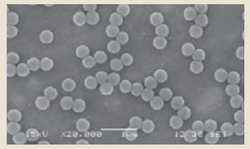
- The bubble collapse and the Great Hanshin-Awaji Earthquake increase social unrest
- The IT industry makes a breakthrough, leading to the dissemination of mobile phones and the Internet
- Companies advance overseas and economic globalization occurs

Fujikura Kasei's business and products

- The R&D Center is established, and R&D efforts are strengthened
- A global business network is established with Group companies in the US and UK
- The medical materials area is born based on the application of microparticle synthesis technology

- Super-matte, high-texture coatings
- Coatings for mobile phones

- Latex for diagnostic pharmaceuticals



- Silver through-holes
- Membrane switches

2010s~2020s and beyond
Global Promotion and Growth through Addressing Environmental Challenges

Social circumstances/Historical context

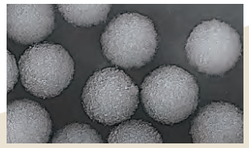
- The Great East Japan Earthquake and the COVID-19 pandemic occur
- The proliferation of smartphones and advancements in AI and IoT accelerate digitization
- Climate change countermeasures are strengthened
- Gender equality and diversity issues become prominent

Fujikura Kasei's business and products

- Globalization is strengthened by advancing into the ASEAN
- Efforts are made to develop eco-friendly products

- Anti-fog coatings
- Water-borne coatings
- Environment-friendly coatings

- Urethane resins
- Biomass materials
- High-performance latex



- Digital-compatible products

Future products and technologies

Future products and technologies will contribute to mitigating environmental burden, increasing energy efficiency, and creating an affluent society.

- Biomass products
- High-function and high-design products
- Entry into new fields
- Strengthening of global businesses
- Eco-friendly products
- Products for a DX society
- High-quality reagents

Our Value Creation Model

The Fujikura Kasei Group's Source of Value Creation

The value creation model is a business model that outlines how the Fujikura Kasei Group will create social value (contribution to society) and economic value (profit creation) through its business activities and realize sustainable growth. We will pursue our businesses on an ongoing basis in line with the value creation model, which allows us to be aware of social issues that we need to address. In addition to making an ongoing contribution to addressing environmental and social issues through our businesses, we will strive to enhance our corporate value by providing value to society and to our stakeholders.

External environment
Social Issues to be addressed by Fujikura Kasei

- Changes in the mobility environment
- Realization of a DX society
- Abundant and safe infrastructure
- Comfortable and convenient lifestyles and homes
- Health promotion and enhanced leisure time
- Responses to climate change

Responding to new social issues

Business environment

Input (invested capital)

Financial capital
- Adequate financial strength

Manufactured capital
- Diverse production/ supply systems
- Quality assurance system

Intellectual capital
- A culture conducive to the co-creation of knowledge
- Technologies that benefit a wide range of industrial fields

Human capital
- Respect for individuality and expansion of diversity
- Organization that creates innovation

Social & relationship capital
- Brand power in diverse markets
- Global network

Natural capital
- Contribution to a carbon neutral society
- Efficient utilization of resources

CSR materiality

- Employee work styles and health
- Occupational safety and health
- Environmental conservation
- Environmental & social contribution through business
- Chemical substance management
- Compliance
- Risk management

Business activities of the Fujikura Kasei Group

Business segments

Coatings for plastics

Description: Manufacture and sale of coatings for plastics
Opportunities: Shift to a carbon neutral society, expansion of EVs
Risks: Major changes in the supply chain

Synthetic resins

Description: Purchase and sale of acrylic resin raw materials and processed goods
Opportunities: Provision of value to new markets such as for eco-friendly products
Risks: Structural changes in existing entry-level markets

Strategy

11th mid-term management plan

Management philosophy

Functional polymers/ polymers & resins

Description: Manufacture and sale of functional resin bases
Opportunities: Market expansion in the new materials field triggered by decarbonization, DX, and IoT
Risks: Downsizing of provided values due to a shrinking market

Architectural coatings

Description: Manufacture and sale of coatings for architectural applications
Opportunities: Contribution to long-life buildings, business expansion based on construction capabilities
Risks: Decrease in number of housing starts in Japan, aging of coating engineers

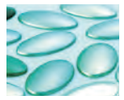
Electronic materials

Description: Manufacture and sale of electroconductive resin materials, adhesives, etc.
Opportunities: Growth of the materials market triggered by DX, IoT, and EVs
Risks: Local procurement of overseas customers

Output

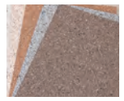
Coatings for plastics

Functional, CO_2 reduction (reduced work processes, reduced energy consumption, biomass), high design, global



Architectural coatings

High design, high durability, environment (reduced work processes, water-borne products, dry processes), construction quality



Electronic materials

5G, IoT, EV, automated driving, medical care, nursing care

Functional polymers/polymers & resins

Environment (low energy, biomass, VOC-free), high functional resins, in-vitro diagnostic pharmaceuticals (new diagnostic items), reagent ingredients

Synthetic resins

Carbon neutral materials, material recycling, chemical recycling

Outcome (social value, impacts)

Customers
Contribution to enhancing customer value

Business partners
Co-existence and co-prosperity with suppliers

Shareholders and investors
Shareholder return based on enhanced corporate value

Employees
Job satisfaction, maximized potential

Society
Contribution to sustainable development of local communities

Environment
Reduction of environmental risks

2030 Vision

Provide new value through
Co-creation
×
Evolution
×
Power of Chemistry