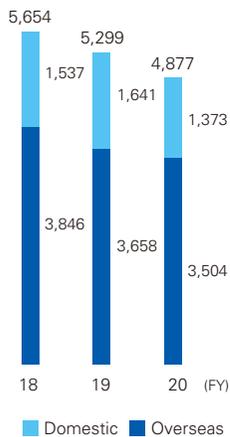


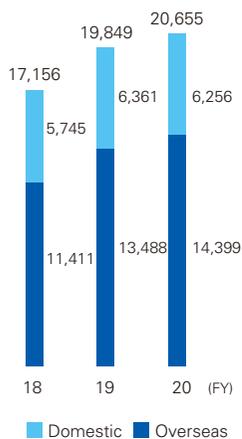
Intellectual Property



Patents Filed



Patents Held



Basic Policies on Intellectual Property

Toray Group has formulated and executes the following four intellectual property strategies as its basic policies on intellectual property.

1. Intellectual property strategies, as a part of the strategy trinity, that conform to management principles

Toray Group regards intellectual property as one of its vital management resources. We integrate our intellectual property strategies mutually and organically with our business strategies and R&D strategies, and as part of this “trinity,” we designate intellectual property strategies as one of the most important elements of our management strategies.

2. Promoting the procurement of rights

In order to protect Toray Group’s products and technologies and to ensure profits in terms of intellectual property, we hold as many useful patent rights as possible and build patent portfolios. At the same time, we are committed to patent rights acquisition made efficient by enhancing the quality of individual patents.

3. Respecting the rights of others

Toray has operated a system for comprehensively investigating the relations between its own products and technologies and patents owned by other companies, and we thoroughly educate employees to prevent infringement on patent rights of other parties.

4. Rightful enforcement of our own rights

When Toray Group’s patent rights are infringed upon by another party, we take proper steps depending on the circumstances by exercising our patent rights, such as demanding that infringement cease, receiving monetary profits from licensing, and using our patent rights for cross-licensing with the patent rights of other parties.

Intellectual Property Strategies in Line with Management Strategies

Under Toray Group’s Medium-Term Management Program, Project AP-G 2022, a medium-term management program was formulated not only for R&D, but also for intellectual property, and the following five measures are promoted.

1. Strengthening Toray Group’s intellectual property capabilities to address global business expansion

Under the guidance of Toray’s Executive Vice President in charge, the Group is advancing intellectual property activities through the construction of a framework in which the intellectual property for group companies in and outside of Japan are managed. Particular attention is paid to nurturing group companies that play a central role in respective regions, and to

supporting group companies that have newly joined the Group.

2. Strategic patent application and building barriers to entry by protecting knowhow

Considering the risk of imitations that arises following the publication of applications, a scheme where barriers to entry are put in place by creatively leveraging patent applications and the protecting our know-how is reinforced. Moreover, continuous efforts to further boost the quality of patent specifications are made, as well as promotion of initiatives to strengthen patent applications and patenting of rights outside of Japan.

3. Promoting intellectual property strategies that contribute to the long-term corporate vision

Intellectual property activities are promoted, in order to achieve sound, sustainable growth espoused in the Long-Term Corporate Vision, TORAY VISION 2030.

4. Establishing an environment to support the promotion of efficient intellectual property strategies

By digitizing and streamlining workflow for business tasks, such as internal and external contacts, queries and responses, or the paperwork involved in forms for circular-type consultations, transition to paperless offices and enhancement of efficiency in intellectual property operations are promoted.

5. Developing intellectual property-focused human resources

Experts capable of promoting intellectual property strategies across the Group are being developed, specific to business areas and regions. In particular, the Group is elevating the intellectual property competency and capabilities of human resources at group companies, including national staff at group companies outside of Japan, while pursuing patent applications and patenting of rights across the Group, and promoting effective and efficient infringement prevention activities.

Toray Takes Top Spot on Patent Result’s Ranking for Fiber, Paper and Pulp Industry

The “2020 Ranking of Capability to Prevent Other Companies from Obtaining Patent Rights,” published annually by Patent Result Co., Ltd., is an advanced patent application index that compiles the number of patents by a company that were cited as reasons for rejection of another company’s patent application in the course of the patent deliberation process, in any particular year. Toray was ranked No. 1 in the fiber, paper and pulp category for the eighth consecutive year. As the same index benchmarks are used, if “fiber, paper and pulp,” and “chemicals” categories are treated as a single industry, Toray’s ranking becomes No. 3.