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 during "financial soundness," "active investment for growth" and "shareholder returns." To financially support growth businesses, we have introduced objective indicators and are working to maximize capital efficiency and cash flow.

- Total assets
  472,787 million JPY
- Profit attributable to owners of parent
  18,540 million JPY
- Shareholders' equity
  262,113 million JPY
- Cash flows (balance of cash and cash equivalent)
  60,052 million JPY

Human capital

Diverse human resources and good employee engagement to support value creation

The management capitals 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 and HR development and retention, we are working to support employees as they engage in challenges and proactive career development, promote diversity, equity and inclusion (DE&I,) create a work environment where each and every employee can shine, and build good engagement.

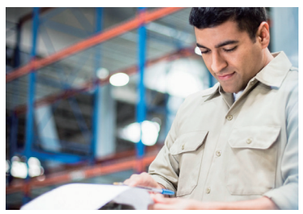
- Number of consolidated employees
  7,897 employees
  (2,974 in Japan, 4,923 overseas)
- Ratio of female hires (new graduate and mid-career recruits)
  29.6%
  (employees registered at holding company)
- Ratio of female managers
  5.8%
  (as of January 2025 in Japan)
- Number of overseas managers recruited locally
  598 persons
  (as of the end of March 2025)
- Engagement score
  76
  ("Sustainable engagement" score based on surveys conducted in Japan and some overseas countries)

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. Through our production and supply system for diverse colorants, polymer products, and functional products, we go beyond simple manufacturing to create "value that resonates with the senses" for people. By sharing production technologies and know-how worldwide, we achieve local production for local consumption and global quality management, delivering solutions that exceed customer expectations.

- Production bases
  12 bases in Japan, **27** bases overseas
- Capital investments
  18,441 million JPY
- Overseas production ratio (quantity basis)
  60.3%
- Frequency rate of lost-workday injuries
  1.050 (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 making continuous reforms to our group-wide R&D system, we are also seeking to speed up R&D through the effective use of digital technologies, such as digital transformation (DX) and AI, while at the same time combining internal and external knowledge through collaborations and open innovation with external academic institutions and other companies.

- Number of employees in R&D and Technology departments
  1,044 persons
  (as of April 1, 2025 in Japan)
- Research and development expenses
  10,109 million JPY
- Number of patents
  2,348 patents in Japan, **1,002** 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 carefully to the voices of stakeholders through proactive communication. Through these activities, we are striving to meet their expectations.

- Number of Affiliates
  56 consolidated subsidiaries, **4** equity-method affiliates
- Business regions and sites
  23 countries or region, **32** sites in Japan, **81** sites overseas
- Overseas sales ratio
  55.4%
- Major suppliers
  Approx. **520** companies in Japan
- Time spent maintaining trusting relationships with customers
  129 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. As a global chemical manufacturer, 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, resource circulation, reducing greenhouse gas (GHG) emissions, promoting plastic recycling, circular use of water, etc.

- GHG (Scope1+2) emissions
  152,002t-CO_2
- Energy consumption
  72,859kL
  [crude-oil equivalent]
- Water consumption
  3,957 thousand m^3
- Raw materials (fossil, non-fossil)
  154,789t

* Figures are as of December 31, 2024 unless stated otherwise.