

Philosophy System



What is needed to achieve a sustainable and bright future?

We believe that it is the realization of a society in which all people can live enriched lives.

Our role is to connect various technologies and ideas, leading society to the solutions to its problems.

Instead of going it alone, we will deliver beauty, comfort and peace of mind that fills people's hearts by collaborating and joining forces with our partners.

We will create value that resonates with people's senses, from the things they see, the objects they touch, and what they feel through product quality, continually taking on the challenge of building an enriched future.

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Dear Readers

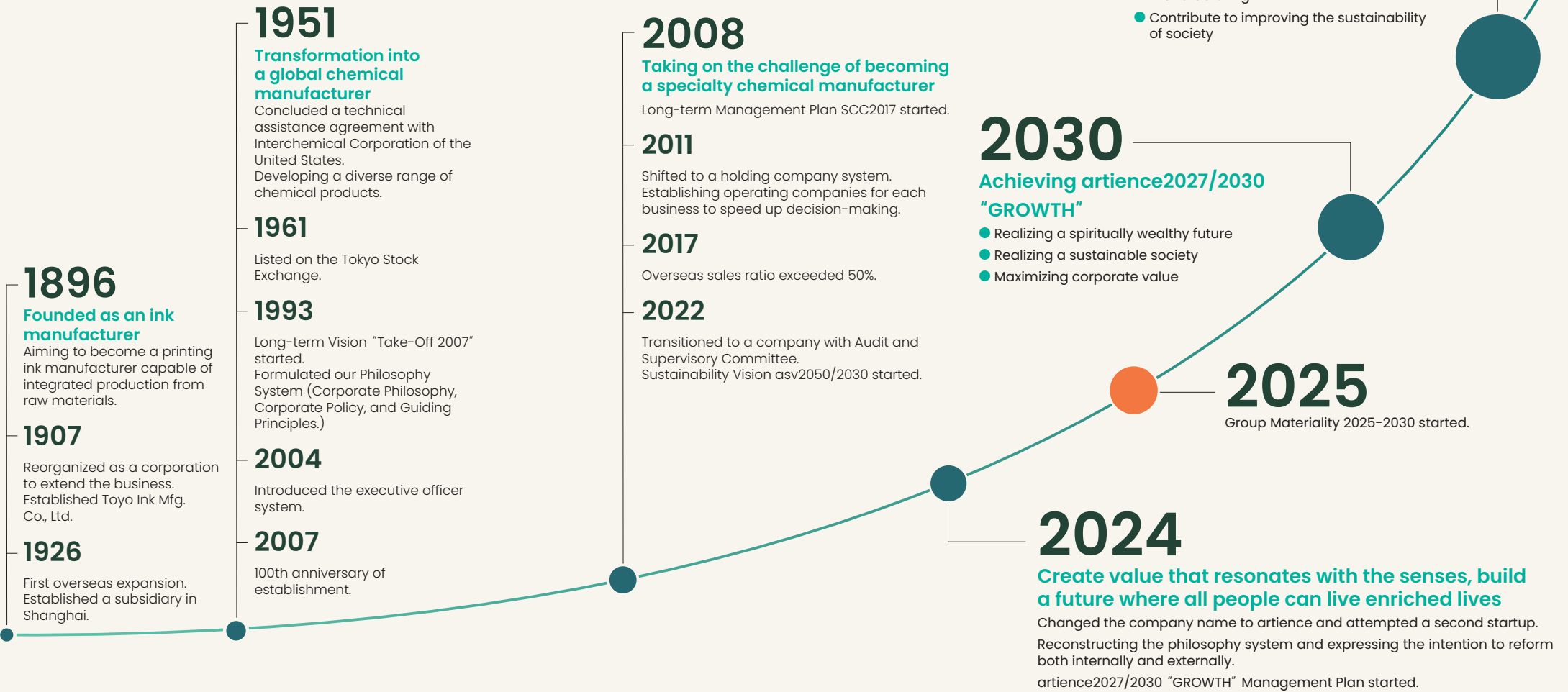
On the publication of the Integrated Report 2025

This Integrated Report explains the artience Group’s management strategies, businesses, corporate governance, environmental and social initiatives in an integrated manner, to convey an overall picture of the Group and its value creation story, and to promote understanding of how the Group recognizes all manner of social issues, and how it is thinking and working to resolve them.

Published in the second year of artience2027, Medium-term Management Plan, Integrated Report 2025 includes a greater amount of interview content and messages than the 2024 edition, and provides explanations from the people responsible for the various initiatives and strategies being implemented throughout the Group to achieve its plans. We have also responded to the fullest extent possible to requests for information disclosure from many stakeholders, in stakeholder communication activities conducted from last year into this year. Through these efforts, we have endeavored to express the transformation that the Group has achieved in the first year of this plan, how we will continue to change going forward, and the kind of future we envisage. We hope that you will read this Integrated Report and use it as an opportunity for communicating with the Group’s management. We look forward to your continued support.

June 2025

History of transformation



Key points of Integrated Report 2025

This report contains a large amount of content, and introduces the artience Group from various angles and perspectives. We have highlighted some key points of content that we think readers should pay particular attention to when reading this report.

Discover the driving force behind our value creation!

Special Feature: Strengths of the artience Group

- Global Expansion into Growing Regions [▶ P. 18](#)
- Open Innovation [▶ P. 21](#)
- Business Development Based on Unique Core Technology [▶ P. 24](#)

Special features introduce the three key strengths that drive the Group to create "value that resonates with the senses." Key figures working on the front lines provide explanations.

Feel the enthusiasm of our top-level management!

- Top Message [▶ P. 12](#)
- Sustainability Talks [▶ P. 58](#)

Satoru Takashima, Group CEO, speaks on various themes including "change," "the role of corporations," "value creation," "human resources," and "the spirit of challenge." His enthusiasm comes across clearly in his dialogue with an outside expert.

See our strategy for sustainable growth!

- artience2027, Medium-term Management Plan [▶ P. 36](#)
- Group Materiality 2025-2030 [▶ P. 32](#)

The persons responsible for the Group’s management strategy, financial strategy, and human capital strategy each give detailed explanations in response to comments and requests received from shareholders and investors through SR and IR. We also provide a comprehensive overview of our newly formulated Group materiality (material issues,) including the formulation process and comments from external experts.

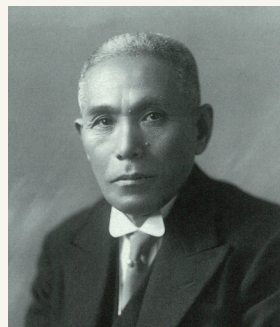
Production process

- (1) Communication with shareholders and investors
- (2) Formulation of editorial policy at planning and editorial meetings, planning and production of content
Editorial team: Corporate Planning Division (IR team,) Corporate Communication Department (CSR team)
Supervisor: Director in charge of Corporate Departments (Vice President)
- (3) Discussion and approval of planning and production by Group Management Committee and Board of Directors
- (4) Consultation with relevant personnel in each group company, preparation of drafts
- (5) Review and approval of content by Group CEO and Supervisor
- (6) Distribute PDF files online and print and publish booklets (Japanese version only)
- (7) Communication with shareholders and investors using the published Integrated Report



History of the artience Group

Over the more than 120 years since its foundation, the artience Group has continued to grow by responding flexibly to the changing conditions and demands of society. During each era the Group experienced, we made major decisions on strategy and persistently and tirelessly implemented them, enabling the Group to be what it is today. We will continue to pass down our intent to “contribute to the enrichment of life and culture of people worldwide,” which is a part of our corporate DNA, to realize a sustainable society.



For high-quality domestic printing inks that help the spread of learning and education

Kamataro Kobayashi moved from Yokohama to Tokyo when he was 11 years old. After apprenticing for a sign maker and working as a clerk at an art supply store, he became independent and opened a printing ink shop in Nihombashi, Tokyo in 1896. Kamataro could not attend school since his early childhood and remained illiterate throughout life. Therefore, he believed that learning and education are the most important factors for the development of Japan, and established Toyo Ink Manufacturing Co., Ltd. in January 1907, with the goal of domestically producing and improving the quality of printing inks for books and textbooks, which are necessary for learning and education.

Founder

Kamataro Kobayashi
(1875 - 1938)

1896—

Founded as an ink manufacturer

Kamataro had founded a printing ink shop business called Kobayashi & Co. and offered a custom-mixed ink service (mixing raw materials to make inks) as an outsourcing service for small- and medium-sized business operators. But he faced a barrier: expensive imported raw materials were indispensable for the manufacturing of high-quality inks. In light of this, Kamataro took on the challenge of producing his own raw materials. In 1937, the company finally succeeded in the in-house production of Phthalocyanine Blue, which later became a flagship pigment product for the Group. In this way, the company acquired the technological capabilities to support integrated production ranging from materials to printing inks and developed into a leading ink manufacturer in Japan.



Ink color sample sheets used by Kobayashi & Co.



Head office of Toyo Ink Manufacturing Co., Ltd. in its early days (around 1910)



“DOUBLE-FACE™,” Double-sided adhesive tape



“ORIBAIN™,” Pressure sensitive adhesive

1950—

Transformation into a global chemical manufacturer

In 1951, we entered into a technological tie-up with Interchemical Corporation (currently BASF SE,) which was the largest chemical company in the United States, and introduced synthetic resin technologies. This resulted in the creation of a synthetic resin-based ink featuring excellent colors, gloss, and durability that were unachievable with conventional inks. In addition, we also introduced technologies for metal coating agents, adhesives and other products to enable its evolution into a chemical manufacturer that provides a wide variety of products, including coating agents, plastic colorants, double-sided tapes, etc. Separately, in 1963, the company began to fully engage in exports to China and Southeast Asia, and subsequently opened offices around the world, steadily building a global foundation for its business.

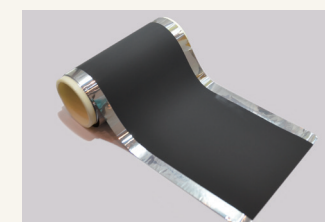
1990—

Expanding into new markets with unique technologies

Since the 1990s, we have been advancing R&D activities to create applications for its own technologies used in our products, such as printing inks, adhesives, coatings, and plastic colorants, in new industrial fields. We evolved its technologies to add functionality, based on the electronic and optical properties of organic pigments and polymers, the film structure control technologies of printing and coating, and the dispersion control technologies used for the development of adhesives and colorants, then we developed and sold various functional materials for new markets for us, including electronics, telecommunication, automobiles, energy, etc. The Group also entered the medical market in 2016.



“Liocure™,” Color resist for FPD

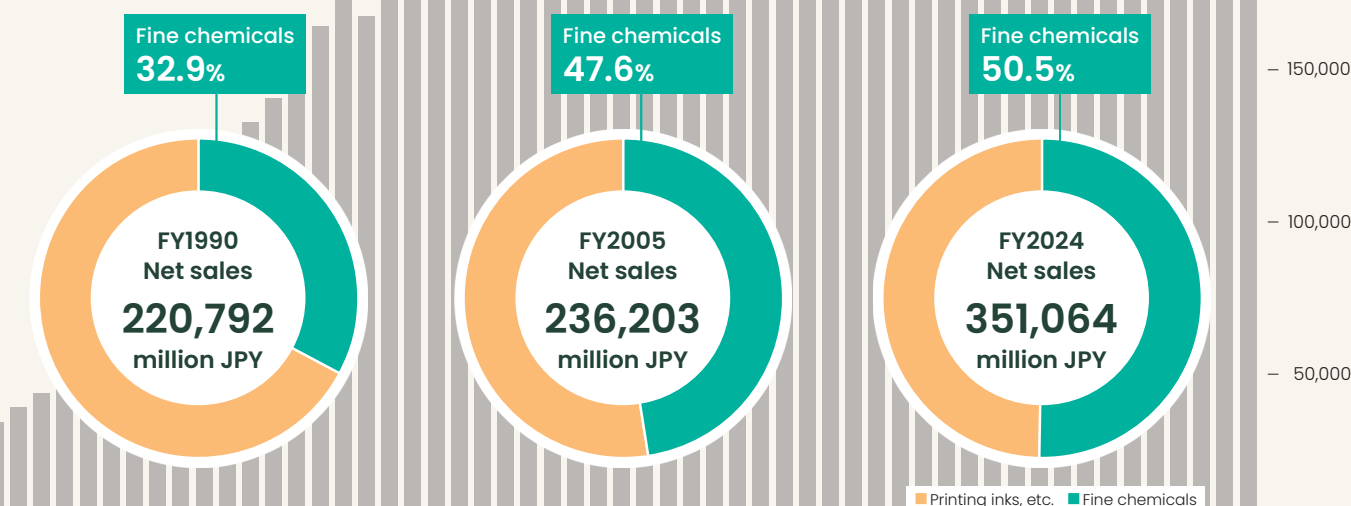


“LIOACCUM™,” Electrode material for lithium ion batteries



“LIOELM™ TSS,” Electromagnetic wave shielding film

Changes in business portfolio



2024—

Transform into a company that delivers value that resonates with the senses

In January 1, 2024, we changed our company name to artience Co., Ltd. This means that we stopped using the TOYO INK brand name, which was our brand name for the 117 years. This displays the Group’s determination to achieve this major transformation and make a fresh start to people inside and outside the Group. We refine art, the value that moves people’s minds, surprising, exciting and comforting them, as well as science, the trust based on the functionality and high quality supported by our reliable technologies. This enables us to create value that resonates with the senses.

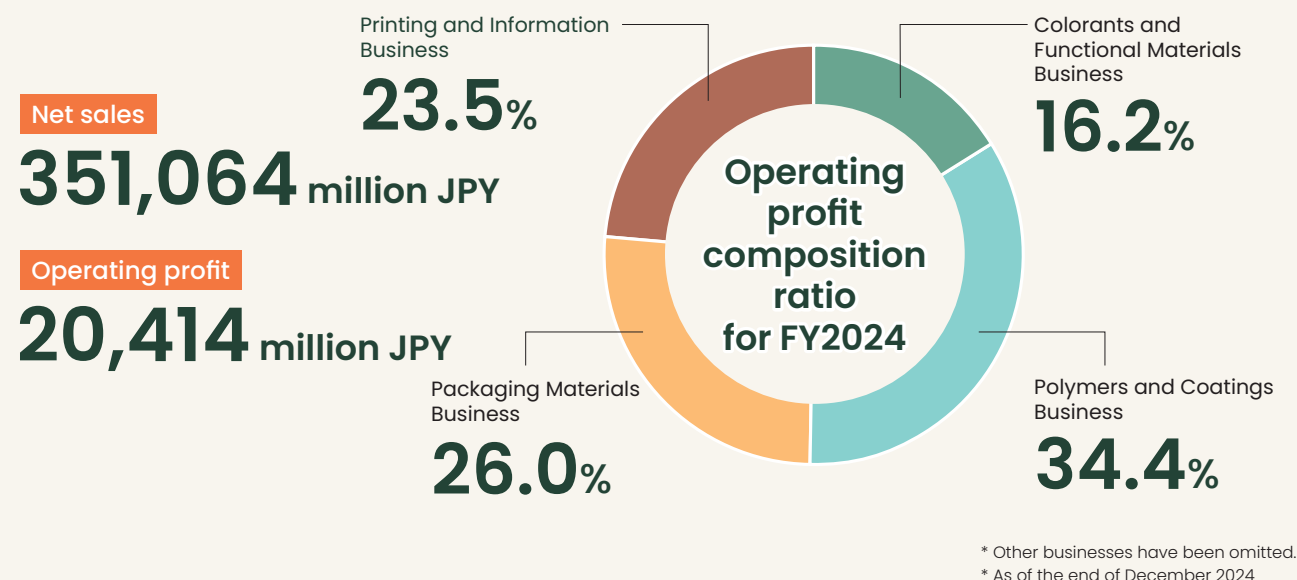


Changes in net sales

* FY1999 and before: Non-consolidated results, FY2000 and after: consolidated results

Overview of the artience Group

The artience Group is engaged in diverse business operations in four segments: Colorants and Functional Materials, Polymers and Coatings, Packaging Materials, and Printing and Information. We have a balanced portfolio with low dependency on specific businesses.



Our product lineup, which is closely integrated with people's daily lives, makes use of the Group's unique core technologies and core materials, and has secured a high market share both in Japan and overseas.

Top-class
global market share

Mobility

CNT dispersion for Li-ion batteries for EVs

Electronics

Color resist for displays

Functional films for mobile devices

No. 1
share in Japan

Packaging

Inks and laminating adhesives for flexible packaging

Inks and coatings for metal cans

* Shares according to our research

Colorants and Functional Materials Business

P. 50

By merging low-molecular / colorant design technology and dispersion technology, we develop functional materials in a variety of fields, including color resists for displays and sensors, conductive carbon nanotube dispersions for cathode materials of lithium-ion batteries, and more.

- CNT dispersion for Li-ion batteries for EVs
- Color resist for displays
- Colorants for digital printing
- Plastic colorants for containers and automobiles



Polymers and Coatings Business

P. 52

Drawing on our strengths in integrated production from raw materials to end-products by way of our polymer design technologies and coating technologies, we provide cutting-edge products in the electronics, semiconductor, and medical sector. In addition, we also focus on development of environmentally friendly products.

- Laminating adhesives for flexible packaging
- Adhesives for electronics
- Functional films for mobile devices
- Coating agents for beverage and food cans



Packaging Materials Business

P. 54

We offer a variety of environmentally friendly products, such as water-based, solvent-free, and biomass items, as well as promoting recycling. We do our part to achieve a more sustainable society by enriching people's lives with our products while ensuring their safety and at the same time by caring for the natural environment.

- Printing inks for food packaging
- Printing inks for pouch of daily necessities
- Printing inks for construction materials



Printing and Information Business

P. 56

The artience Group has been engaged in the printing ink business since its very beginning, as the sector is an important one in support of information infrastructure. We apply proven technologies developed over the course of many years in the industry to develop new applications, such as functional inks for packaging.

- Printing inks for paper containers
- Printing inks for packaging labels
- Metal decorative inks for beverage and food cans



artience at a Glance

Financial indicators (FY2024)

Net sales

351,064 million JPY

YoY +28,942 million JPY

Operating profit

20,414 million JPY

YoY +7,041 million JPY

Operating profit margin

5.8%

YoY +1.6 points

Ordinary profit

21,008 million JPY

YoY +8,127 million JPY

Profit attributable to owners of parent

18,540 million JPY

YoY +8,803 million JPY

ROE

7.3%

YoY +3.1 points

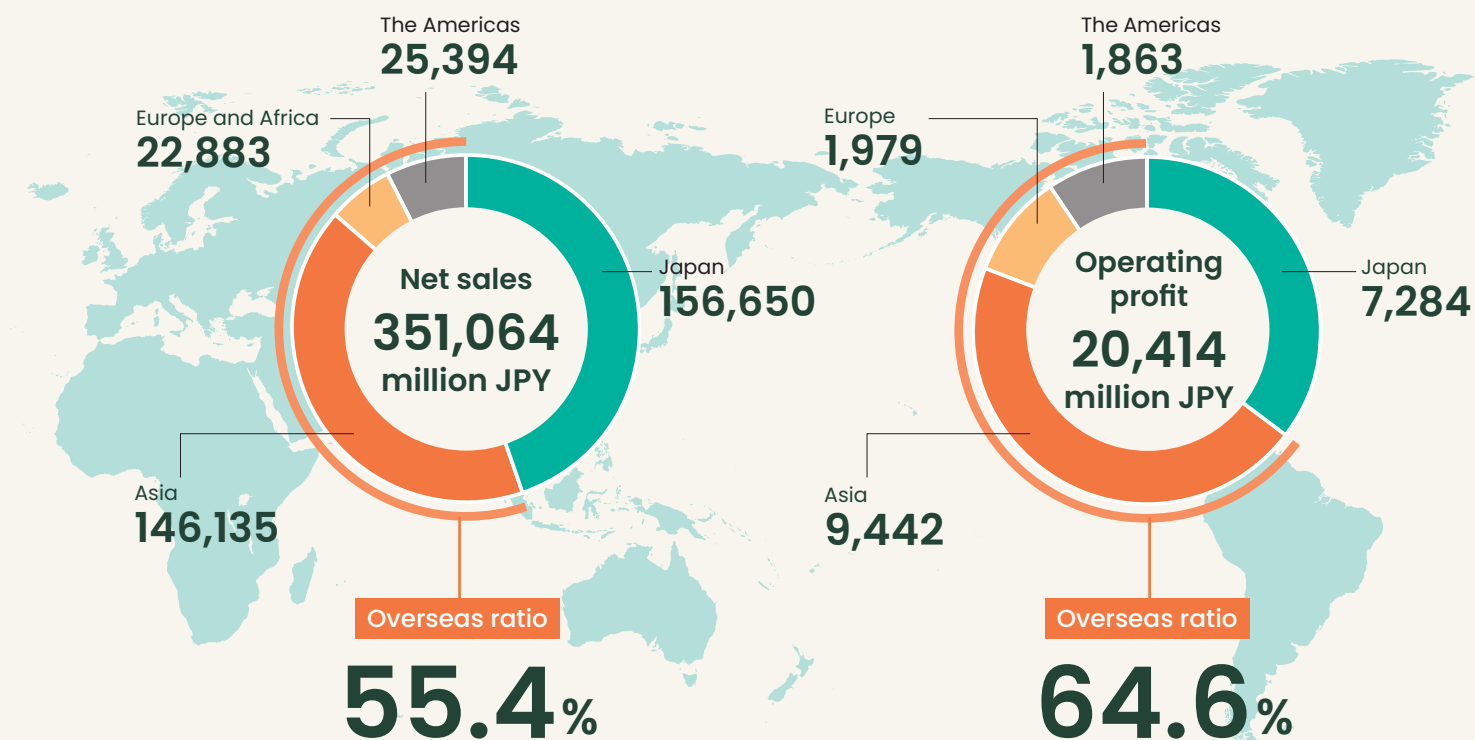
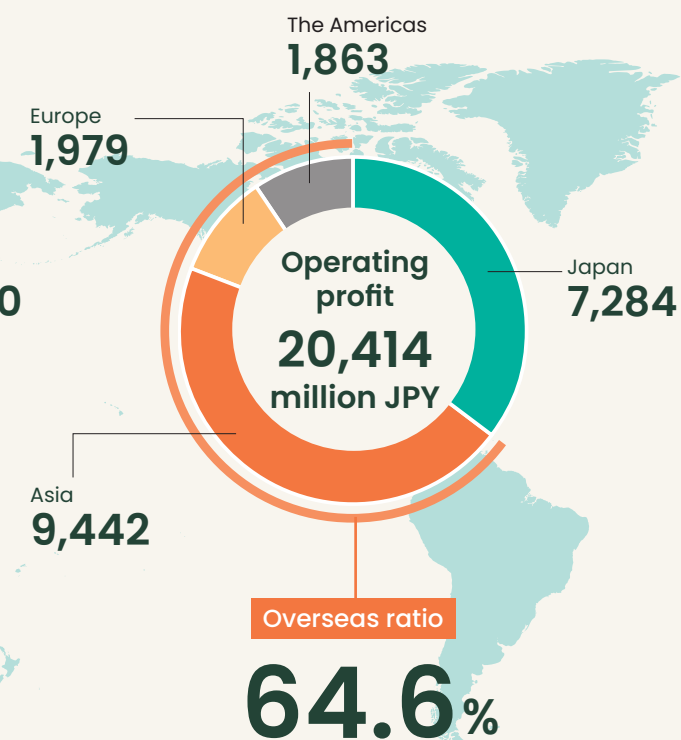
Capital investments

18,441 million JPY

YoY +715 million JPY

Total dividend payout ratio

68.4%

No dividend cuts for
15 consecutive periodsNet sales by business area
(Unit: million JPY)Operating profit by site location
(Unit: million JPY)

* Graphs do not include adjustment amounts.

* Net sales by business area are the sum total of net sales of the Company and its consolidated subsidiaries in each of the above regions (excluding internal sales between consolidated companies.)

* Operating profit by site location is the sum total of the operating profits of the Company and its consolidated subsidiaries located in each of the above regions. Inter-regional transactions and corporate / group-wide expenses are not deducted.

* In operating profit by site location, the profits of consolidated subsidiaries of the Company's European subsidiaries located in Africa are accounted for as European profits for administrative purposes.

Sustainability management indicators (FY2024)

GHG (Scope1+2) emissions

152,002 t-CO₂-24.7% from
the FY2020 level

Sales ratio of sustainability-enhancing products

55.5%

YoY +1.9 points

Ratio of CSR procurement

69.1%

YoY -1.4 points
Coverage 42.4%

Engagement score

76

"Sustainable engagement"
score based on surveys
conducted in Japan and some
overseas countries. ▶ P. 44Ratio of female managers
(as of January 2025)

5.8%

YoY +0.3 points

Ratio of female directors
(as of March 26, 2025)

27.3%

Three of the Company's
11 directors are female.