

Meanwhile, we believe that trust and creditworthiness are extremely important for achieving enhancement of the interaction between internal and external capital. By always remaining cautious of trust and creditworthiness in our management practice, we aim to realize increases in economic and social value, and to continuously enhance our corporate value.

	Internal Capital	
	Importance of Capital in Value Creation	Extraction of KPIs / Monitoring
Human and Organizational Capital	Human resources are the driving force for the functioning of our business model and the development of our business. We invest in our human resources through training, business divisions and administrative divisions, decision-making systems and	<ul style="list-style-type: none"> <li>• Labor productivity of employees</li> <li>• Management survey</li> <li>• R&amp;D and development spent on R&amp;D</li> <li>• Human capital with high learning ability</li> <li>• Human capital with high performance</li> <li>• Human capital with high loyalty</li> <li>• Human capital with high motivation</li> <li>• Human capital with high decision-making ability</li> <li>• Human capital with high decision-making rate</li> <li>• Evaluation by students</li> </ul>
Business Know-How	With eight Division Companies operating businesses in diverse industries, TOCHU Group has extensive business know-how, an asset for creating new businesses and expanding into new regions.	<ul style="list-style-type: none"> <li>• Number of businesses</li> <li>• Business performance</li> <li>• Business expansion</li> <li>• Business diversification</li> <li>• Business expansion into new regions</li> </ul>
Business Portfolio	Under pressure to respond to a rapidly changing management environment and diversification of consumer needs, the entire TOCHU Group will leverage its comprehensive strength of 6-700 companies, a range of business domains to expand its business models and enable expansion of its functional domains, expanding the potential for sustainable profit growth.	<ul style="list-style-type: none"> <li>• Number of companies</li> <li>• Business performance</li> <li>• Business expansion</li> <li>• Business diversification</li> <li>• Business expansion into new regions</li> </ul>

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graph LR
    A[Trust and Creditworthiness (Sampo-yoshi)] --> B[Financial Capital]
    B --> C[Capital40 CFO Interview]
  
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External Capital		
	Importance of Capital in Value Creation	Examples of KPIs / Monitoring Indicators
Client and Partner Assets	<p>We maintain win-win relationships with our clients and partners, which include 31 business model partners and 10 companies. This is vital to our business model and enables us to expand and decrease in allowable domains and consistently expand and decrease in allowable trade. It is our abundant client and partner assets that enable us to realize sustainable earnings growth.</p>	<ul style="list-style-type: none"> <li>Number of business model partners</li> <li>Number of companies and partners</li> <li>Expansion and decrease in allowable domains</li> <li>Expansion and decrease in allowable trade</li> </ul>
Natural Resources	<p>Through its business in the non-fossil resource sectors, we meet society's needs for sustainable resource procurement and supply of natural resources, while capturing new business opportunities and contributing to social issues outlined in the SDGs, such as climate change, water usage and emissions.</p>	<ul style="list-style-type: none"> <li>Ratio of renewable energy</li> <li>CO2 emissions</li> <li>Water usage</li> <li>Emissions</li> </ul>
Relationships with Society	<p>We practice constructive communication with our stakeholders, ascertaining their expectations and demands of the Company and resolving them. Through this effort we promote sustainable business activities in Japan and overseas, and realize further increases in corporate value.</p>	<ul style="list-style-type: none"> <li>Number of engagements with stakeholders</li> <li>Number of companies participating in sustainability</li> <li>Number of compliance-related incidents</li> <li>Number of initiatives and additional activities</li> <li>Shareholder satisfaction (dividend payout ratio and share buyback) and EPS</li> <li>Evaluation by ESG evaluation institutions</li> <li>Number of compliance violation incidents</li> </ul>