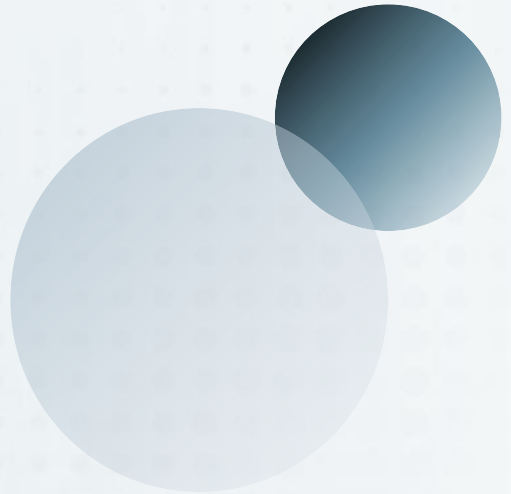


# KURABE Sustainability Report **2025**



# Contents

Company Profile..... 3

Greeting..... 4

KURABE Logo Renewal..... 5

CSR and Environmental Activity..... 6、7

CSR Basic Policy..... 8

Quality Management Policy..... 9、10

Environmental Policy..... 11、12

Purchasing Policy..... 13

Occupational Safety and Health Policy.....13

Information Security Policy..... 14

Compliance Policy..... 15

Human Rights Policy..... 16、17

Business Continuity Plan (BCP)..... 18

Internal Control System..... 19、20

Support for the Development of the Next Generation..... 21

Activity Report 2024..... 22

For Customers..... 23、24

New Product and Adoption Information..... 25、26

Logistics Improvement Initiative..... 27

For the Environment..... 28、29

For Employees..... 30

For Society..... 31、32

For Suppliers..... 33

Issuing Department: CSR Promotion Committee  
Date of issue: May 2025

# Company Profile

## Chemitronics for Sensing the Future

<b>Company Name</b>	<b>KURABE INDUSTRIAL CO., LTD.</b>
<b>Founding</b>	February 11, 1938
<b>Establishment</b>	June 25, 1939
<b>Capital Stock</b>	42 billion yen
<b>Capital</b>	780 million yen
<b>Officer</b>	Takenobu Kanazawa, President & CEO Tomoyasu Ishiyama, Managing Director Satoru Suzuki, Director Yoshihiro Morimoto, Director Akio Sato, Director Hideo Shibata, Director Norio Ikegaya, Corporate Auditor Takahisa Tabata, Corporate Auditor Toshihiro Suzuki, Corporate Auditor
<b>Employees</b>	850 (domestic) 4100 (consolidated)
<b>Fiscal Period</b>	December
<b>Annual Turnover</b>	44.2 billion yen (consolidated)
<b>Main Financing Bank</b>	Mizuho Bank, Hamamatsu Branch Mitsubishi UFJ Bank, Hamamatsu Branch
<b>Plant (domestic)</b>	Shinohara, Hamakita, Shonai, Miyakoda, Miyakoda-kita
<b>Plant (overseas)</b>	KIV (Ho Chi Minh), KIB (Hanoi), KIS (Shanghai), KIH (Hubei), KMX (Mexico), KIP (Philippines)
<b>Sales Office (domestic)</b>	East Japan, Tokai, Yokkaichi, Fuji, Nagoya, Osaka, Kyoto, Himeji, Fukuoka
<b>Sales Office (overseas)</b>	KAC (US - Detroit) KEG (Germany - Dusseldorf) KTG (China - Guangzhou), KTH (China - Hong Kong)

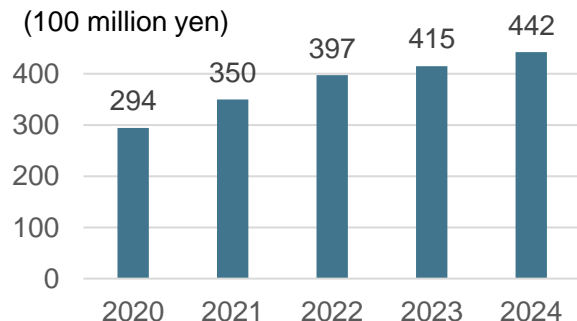


Head office and 5 domestic bases



3 plants in Vietnam, 2 plants in China, 1 plant in Mexico, 1 plant in Philippines

### Annual Global Sales Consolidated Sales (100 million yen)



### Main Products





# Greeting



Our products range widely from special heat-resistant wires that are indispensable in the safe use of electrical equipment even in harsh environments, to heating elements that function safely and optimally in applications that emphasize reliability, such as in automotive applications, to a variety of insulating materials, molded articles, and other niche products making use of unique material technologies developed by KURABE. For more than 80 years, KURABE has shown its creativity and contributed to the development of society.

As human society develops, electricity is used in an ever more diverse range of fields, applications, and new environments. The fields in which we can play an active role grow year by year.

Under the banner of Chemitronics, we will continue to refine our specialized know-how in materials technology, electrical technology, and mechanical design technology, deepen our relationships with leading companies in various industries, and promote global development. As we advance into the future, we will continue to provide high-quality, original products to the world.

Thank you.

# KURABE Logo Renewal

On April 1, 2024, we established a new logo that is in tune with today's society and the future.

We continue to expand globally under the slogan, "We build fair relationships with all stakeholders for an exciting future society and continue to provide tireless innovation in the form of high-quality products". It is the responsibility of manufacturers to provide innovation to society. With our new logo, we will continue to take on the challenge of further global expansion and innovation.



## Logo Image

The dark blue color represents the accumulated technological capability and stability of the organization, the dark green color represents the efforts toward a sustainable human society, and the scarlet line represents the passion, challenge, and innovation of the organization, which is created by twisting and fusing the two lines together.

Also, the "K" in KURABE evokes the image of a future that is developing steadily.

## Signboard of Miyakoda-kita Plant and Vietnam Plant Changed

In line with the logo renewal, the signboard logos of the Miyakoda-kita Plant and the Vietnam Plant have been changed. Other locations will be changed sequentially. With the introduction of the new logo, we will further enhance our brand recognition and credibility with a view to further global expansion. We will continue to make every effort to provide a familiar yet sophisticated image to our customers in Japan and abroad.

**Miyakoda-kita plant**



**Vietnam plant (KIV)**



# CSR and Environmental Activity



System to implement the corporate philosophy



## Corporate Philosophy

General Plan

1.

We devote ourselves to contributing to society and community through our corporate activities

2.

We will set goals for all aspects of our lives and will act firmly on them.

3.

We will cultivate love, responsibility, and freedom in our minds and strive to create harmonious human relations

## Slogan

Being excited about the future of society, we will continue to build fair relationships with all our stakeholders and will continue to innovate and provide high quality products.

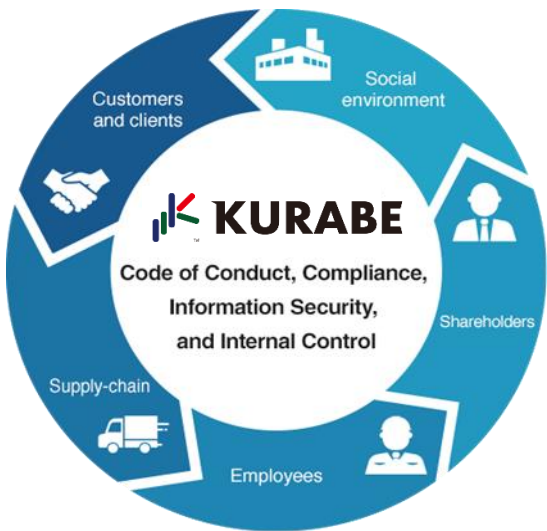
# CSR and Environmental Activity

## KURABE Group Code of Conduct

1. We respect human rights in Japan and abroad.
2. We observe laws, social norms, and domestic regulations.
3. Our business and product development activities consider the environment.
4. We provide socially beneficial and safe products and services to satisfy customers and earn their trust.
5. We properly manage and effectively utilize tangible, intangible and confidential information of high value.
6. We build relationships with our customers, suppliers, and other business partners that are based on trust and strive for mutual prosperity.
7. In overseas business development, we comply with international rules, respect local culture and history, and strive to be a company that is trusted by the international community.
8. We respect the diversity and individuality of employees, work to eliminate all forms of discrimination and harassment, and strive to create safe and comfortable workplaces.
9. We resolutely shun anti-social forces.
10. We contribute to the safety and development of local communities by providing stable employment and fostering good labor-management relations.
11. We strive to build a strong corporate foundation by pursuing sustainable expansion of profits.

# CSR Basic Policy

We respect the law and its spirit, observe social norms, meet social expectations, and contribute to the establishment of a sustainable society through our corporate activities.



## Key Activities

- For Customers: **Provide Innovation**
- For Supply Chain: **Ensure Fair Trade**
- For Society and the environment: **Foster a Recycling Society**
- For Employees: **Pursuing both physical and mental well-being**
- For Shareholders: **Implementation of Stable Dividends**

## CSR Promotion System





# Quality Management Policy

Our group has established a management system to deliver good quality products through experience but its development, manufacturing, and sales phases. The KURABE Group is committed to continually improving its systems by implementing PDCA experience but is committed to continually providing quality that leads to the peace of mind and satisfaction of its customers.



## Quality Improvement Concept and Approach

### 1. Ensuring Product Safety

We comply with international standards, laws, and regulations of all countries, and employ product design to ensure safety and prevent accidents.

### 2. Establishment and Operation of a Quality Management System

We will maintain and develop a system to deliver quality products that leads to customer security and satisfaction by establishing and operating a quality assurance system covering all aspects of our organization, including manufacturing.

### 3. Measures to Address Customer Feedback

Our customers' valuable opinions and requests regarding the quality, delivery time, costs, and other aspects of the KURABE Group's provision are shared with all relevant parties, including top management. All necessary measures will be implemented to improve customer satisfaction and KURABE's value to its customers.

### 4. Human Resources Development Activities

As part of creating a system to deliver good quality, we are developing human resources mainly by OJT through the operation of our quality management system, strengthening the basis of the operation of the quality management system, and improving the self-education of employees. In addition, our human resource development activities not only provide hands-on experience but strive to respond to different cultures and achieve results through employee transfers to overseas bases in the KURABE group.

### 5. QC (Quality Control) Circle Activities

In order to improve quality in the workplace as part of achieving good quality overall, we conduct voluntary quality improvement activities called QC circle activities. The results of these quality improvement activities are announced at our annual presentation meeting held at selected offices and facilities in order to improve our evaluation system and the motivation of our staff.

# Quality Management Policy

## Quality Management System

### Domestic Production Bases (ISO9001)

Site Name	Acquisition Date	Certification Organization	Registration Chapter number
Head office	May 1998	BVC	21131336
Shinohara Plant	December 2002	BVC	
Hamakita Plant	December 2002	BVC	
Shonai Plant	December 2003	BVC	
Miyakoda Plant	December 2003	BVC	
Miyakoda-kita Plant	August 2021	BVC	
Fuji, Kanto, Nagoya, Himeji (office)	June 2017	BVC	
Tokyo, Osaka, Fukuoka, Yokkaichi, Tokai (office)	July 2020	BVC	

### Overseas Production Bases (ISO9001)

Site Name	Acquisition Date	Certification Organization	Registration Chapter number
KURABE INDUSTRIAL (VIETNAM) CO.,LTD.	August 2006	BVC	VN012176
KURABE INDUSTRIAL BACNINH CO.,LTD.	July 2013	BVC	VN009336
KURABE INDUSTRIAL (SHANGHAI) CO., LTD.	December 2004	BVC	CN053015
KURABE AMERICA CORPORATION	January 2022	BVC	US020688
KURABE MEXICO INDUSTRIAL, S.A.DE C.V.	August 2024	BVC	MX24.00145

### Overseas Production Bases (IATF16949)

Site Name	Acquisition Date	Certification Organization	Registration Chapter number
KURABE INDUSTRIAL (VIETNAM) CO.,LTD.	December 2014	BVC	VN012428
KURABE INDUSTRIAL BACNINH CO.,LTD.	August 2017	BVC	VN012412
KURABE INDUSTRIAL (SHANGHAI) CO., LTD.	December 2022	BVC	CN043147
KURABE INDUSTRIAL(HUBEI) CO.,LTD.	2025年1月	BVC	CN053988

# Environmental Policy

**We aim to improve our performance by operating an environmental management system with the goals of reducing environmental impact, realizing a recycling-oriented society, and protecting the global environment, from procurement of parts and materials to use and disposal of products.**

We take the following actions to reduce the environmental impact of our products and business activities.

1. We aim to be carbon neutral by saving energy and resources to reduce greenhouse gas emissions.
2. We manage waste emissions, reduce and recycle them to make effective use of resources.
3. We thoroughly manage hazardous chemical substances in our products and materials.
4. We strive to design and develop products in consideration of their life cycles.
5. We strive to protect the environment by preventing air, water, soil and noise pollution.
6. We comply with environmental laws, regulations, and other requirements to which we have agreed. In order to achieve this environmental policy, all employees will set and work toward environmental goals for the protection of the local environment and strive to continuously improve our environmental management system.

Development / Design	Environmental activity / Resource conservation
▼	
Procurement	Supplier activity / Chemical substance management
▼	
Production	Recycling / Energy saving
▼	
Distribution	Waste reduction / Transportation efficiency
▼	
Market	Compliance / Risk management

## Environmental Management System (ISO14001)

### Domestic Production Bases

Site Name	Acquisition Date	Certification Organization	Registration Chapter number
Head Office	June 2019	JQA	JQA-EM1594
Shinohara Plant	August 2020	JQA	
Hamakita Plant	April 2005	JQA	
Shonai Plant	April 2005	JQA	
Miyakoda Plant	April 2005	JQA	
Miyakodakita Plant	April 2023	JQA	

\*We have been ISO 14001 registered since June 2001.

# Environmental Policy

## Overseas Production Bases

Site Name	Acquisition Date	Certification Organization	Registration Chapter number
KURABE INDUSTRIAL (VIETNAM) CO.,LTD.	July 2006	SGS	VN21/00175
KURABE INDUSTRIAL BACNINH CO.,LTD.	August 2013	BVC	VN.009335
KURABE INDUSTRIAL (SHANGHAI) CO., LTD.	May 2005	BVC	CN053014
KURABE INDUSTRIAL(HUBEI) CO.,LTD.	December 2024	ZSBC	O8924E 32495ROM

## Activity Contents

### Implementation and Education of Internal Audits

All plants conduct internal audits of ISO14001 operations and chemical substance management. Education is provided to deepen understanding of the operation.

### Environmental Survey (domestic)

#### 1. Verification of Industrial Waste Disposal Sites

We confirm that appropriate disposal is carried out by contractors.

#### 2. Supplier Site Location Audits

We conduct audits of our suppliers regarding their chemical substance management and environmental management systems, including RoHS management.

#### 3. Environment Monitoring

Measurements on air quality, water quality, noise and vibration are taken on a regular basis.

## Activity Plan (domestic)

Implementation Items	Monitoring Items	Target Value (year on year)	Relevant Laws / Regulations
Reduction of industrial waste emissions	Total emissions	− 1%	Waste disposal law
Reduction of plastic emissions	Plastic emissions	− 1%	Act on promotion of recycling of plastic resources
Improvement of recycling rate	Recycling rate	+1%	Various recycling laws
Reduction of greenhouse gas emissions	Greenhouse gas emissions	-3.5%	Global warming countermeasures law
Thorough control of chemical substance in products	Reduction of Hazardous Chemical Substances	0	Chemical substances control law: RoHS





# Purchasing Policy

## Fair Trade

We conduct reasonable and optimal procurement based on free competition.

## Establishment of sound business relationships

We value relationships of trust with our business partners and aim for mutual growth.

## Compliance with Laws and Regulations

We comply with the relevant laws and regulations of the countries in which we do business.

## Appropriate Pricing, Quality, and Stable Procurement

In procurement, we establish evaluation criteria for suppliers and make stable procurement decisions based on a comprehensive evaluation of price, delivery time, quality, technical capabilities, and environment, as well as information, proposal, and communication skills.

## Promotion of CSR (Corporate Social Responsibility) Procurement

We conduct responsible procurement activities that consider the environment, human rights, and other social aspects. We request our suppliers to comply with CSR procurement.

# Occupational Safety and Health Policy

**In all workplaces and all business activities, we place the highest priority on ensuring the safety and health of our employees and promote the formation of a safe and comfortable work environment.**

1. We establish safety and health committees at all locations, centered on company-wide safety and health committee activities headed by a representative director, and continuously promote awareness, education, and improvement of occupational safety and health with respect to consultation and participation with employees.
2. We conduct risk assessments of facilities, equipment, and chemical substances used, and continuously work to reduce risks.
3. We comply with the Occupational Health and Safety Law and other labor-related laws and regulations and establish voluntary standards to create a safer work environment.
4. We enhance employee health management through health checkups and collaboration with industrial physicians.
5. We aim to create a safe and comfortable workplace that is easy to work in for the disabled and elderly.

## ISO45001

### Occupational Health and Safety Management System

Acquired at head office and all domestic plants



# Information Security Policy

The information held by the company is a management resource, and it is the responsibility of each employee to recognize the importance of information security and protect and utilize it effectively.

1. We will establish and comply with rules to properly protect and manage customer information, our know-how and intellectual property, all confidential business information, and all personal and other information.
2. All employees who handle information will receive education and training about the importance of information security and specific codes of conduct governed by regulations and the "Information Security Handbook."
3. The information infrastructure will be updated to maintain and improve confidentiality and safety. We will also continue to properly learn and incorporate the latest security technologies for the advancement of information technology.
4. We will ensure the security of information, and make continuous system improvements, by the conduct of internal audits and other activities of The Information Security Committee.
5. In the event of, or the possibility of, an information leak, we will take every necessary measure to minimize damage and prevent a recurrence.

We obtained TISAX certification, an information security standard defined by the German Association of the Automotive Industry, in 2019 for certain domestic departments handling confidential information. Our label was registered on the ENX Association's portal and renewed for the second time in December 2024.

## ISO27001・TISAX

### International Standards for Information Security Management

We have obtained ISO27001 and TISAX certification for certain departments in Japan and Vietnam that handle confidential information.



# Compliance Policy

**As a member of society, we respect the law and its spirit, act in accordance with social norms, and aim to be a company that is trusted by the international community.**

1. All employees comply with laws and regulations, and act sensibly and responsibly as members of society.
2. We establish a code of conduct for our employees and educate them in accordance with laws and regulations, internal rules, and employment regulations as well.
3. We check the status of compliance through internal audits, etc., to prevent problems before they occur.
4. In the unlikely event of a problem, we will promptly remedy the situation, identify the cause, and take measures to prevent recurrence.

We have set up an internal consultation desk for whistle-blowing and strive to resolve problems as soon as possible.

We accept consultations and opinions from outside the company by phone or mail.

General Affairs Department    TEL: +81-53-447-7111

# Human Rights Policy

## **KURABE Group Human Rights Policy**

**We comply with the laws and regulations applicable to the countries and regions in which we operate, respect human rights as stated in International Bill of Human Rights, including the Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.**

**We support the Guiding Principles on Business and Human Right and the ten principles of the UN Global Compact, and we strive to respect human rights based on these principles.**

1. We promote human rights due diligence to identify, prevent, and mitigate human rights risks within the company and in the supply chain. We require our suppliers to respect human rights in accordance with the KURABE Group CSR Purchasing Guidelines.
2. We strive to enhance understanding and interest in human rights through communication with our employees, business partners, local communities, and other stakeholders. Additionally, we establish a contact point for consultation and complaints regarding human rights violations, discrimination, and harassment, and we build a system to address such complaints.
3. If it becomes clear that our business activities are causing negative human rights impacts or contributing to human rights violations through our supply chain or business relationships, we will work to correct and remedy the situation through appropriate procedures.
4. We provide the necessary education and skill development to ensure that every employee understands and practices this policy.
5. We regularly evaluate the implementation and results of this policy and make continually make improvements. We will also disclose the details of our activities in various reports and on our website.

**We identify the following as the main human rights issues related to our business activity.**

### **Prohibition of Forced labor**

We strictly prohibit forced labor and human trafficking. We ensure that employees are hired voluntarily and can leave employment freely.

### **Prohibition of Child Labor and Consideration for Young Workers**

We strictly prohibit child labor and ensure special consideration for young workers. We do not employ individuals below the minimum working age as stipulated by the laws and regulations of each country or region. Employees under 18 years of age are not employed in roles that could impair their development.



# Human Rights Policy

## Consideration for Working Hours

We ensure that employees do not work beyond the limits set by the laws and regulations of each country or region. We manage working hours and holidays appropriately, taking international standards into account.

## Appropriate Wages and Benefits

We comply with the laws and regulations of each country and region, striving to provide our employees with better working conditions for an improved quality of life. We ensure payment of at least the legal minimum wage and do not unreasonably reduce wages.

## Prohibition of Inhumane Treatment

We do not engage in inhumane treatment, including abuse, physical punishment, or various forms of harassment. We respect the human rights of all our employees.

## Prohibition of Discrimination

We prohibit discrimination of any kind in all aspects of employment, regardless of race, color, age, gender, ethnicity, nationality, religion, pregnancy, or any other factor, to achieve fairness and equal opportunity. We also respect the individuality and diversity of our employees and promote an environment where each employee can fulfill their potential.

## Freedom of Association and the Rights to Collective Bargaining

We respect the right of employees to organize as a means of achieving labor-management consultations on the working environment and wage levels, in accordance with the laws and regulations of each country and region.

## Safe and Healthy Work Environment

We place the highest priority on the safety and health of our employees and providing a work environment where they can continue to work with peace of mind.

## Respect for the Rights of Local Communities and Indigenous Peoples

We understand the culture and history of local communities and conduct our business activities in a manner that respects the rights of local residents to prevent negative impacts on their safety, health, and environment. In areas where indigenous peoples exist, we respect their rights as stipulated in international agreements.

# Business Continuity Plan (BCP)

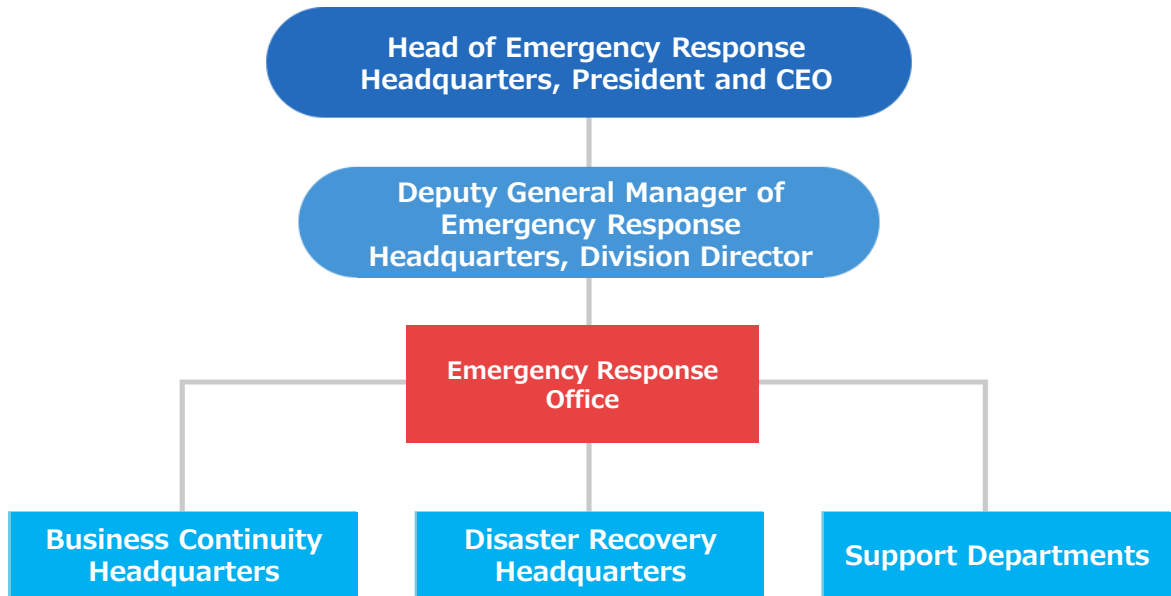
## Basic Policy

We establish procedures for responding to unforeseen situations caused by natural disasters, accidents, disruptions in electricity and water supply utilities due to war, breakdown of major facilities, problems with parts and raw materials delivery, transportation disruption, fires, earthquakes, typhoons, floods, and/or product quality problems at domestic and overseas bases. The goal of these procedures is to protect the safety of employees, their families, and visitors, ensure the early resumption of business, maintain employment, avoid loss of business opportunities and customers, fulfill supply responsibilities, and protect our credibility with our customers.

## Organization chart

The CEO decides on the establishment and suspension of the contingency response organization.

The organizational chart is as follows.



# Internal Control System

## **1. System to Ensure that Directors and Employees Execute Their Duties in Compliance with Laws and the Articles of Incorporation**

As a guideline for compliance with laws, regulations, and the Articles of Incorporation, the Company regularly reviews its basic rules, internal regulations, and employment rules to reflect actual conditions and ensures that these are thoroughly communicated to all employees. In addition, the Company has established a Compliance Policy and maintains a system to monitor and oversee compliance practices throughout the organization.

## **2. System for Storing and Managing Information Related to the Execution of Duties by Directors**

Information related to the execution of duties by directors is properly stored and managed by each department in accordance with the Confidential Information Management Regulations to prevent the leakage of sensitive information.

## **3. Regulations and Other Systems for Managing the Risk of Loss**

Important management matters are discussed and assessed by the Board of Directors, the SD (System Design) Committee, the approval system, design reviews, and Production Preparation Meetings before decisions are made. In the event of a risk of loss, a committee including relevant departments is established to address the situation. The Company has also formulated a Contingency Response Policy and a Business Continuity Plan (BCP) to ensure a structured response to emergencies and natural disasters.

## **4. System to Ensure the Efficient Execution of Duties by Directors**

The Board of Directors meets regularly to ensure the efficient execution of duties by directors. Extraordinary meetings are also held as needed to respond promptly to changes in the business environment. In addition, corporate auditors attend project team meetings and other relevant meetings to contribute to the improvement of operational efficiency.

## **5. System to Ensure the Appropriateness of Operations within the Corporate Group Consisting of the Company, Its Parent Company, and Subsidiaries**

To ensure the appropriateness of business operations across the corporate group, the Company has established the KURABE Group Code of Conduct and set up a dedicated committee for overseas subsidiaries to determine appropriate responses to arising issues. When necessary, timely support is provided, including overseas business trips, to address matters that require assistance.

# Internal Control System

## 6. System Concerning Employees to Assist Audit & Supervisory Board Members upon Request

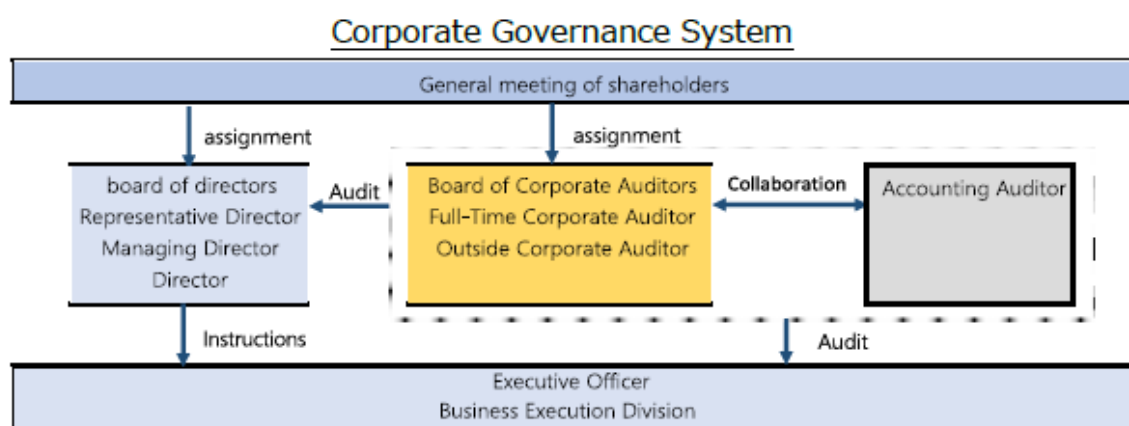
The auditors have a system in place that assigns a person in charge to cooperate in that department depending on the nature of the audit or when requested by the auditors.

## 7. System for Directors and Employees to Report to Audit and Supervisory Board Members and Other Systems Related to Reporting to Them

Directors and employees promptly report to the Audit & Supervisory Board Members or the Audit & Supervisory Board any violations of laws and regulations, as well as any matters that could cause significant damage to the Company.

## 8. Other Systems to Ensure the Effectiveness of Audits by Audit & Supervisory Board Members

Audit & Supervisory Board Members attend meetings of the Board of Directors to perform their duties and participate in SD (System Design) Committee meetings, as necessary. To ensure the effectiveness of audits, they maintain close communication with the accounting auditors and others, exchanging information and opinions. They also review necessary approval documents, request submission of relevant materials, and ask for explanations from related personnel as part of their audit activities.





# Support for the Development of the Next Generation

## 1. Formulation of the general business owner action plan

Under the law for measures to support the development of the next generation, employers are required to promote support for the development of the next generation. We have formulated a “General Business Owner Action Plan” to promote the development of an employment environment necessary for balancing work and child rearing and are announcing the plan as follows.

## 2. Plan period

April 1, 2025 - March 31, 2030

## 3. Target

Target 1: Provide training for managers with a target of 80% of male workers taking childcare leave, etc. and leave for childcare purposes.

【Measure】

April 2025 - Understanding the real situation.

October 2025- Conducting training for managers.

March 2028 – Consideration of using accumulated annual leave for childcare purposes.

Target 2: Expand the number of days of use of the time paid system to increase the variety of work options.

【Measure】

Apr. 2025 - Survey of time paid leave usage.

Mar. 2029 - Consideration of expanding the number of time paid use days.

Target 3: Introduce a system that allows workers to take leave to care for grandchildren.

【Measure】

Dec. 2029 - Revision of the employment regulations.

Mar. 2030 - Internal dissemination to employees.

# Activity Report 2024



KURABE INDUSTRIAL (VIETNAM) CO., LTD.

## Establishment of a system of local production for local consumption

We established a factory in the Philippines to strengthen our global response and to prepare for production outside of Vietnam as a Business Continuity Plan (BCP).

### KURABE INDUSTRIAL PHILIPPINES INC.

Lipa City, Batangas, Philippines

Established : July 6, 2022

Plant Completion : December 2024

Scheduled Mass Production Start : July 2025

Planned Production Items: Automotive heaters



## New Mock-up

We have created a mock-up of the next generation of cabin space for you to experience. The mockup is equipped with heaters in various places to provide warmth to the seats and steering wheel as well as to the feet and knees. Some parts, such as the seats, are also equipped with an airflow mode. Line illumination products are also installed to create ambience and express warmth and coolness. We offer hospitality that warms both body and soul in a way that is friendly to the earth.



## Exhibition

In 2024, we held 15 exhibitions during the year at our customers' locations to introduce our latest technologies and products. Visitors generally responded very favorably and showed a high level of interest in our heaters and light guides, as they were able to experience first-hand the mock-ups on display. The exhibition provided a valuable opportunity to learn about the latest trends and technological innovations in the industry and to broaden our perspectives for future business. We will continue to hold exhibitions and strive for further innovation.



## Solvent-free Tube

Following the "2050 Carbon Neutral Declaration" issued at the Extraordinary Session of the Diet in October 2020, the business community's efforts to address environmental issues, with a focus on ESG management, have become more advanced. In this context, to fulfill our corporate social responsibility as a member of the supply chain, we have ceased the production of solvent-based tubes and developed an environmentally friendly solvent-free tube manufacturing process.

Previously, solvent-based tubes were produced by applying a solvent varnish to the surface of glass or Tetoron yarn sleeves and drying them in a hot-air furnace powered by oil. This process consumed large quantities of organic solvents and petroleum energy. By transitioning to solvent-free tubes, we have significantly reduced the use of both organic solvents and petroleum energy, as detailed below. As a responsible member of the supply chain, we will continue to develop and manufacture environmentally friendly products to fulfill our corporate social responsibility.

Reduction item (unit)	2022	2023	2024	Reduction (compared to 2023)
Organic solvent (kg)	38,254	12,087	0	−12,087
Kerosene (L)	207,662	125,273	0	−125,273
LPG (kg)	44,360	15,842	0	−15,842
CO2 emissions (t)	650.1	359.4	0	−359.4



# New Product and Adoption Information

## AL Thick Power Cable

Aluminum Conductor Power Cable for xEV  
200°C AC 1000V/DC 1500V

The power cable with lightweight aluminum conductor and silicone rubber insulation with excellent heat resistance, cold resistance, and flexibility. With improved high-temperature tear resistance of the insulation, even 120sq class thick shielded cables have heat resistance of ISO19642 Class F (200°C). The allowable current is higher than that of cross-linked polyethylene wires, and the reduction in weight due to the reduced size of the wires is expected to improve the electric cost of xEVs.



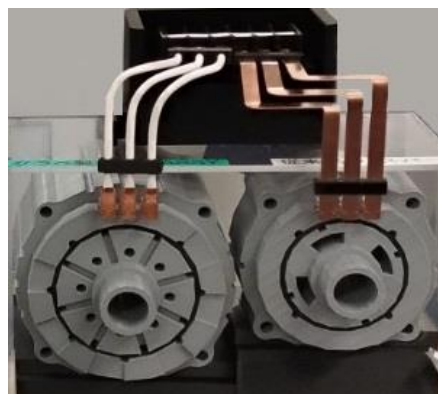
## Corrugated Hose

For kitchen and bathroom withdrawal hoses, metal bellows hoses are widely used, but we have now developed a withdrawal hose with an inner layer of resin corrugated tubing and an outer layer of monofilament braid. The inner layer of the resin is made of a proprietary compound that has been used for many years as the inner layer of hoses for water supply and hot water supply. Furthermore, compared to metal types, it is superior in terms of quietness, flexibility, and cost reduction, lightness when withdrawn. This product has potential for applications other than kitchen and washbasin shower hoses.



## FBW (Forming Bus Wire)

This wire can be easily bent into the desired shape and maintained in that shape. By bending forming process before wire routing, positioning of the wire after routing can be done precisely, and forming can be done after routing if necessary. The wobble of the wires after placement can be suppressed, and effective use of the layout space for peripheral components can be expected. In addition, it is expected to absorb vibration better than busbars.



Comparison with bus bar (right)

# New Product and Adoption Information

## Development of seat heaters with environmental regulations in view

The insulators of the heater wires in sheet heaters are made of fluororesin, a highly heat-resistant fluorine compound. However, fluorine compounds tend to remain in the environment for long periods of time due to their low decomposability, and there are concerns that some fluorine compounds may be harmful to humans, animals, and plants, so restrictions are being placed on their production and use. Also, halogen compounds are used as flame retardants in the adhesive layer of heater wires, but some halogen compounds are said to be hazardous to health, and there is a possibility that the use of halogen compounds will be restricted in the future. We have developed flame-retardant, high heat-resistant heater wires that eliminate these two substances of concern, and have a lineup of products applied to seat heaters.



## Development of solenoid valve control ECU for seat air suspension

This ECU controls the opening and closing of the solenoid valve for air intake and exhaust when the air suspension of a seat for truck is driven up and down. The resin case is based on the conventional design and maintains strength by following the internal structure (reinforcing ribs, etc.), and the board is single-sided for component placement to reduce man-hours for component mounting and solder reflow process, thereby realizing lower cost.



## Resin Fitting Assembled Hose

Resin Fitting Assembled Hose is newly adopted for primary pressure water supply for residential facilities.



# Logistics Improvement Initiative

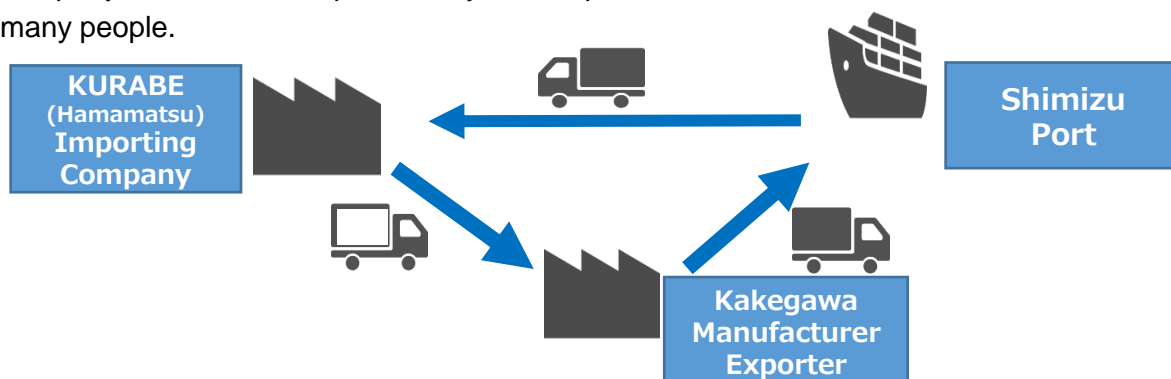


## 25th Logistics Environment Award

We were awarded the 25th Logistics Environmental Award in recognition of our efforts to reduce CO2 emissions through container Round use (RU) between two companies in the prefecture since 2023.

The award ceremony was held in Tokyo on June 28, 2024, and five companies including our company and forwarders received awards.

The results of this initiative were evaluated as a reduction of up to 41.04 tons of CO2 emissions per 380 trips per year (35% reduction per RU) and a reduction of 1,140 hours per year (38% reduction per RU) in driver operating time. The implementation of this project was made possible by the cooperation of the partner company, forwarder, and drayage company, and was made possible by the cooperation of many people.



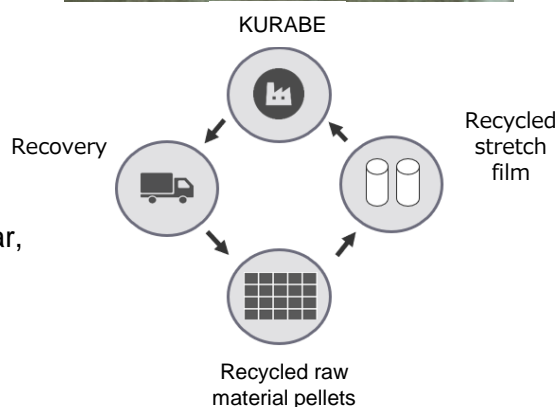
## Introduction of Returnable Logistics Containers

Returnable logistics containers have been introduced for import/export between Japan and Vietnam factories since 2024. By utilizing the upper space of ocean containers, the export container loading rate has improved by 3.6% over the previous year and reduced CO2 emissions by 2.026 tons per year.



## Material Recycling of Stretch Film Used for Transportation

We started purchasing recycled stretch film from 2024, achieving material recycling. We recycle 9.1 tons per year, reducing CO<sub>2</sub> by 22.4% compared to virgin film.

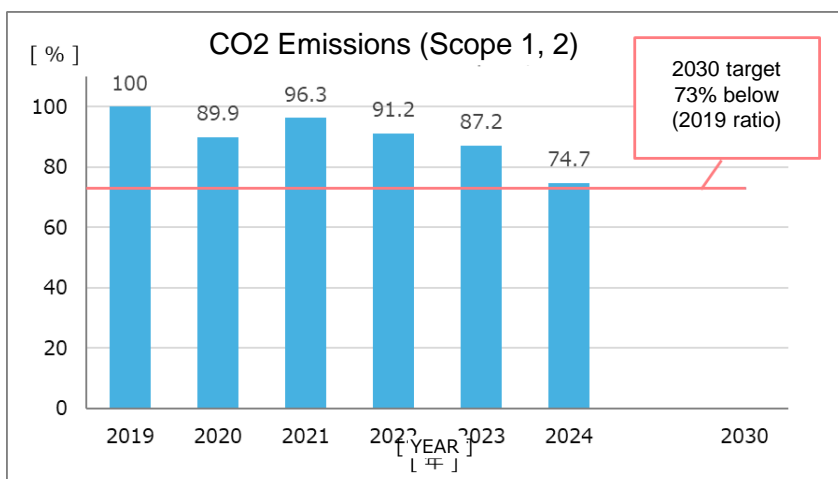


## 1. Report on Environmental Impact Reduction Activities in Our Products and Business Activities

We work on reducing CO2 emissions to become carbon neutral.

Calculated for: Domestic bases

Calculation year (January-December)	CO2 emissions [t-CO2]
2019	10941
2020	9835
2021	10535
2022	9980
2023	9536
2024	8176



<Major Investments>

2020: Start switching from fluorescent lighting to LED lighting

2021: Start installing solar power generation equipment at manufacturing sites

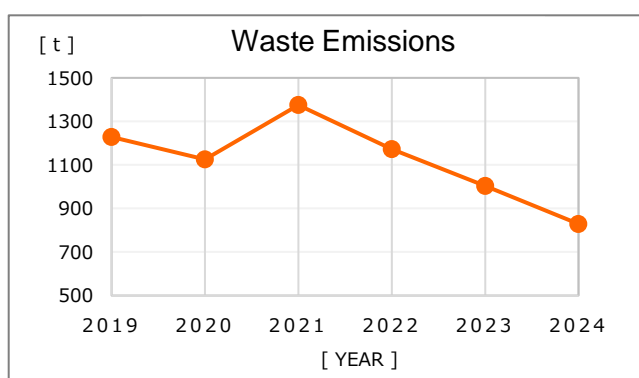
2024: Start installing Shizuoka Green Denki

## 2. Waste Emissions

We contribute to the reduction of environmental impact by reducing the amount of waste.

Calculated for: Head office and all domestic plants

Calculation year (January-December)	Waste emissions [t]	2019 Comparison
2019	1228	-
2020	1125	-8%
2021	1375	+12%
2022	1173	-5%
2023	1004	-19%
2024	829	-32%

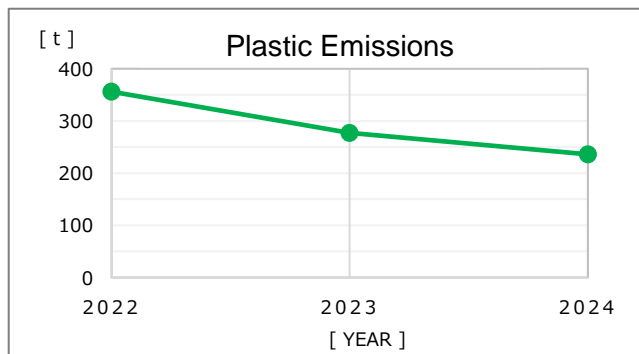


\*Increase in 2021 due to the relocation of the new Miyakoda-Kita plant

## 3. Plastic Emissions

We work on reducing plastic emissions in line with the enforcement of Act on the Promotion of Circular Economy of Plastic Resources (April 2022).

Calculation year (January-December)	Plastic Emissions [t]
2022	356
2023	277
2024	236



We have reduced plastic waste to less than 250 tons per year through efforts to convert plastic emissions into valuable resources.



## 4. Large-scale Solar Power Generation

### Domestic bases

Solar power generation is in operation at the Miyakoda-Kita, Hamakita, and Miyakoda plants.

Miyakoda-Kita Plant (from 2021)



Hamakita Plant (from 2022)



Miyakoda Plant (from 2023)



### Solar power generation (3 domestic plants)

2023: 1,140,938 kWh (443 t-CO<sub>2</sub>)

2024: 1,240,823 kWh (522 t-CO<sub>2</sub>)

### Solar power generation (2 overseas plants)

2023: 153,265 kWh (67 t-CO<sub>2</sub>)

2024: 810,740 kWh (413 t-CO<sub>2</sub>)

KURABE INDUSTRIAL (SHANGHAI) CO., LTD. (from 2023)



KURABE INDUSTRIAL(HUBEI) CO.,LTD. (from 2024)



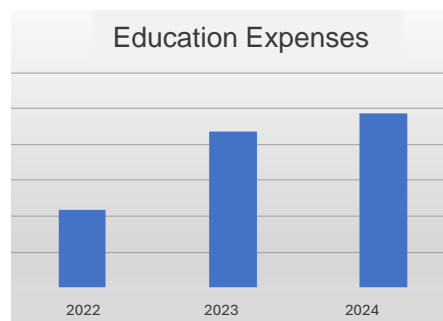


# For Employees



## Enhancement of Education for Human Resource Development

We create an environment in which employees are trained by job level and can challenge themselves with the skills they need or want to acquire for their work. The number of employees receiving training has increased and the cost of education has increased each year. We continue to provide educational opportunities.



## Women's Activity Promotion Activities

We provided professional education training for young female and mid-career employees. In the training, participants learned about reframing and unconscious bias, and raised their awareness of their work.

We will continue to provide opportunities for women to acquire skills and training and are making efforts to develop an environment where women can play an active role with peace of mind.



## Fitness Gym Corporate Contract

To promote the physical fitness and health of our employees, we have established corporate contracts with two fitness gyms to provide an environment that is widely accessible to our employees.

Since the contract is open to all employees, some employees have taken this opportunity to start going to the gym, and the number of users is gradually increasing.



## Intra-company Group Transfer from Vietnam Subsidiary

We have implemented an intra-group transfer of a Vietnamese engineer from a Vietnam subsidiary. The purpose of this transfer is to learn product design work in Japan to improve the base skills of the subsidiary's product design in the future.

## Company Trip to Vietnam Subsidiary

The Vietnam subsidiary company trip is held once every two years, and although the trip lasted two days and one night, approximately 400 employees participated, deepening exchanges among them.



## Regional Development through Sports

Following the Jubilo Iwata professional soccer team, with whom we already have a partnership agreement, we have also signed partnership agreements with the following three new teams.

- SAN-EN NEOPHOENIX (professional basketball team)
- BREATH HAMAMATSU (professional women's volleyball team)
- Shizuoka Blue Revs (professional rugby team)

We distribute tickets to games provided by each partner to our employees by drawing lots and use them as a benefit program. In 2024, players from Jubilo Iwata came to Miyakoda-Kita Plant to report on the season, and employees from the Vietnam Plant came to Japan for training and watched a game of the San-En Neo Phoenix held at the Hamamatsu Arena. We will continue to support each sponsor as a partner company so that they can be successful.



## KURABE Factory Tour for High School Students

In June 2024, we invited 38 students from a local technical high school to visit our Miyakoda Plant. The students saw the ceramic heater and etching heater processes with the participation of alumni and a tour of the plant. We will continue to interact with students in this way and aim to be a company that is useful to society.



## Emergency Drill with Local Community Associations

In November 2024, we conducted a joint disaster drill with the local community association around our head office, following last year's drill. The contents of this year's drill included confirmation of evacuation routes in the event of a tsunami and information on emergency food storage locations, in addition to the head office evacuation site. We will continue to cooperate with local community associations and conduct disaster drills on an ongoing basis so that more people can participate.



## Participation in Enshu Decarbonization Project

(Enshu: The name for the western region of Shizuoka in Japan)



### 1. Outline

We participated in the “Enshu Decarbonization Project,” an agreement with 15 companies based in the Enshu region of Shizuoka, which aims to maximize the amount and effective use of solar power generation to contribute to the decarbonization of the Enshu region.

We were also unable to utilize the entire amount of solar power generated on our days off, leaving us with a surplus. Therefore, we proposed to Chubu Electric Power Miraiz Company, Incorporated to utilize the surplus power, and they agreed with our concept.

### 2. Project Background and Scheme

This is a system to promote the introduction and use of solar power generation throughout the region by matching companies with surplus solar power in the Enshu area with companies that do not have power generation facilities and then sharing the power among them.

### 3. Project Effectiveness

Participating companies that have room to install solar power generation can maximize their own consumption of solar power generation by maximizing the space on their roofs that was previously not fully utilized, without worrying about excess power. They can also expect to reduce their usage fees.

In addition, companies that had previously decided against installing solar power generation will be able to procure surplus power from other participating companies, thereby promoting the decarbonization of their own operations.

Maximize space  
and install  
renewable energy

Participating companies will share  
renewable energy and maximize  
the amount of solar power  
generation they can install.

Use the  
electricity  
generated by  
the own  
company



Local sharing of  
surplus  
electricity

Select and use  
local renewable  
energy

Increased use of  
local renewable  
energy



### 4. Future Efforts

We will continue to install more solar power generation equipment, but it is also important for individual employees to save energy frequently. We continue to promote activities aimed at decarbonization throughout the company, such as lowering the temperature of air conditioners by 1°C and frequently turning off lights when not in use.



## CSR Procurement Self-Assessment Aggregate Results

We are pleased to report on the survey forms we conducted in 2024. We would like to thank our suppliers for their responses.

### ◆ Number of Supplier Targets

68 companies (major customers related to automobiles in Japan)

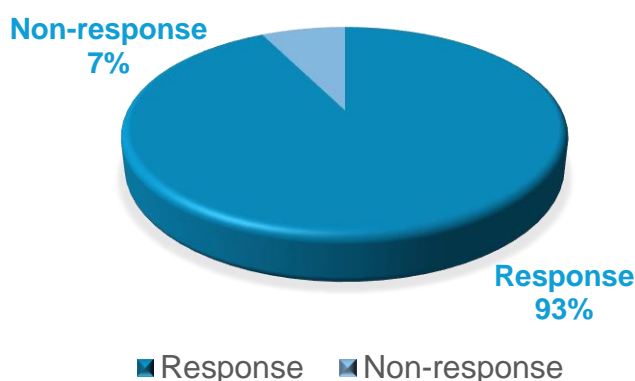
February 2024 - December 2024

### ◆ Survey Topics (7 categories and 39 questions)

1. Human Rights and Labor
2. Health and Safety
3. Environment
4. Fair Trade and Ethics
5. Quality and Safety
6. Information Security
7. Business Continuity Planning (BCP)

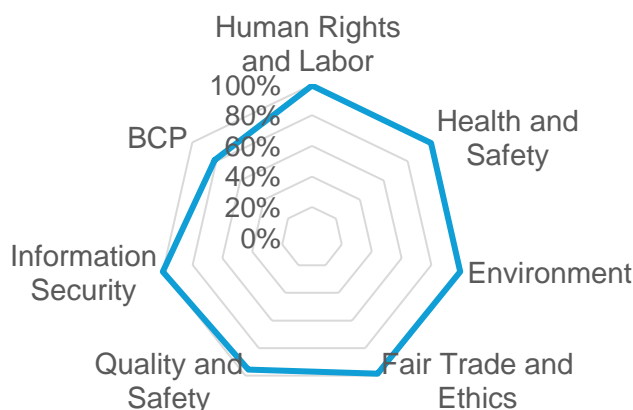
### ◆ Response rate

63 companies (93%) responded.



### ◆ Survey Results

## CSR Procurement Self-Assessment Aggregate Results



### ◆ Future policy

We will continue to improve our procurement activities and visualize our supply chain with the understanding and cooperation of our suppliers.