

Vision

# Six Types of Capital

## Accelerating value creation through the strategic use and growth of capital

Toyobo group has grown by identifying societal changes and needs, and contributing to solving social issues. We have accumulated a variety of capital along the way that contributes to our strength today. We will pursue to create further value through the strategic use and growth of capital.



### Financial capital

Toyobo group is currently reviewing our portfolio and focusing the management resources on growth fields. Moreover, we are also promoting the creation of new businesses and technologies in addition to DX as preparation for the future from a long-term perspective. In order to achieve these measures for sustainable growth, we are striving to maintain a sound financial position while steadily making the investments needed from a long-term perspective.

• **Stable financial position**

Rating and Investment Information, Inc. (R&I) Rating

FY2021 **Evaluation A-** → **Evaluation A-**  
FY2022

• **Cash flows from operating activities**

FY2021 **¥35 billion** → **¥17.1 billion**  
FY2022



### Manufacturing capital

Since the founding of our group 140 years ago, we have been committed to manufacturing based on the corporate philosophy of “Jun-Ri-Soku-Yu” (adhering to reason leads to prosperity), which means to enriching oneself while solving social issues. From our various production sites both in Japan and around the world, we create a diverse range of products and solutions that support people’s daily lives and society. By promoting DX, such as converting to smart factories, we will continue to upgrade and expand our manufacturing capital.

• **Production sites in Japan**

FY2021 **7 sites** → **7 sites**  
FY2022

• **Production sites overseas (Countries/regions)**

FY2021 **15 sites** → **15 sites**  
FY2022

• **Capital investment**

FY2021 **¥23.3 billion** → **¥33.6 billion**  
FY2022



### Intellectual capital

After expanding its spinning business to synthetic fibers and chemical fibers, Toyobo group has since acquired and nurtured core technologies such as polymerization and modification, molding and processing, and biotechnology, while responding to the needs of the day. We will create innovations that address social issues in the future through a combination of marketing perspectives and digital technology. We will also aggressively invest in R&D to achieve this goal.

• **Ratio of R&D expenses to net sale**

FY2021 **3.8%** → **3.7%**  
FY2022

• **Primary R&D sites**

FY2021 **3 sites** → **3 sites**  
FY2022

• **Core technologies**

**Polymerization and modification, molding and processing, biotechnology**



### Human capital

Toyobo group has more than 10,000 employees worldwide. In keeping with the principle of people first, we will ensure safety, security, and health while creating environments where employees with diverse attributes can continue to feel pride and fulfillment in their work. Furthermore, as part of our efforts to boost the creation of corporate value, we are developing human resource policies tied to management strategies, such as strengthening employee engagement and reskilling training.

• **Number of employees**

FY2021 **10,149** → **10,503**  
FY2022

• **Ratio of women managers**

FY2021 **3.1%** → **3.7%**  
FY2022

• **Number of employees engaged in R&D**

FY2021 **Approximately 500** → **515**  
FY2022



### Social / relationship capital

Toyobo group has offered wide range of products and services in the areas of textiles and chemicals, from upstream to downstream on the supply chain. The result has been a building of reliability with diverse customers and suppliers, as well as collaborations with the government, industry, and academia to create innovative solutions. We will continue to proactively participate in open innovation with other companies, joint research with universities, and initiatives aimed at solving social issues.

• **Strong relationships with customers and suppliers**

• **Collaborations with other companies and universities**

• **Participation in various initiatives**



### Natural capital

As a global textile and chemical manufacturer, Toyobo group’s products and business activities require a substantial amount of resources, and we are committed to conserving them. Currently, in addition to combating climate change by setting the long-term goal of reducing greenhouse gas emissions, we are promoting the development of technologies to deal with plastic problems.

• **Energy consumption**

FY2021 **13,166<sub>TJ</sub>** → **13,216<sub>TJ</sub>**  
FY2022

• **Sales ratio of eco-conscious products**

FY2021 **29.9%** → **33.8%**  
FY2022