







Capital	Input (Fiscal 2025)	Initiatives for strengthening capital	Business growth			Output (Targets)	Outcomes / Related SDGs
			Creating new value	Increasing profits	Reducing the cost of capital		
 <p>Financial Capital</p>	<ul style="list-style-type: none"> Revenue: 460.5 billion yen Operating income: 16.4 billion yen Cash flows from operating activities: 28.7 billion yen Equity ratio: 75.3% 	<ul style="list-style-type: none"> Efforts under our 15th Medium-Term Management Plan Building a highly efficient, high-quality production system Utilizing automation and AI to increase efficiency 	<ul style="list-style-type: none"> Strategically allocating resources to address changes in the external environment Developing next-generation technologies with speedy R&D including collaboration with partners Expanding sales efforts to acquire new customers 	<ul style="list-style-type: none"> Introducing products that are competitive in emerging markets Expanding revenue by achieving growth in the CASE domain Curtailing fixed costs through disciplined investment management Improving asset efficiency by appropriately reviewing cross-shareholdings and reducing cash on hand 	<ul style="list-style-type: none"> Maintaining financial soundness Improving capital structure by strengthening shareholder returns based on share buybacks and other measures Making timely and appropriate investment decisions through the Board of Directors 	<p>Financial targets (fiscal 2030)</p> <ul style="list-style-type: none"> Revenue: 700 billion yen Operating income: 68 billion yen ROE: 10.0% Operating margin: 9.7% 	<p>Offering innovative and appealing products</p> <ul style="list-style-type: none"> Providing safer, more comfortable interiors by developing next-generation technologies Achieving sustainable mobility by offering high-added-value features designed for next-generation vehicles <p>Manufacturing in harmony with nature environment</p> <ul style="list-style-type: none"> Mitigating global warming by reducing CO₂ emissions Increasing the use of environmentally friendly materials Contributing to a decarbonized society through our products and business operations <p>Improving human capital and engagement</p> <ul style="list-style-type: none"> Empowering employees to grow and take on challenges in alignment with the TS TECH Philosophy Improving engagement by creating an environment that maximizes the capabilities of diverse personnel <p>Corporate actions to foster trust with society</p> <ul style="list-style-type: none"> Providing compliance training and ensuring thorough compliance with laws and regulations Conducting human rights due diligence in global procurement activities Engaging in collaborative initiatives with local communities
 <p>Intellectual Capital</p>	<ul style="list-style-type: none"> R&D expenses: 19.4 billion yen Number of patents held in Japan: 1,881 Number of patents held overseas: 963 	<ul style="list-style-type: none"> Developing fundamental technologies that support comfort and safety Fostering personnel with advanced R&D capabilities 	<ul style="list-style-type: none"> Adapting to customer needs and creating unique products not offered by competitors Helping to build a sustainable mobility society 	<ul style="list-style-type: none"> Developing system and software solutions that transcend the conventional role of a parts supplier Using patented technologies to strengthen the competitiveness of products 	<ul style="list-style-type: none"> Focusing R&D efforts on strategic priorities to drive effective initiatives Optimizing development resources through collaboration with partners and other stakeholders 	<p>Shareholder returns (15th Medium-Term Management Plan)</p> <p>Dividends: Implementing sustained, stable returns unaffected by business results</p> <p>Acquisition of treasury stock: Flexible acquisition and appropriate retirement of approx. 20 billion yen in treasury stock</p>	
 <p>Manufactured Capital</p>	<ul style="list-style-type: none"> Global production system with 47 production sites in 12 countries Production techniques cultivated through years of mass production of seats and interior components for automobiles and motorcycles Capital expenditures: 21.6 billion yen 	<ul style="list-style-type: none"> Establishing a new Production Technology Building at our Saitama Plant to accelerate efforts to improve production technology and optimize production systems Horizontally deploying digital technologies and new production technologies 	<ul style="list-style-type: none"> Standardizing energy-saving technologies and adopting next-generation energy-saving technologies Promoting energy-free automation using <i>karakuri</i> mechanisms 	<ul style="list-style-type: none"> Expanding sales and pursuing profits by leveraging a global system of production and supply Reducing costs through continuous production line innovation and operational efficiency improvements Contributing to energy and resource conservation 	<ul style="list-style-type: none"> Horizontally deploying cost-reduction initiatives worldwide Reducing inventory and logistics costs by ensuring a stable supply system 	<p>Non-financial targets (fiscal 2030)</p> <p>Materiality</p> <ul style="list-style-type: none"> Innovative technology development expenses as a percentage of R&D expenses: vs. FY2021 +10% Seat supplier IQS rating¹⁾: 2.0P vs. FY2020 -50% CO₂ emissions reduction rate²⁾: vs. FY2020 -50% Waste reduction rate³⁾: vs. FY2020 -50% Water intake reduction rate and environmental impact from wastewater⁴⁾: vs. FY2020 -50% Environmental impact: "0" Establishment of the TS TECH Fund (matching gift program) Engagement rating⁵⁾: AAA Supplier sustainability guidelines compliance rate⁶⁾: 100% Percentage of management human resources⁷⁾: 35.0% Corporate Governance Code compliance rate: 100% 	
 <p>Natural Capital</p>	<ul style="list-style-type: none"> Initiatives to reduce environmental impacts, including CO₂ emissions Energy input: 1,540 TJ Water intake: 441,784 m³ 	<ul style="list-style-type: none"> Reducing CO₂ emissions by utilizing energy audits conducted by external organizations Actively utilizing steel produced in electric furnaces and recycled resins, helping to reduce environmental impact Improving effectiveness by holding carbon neutrality seminars led by external experts 	<ul style="list-style-type: none"> Helping to build a sustainable mobility society Advancing lightweighting technologies while improving comfort and safety 	<ul style="list-style-type: none"> Reducing energy costs by adopting energy-saving measures and renewable energy to help build a carbon-neutral society Securing stable profits by creating a sustainable supply chain that complies with laws, regulations, and societal norms 	<ul style="list-style-type: none"> Curtailing costs by reducing energy costs Reducing environmental compliance costs through rigorous waste management 		
 <p>Human Capital</p>	<ul style="list-style-type: none"> Number of consolidated employees: 14,163 (Non-consolidated: 1,634) Code of conduct based on our corporate philosophy, the TS TECH Philosophy 	<ul style="list-style-type: none"> Enhancing human resource capabilities by recruiting diverse personnel and offering tiered and selective training programs Strengthening motivation for growth through aptitude assessments and fostering a sense of ownership via employee stock ownership plans and other initiatives Further instilling and embodying our corporate vision statement of being "A company dedicated to realizing people's potential" 	<ul style="list-style-type: none"> Driving innovation through diverse perspectives and capabilities Achieving organizational transformation by fostering self-directed employee growth 	<ul style="list-style-type: none"> Creating businesses founded on innovation Improving operational efficiency through IT talent development Enhancing product appeal through software development talent cultivation 	<ul style="list-style-type: none"> Enhancing productivity by increasing employee engagement Improving productivity by aligning workforce deployment with employee capabilities and aspirations Optimizing the workforce to match production volume and production capacity 		
 <p>Social and Relationship Capital</p>	<ul style="list-style-type: none"> Relationships of trust built with stakeholders Number of IR/SR meetings held with financial analysts and institutional investors: 233 Partnerships and collaborative frameworks Number of business partners: 628 (domestic and international) (Companies subject to our sustainability compliance verification) 	<ul style="list-style-type: none"> Strengthening trust-based relationships with stakeholders through dialogue 	<ul style="list-style-type: none"> Expanding value by forging a common purpose Creating unprecedented added value for products by capturing synergies across different businesses 	<ul style="list-style-type: none"> Proposing products and solutions that transcend conventional boundaries Stabilizing supply by deepening partnerships, and reducing production costs with risk management 	<ul style="list-style-type: none"> Eliminating information asymmetries through timely disclosure and dialogue with stakeholders Promoting productivity improvement and cost reduction through integrated supply chain initiatives 		

