

Risk Management

Under normal conditions, Toray Group focuses on mitigating risks and preventing crises from occurring. In the event of a crisis, the Group strives to prevent damage from spreading by controlling and normalizing the situation quickly with a prompt and appropriate response.

Risk Management Concept

Toray Group periodically identifies potential risks in its management activities to mitigate risks and prevent crises. The Group has also established an Emergency Quick Response System for the event of major emergencies, through which it takes a prompt, appropriate measures in order to prevent damage from spreading, control and normalize the situation quickly.

Risk Management Framework

The risks surrounding Toray Group continue to change, meaning that the Group now faces the urgent issues, which are addressing risks that rapidly materialize from changes in the surrounding environment, and strengthening the frameworks for more rapid response. As part of its management strategy, Toray established a dedicated organization in April 2018 that promotes risk management and closely communicates with the top management and the Board of Directors. Toray has also defined the procedures for risk management during normal times and the quick response procedures during the occurrence of crisis within the Crisis Management Regulations, for which this dedicated organization provides overall management.

Establishment of the Risk Management Committee

Risk Management System (After June 2019)



In May 2018, Toray established the Risk Management Committee as an organization that deliberates, consults, and provides information for the purpose of promoting risk management throughout Toray Group. The General Manager of the Corporate Strategic Planning Division (Executive Vice President and Representative Member of the Board) serves as chairperson. This Committee's primary activities include priority risk mitigation as part of periodic risk management. In addition, the Overseas Crisis Management Committee and Local Crisis Management Committees, which are in charge of managing overseas travel for employees and collecting overseas risk information during normal times, have also been placed under this Committee.

Risk Management Initiative Status

(1) Periodic Risk Management (Priority Risk Mitigation Activities)

Toray Group comprehensively determines company-wide risks (climate change, natural disasters, legal violations, scandals, etc.) and identifies key risks upon implementing a comparative assessment of the importance of each risk item. Ultimately, the opinion of the Risk Management Committee, for which General Manager of the Corporate Strategic Planning Division manager (Executive Vice President and Representative Member of the Board) serves as chairperson, is sought before determining the priority risks.

In terms of the priority risks, Toray promotes activities to reduce risks through a three-year PDCA cycle. During the fourth priority risk mitigation cycle, which covers the three-year activity period starting in fiscal 2018 (2018-2020), Toray is deploying these activities throughout the entire Group, including all Group companies in and outside of Japan. For this period, the priority risks include quality management, earthquake measures, information management, and CSR procurement, among others.

Group-wide activities include selecting the divisions and departments responsible for addressing each risk, establishing a road map for outlining the three-year risk mitigation activity plan, and creating annual activity plans. In addition, each year Toray reports on the annual activity performance for the entire Group at the Risk Management Committee and follows-up on the progress status. When formulating the annual action plan for the following fiscal year, the results of this follow-up work and response to risks that

have newly emerged from changes in the environment are discussed and are taken into account.

(2) Continuous Risk Management (Observing trends in Japan and abroad, detecting, assessing, and monitoring risks)

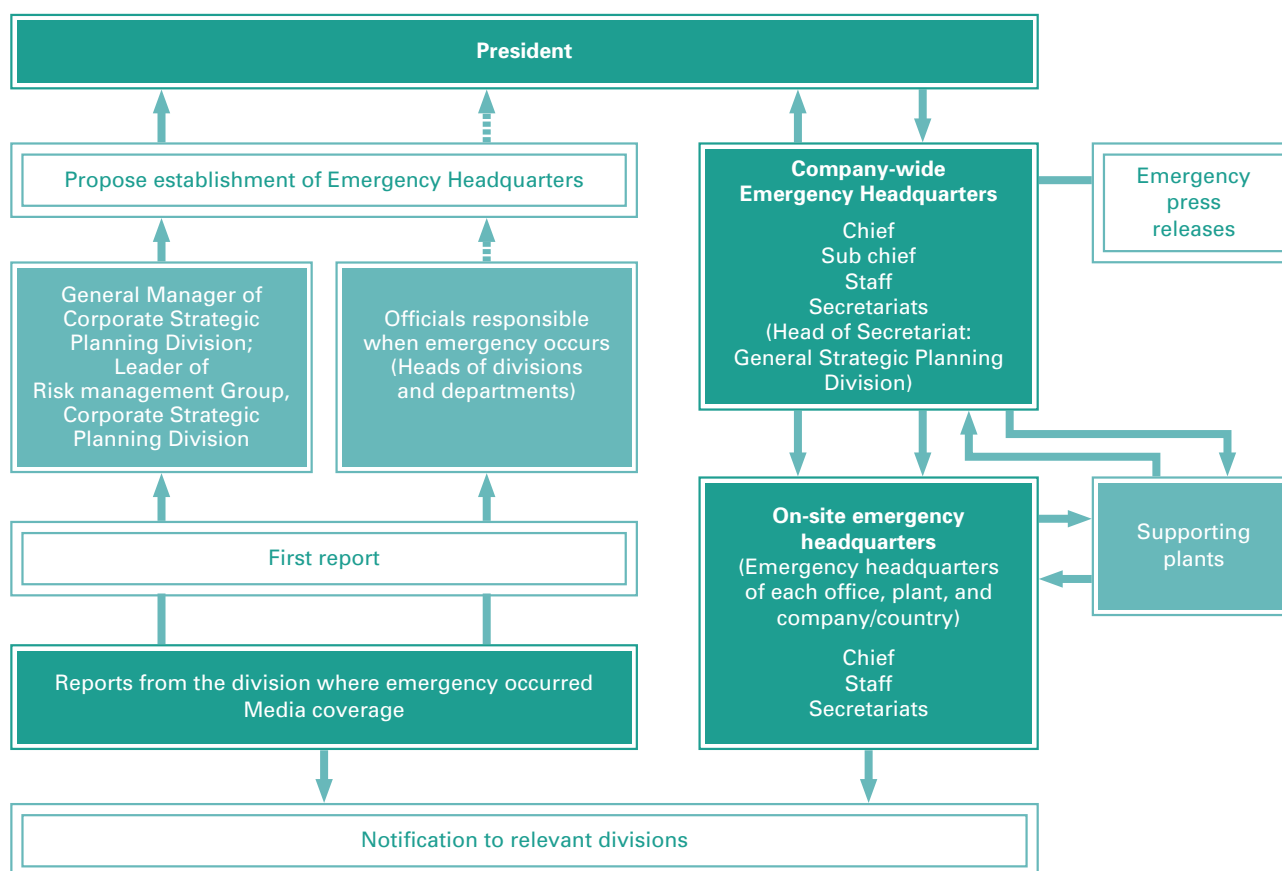
Toray vigilantly maintains an eye on trends in Japan and around the world in order to detect risks which may give a significant impact on the management of Toray Group. When a relevant risk is detected, for example trade friction between the U.S. and China, plastic pollution in the world's

oceans, and GDPR, Toray establishes a company-wide system without delay and implements the necessary measures throughout the Group.

(3) Response in the Event of a Crisis

Toray Group has established fundamental principles that form the basis of a company-wide response in the event of a major crisis within the Crisis Management Regulations. In the event of a crisis that necessitates a Company-wide response, Toray responds by setting up a Group-wide quick response system (Group-wide headquarters).

Emergency Quick Response System



Risk Management

Business Risks

Operational and other risks faced by Toray Group that could have a major influence on the decisions of investors are described below. Toray Group works constantly to avoid such potential risks, minimize their impact, and build a system to enable swift responses and accurate information disclosure on the occurrence of unforeseen situations.

Please note that the risks described below are not all of those identified by Toray Group, and do not represent all the operational and other risks that could affect Toray Group.

- Domestic and overseas demand and product market trends
- Rising prices of fuel and raw materials
- Capital expenditures, joint ventures, alliances and acquisitions, etc.
- Fluctuations in foreign currency, interest rate, and the securities market
- Changes in assumptions on which forecasts are based that might affect employee retirement benefit obligations and deferred tax assets
- Overseas operations
- Product liability
- Lawsuits
- Laws and regulations, taxes, competition policies, and internal controls
- Natural disasters and accidents
- Information security risks

Addressing Fluctuations in Exchange Rates

Foreign currency exchange rate fluctuations affect Toray Group's consolidated financial statements when the financial statements of the overseas operations presented in local currencies are translated into yen. Toray Group takes measures, such as entering forward exchange contracts, to alleviate risks associated with transactions denominated in foreign currencies. However, unforeseen exchange rate fluctuations could have an impact on Toray Group's results of operations and financial conditions.

In response to currency rate fluctuations, Toray Group utilizes its strength of maintaining business bases throughout the world while encouraging local production for local consumption. At the same time, by flexibly carrying out global operations, Toray Group is striving to build a management structure that is well-shielded from the impact of exchange rate fluctuations. Moreover, Toray Group works to gather information regarding currency movements in each country (region), while at the same time monitoring the exchange rate exposure of Group companies and their hedge position as part of its efforts to mitigate currency exchange risk.

Addressing Risks Related to Overseas Operations

Toray Group is developing a broad geographical presence, with operations in various countries of Asia, Europe and the United States. Some of the major potential risks associated with various regions are summarized below. If such risks were to become reality, Toray Group's results of operations and financial conditions could be negatively affected.

- (1) Unforeseen introduction, changes or abolition of laws and regulations, such as changes in taxation systems and tariffs which affect adversely
- (2) Unforeseen, disadvantageous economic or political events
- (3) Social upheaval, including acts of terror or war

When making decisions regarding investments related to the overseas operations, Toray Group collectively considers and carefully investigates the investment country (region) in terms of the current and long-term outlook for the political, economic, and social climate, the organizational status of the legal system, and the development status of the regional economic sphere. During the investment execution period, Toray Group also references the execution plan (progress schedule), which integrates the local political, economic, security, and legal system related risk items,

that was formulated when the investment decision was made, and makes periodic follow-ups regarding the progress status of the project. Moreover, once the investment project is completed, the latest information for each region is acquired and information related to country risk, including safety issues, is shared throughout the Group.

Addressing Major Earthquakes

Toray Group maintains a business continuity plan (BCP) in case of a major earthquake, which has been identified as a priority risk to address.

Toray Group has established a basic policy for ensuring business continuity in the event of a major earthquake. Namely, Toray Group prioritizes the safety of its employees and preventing any impact on the local community, strives to prevent the further spread of damage and the event of secondary disasters, continues to supply key products and works toward a rapid recovery of business operations, and fulfills its social responsibility to continue supplying products. As part of this process, Toray Group continues to conduct evacuation drills in the event of an earthquake, make systematic quake-resistant upgrades to plant buildings, and draft BCPs.

In fiscal 2018, Toray Group created and began implementing BCPs for key products selected from each business in accordance with the procedures for developing BCPs for designated priority products in an earthquake. As with Toray itself, Toray Group began selecting key products and formulating BCPs for Group companies in Japan. In addition, Toray Group has conducted drills to establish a temporary Group-wide headquarters based on a scenario involving a large-scale earthquake every year since fiscal 2012. As a result of its preparations during normal times, Toray Group was able to promptly establish a Group-wide headquarters and confirm the safety of its employees following the earthquake that occurred in the northern part of Osaka in June 2018. Moreover, Toray Group was able to utilize the Toray Disaster Map System (a system for rapidly and accurately mapping the extent of damage based on location data for business partners and Toray Group), introduced following the Great East Japan Earthquake, to rapidly confirm the status of the supply chain. Going forward, Toray Group will continue to enhance its ability to respond in the event of an earthquake through such drills.

Addressing Information Security Related Risks

Toray Group's information systems and networks are fundamentally essential elements in the execution of the Group's business operations and every security precaution is taken in their development and operation. However, if such an incident as a work stoppage, a loss of trust in the Group, and a leak of confidential information were caused by unauthorized access, data alteration, theft or deletion, an interruption of system operations, or any other information security threats, Toray Group's earnings and financial conditions could be negatively affected.

Toray Group formulated its internal rules to appropriately manage technical information and other confidential information held by the Group, improved its information management frameworks, and established methods for handling information depending on the level of confidentiality. When a security-related incident occurs, the Information Security Officer follows the rules and cooperates with related divisions and departments and also employs outside experts to promptly address the issue.

In terms of information security for Group companies in and outside of Japan, Toray Group aims to enhance the level of information security throughout the Group in consideration of the increased threat of cyber attacks. The Group has begun providing information security audits for each Group company in and outside of Japan, and plans to conduct such audits once every three years. Moreover, each Group company is prohibited from destroying or falsifying information, leaking confidential information, and using information in an unauthorized manner. Toray Group has also defined the information management frameworks, roles, and responsibilities for each Group company, and educates all employees in regard to these. Moreover, Toray Group analyzes risk based on incident cases and external trends, and informs each Group company of the required measures through Group-wide management policies. Toray Group also confirms and follows-up on the response status of each Group company through annual reports.

Environmental Management Initiatives

Promoting Life Cycle Management for the Environment

In addressing global environmental issues, Toray Group has long believed it vital to focus not only on reducing greenhouse gas emissions as a result of the Company's manufacturing activities, but also considering the entire life cycle of products and services to reduce environmental impact, while also delivering improved economic and social value. With this in mind, Toray Group practices life cycle management (LCM), with a focus on reducing CO₂ emissions throughout a product or service's entire life cycle.

For Toray Group, LCM targets a reduction in greenhouse gas emissions (Avoided Emissions*) throughout the global supply chain through an expansion in the environmentally-friendly products (GR products) business. The idea of LCM is being actively adopted by industry in Japan and chemical sector companies throughout the world.

*Avoided Emissions refers to the amount of greenhouse gas emissions expected to be reduced as a result of an older product or service being replaced by a newer product or service developed by the Company.

Toray announces its Support for the TCFD Recommendations and Joins the TCFD Consortium of Japan

Toray, in May 2019, announced its support for the Recommendations^{*1} of the Task Force on Climate-related Financial Disclosures (TCFD), as well as the company's participation in the TCFD Consortium of Japan^{*2} that was launched in the same month.

In regard to contributing to solutions to the issue of climate change, Toray believes achieving environmental impact reductions alongside sustainable growth requires a clear understanding, gained through LCM, of the CO₂ balance for a product or service throughout its entire lifecycle. With this in mind, the company has been working to reduce greenhouse gas emissions throughout the value chain, with one example being the use of carbon fiber to reduce the weight of aircrafts, Toray Group has also been promoting the expansion of its Green Innovation business through investment with a long-term perspective of management resources in research and development targeting the practical use of new non-fossil resources, including bio resources.

Toray Group will actively promote the disclosure of information in line with the TCFD Recommendations, communicating to the world its active commitment to contributing toward solutions to the issue of climate change before all others.

*1 TCFD recommendations: Final report released by the TCFD in June 2017 for the purpose of supporting companies with the disclosure of information on climate-related risks and opportunities and stabilizing financial markets through a smooth transition to a low-carbon society.

*2 TCFD Consortium of Japan: A group of companies and financial institutions that supports the TCFD recommendations, the consortium of Japan was established to discuss effective corporate information disclosure and initiatives to link disclosed information to appropriate investment decisions on the part of financial institutions and other organizations.

Progress on the Fifth Medium-Term Environmental Plan

Toray Group is now implementing its Fifth Medium-Term Environmental Plan, which runs from fiscal 2016 to fiscal 2020. The plan aims to further reduce the Group's environmental impact.

Amid further projected increases in production volumes for high-performance films and carbon fiber, the Group will continue to pursue environmental initiatives in order to achieve the challenging targets of the new plan.

Initiatives to Curb Global Warming

Toray has set its goal for the reduction of greenhouse gas emissions as "Reducing emissions more than 15% below the fiscal 1990 level and maintaining that level until fiscal 2020" and implements planned reduction measures. CO₂ emissions in fiscal 2018 decreased by 74,000 tons from the previous fiscal year's level due to higher production in line with business expansion. Greenhouse gas emissions rose 3.8%, to 1.95 million tons from the previous fiscal year, although this was a reduction of 23.2% from the fiscal 1990 level, continuing to meet its reduction target.

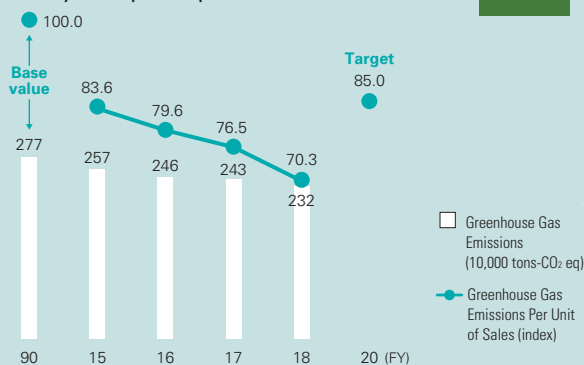
Toray and its Group companies in Japan work to curb global warming with the goal of reducing greenhouse gas emissions by 15% on a per-unit-of-sales basis by fiscal 2020, compared to the fiscal 1990 level. Toray and its Group companies' emissions of greenhouse gas were down 4.3% in fiscal 2018 compared to the previous fiscal year. Greenhouse gas emissions per unit of sales improved 6.2 points compared to the previous fiscal year and were 29.7% below the base year.

Fiscal 2018 greenhouse gas emissions for Toray Group worldwide were 5.63 million tons-CO₂ equivalent, a decline of 2.9% compared to the previous fiscal year. All Toray Group manufacturing companies and plants will work to achieve the Group's goal of reducing the per-unit energy consumption rate by 2% each fiscal year and strive to reduce greenhouse gas emissions throughout the Group.

Energy Conservation Measures

Toray Group is actively engaged in energy conservation activities in line with its goal of reducing the per-unit energy consumption rate* by 2% annually. In fiscal 2018, energy consumption declined by 4.7% compared to the previous fiscal year, largely due to a decline in production. However, the per-unit energy consumption rate deteriorated 2.1% compared to the previous fiscal year. Nevertheless, per-unit energy

Greenhouse Gas Emissions and Greenhouse Gas Emissions Per Unit of Sales (Toray Group in Japan)



consumption was still 16.8% lower than in the base year.

* Energy consumption per converted unit of production volume

Voluntary Initiatives to Reduce Atmospheric Emissions of Chemical Substances

As a corporate group that does business in the chemicals sector, Toray Group places the highest priority on reducing emissions of chemicals into the atmosphere in order to reduce its environmental impact.

In fiscal 2018, Toray Group's atmospheric emissions of PRTR Law-specified substances were 886 tons, which represented a 66% reduction compared to the base year of fiscal 2000. VOC atmospheric emissions amounted to 1,129 tons, a 72% reduction compared to fiscal 2000. The Group has reached its target in terms of VOC atmospheric emissions.

Initiatives for Managing Water Resources

Toray Group has always been working through its water treatment business to provide solutions to water resource problems around the world. Toray Group practices the 3Rs (reduce, reuse, recycle) in consuming water resources, and monitors the quality of water that is released into public waters, additionally, at overseas-based Group companies located in drought-stricken regions in particular, we conduct recycling of cooling and effluent water and also work to reduce the volume of water used for industrial purposes.

In fiscal 2018, Toray Group used 230 million tons of water, an increase of 1% over the previous fiscal year. Compared to the amount used per unit of sales in fiscal 2001, set to an index value of 100, usage in fiscal 2018 stood at 51.0 points, an improvement of 3.0 points from the previous fiscal year.

Initiatives to Reduce Waste

Waste Recycling Rate

85.7%



Toray Group is carrying out zero emission initiatives as it

works toward the realization of a sustainable, recycling-based world. Under the Fifth Medium-Term Environmental Plan, the Group worked to achieve its fiscal 2020 targets for rates of simply disposed waste*¹, landfill waste*² and recycled waste*³, which have been set as indicators for measuring progress toward attaining zero emissions.

*¹ Simply disposed waste rate = (incineration + landfill) / total waste

*² Landfill waste rate = landfill waste / total waste

*³ Recycling rate = (recycled resources + resources with monetary worth) / (total waste + resources with monetary worth)

Initiatives to Prevent Air and Water Pollution

Toray Group implements ongoing initiatives at plants to reduce sulfur oxide (SOx) emissions by installing desulfurization equipment and switching to cleaner fuels, and reduce chemical oxygen demand (COD) by expanding wastewater treatment facilities.

Biodiversity Initiatives

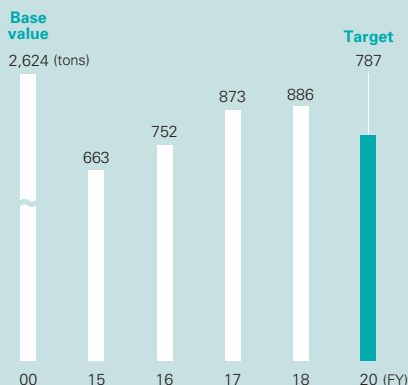
Toray Group has positioned biodiversity, along with reducing greenhouse gas emissions, as an important theme regarding global environmental problems, and pursues biodiversity initiatives in accordance with a three-year action road map and sets its priorities based on the Group's Biodiversity Initiatives. Plants at Toray and Group companies in Japan operate greenery policies and plans through around 2020, guided by Toray Group Basic Policy for Increasing Green Areas*¹. The plans encompass initiatives to conserve green areas as much as possible, including healthy natural forests*², that have been protected since the plants began operating. These sustainable greenery conservation initiatives also help to conserve the environment for communities.

*¹ Natural groves or forestation by species based on potential native vegetation

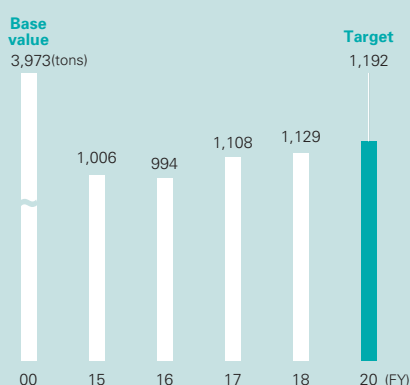
*² Toray Group Basic Policy on Increasing Green Areas was established in 2012, evolving out of greenery policies that were first established in 1973.



Atmospheric Emissions of PRTR Law-specified Substances



VOC Atmospheric Emissions



Human Resources Management

Committed to Human Rights



We at Toray Group believe respect for human rights is a mandatory management principle for ensuring the continuity of corporate activities and building positive relationships with all of the Group's stakeholders. Based on this principle, in December 2017 we formulated Toray Group Policy for Human Rights. The Group also works to promote and raise awareness of human rights, for instance, by declaring its commitment to the respect of human rights in its Corporate Ethics and Legal Compliance Code of Conduct. In the Code, discrimination of any kind based on race, creed, skin color, gender, religion, nationality, language, physical characteristics, socioeconomic status, place of birth, or any other personal characteristics, is strictly forbidden in every process from recruiting and hiring to work placement, treatment, training, and retirement.

Since fiscal 2014, the Group has also been tackling the issue of discrimination based on gender identification and sexual orientation. In January 2017, the Group established a dedicated hotline for LGBT (sexual minority) issues, Nijiro Consultation Service.

Toray Group Policy for Human Rights

We at Toray Group believe that respect for human rights is a mandatory principle for corporate management. Therefore, we respect international standards such as the United Nations Universal Declaration of Human Rights and the International Labor Organization's standards in compliance with the laws and regulations of countries and regions where we operate, and will endeavor to fulfill our duty of respect for human rights as a good corporate citizen.

1. We will respect human rights, character, and individuality of employees and eliminate harassment and discrimination in workplaces. Furthermore, we will prohibit child labor, forced labor and unfair low-wage labor.
2. We will strive to promote respect for human rights throughout the entire supply chain related to our business activities. In addition, we will not be complicit in infringing on the human rights.
3. We will endeavor to understand adverse human rights impacts associated with our business activities and to avoid or reduce such influences.
4. If it becomes evident that we have caused or contributed to adverse human rights impacts, we will promptly take appropriate actions.
5. We will promote educational activities about issues of human rights for every employee and foster a proper understanding of issues among them.

Identifying, Assessing, and Preventing Human Rights Risk

Toray Group conducts surveys related to awareness, education, and other human rights promotion activities once per year at all offices and plants, major Group companies in Japan, and overseas subsidiaries and affiliated companies. The Group verifies the results of these through the Human Rights Promotion Committee in Japan and the Global Human Rights Promotion Committee. From among the results, the Group identifies human rights related issues and problematic points, as well as points of concern, and investigates and implements initiatives in accordance with the human rights promotion framework. Moreover, the Group has designed systems (Corporate Ethics and Legal Compliance Helpline in Japan and whistle-blowing contact offices at each overseas company) that enable Group employees to report and consult on human rights issues as part of its efforts to take prompt, appropriate action when a problem occurs and to help reduce human rights risk.

Securing and Developing Human Resources to Create New Value

Training Expenditures per Employee

90,261 yen

The success or failure of a company is decided by its people—employees shape its destiny. Guided by this concept, Toray Group, both in and outside of Japan, regards human resources as the most important management resources and considers securing and developing outstanding human resources capable of performing on a global stage as a fundamental management priority. Based on the following four goals, Toray Group is promoting human resource development.

- Development of fair-minded individuals who act with high ethical standards and a sense of responsibility
- Training of professionals with advanced expertise, technical skills and originality in problem solving
- Development of leaders who act with foresight and a sense of balance
- Development of individuals, professionals, and leaders who can play an active role in global business

Systematic and Effective Training

Toray develops well-designed training programs and systematically executes diverse training programs to enhance management, sales and marketing, production technology, and specialized skills, and to better equip employees to address globalization. These programs cover all levels of employees

and fields, aiming to develop future management candidates while expanding and educating the base of core staff ready to employ their strong capabilities to lead on the front lines.

Over the recent years, Toray has concentrated on enhancing and expanding its development of global human resources through Overseas Training for Young Employees, the Toray Global English School, and Business English Intensive Training, as well as through joint sessions of the Toray Management School and Toray Group Senior Management Seminar. Toray also implements the Global Diversity Seminar for non-Japanese employees working at Toray.

Development of Future Management Candidates

Toray Group implements training in order to systematically develop future management candidates. Numerous employees who have undergone the training are already active in management positions.

Since fiscal 2014, Toray Group has been working on a succession plan and personnel development plan based on a medium- and long-term perspective and drawing up a medium-term human resources plan and practicing systematic personnel assignment to ensure that core staff can tackle important business issues. The Group implements human resources strategies designed to support business strategies by verifying the availability of successor candidates for core positions and developing individualized development plans for future management candidates, including for national staff at group companies outside Japan.

Promoting Diversity

Toray Group is committed to securing outstanding human resources who have a high sense of ambition and who can play an active role in global business, regardless of gender, nationality, or career history at the time of hiring, as part of our efforts to build thriving workplaces in which a diverse range of individuals can fully demonstrate their potential.

Fostering an Organizational Culture Conducive to the Career Advancement of Women

Women in Management Positions

4.9%



Toray has long advanced the creation of workplace environments in which women will feel comfortable in performing their duties. The number of female employees in upper-level positions has increased steadily, and as of April 2019, women held 9.3% of unit manager or higher positions, and 4.9% of section manager or higher positions. In fiscal 2016, based on Japan's Act on Promotion of Women's Participation and Advancement in the Workplace, enacted in that same year, Toray developed an action plan to increase the percentage of female employees promoted to managerial positions by focusing on making and steadily implementing individualized career plans and raising awareness of career development. Under this action plan, Toray has set as its immediate target to ensure an average promotion rate for women that is at least 80% that of men* for the five-year period from fiscal 2016 to

Management Training for Developing Future Management Candidates

Program	Participants	Purpose	Year started	Total participants through FY 2018*
Management Training for General Managers	Division and department managers of Toray, Board members/officers of Group companies in and outside Japan	Develop management leaders at Toray and Group companies	2013	147
Toray Management School	Section managers of Toray	Develop future management candidates at Toray and Group companies	1991	540
Toray Group Management School	Department managers of Group companies in Japan	Develop management candidates focusing on Group companies in Japan	2006	263
Toray Group Executive Seminar	Board members/officers of Group companies outside Japan	Develop core staff at Group companies outside Japan	2004	98
Toray Group Senior Management Seminar	Senior Manager of Group companies outside Japan	Develop management candidates focusing on Group companies outside Japan	1996	301

Human Resources Management

fiscal 2020. This figure is the Japanese Ministry of Health, Labour and Welfare's yardstick for determining whether or not excessive discrepancy exists based on gender.

* Promotion rate of women to managerial positions compared to that of men
= Percentage of female employees promoted to managerial positions /
Percentage of male employees promoted to managerial positions
Percentage promoted to managerial positions = Individuals promoted to
managerial positions / No. of employees who were initially hired into the
G Course who are eligible for promotion to managerial position that year

Promoting Communication Among Women in the Workplace

In 2014, women serving as general managers at the Toray Group developed and initiated a career advancement seminar for women serving as managers and occupational specialists, and it has now been held four times. Since fiscal 2016, the seminar participants have organized discussion meetings for women annually at all of Toray's offices and plants in Japan. Open to all women at Toray, the meetings offer an opportunity for women in all workplaces of various ages and at various stages of life to talk honestly about balancing work and home life, sharing and educating each other about the challenges and issues they face.

Employment of Persons with Disabilities

**Percentage of Companies Achieving
Legally Mandated Employment Rate of
Persons with Disabilities**

50.0%



Toray Group hires and employs persons with disabilities, from those with physical challenges to persons with intellectual and mental challenges. The Group is making workplace improvements to remove physical barriers for persons with handicaps as well as instituting safety measures. Additionally, the Group provides comprehensive training upon work placement and gathers feedback from persons with disabilities to make workplace improvements. Further, Toray meets Japan's legal minimum of 2.2% persons with disabilities, as do 50.0% of Toray Group companies in Japan. Group companies actively seek to hire persons with disabilities through public organizations and job placement agencies. However, some individual Group companies do not meet the mandated legal requirement due to hiring difficulties. Toray will continue to focus on this issue moving forward.

Re-employment System

In order to support the participation of those over 60 years of age, in fiscal 2001 Toray introduced a re-employment system open to all of its unionized employees who wish to continue working. The Company expanded the system in 2005 to include employees in management and specialized fields, and has continued to apply this system ever since.

Creating a Positive Workplace for Employees

Helping Employees Maintain Work-life Balance

**Percentage of Available Annual Paid
Leave Used by Employees**

89.7%



Toray has worked to further improve systems that help employees achieve a harmonious balance between work and family life by offering a wider variety of lifestyle options for both men and women. In particular, the systems Toray provides for childcare, family care, and maternity protection exceed the legally mandated minimums and have been improved for easy use. In 2007, Toray was certified as an employer that complies with the action plan standards under the Act on Advancement of Measures to Support Raising Next-Generation Children.

As part of its commitment to workplace innovation to balance work and family life, Toray strives to create a comfortable environment throughout its work sites. Since fiscal 2008, (1) regular discussions are held in each workplace to raise awareness of different working styles; (2) working late at night or on holidays is in principle prohibited; (3) all lights are turned off at a certain time at night; and (4) Company-wide "no overtime days" take place one day each month. Toray has also been working on ongoing initiatives to cut overtime hours and to encourage employees to take annual paid leave (Employees used 89.7% of available annual paid leave in fiscal 2018).

Employee Health

Toray views employee health management as a management priority, and thus undertakes related initiatives in a strategic manner. Toray works with the employee health insurance association and actively encourages the health of its employees, including through the sharing of health related information over the intranet at all offices and plants and by holding participatory events that utilize health related information websites. Toray is also addressing mental health, and since fiscal 2011 the Company has been independently implementing employee stress check-ups through an external provider. Toray uses the results of these check-ups in helping employees to recognize their own stress levels, supporting approaches to dealing with stress, and improving the workplace environment. In recognition of these efforts, in February 2019 Toray was certified as a Health and Productivity Management Organization (White 500) as it was in 2018.

Please refer to Toray Group CSR information on our website: [Toray website> Social Responsibility](#)