

Capital Sources of Value Creation

The artience Group’s six forms of capital—financial, manufactured, human, intellectual, social and relationship and natural—support its management base and serve as sources of value creation. By freely utilizing these sources of capital, we will continue to engage in business activities that solve various social issues. The economic value, environmental value and lifestyle value created by the Group’s business activities will act as a driving force for strengthening its management base and achieving further value creation.

Financial capital

A sound financial base that emphasizes the balance between investment and shareholder returns

Investments for the sustainable growth of the Group can be realized with a sound financial base. The artience Group supports its value creation activities by allocating resources with an emphasis on achieving an appropriate balance between the three elements of “financial soundness,” “active investment for growth” and “shareholder returns.”

■ Total assets	447,798 million JPY
■ Profit attributable to owners of parent	9,737 million JPY
■ Shareholders’ equity	245,762 million JPY
■ Cash flows (balance of cash and cash equivalent)	56,040 million JPY



Human capital

Diverse human resources and good employee engagement to support value creation

The management resources that the artience Group regards as most important are its employees. Approximately 8,000 diverse human resources are engaged in various missions around the world, supporting the Group’s value creation. Through various HR strategies, training and development programs, we are working to build good engagement between the Group and its employees by promoting DE&I (diversity, equity and inclusion,) supporting the career development for proactive employees, and creating a rewarding work environment. In order to accelerate business reform through digital technologies, we are also working to develop human resources who can respond to digital transformation needs.

■ Number of consolidated employees	7,836 employees (2,994 in Japan, 4,842 overseas)
■ Ratio of female hires (new graduate and mid-career recruits)	30.4% (employees registered at holding company)
■ Ratio of female managers	5.5% (as of January 2024 in Japan)
■ Number of overseas managers recruited locally	560 persons (as of the end of March 2024)
■ Employee satisfaction	82.7% (positive response rate in employee awareness survey in Japan)



Manufactured capital

A manufacturing platform that creates value that will resonate with the senses

Since the time of its founding, the Group has aspired to contribute to society as a manufacturing company. We have an integrated production system encompassing everything from raw materials such as pigments and polymers to products such as inks and various functional items. This system enables us to create value that resonates with the senses, as the Group aims to achieve. By sharing formula, know-how and production technologies between Group companies both in Japan and overseas, we can build a system of local production for local consumption and global quality management, and provide solutions that exceed expectations for the needs of each region and market.

■ Production bases	12 bases in Japan, 27 bases overseas
■ Capital investments	19,156 million JPY
■ Overseas production ratio (quantity basis)	60.8%
■ Frequency rate of lost-workday injuries	0.438 (Japan)



Intellectual capital

Technology infrastructure and systems to drive the creation and expansion of new businesses

Strengthening intellectual capital helps to increase and nurture the key pillars of the businesses that will support the Group in the future. In addition to restructuring its group-wide R&D system, we are also working to strengthen intellectual capital by speeding up R&D through the effective use of digital transformation (DX) and combining internal and external knowledge through open innovation with external R&D institutions.

■ Number of employees in R&D and Technology departments	828 persons (as of June 1, 2024 in Japan)
■ Research and development expenses	9,616 million JPY
■ Number of patents	2,169 patents in Japan, 962 patents overseas



Social and relationship capital

Network for promoting local production for local consumption and sound supply chain

Corporate value cannot be increased without building good relationships with diverse stakeholders, including customers, employees, local communities, shareholders, investors and business partners. The Group establishes sustainable supply chains, conducts manufacturing activities aligned with local communities, and listens to stakeholders through many different communication methods. Through these activities, we are striving to meet their expectations.

■ Number of Affiliates	56 consolidated subsidiaries, 6 equity-method affiliates
■ Business regions and sites	24 countries or region, 78 sites
■ Overseas sales ratio	53.7%
■ Major suppliers	Approx. 520 companies in Japan
■ Time spent maintaining trusting relationships with customers	128 years (Founded in 1896)



Natural capital

Global environment and resources supporting sustainability of the Group and society

We take seriously the fact that all business activities are heavily dependent on natural resources. The Group carries out activities that help improve the sustainability of the global environment and society to protect rights and interests of future generations of people. Our activities include reducing the consumption of petrochemical raw materials, reducing greenhouse gas (GHG) emissions and the circular use of water and natural resources.

■ CO ₂ emissions	160,727t-CO ₂
■ Energy consumption	74,287kL [crude-oil equivalent]
■ Water consumption	4,833 thousand m ³
■ Raw materials (fossil, non-fossil)	150,701t



* Figures are as of the end of December 2023 unless stated otherwise.