

Climate change

Energy Resources Water issues

Digitalization

Electrification Automation

Declining birthrate and aging population

Work style diversification

Geopolitical risks

Social issues and changes

Six Capitals Supporting Growth

Since our founding, we have strived to achieve sustained growth by flexibly responding to a drastically changing society based on the six capitals we have accumulated to date.

Human Capital

- Diverse human resources committed to creating and delivering products and services that contribute to society
- Human resources comprised of more than 70,000 employees possessing diverse strengths in their respective business field
- Certified as a Health and Productivity Management Organization
- Systems and training programs to help individual employees to demonstrate their abilities to the fullest regardless of age or gender
- Lifting Group-wide capabilities to the next level through global exchanges across businesses and functions

Intellectual Capital

- Technology, expertise and know-how related to automobiles and materials handling equipment
- Strengthening development capability and competitiveness through collaboration between the Materials Handling Equipment and Automobile-related businesses
- Accumulation of knowledge thanks to involvement in the production of automobiles spanning from vehicle assembly to the development of key components
- Wide-ranging responsiveness and sustainable growth potential stemming from technologies in the development of both automation and electrification
- Research and development mainly on automation and electrification by also drawing on external expertise

Manufacturing Capital

- Production structure and investments in tangible assets to deliver quality products to customers around the world
- Superb quality and productivity based on the Toyota Production System
- Globally stable production and supply structures of respective businesses
- Proactive capital investment for further business expansion

Social and Relationship Capital

- Extensive sales and service networks together with relationships of trust with various stakeholders
- Global sales and service networks mainly for materials handling equipment
- Close collaboration with Toyota Group companies as well as major automakers and other manufacturers around the world
- Sustainable supply chain built on mutual cooperation with business partners
- Proactive dialogue with shareholders, investors and members of local communities

Natural Capital

- Group-wide initiatives aimed at reducing environmental impact and realizing a carbon neutral society
- Business activities to realize clean/zero emissions in terms of production and products
- Proactive initiatives to reduce CO₂ emissions and introduce renewable energy on a global scale
- Activities to reduce logistics-derived CO₂ emissions per unit of production (non-consolidated) and waste generation

Financial Capital

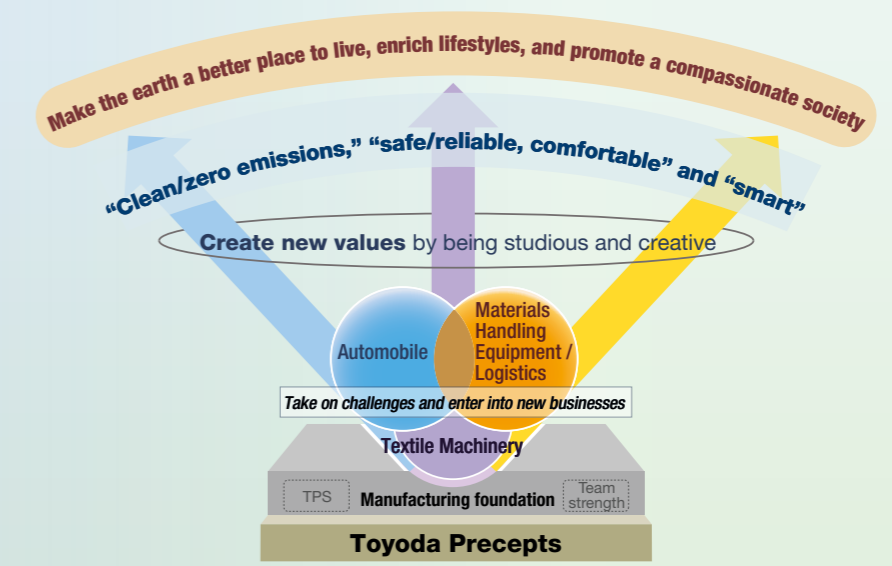
- Solid financial foundation underpinning sustained business expansion
- Share of equity attributable to owners of the parent: **¥3,837.4 billion**
- Net cash provided by operating activities: **¥194.9 billion**
- Equity ratio: **49.1%**
- Return on equity: **5.0%**

Aspiration in the Medium to Long Term and CSR Materiality

Based on the Toyoda Precepts (corporate creed) and basic philosophy, we have been working to directly address the changes and challenges surrounding society and make the most of the core assets and strengths we have accumulated to date to achieve our 2030 Vision and CSR material issues.

Vision 2030

Contribute to making the earth a better place to live, enrich lifestyles, and promote a compassionate society by supporting industrial and social infrastructure around the world through the continuous supply of products/services that anticipate customers' needs.



CSR Materiality

CSR Materiality	SDGs to Contribute
<ul style="list-style-type: none"> Mitigation of Global Warming Contribution to Circular Economy 	
Resolving Social Issues through Our Business	<ul style="list-style-type: none"> Creation of Innovative Values
Foundation Supporting Our Business Operations	<ul style="list-style-type: none"> Products and Services Which Contribute to Safety, Reliability and Comfort Mutual Prosperity through Partnerships with Local Communities
	<ul style="list-style-type: none"> Safe and Healthy Work Environments Leveraging Diversity and Inclusion Sustainable Procurement Compliance and Risk Management

Basic Philosophy
Toyoda Precepts