

Toyobo selected as constituent of all six ESG indices adopted by GPIF again

Toyobo Co., Ltd., has once again been chosen as a constituent of all six stock price indices linked to environmental, social and governance (ESG) investment that are adopted by the Government Pension Investment Fund (GPIF).

The six indices are: FTSE Blossom Japan Index; FTSE Blossom Japan Sector Relative Index; MSCI Nihonkabu ESG Select Leaders Index; MSCI Japan Empowering Women (WIN) Select Index; S&P/JPX Carbon Efficient Index; and Morningstar Japan ex-REIT Gender Diversity Tilt Index.

Japan's GPIF, the world's largest pension fund, has adopted the six ESG investment indices as criteria for making ESG investment on domestic stocks*¹. These indices are also used by investors around the world who consider ESG practices to be key investment judgement standards.

Under its corporate philosophy "Jun-Ri-Soku-Yu (Adhering to reason leads to prosperity)," Toyobo aims to be a group that will "continue to create the solutions needed by people and the Earth." Toyobo is promoting sustainability-based management, as demonstrated by Toyobo Group's "ideal state in 2030," "sustainability indicators" and "action plans" stipulated in "Sustainable Vision 2030"*², its long-term vision. The Group will continue to help realize a sustainable society by solving social issues through its business activities, while enhancing its corporate value.

ESG indices adopted by GPIF

<p>FTSE Blossom Japan Index</p>	<p>Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed as an industry neutral benchmark that reflects the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices in Japan.</p> <p>FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE Blossom Japan Index meet a variety of environmental, social and governance criteria.</p> <p>https://www.lseg.com/en/ftse-russell/indices/blossom-japan</p>
<p>FTSE Blossom Japan Sector Relative Index</p>	<p>The FTSE Blossom Japan Sector Relative Index is designed as a sector neutral benchmark that reflects the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices in Japan. The index selects companies with higher ESG Ratings within the top 50% of each sector and supports climate transition to a low carbon economy by evaluating companies' climate governance and climate change efforts via the Transition Pathway Initiative's Management Quality Score.</p> <p>https://www.lseg.com/en/ftse-russell/indices/blossom-japan</p>

MSCI Nihonkabu ESG Select Leaders Index	Stock price index of Japanese companies selected from the constituents of the MSCI Japan IMI index, the parent index developed by MSCI based on its ESG evaluation. The index targets 50% of free-adjusted market capitalization with each GICS* ³ sector of the parent index. https://www.msci.com/documents/10199/f1498635-6bf7-efa0-8905-93c66eb75e06
MSCI Japan Empowering Women (WIN) Select Index	Stock price index selected from the constituents of the MSCI Japan IMI Top 700 Index (top 700 by market capitalization) based on a high level of gender diversity. https://www.msci.com/our-solutions/indexes/japan-empowering-women-select-index
S&P/JPX Carbon Efficient Index	Stock price index designed to measure performance of the constituent companies of Tokyo Stock Price Index (TOPIX), which is calculated and released by the Tokyo Stock Exchange, while overweighting or underweighting those companies that have lower or higher levels of carbon emissions per unit of revenue. https://www.spglobal.com/spdji/en/indices/sustainability/sp-jpx-carbon-efficient-index/#overview
Morningstar Japan ex-REIT Gender Diversity Tilt Index	Stock price index developed by Morningstar using the data and scoring methodology of Equileap. This is designed to emphasize the stocks of companies that have strong gender diversity policies embedded in their corporate culture and which ensure equal opportunities for employees regardless of their gender. https://indexes.morningstar.com/gender-diversity-indexes

*1: From the website of Government Pension Investment Fund (GPIF) <https://www.gpif.go.jp/en/investment/esg/>

*2: Toyobo “Sustainable Vision 2030” https://www.toyobo-global.com/sustainability/group_sustainability/vision/

*3: GICS: The Global Industry Classification Standard is an industry analysis framework jointly developed by MSCI and S&P Dow Jones Indices in 1999.

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