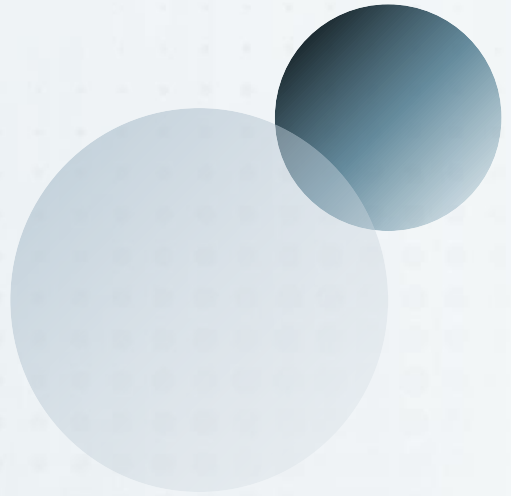




KURABE Sustainability Report 2026



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Issuing Department: CSR Promotion Committee
Date of issue: April 2026

Company Profile

Chemitronics for Sensing the Future

Company Name	KURABE INDUSTRIAL CO., LTD.
Founding	February 11, 1938
Establishment	June 25, 1939
Capital Stock	43.9 billion yen
Capital	780 million yen
Officer	Takenobu Kanazawa, President & CEO Yoshihiro Morimoto, Managing Director Akio Sato, Managing Director Tomoyasu Ishiyama, Director Satoru Suzuki, Director Hideo Shibata, Director Norio Ikegaya, Corporate Auditor Takahisa Tabata, Corporate Auditor Toshihiro Suzuki, Corporate Auditor
Employees	830 (domestic) 4500 (consolidated)
Fiscal Period	December
Annual Turnover	46.5 billion yen (consolidated)
Main Financing Bank	Mizuho Bank, Hamamatsu Branch Mitsubishi UFJ Bank, Hamamatsu Branch
Factory (domestic)	Shinohara, Hamakita, Shonai, Miyakoda, Miyakodakita
Factory (overseas)	KIV (Ho Chi Minh), KIB (Hanoi), KIS (Shanghai), KIH (Hubei), KMX (Mexico) KIP (Philippines)
Sales Office (domestic)	East Japan, Tokai, Fuji, Nagoya, Osaka, Kyoto, Himeji, Fukuoka
Sales Office (overseas)	KAC (US - Detroit) KEG (Germany - Dusseldorf) KTG (China - Guangzhou), KTH (China - Hong Kong)



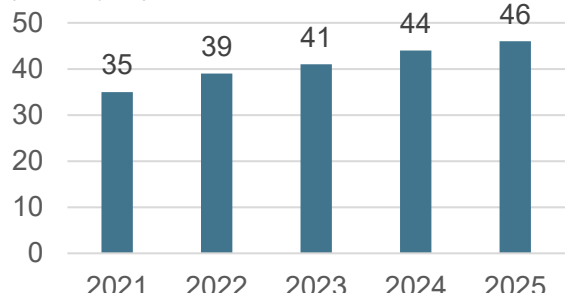
Head office and 5 domestic bases



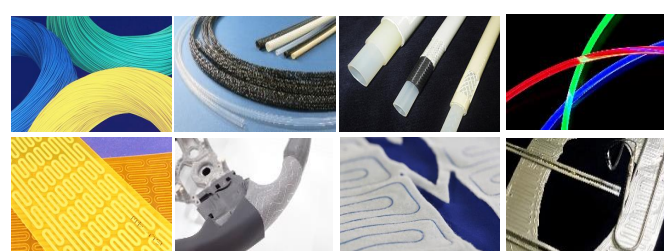
2 Factories in Vietnam, 2 Factories in China, 1 Factory in Mexico, 1 Factory in Philippines

Annual Global Sales Consolidated Sales

(billion yen)



Main Products



Greeting

TOP MESSAGE

We have consistently pursued and delivered continuous innovation as high-quality products since our founding.

President & CEO

Takenobu Kanazawa



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.

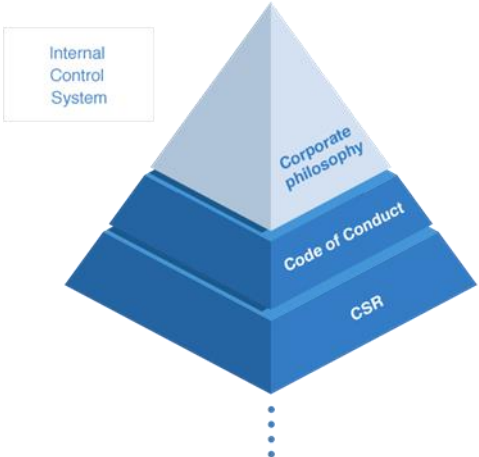
Under the banner of Chemitronics, we will continue to refine our specialized know-how in materials technology, electrical technology, and mechanical design technology, deepen our relationships with leading companies in various industries, and promote global development. As we advance into the future,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

Thank you.

CSR and Environmental Activity



System to implement the corporate philosophy



Sustainable development of human society

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 Factory	December 2002	BVC	
Hamakita Factory	December 2002	BVC	
Shonai Factory	December 2003	BVC	
Miyakoda Factory	December 2003	BVC	
Miyakodakita Factory	August 2021	BVC	
Fuji, Nagoya, Himeji (office)	June 2017	BVC	
Osaka, Fukuoka, Tokai (office)	July 2020	BVC	
East Japan (office)	July 2025	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

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.	January 2025	BVC	CN053988
KURABE MEXICO INDUSTRIAL, S.A.DE C.V.	July 2025	BVC	MEX-23352

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 Factory	August 2020	JQA	
Hamakita Factory	April 2005	JQA	
Shonai Factory	April 2005	JQA	
Miyakoda Factory	April 2005	JQA	
Miyakodakita Factory	April 2023	JQA	

*We have been ISO 14001 certified 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	08924E 32495ROM

Activity Contents

Implementation and Education of Internal Audits

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

Environmental Survey (Japan)

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.

Implementation Items	Monitoring Items	Target Value (year on year)	Relevant Laws / Regulations
Reduction of waste emissions	Total emissions	- 1%	Waste disposal law
Reduction of plastic emissions	Plastic emissions	- 1%	Act on promotion of recycling of plastic resources
Reduction of greenhouse gas emissions	Greenhouse gas emissions	- 2%	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.

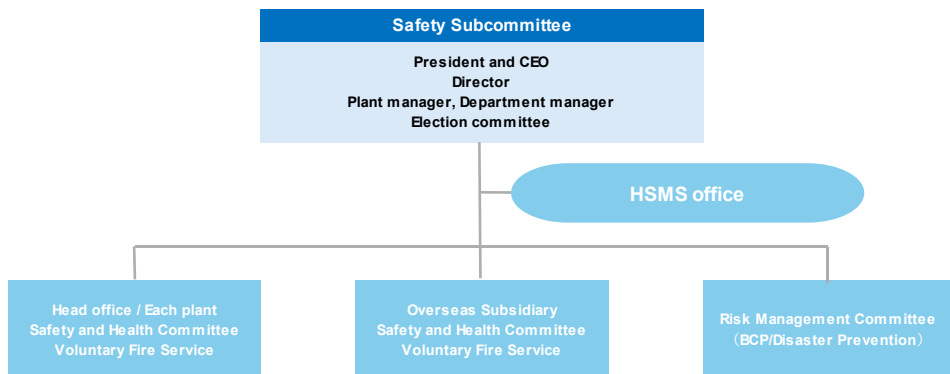
Promotion of CSR (Corporate Social Responsibility) Procurement

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.



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.



In addition to our ISO 27001 certification, in 2019 we obtained TISAX certification—an information security audit standard established by the German Association of the Automotive Industry—for certain domestic departments that handle confidential information. Our TISAX certification label is publicly available on the TISAX portal operated by the ENX Association. We also completed our second renewal in December 2024.

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)

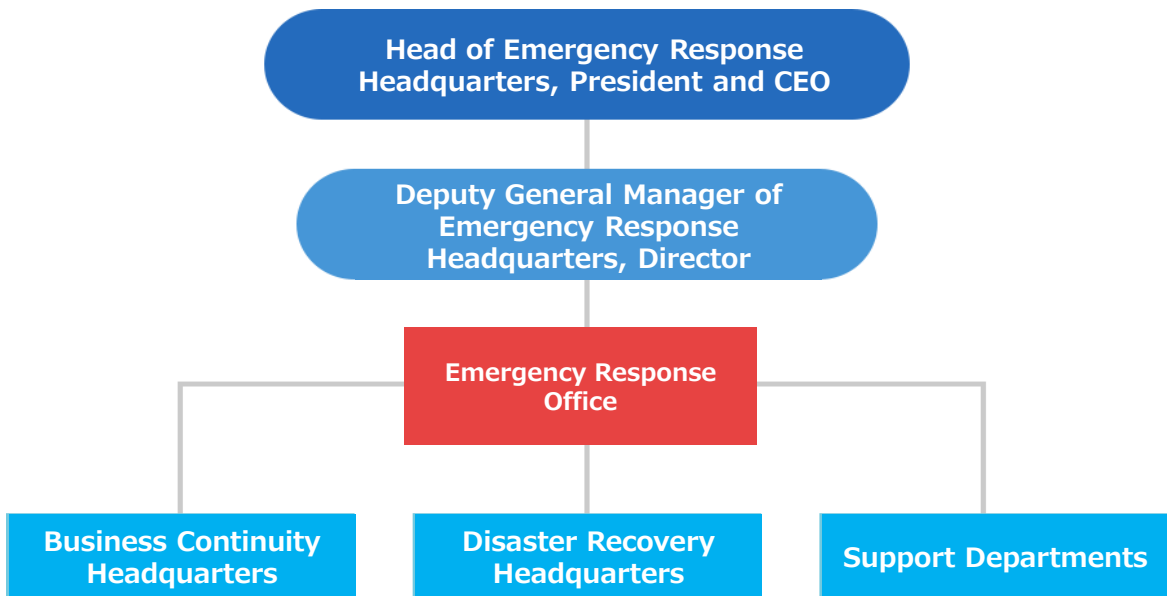
Basic Policy

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

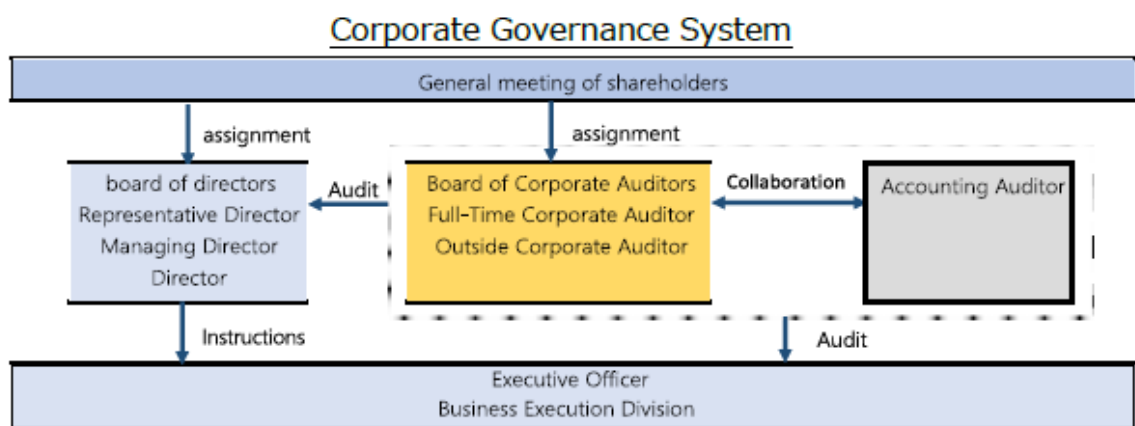
The auditors have a system in place that assigns a person in charge to cooperate in that department depending on the nature of the audit or when requested by the auditors.

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 2025



Shinohara Factory
(Japan)

Establishing a System of Local Production for Local Consumption

To strengthen our global capabilities and establish production capacity outside of Vietnam as part of our business continuity plan (BCP), we have established a factory in the Philippines and commenced mass production.

KURABE INDUSTRIAL PHILIPPINES INC.

Lipa City, Batangas Province, Philippines

July 6, 2022: Established

December 2024: Factory completed

November 2025: Mass production begins

Products: Car seat heaters



Construction of a New Building at the Vietnam Factory

KURABE INDUSTRIAL (VIETNAM) CO., LTD. VSIP2 FACTORY

November 2025: Factory Completion

We have completed construction of the second building at our second factory in Ho Chi Minh City, Vietnam.

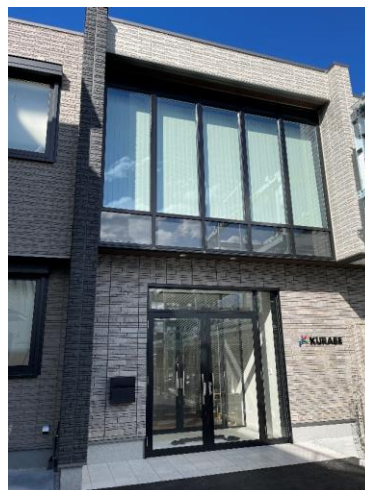
This expansion will increase our production capacity, enabling us to achieve an efficient production system and a stable supply.



Establishment of the East Japan Sales Office

We have consolidated our Tokyo Sales Office and Kanto Sales Office and established a new East Japan Sales Office in Kawaguchi City, Saitama Prefecture.

By consolidating our offices, we aim to strengthen interdepartmental collaboration and improve operational efficiency, while also promoting a more employee-friendly work environment. We will continue to strive to enhance sustainable corporate value through our community-based business activities.



For Customers



Construction of the New Shinohara Factory

To ensure a safe and secure working environment for our employees and to guarantee a stable supply, we demolished an old building that was over 60 years old and constructed a new one in its place.

As part of our commitment to the local community, we have established a temporary evacuation shelter for residents on the second floor of the new building. Moving forward, we will continue to advance the sophistication of our sustainable production system and strive to build long-term relationships of trust with our customers through a stable supply of products.



Acquisition of I-REC

I-REC is an international environmental certificate that verifies electricity generated from renewable energy sources. By utilizing I-REC, our Vietnam factory is reducing CO₂ emissions (Scope 1 and 2) as part of our efforts to combat global warming caused by greenhouse gases. As part of our carbon neutrality initiatives, we are enhancing customer trust through the visualization of Scope 1, 2, 3 emissions and our CO₂ reduction activities.

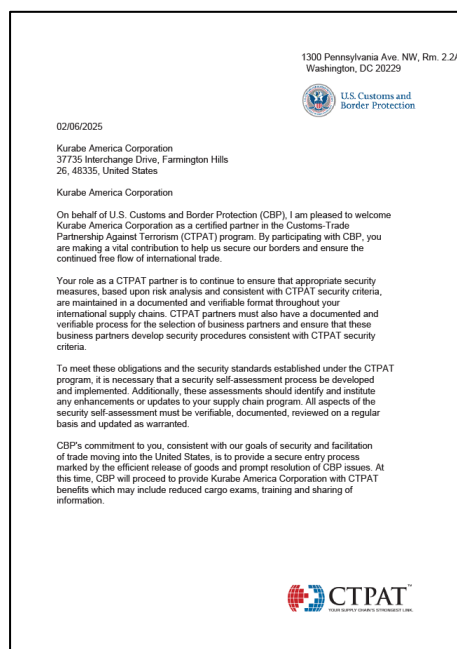
Installation Factory KURABE INDUSTRIAL (VIETNAM) CO., LTD.



Implementation of C-TPAT

C-TPAT (Customs-Trade Partnership Against Terrorism) is a trade security program promoted by U.S. Customs and Border Protection, and our company obtained certification in 2025.

This initiative has helped reduce the risk of customs clearance delays, improve supply stability during border disruptions, and enhance reliability for our global customers. Moving forward, we will continue to strengthen physical security management, enhance visibility of cargo traceability, conduct evaluations and audits of group companies, and systematize employee training across all processes from manufacturing sites to shipment. Through these efforts, we will build a management system that complies with international standards.



New Product and Adoption Information

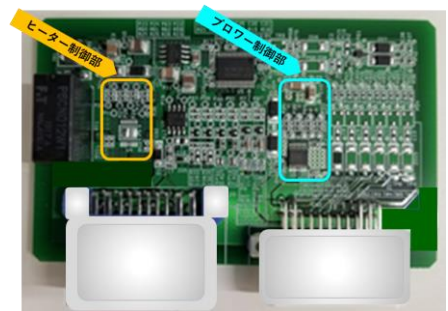
Development of a Steering Wheel Heater Compatible with HOD

As autonomous driving capabilities improve, the HOD (Hands-Off Detection) systems installed on steering wheels are increasingly shifting to capacitive detection methods. We have developed an integrated mat that incorporates a capacitive detection layer into our existing steering wheel heater mat. This design enables both driver heating and HOD compatibility with a simpler configuration than our previous models.



Development of a New ECU for Car Seat Heaters

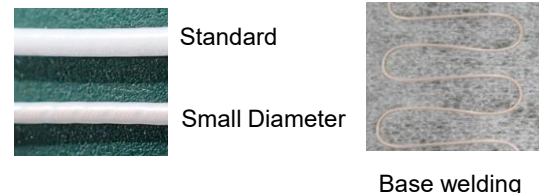
We designed a single PCB to accommodate both seat heater and ventilation ECUs, integrating the circuitry for the seat heater control unit and the ventilation blower control unit onto a single board. Since the microcontroller used for functional control is a common component, we prepared separate software for the heater and ventilation functions. By implementing the control of two products on a single PCB, we were able to standardize the PCB materials and case.



*The board assembly shown in the photo does not include the components for the ventilation heater control circuit.

Development of Thin-Gauge High-Temperature Heater Wires

We have developed thin-gauge high-temperature heater wires designed to enhance seating comfort and increase heat output in seat heaters, and have added them to our product lineup. This enables us to offer heating solutions that meet the growing demand for high-performance, luxury car seats.



Development of Environmental-Friendly Wires

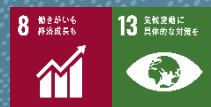
- For Eagle Electric Wire's PEX-150F, switching the cross-linking method from conventional chemical cross-linking to electron beam cross-linking has led to reduced power consumption during production, resulting in lower CO2 emissions.

- PEEK cables can now be proposed as a replacement for fluoropolymer cables, even in harsh operating environments involving high temperatures and oil-resistant atmospheres, as they do not contain perfluoroalkyl substances (PFAS).

- We have developed Eagle Electric Wire PEX-NH, which achieves the low outgassing required for automotive lamp wires. It meets the flame-retardant requirements for automotive wires while being antimony-free, addressing concerns regarding high-risk materials.



Heatstroke Prevention Measures for Logistics Drivers



【Background】

In recent years, as summer temperatures have risen, the risk of heatstroke has increased nationwide. Logistics drivers, in particular, who perform outdoor loading and unloading tasks and spend time waiting outdoors, are at high risk of heatstroke, and the importance of implementing countermeasures has grown significantly from a societal perspective. Starting in 2024, laws and guidelines regarding heatstroke prevention have been strengthened, and companies are required to ensure appropriate working conditions. We also view creating a safe environment where drivers can perform their collection duties with peace of mind as part of our CSR efforts and have strengthened our heatstroke prevention measures.

【Details of the Initiative】

• New Rest Area

• New Rest Area We have set up a new rest area inside the warehouse, equipped with air conditioning, for drivers from shipping companies who come to pick up shipments. We have also made the handwashing station available for anyone to use freely.



Rest area



Heat index meter and heatstroke prevention work plan

To objectively assess the risk of heatstroke, we have installed a heat index (WBGT) meter at the warehouse loading area and established a system that allows us to issue rest instructions and safety alerts based on WBGT readings, thereby helping to prevent heatstroke before it occurs. When WBGT readings are high, we step up our communication with drivers and actively encourage them to use the rest areas.

【Results and Future Initiatives】

These measures have helped create a safer working environment for drivers and have been well received by our transport partners. We will continue to review our safety protocols, including those related to heatstroke, and remain committed to safeguarding the health of everyone involved in the logistics industry.

【Summary】

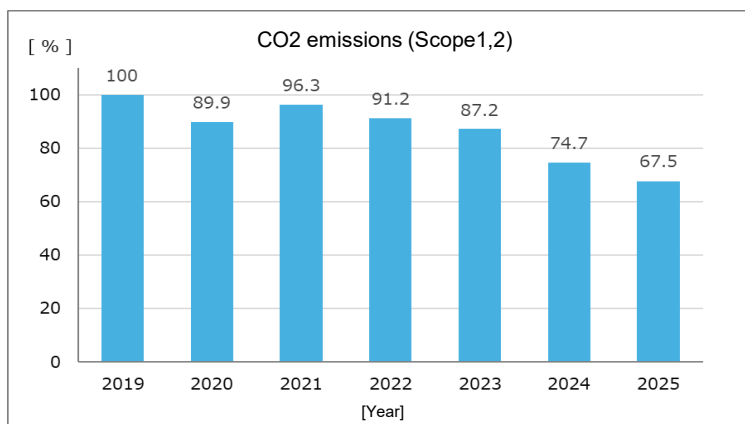
This initiative is part of our CSR activities aimed at creating a sustainable logistics environment through collaboration with transportation companies. Moving forward, we will continue to work with local communities and partner companies to promote the creation of a safe and comfortable working environment.

1. Report on Activities to Reduce Environmental Impact of Our Products / Operations

We are working to reduce CO2 emissions as part of our efforts to achieve carbon neutrality.

Target: All domestic business locations

Year	CO2 emissions [t-CO2]
2019	10941
2020	9835
2021	10535
2022	9980
2023	9536
2024	8176
2025	7383



Main Investments:

2020: Began switching from fluorescent lighting to LED lighting

2021: Began installing solar power generation systems at manufacturing sites

2024: Began adopting Shizuoka Green Electricity

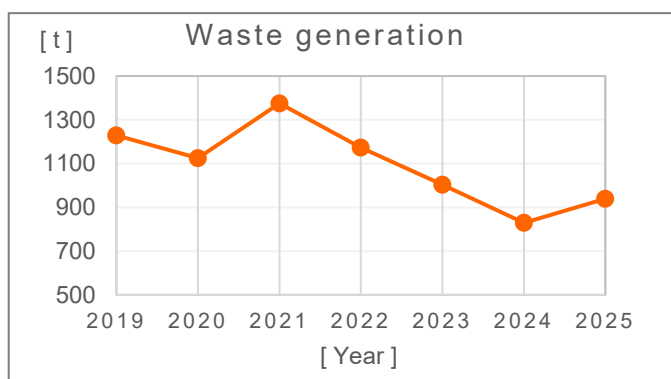
2025: Began installing solar power generation systems at the Shinohara and Miyakitakita Factories

2. Waste Generation

We are helping to reduce waste and minimize environmental impact.

Target: Headquarters / all domestic factories

Year	Waste generation [t]	Compared to 2019
2019	1228	-
2020	1125	-8%
2021	1375	+12%
2022	1173	-5%
2023	1004	-19%
2024	829	-32%
2025	939	-24%



*In 2021, there was a slight increase due to the relocation of the new Miyakodakita Factory.

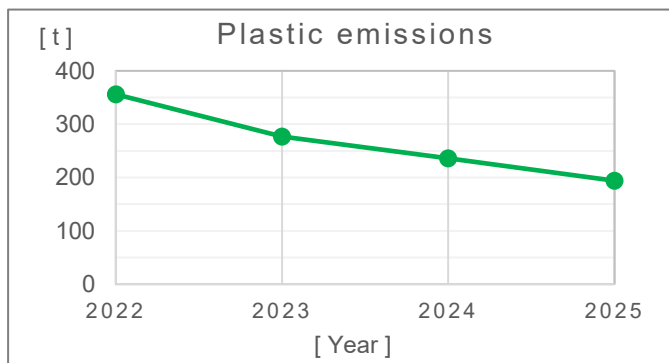
*In 2025, there is a slight increase in waste due to Factory reforms.

3. Plastic Emissions

In accordance with the Act on the Promotion of the Recycling of Plastic Resources, we are working to reduce plastic emissions.

Target: Headquarters / all domestic factories

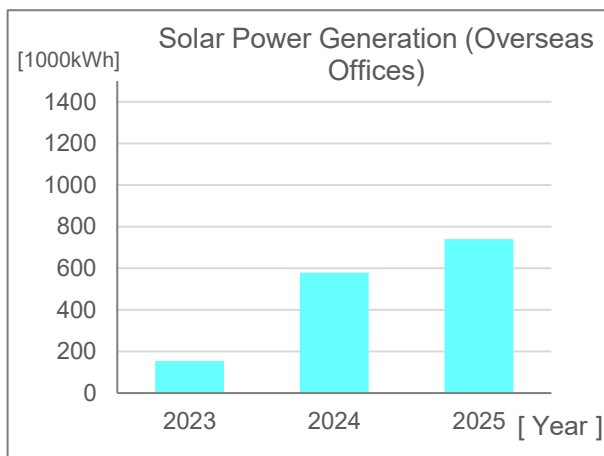
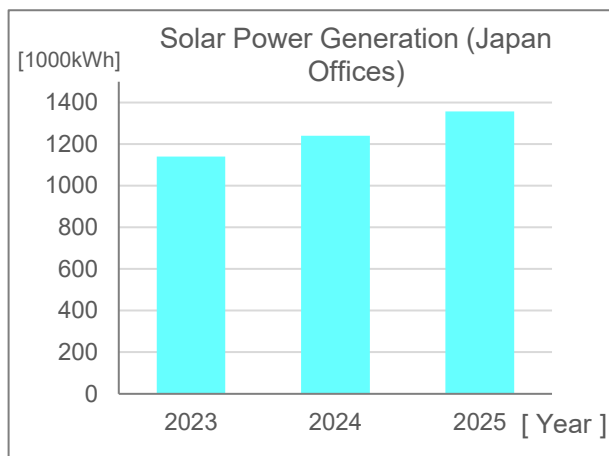
Year	Plastic emissions [t]
2022	356
2023	277
2024	236
2025	194



By working to recycle plastic waste, we have reduced the amount of plastic waste to 250t or less per year.

4. Operation of Large-Scale Solar Power Factories

We operate solar power factories at our domestic and overseas offices.



Japan Office

[kWh]

	Hamakita Factory	Miyakoda Factory	Miyakodakita Factory	Total
2023	413,728	328,888	398,322	1,140,938
2024	368,998	480,693	391,132	1,240,823
2025	390,781	535,314	430,596	1,356,691

Overseas Office

[kWh]

	KIS	KIH	Total
2023	26,592	126,675	153,267
2024	337,938	240,620	578,558
2025	360,975	378,650	739,625

*KIS: KURABE INDUSTRIAL (SHANGHAI) CO., LTD.
KIH: KURABE INDUSTRIAL(HUBEI) CO.,LTD.

Starting in 2025, solar power generation began operations at the Shinohara factory, the Miyakodakita Factory (Logistics Building), the East Japan Sales Office, and the Nagoya Sales Office.

Shinohara Factory



Miyakodakita Factory (Logistics building)



For Employees



Enhancing Training for People Development

We provide level-based training and use distance learning and e-learning. Employees can build the skills needed for their work and pursue new skills they want to gain.

We also offer many opportunities for employees to take on challenges and drive innovation.



Shinohara Factory Cafeteria Renovation

The aging cafeteria at the Shinohara Factory has been renovated. With the introduction of hot stockers and cold stockers, meals can now be served at the optimal temperature for each menu item.

In addition, equipment such as automatic rice serving machines has been installed to improve hygiene and reduce food waste.



New Work Uniforms

The new design features a color scheme based on navy blue, with dark green and scarlet used as accent colors—the same three colors found in the new logo. Dark green stands for harmony with nature, and red shows passion for innovation. Green and red are also the colors of navigation lights used on ships and aircraft to keep travel safe. In the same way, we aim to grow in many cultures and markets with trust and safety.

For function, we use dolman sleeves, which are rare for workwear. With no seams at the shoulders, arm movement is smoother and more free. Stretch fabric is also used to reduce stress in movement and help improve work efficiency.



Old



New

Labor Relations

We respect workers' rights and focus on solving issues together with employees. We have a labor agreement with the KURABE Labor Union and maintain a strong and trusting relationship. We hold open and sincere talks on key issues and the future direction of the company.

We also hold a "Labor-Management Council" as a forum to discuss employee health, safety, and working conditions with the union. Through these efforts, we work to improve the workplace and systems so that all employees can work in a safe and supportive environment.



Community Development through Sports

We support local communities through sports by partnering with four teams based in the Hamamatsu area:

- Jubilo Iwata (football)
- San-en NeoPhoenix (basketball)
- Breath Hamamatsu (women’s volleyball)
- Shizuoka Blue Revs (rugby)

Game tickets provided by our partners are shared with employees by lottery and used as part of our benefits.

In 2025, we sponsored the playoff round of the Levain Cup featuring Jubilo Iwata, and held the “KURABE Match.” At our booth, we ran a lottery and gave away team goods, attracting many supporters. We will continue to support our partner teams and help them succeed as a partner company.



Employee Traffic Safety Campaign

In December 2025, employees carried banners to promote traffic safety around the Hamakita Factory and our headquarters.

The campaign aimed to raise safety awareness during commuting hours and contribute to preventing traffic accidents in the local community.



Joint Disaster Drill with the Local Neighborhood Association

In September 2025, we held a disaster drill with local community associations near our headquarters, following last year’s initiative. The drill included checking evacuation routes in case of a tsunami, reviewing the headquarters’ evacuation sites, and guiding the locations of emergency food and supplies. After the drill, we distributed preserved food to local residents.

We will continue to work with the local community to hold regular disaster drills and encourage more people to participate.



The “Enshu Decarbonization Project” Utilizing the Roof of the Miyakodakita Factory —Beginning to Supply Renewable Energy to Local Businesses via an Off-Site Physical PPA—

■ Outline



We have launched a solar power generation service (off-site physical PPA service) utilizing the rooftop space at the Miyakodakita Factory, in collaboration with Chubu Electric Power Mirai Co., Ltd., effective November 1, 2025.

This initiative is being implemented as a concrete measure under the “Enshu Decarbonization Project,” a collaborative effort by companies based in the Enshu region of Shizuoka Prefecture aimed at achieving regional decarbonization. We supplied the renewable energy generated by our company not only to our own facilities but also to other companies participating in the Enshu Decarbonization Project.

Since June 2021, we have been implementing an on-site PPA service at our Miyakodakita Factory, utilizing the roof of the development building to expand our use of renewable energy for self-consumption.

This project was made possible through a collaboration that transcended corporate boundaries, facilitated by Chubu Electric Power Mirai, which successfully aligned our proposal to maximize the use of unused space on the roof of the factory's logistics building with the needs of companies participating in the Enshu Decarbonization Project, who were seeking to expand the adoption of renewable energy.

We have installed new solar panels (output: 1,579.5 kW) on the roof of our Miyakodakita Factory. The electricity generated here (estimated at approximately 1.82 million kWh annually) will be supplied to the following three locations via the power grid.

Suppliers:

- Kurabe Hamakita Factory
(Hamamatsu City, Shizuoka)
- Two companies participating
in the Enshu Decarbonization Project



Through this initiative, we accelerate our own decarbonization efforts by effectively utilizing our assets, while also contributing to the decarbonization of our local partner companies.

CSR Procurement Self-Assessment Aggregate Results

We are pleased to report on the survey forms we conducted in 2025. We would like to thank our suppliers for their responses.

◆ Number of Supplier Targets

51 companies (Major overseas automotive industry clients)

◆ Survey Period

February 2025 - December 2025

◆ Survey Topics (7 categories and 40 questions)

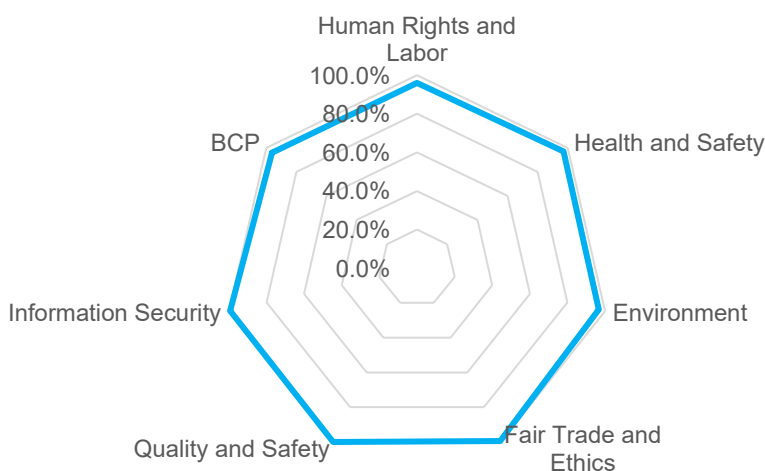
1. Human Rights and Labor
2. Health and Safety
3. Environment
4. Fair Trade and Ethics
5. Quality and Safety
6. Information Security
7. Business Continuity Planning (BCP)

◆ Response rate 100%

We have received responses from all of our suppliers.

◆ Survey Results

CSR Procurement Self-Assessment Aggregate Results



Initiatives to Ensure Fair Transactions

In accordance with the enforcement of the Act on the Fairness of Transactions with Small and Medium-Sized Contractors, which was enacted following the amendment of the Subcontracting Act, we have abolished the use of promissory notes and changed our payment terms to end-of-month closing and cash payment the following month to ensure fair transaction conditions.

We expect that this initiative will help reduce the burden on our business partners, further strengthen fair business relationships, and contribute to the establishment of a sustainable supply chain. Going forward, we will continue to strictly comply with relevant laws and regulations and, in fulfilling our corporate social responsibility, work collaboratively with our suppliers to foster a transparent and sound business environment.