

KH Neochem included in the "FTSE Blossom Japan Index" for the first time

- Also Selected for the 2nd Consecutive Year in the "FTSE Blossom Japan Sector Relative Index"-

KH Neochem Co., Ltd. (TSE: 4189, President and CEO: Michio Takahashi, "KH Neochem") announces that it has selected as a constituent stock of the "FTSE Blossom Japan Index," a prominent index in ESG investments, for the first time. Additionally, KH Neochem has been chosen for the 2nd consecutive year in the "FTSE Blossom Japan Sector Relative Index."

KH Neochem, with the corporate mission of "Realizing a brighter tomorrow for society through the power of chemistry.", is a chemical material manufacturer. KH Neochem contributes to solving environmental and social issues with distinctive products such as "refrigeration lubricant raw materials" used in environmentally friendly air conditioners, essential "cosmetic ingredients" for high-quality skincare cosmetics, and "high-purity solvents" used in the semiconductor manufacturing process. Over time, KH Neochem has been actively promoting various ESG initiatives, including efforts towards carbon neutrality, enhancing information disclosure based on recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), promoting sustainable procurement, and strengthening compliance, including anti-corruption measures.

Going forward, KH Neochem will continue to promote sustainable management, enhancing corporate value sustainably by contributing to realize an environmentally friendly society and richer lives for people through our business, built on the basis of safe, secure, and trustworthy.

FTSE Blossom Japan Index

Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed as an industry neutral benchmark that reflects the performance of companies demonstrating strong ESG practices in Japan. FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE Blossom Japan Index meet a variety of environmental, social and governance criteria.

FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Sector Relative Index is designed as a sector neutral benchmark that reflects the performance of companies demonstrating strong ESG practices in Japan. The index selects companies with higher ESG Ratings within the top 50% of each sector and supports climate transition to a low carbon economy by evaluating companies' climate governance and climate change efforts via the Transition Pathway Initiative's Management Quality Score.

For more details on the 'FTSE Blossom Japan Index' and 'FTSE Blossom Japan Sector Relative Index,' please refer to the following link: <https://www.lseg.com/en/ftse-russell/indices/blossom-japan#t-index-resources>.

About KH Neochem

Corporate Overview (as of December 31th, 2022)

Company name: KH Neochem Co., Ltd.

President & CEO: Michio Takahashi

Establishment: December 2010 (Our predecessor Kyowa Yuka, was established in November 1966)

Capital: 8.8bn JPY

Head office: 2-3-1, Nihonbashi-Muromachi, Chuo-ku, Tokyo 103-0022, Japan

Number of employees: 825 (Consolidated)

Business: Research, manufacture, and sale of petrochemical products

Main products: Performance materials (refrigeration lubricant raw materials, cosmetics ingredients)
Electronics materials (high-purity solvents for semiconductors and flat panel displays)
Basic chemicals (solvents for coatings and inks, raw materials for plasticizer)

Group Companies: Kurogane Kasei Co., Ltd. / Kurogane Fines Inc. / KH Neochem Americas, Inc. /
Shanghai Seika Trading Co., Ltd.

Corporate History

1948 Kyowa Sangyo Co., Ltd., the forerunner of Kyowa Hakko Kogyo Co., Ltd., began Japan's first mass production of Acetone and Butyl alcohol from syrup using fermentation.

1949 Established Kyowa Hakko Kogyo Co., Ltd.

1966 Established Kyowa Yuka Co., Ltd. (A subsidiary chemical manufacturer of Kyowa Hakko Kogyo Co., Ltd.)

2004 Name changed to Kyowa Hakko Chemical Co., Ltd. through joint investment of the Chemical Department of Kyowa Hakko Co., Ltd. and Kyowa Yuka Co., Ltd.

2010 Established KJ Holdings Co., Ltd

2011 Spun off from Kyowa Hakko Kirin Group as an independent entity.
Merged Kyowa Hakko Chemical Co., Ltd. and KJ Holdings Co., Ltd.

2012 Name changed to KH Neochem Co., Ltd.

2016 Listed on the First Section of the Tokyo Stock Exchange.

2019 Established open innovation hub KH i-Lab

2022 Moved to the Prime Market following the restructuring of the Tokyo Stock Exchange's market segments.

For inquiries regarding this matter, please contact:

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