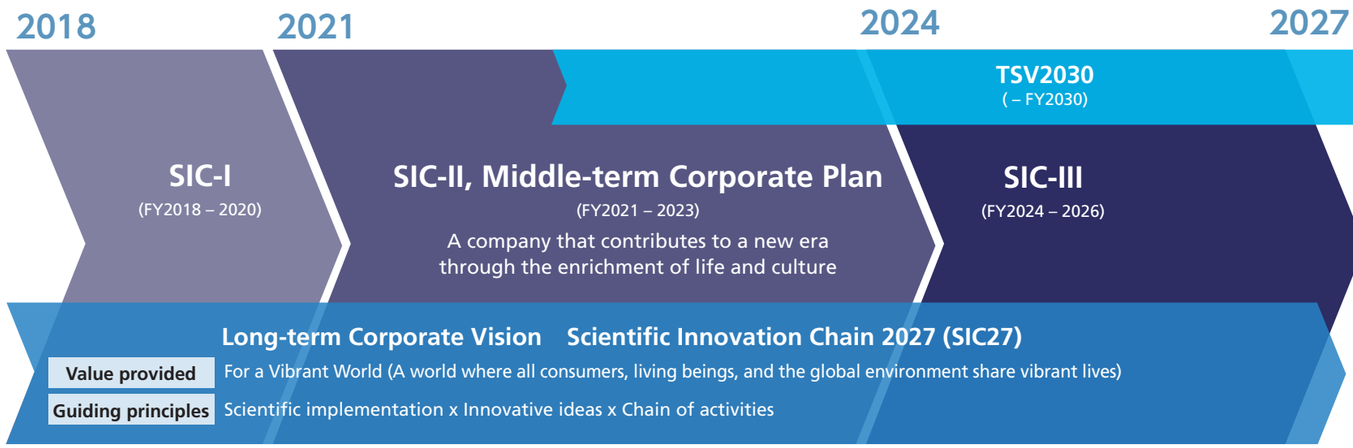
Toyo Ink Group Value Creation Looking Ahead to 2050

In order to adapt to the rapidly changing business environment, the Toyo Ink Group is working to achieve the goals of its long-term corporate vision that target year is 2027, Scientific Innovation Chain 2027 (SIC27) by implementing three-year medium-term management plans. In SIC27 we define the concept of "Sustainable Growth" as the Toyo Ink Group growing sustainably and contributing to the improvement of society's sustainability through our corporate activities to provide value by realizing a world where all consumers, living beings, and the global environment share vibrant lives.

In addition to engaging in business activities with financial targets in each medium-term management plan, we have also identified five key material issues relating to the sustainability of the Group and society, and are engaged in sustainability activities in conjunction with our medium-term management plan.

The Group has also established the Sustainability Vision TSV2050/2030 as a set of long-term practical targets for its sustainability activities. We have established this vision with a view to 2050, based on our belief that initiatives and targets set with a more long-term outlook than SIC27 will be needed in view of intensifying global trends and demands on companies with regard to climate change, carbon neutrality, and initiatives for the achievement of the SDGs.



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Sustainability Vision TSV2050 / 2030

TSV2030 Interim targets at the 2030 milestone Corporate contributions to achieving the SDGs	TSV2050 Direction leading to vision for 2050 Achievement of carbon neutrality	Vision for the target year (2050)
1. Providing products and services that realize a sustainable society		
• The percentage of sales from sustainability-enhancing products will be 80% • Increasing the number of products able to contribute to the reduction of CO_2 emissions throughout their lifecycle	• Making all products sustainability enhancing products • Helping customers achieve decarbonization	All products and services provided contribute to sustainability
2. Reducing the environmental impact of manufacturing		
• CO_2 emissions: 35% reduction in Japan (from the FY2020 level,) 35% reduction overseas (compared to the FY2030 BAU) • Amount of waste treated off-site (Japan): 50% reduction (from the FY2020 level) • Harmful chemical substance emissions (Japan): 30% reduction (from the FY2020 level)	• Achieving net zero CO_2 emissions from production activities and minimizing their environmental impact • Minimizing waste generation • Realizing sustainable water use	Minimizing the environmental impact of manufacturing
3. Building a foundation for trust		
• Sourcing raw materials in ways that are friendly to the environment and good for society • Respecting the diversity of employees and co-existing in harmony with the natural environment and local communities • Continually restructuring our governance system	• Continuing to reform and transform our supply chain, human resources, regional activities, and governance from the perspective of environmental and social contribution	Being a company that cancontribute to improvingthe sustainability of society

Setting interim goals by backcasting

Setting direction and goals by backcasting

Targets for Business Performance

	FY2021 (result)	FY2022 (result)	FY2023 (result)
Consolidated net sales	287,989 million JPY	315,927 million JPY	330,000 million JPY
Consolidated operating profit	13,005 million JPY	6,865 million JPY	11,000 million JPY
Operating margin	4.5%	2.2%	3.3%
ROE	4.4%	4.3%	2.7%

* Based on the results for fiscal 2022, we have revised our targets for fiscal 2023, the final year of the SIC-II period.

Material Issues

Major Actions ▶▶▶P.39

1 Provide Value that Exceeds Customer Expectations and Contribute to Society	• Create the enrichment of life and culture based on the three strategic orientations of Life, Communication and Sustainability • Assure highest quality
2 Co-exist in Harmony with the Environment through Innovative Technologies	• Development and dissemination of innovative technologies, products, and services that reduce environmental impact • Efforts to solve and respond to the problem of climate change • Appropriate management of chemical substances
3 Co-exist and Co-prosper with the Supply Chain and Fulfill the Trust of Stakeholders	• Co-existence and co-prosperity in the supply chain through collaboration • Respect for the human rights of all stakeholders
4 Value Employees and Pursue Their Happiness and Job Satisfaction	• Thorough occupational safety and health, and promote health and productivity management, which are closely linked to employee satisfaction • Foster diversity to invigorate the organization
5 Build a Solid Base that Underpins Trust	• Ensure compliance and eliminate corruption • Promote effective risk management and disaster preparedness • Contribute to local community development through our business activities