

Category	Main topic	Officer with responsibility	Sub-topics	What we can achieve	KPIs: timeframe for achievement set for each theme		
					Themes	Results that form the basis for KPIs* *FY2020 results when not specifically stated	Targets
Management base conditions (basic prerequisites)	Safety and disaster prevention	Masaru Watanabe Representative Director, Co- COO, Controlling Supervisor of Business Units	<ul style="list-style-type: none"> Build a culture of safety Prevent workplace accidents (make human-operated equipment safer, promote security and disaster prevention) 	<ul style="list-style-type: none"> We will strive to prevent disasters and accidents by clarifying and thoroughly complying with basic safety throughout the entire Toyobo Group. 	<ol style="list-style-type: none"> Number of major incidents* Frequency rate of workplace accidents resulting in lost workdays Number of fires or explosions Number of environmental incidents <p>* Major incidents: Defined according to internal standards based on the definition stipulated by the Ministry of Health, Labour and Welfare</p>	<ol style="list-style-type: none"> 0 incidents 0.31 2 incidents 0 incidents 	<ol style="list-style-type: none"> 0 incidents per year 0.25 or less 0 incidents per year 0 incidents per year <p>All targets to aim for every year</p>
	Continuing to consider target setting for "reviewing definition of serious accident" and "accident prevention initiatives"						
	Quality	Yoshio Araki Director, Executive Officer, Controlling Supervisor of Production Technology Innovation and Quality Assurance Division	<ul style="list-style-type: none"> Realize stable supply, contribute to solutions for customer issues, fulfill customer needs Ensure product safety and quality 	<ul style="list-style-type: none"> We will increase customer satisfaction by practicing quality management throughout our entire supply chain, including upstream areas, and ensuring quality that can be trusted. 	<ol style="list-style-type: none"> Number of incidents related to products* Implementation status of product safety and quality assurance training <p>* Incidents related to products: Defined according to internal standards based on the definition stipulated by the Ministry of Economy, Trade and Industry</p>	<ol style="list-style-type: none"> 0 incidents 100% 	<ol style="list-style-type: none"> 0 incidents per year 100% <p>All targets to aim for every year</p>
	Continuing to consider target setting for "Quality-related" themes						
Corporate governance	Masakatsu Shirai Director, Executive Officer, Controlling Supervisor of HR and Sustainability Planning Division	<ul style="list-style-type: none"> Strengthen corporate governance Strengthen information disclosure 	<ul style="list-style-type: none"> The Toyobo Group is building a fair and highly transparent governance structure through compliance with the Corporate Governance Code and proactive information disclosure. 	<ol style="list-style-type: none"> No. of meeting of the Board of Directors/committees Attendance rate of officers at meetings in 1. Disclosure of details of evaluation of Board of Directors' effectiveness 	<ol style="list-style-type: none"> Board of Directors' meetings: 19, Other meetings *: 4 Share on the Company website Equivalent of the Corporate Governance Report <p>* Nomination Committee and Advisory Board on Compensation</p>	<ol style="list-style-type: none"> Disclose results Disclose results Disclose details of effectiveness evaluation 	
Respect for human rights	Masakatsu Shirai Director, Executive Officer, Controlling Supervisor of HR and Sustainability Planning Division	<ul style="list-style-type: none"> Avoid human rights violations Eliminate forced and child labor Respond to human rights laws and regulations (Modern Slavery Act, etc.) Ensure equality in recruitment and treatment of employees Realize diversity and inclusivity 	<ul style="list-style-type: none"> The Toyobo Group will carry out initiatives to ensure respect for basic human rights and diversity throughout the entire Group, including providing training to foster such respect among employees. Through these initiatives, we will aim to be a fair company that is trusted by society. 	<ol style="list-style-type: none"> Implementation status of human rights education and training Employment ratio of people with disabilities 	<ol style="list-style-type: none"> — 2.2% 	<ol style="list-style-type: none"> Once a year for 20% of non-consolidated employees 2.3% <p>All targets for FY2026</p>	

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Materiality	Ability to provide solutions	Plan to discuss and consider when formulating the next Medium-term Plan from April 2021					
	Supply chain management	Masaru Watanabe Representative Director, Co- COO, Controlling Supervisor of Business Units	<ul style="list-style-type: none"> Realize sustainable, responsible procurement and logistics Carry out transactions that are fair and respect human rights Build a low-carbon society 	<ul style="list-style-type: none"> Throughout its supply chain, the Toyobo Group aims to realize procurement and logistics that involve fair and sincere transactions, respect human rights, are environmentally friendly, and consider impact on both society and the environment. We will reduce CO₂ emissions by promoting green logistics, such as implementing a modal shift to rail and sea transportation and improving loading efficiency. 	<ol style="list-style-type: none"> Ratio of CSR procurement surveys returned Ratio of reduction in CO₂ emissions related to logistics 	<ol style="list-style-type: none"> — Year on year reduction of 0.6% 	<ol style="list-style-type: none"> 90% or above (In years when a survey is not implemented, we carry out dialogue with business partners that past surveys have shown have issues) Year on year reduction of 0.5%
	Product life cycle management	Start considering from 2H FY2021					
	Reducing greenhouse gas emissions	Yoshio Araki Director, Executive Officer, Controlling Supervisor of Production Technology Innovation and Quality Assurance Division	<ul style="list-style-type: none"> Combating global warming 	<ul style="list-style-type: none"> In view of impact from global warming, we will significantly reduce greenhouse gas emissions across all our business activities. We will reduce greenhouse gas emissions through the provision of products and solutions. 	<ol style="list-style-type: none"> Greenhouse gas emissions R&D investment targeting climate change TCFD/scenario analysis disclosure 	<ol style="list-style-type: none"> 1,210 thousand tons (FY2014 result) — — 	<ol style="list-style-type: none"> 30% reduction* from FY2014 (Discuss/respond from now on) (Discuss/respond from now on) <p>* FY2031 target Set target in anticipation of increase in greenhouse gas emissions accompanying net sales growth (FY2031:¥500.0 billion)</p>
	Reducing environmental impact	Yoshio Araki Director, Executive Officer, Controlling Supervisor of Production Technology Innovation and Quality Assurance Division	<ul style="list-style-type: none"> Preventing air and water pollution Giving consideration to biodiversity 	<ul style="list-style-type: none"> We will manage chemical substances appropriately. We will minimize industrial waste at production sites and reduce final disposal volume. We will contribute to reducing environmental impact and conserving the environment through our products and solutions. We will give consideration to biodiversity and ensure sustainable environmental conservation throughout the value chain of our business activities. 	<ol style="list-style-type: none"> Atmospheric emissions of VOC substances Discharge of hazardous substances into water Waste (per net sales unit) and final disposal rate Expand products and services that contribute to the environment (ECO-PARTNER) 	<ol style="list-style-type: none"> 159 tons (FY2015 results) 49 tons (FY2015 result) 0.57% 30.4% 	<ol style="list-style-type: none"> 60% reduction* from FY2015 80% reduction* from FY2015 (Discuss/respond from now on) (Discuss/respond from now on) <p>* FY2031 target</p>

Toyobo Group Materiality/KPIs and Targets

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M a t e r i a l i t y	Human resource management	Masakatsu Shirai Director, Executive Officer, Controlling Supervisor of HR and Sustainability Planning Division	<ul style="list-style-type: none"> Nurture human resources (build careers, develop capabilities) Promote work-life balance Ensure equality in recruitment and treatment of employees Realize diversity and inclusion Maintain people-friendly work environments (promote health) 	<ul style="list-style-type: none"> The Toyobo Group will build an organizational structure for the entire Group that enables employees to work easily and feel satisfaction with their work, that ensures fairness and integrity, and that is considerate of diversity and human rights. 	<ol style="list-style-type: none"> Formulation and disclosure of a Human Resources Development Plan Training core overseas personnel in Japan Training investment per employee Achievement of female ratio in management positions Ratio of annual paid leave taken Reduction in annual statutory working hours (number of people/eligible for more than 360 hours) Ratio of male employees taking childcare leave 	<ol style="list-style-type: none"> - 15 employees ¥37,000 2.9% 72.5% (2.6%) 46.3% 	<ol style="list-style-type: none"> Complete and share on the Company website 15 employees per year* ¥50,000 per year* 4.0%* 75%* reduction of 20% (2.0%)* 70% of those eligible for absence leave* <p>* Targets for FY2026</p>
	Compliance	Masakatsu Shirai Director, Executive Officer, Controlling Supervisor of HR and Sustainability Planning Division	<ul style="list-style-type: none"> Legal compliance and reports of violations Develop and maintain internal reporting system Prevent corruption Reinforce business resilience 	<ul style="list-style-type: none"> Each and every employee complies with laws, regulations, and rules and acts transparently and appropriately, fostering an ethical corporate environment and culture. 	<ol style="list-style-type: none"> No. of serious legal violations Improvement rate of following compliance questionnaire items ·Whether company emphasizes compliance ·Awareness/ease of use of compliance consultation centers ·Awareness of “Compliance Mini Study” ·Awareness of management compliance message No. of compliance study sessions and various other training held 	<ol style="list-style-type: none"> 0 - 57 	<ol style="list-style-type: none"> 0 per year Year-on-year increase Publish results
	Data security, privacy	Ikuo Takeuchi Director, Managing Executive Officer, Controlling Supervisor of Corporate Planning Division	<ul style="list-style-type: none"> Ensure cyber security Protect confidential corporate information, personal information, and customer information 	<ul style="list-style-type: none"> The Toyobo Group will establish a structure to ensure cyber security as well as deepening employee understanding of information security and thoroughly ensuring protection of information. 	<ol style="list-style-type: none"> No. of times information security education provided* No. of incidents (information leaks, service outages, etc.)* Implementation of information security measures** <p>* Scope is TOYOBO CO., LTD., TOYOBO STC CO., LTD., and Toyobo Information System Create Co., Ltd. ** Scope is consolidated subsidiaries (determined while monitoring situation) Specific measures aimed at consolidated subsidiaries ·Application of Information Security Policy ·Roll out of measures to strengthen OA/FA</p>	<ol style="list-style-type: none"> 17 times 2 - 	<ol style="list-style-type: none"> 15 times per year 0 per year Disclosure of promotion contents <p>All targets for FY2021</p>
All inclusive	Communication with stakeholders	Masakatsu Shirai Director, Executive Officer, Controlling Supervisor of HR and Sustainability Planning Division	<ul style="list-style-type: none"> Active dissemination of information, strengthening of disclosure Dialogue with shareholders and investors Dialogue with employees Collaboration and dialogue with industry, government, and academia Coexistence with local communities 	<ul style="list-style-type: none"> As a member of society, the Toyobo Group will meet the expectations of stakeholders and contribute to the sustainable development of communities through collaboration with partners and cooperation in the regions where the Group operates with the aim of solving social issues. 	<ol style="list-style-type: none"> No. of press releases No. of interviews with investors Frequency of meetings with employees and labor unions Frequency of engagement with stakeholders 	<ol style="list-style-type: none"> 74 130 30 times - 	<ol style="list-style-type: none"> 75 per year 150 per year At least 30 times per year Twice a year <p>All targets for FY2021</p>