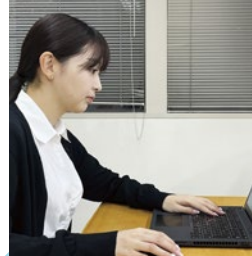
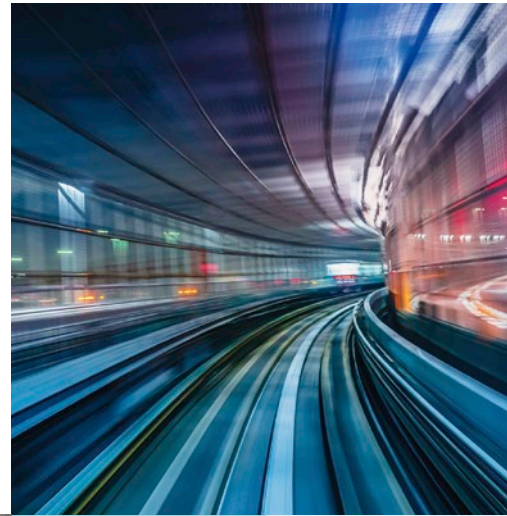




ASHIMORI INDUSTRY CO., LTD.

# INTEGRATED REPORT 2024

Powered by **Innovation**,  
Pioneering the **Future**



# Powered by Innovation, Pioneering the Future

## Company Creed / Corporate Philosophy

1. Place a high value on trust and strive for the utmost reliability.
2. Maintain a vibrant company based on harmony and open-mindedness.
3. Be creative and contribute to society through our business activities.



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## Editorial Policy

This report is to provide information on Ashimori Industry's efforts for corporate value creation. In addition to financial information including business results and strategy, this report is edited with the intention of informing shareholders, investors, and other stakeholders of the company's non-financial information such as ESG topics.

### Period covered

Fiscal year ended March 2024 (April 1, 2023 to March 31, 2024)  
When necessary, past and recent information are also included.

### Organizations covered

Ashimori Industry Co., Ltd. and group companies

### Published

September 2024

### Disclaimer

Although the information in this report has been compiled with the utmost care, we do not guarantee that all of it is accurate and/or up to date. We are therefore not responsible for any losses, damages, or other problems that arise due to causes such as the information being erroneous or out of date.

## Value Creation

## Value Creation History

Since our foundation in 1878, we have contributed to society's advancement through the provision of products that anticipate the needs of the times by using our technical expertise—the roots of our identity. We will continue to take on new challenges as we contribute to society in the safety and renewal fields.

## Understanding the times and entering new business areas

**1878** Ashimori Buhei the 10th begins trading in cotton and linen in Osaka, the center of Japan's spinning industry at that time.

**1885** Begins manufacturing cotton power transmission ropes.

**1887** Begins manufacturing spindle bands for ring spinning machines in order to respond to demand spurred by technological changes in the industry.

**1908** Establishes a full-fledged mass-production factory (in Juso, Osaka) in response to the stellar reputation for the company's braiding technology and the toughness of its ropes and spindle bands.

**1935** Reorganizes as a joint-stock company named Ashimori Rope Works.

**1944** Changes the company name to Ashimori Industry Co., Ltd.

**1950** Company listed on the Osaka Securities Exchange.

**1952** Succeeds in Japan's first development of the latex rubber-lined fire hose and begins its manufacture.

**1953** Begins manufacturing synthetic fiber ropes.

**1961** Company listed on the First Section of the Tokyo Stock Exchange.

**1962** Begins manufacturing automotive seatbelts.  
Begins manufacturing airbags in 1989.

**1967** Obtains JIS (Japanese Industrial Standards) labeling approval, a first for an automotive seatbelt manufacturer, a year after the JIS seatbelt standard was created.

1878 -

1950 -

1962 -

## Foundation: Rope-making begins

At a time when spinning factories were sprouting up in Osaka, company founder Ashimori Buhei the 10th believed that cotton yarn was a key to industrial advancement and a product sure to be in ever greater demand. He was the first in Japan to succeed in using a machine to make cotton rope used as a means to transmit power from one engine to multiple machines.



## Starts fire hose business

To respond to a rapid decline in demand for cotton power transmissions ropes, Ashimori decided to forego using linen, which was difficult to procure, and instead succeeded—for the first time in Japan—in the manufacture of cotton and nylon fire hoses that were leak proof thanks to latex rubber lining.



## Enters field of automotive safety systems

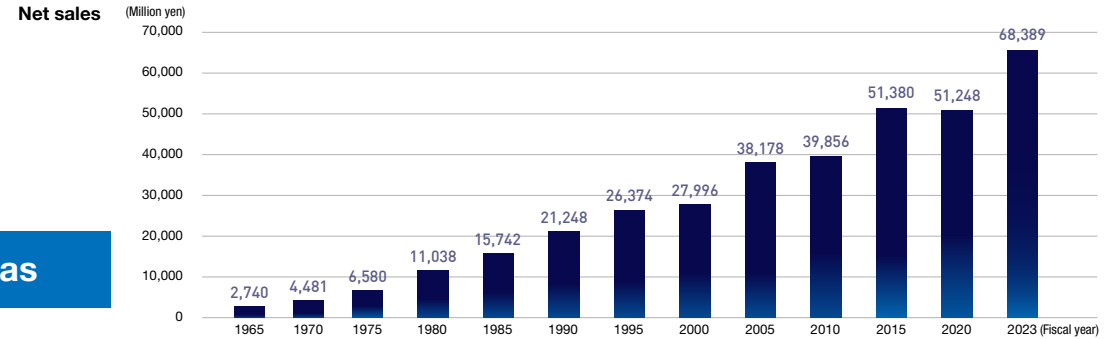
With car seatbelts becoming mandatory in the U.S., increased demand was anticipated in Japan as well. Using its years of know-how in weaving, Ashimori began developing and manufacturing car seatbelts.



Value Creation

Value Creation History

Understanding the times and entering new business areas



**1980** Begins PALTEM pipeline rehabilitation business; Ashimori adopted its proprietary technology for textiles and fire hoses to jointly develop PALTEM with Tokyo Gas Co., Ltd.

**1991** Begins manufacturing Air Roll cargo-transportation system.

**1998** Establishes KPN Ashimori Co., Ltd. (now Ashimori (Thailand) Co., Ltd.). Establishes bases in Shanghai in 2003, India in 2009, South Korea in 2011, Mexico in 2012, and Germany in 2017.

**2008** Establishes Ashimori Industry Yamaguchi Co., Ltd. Establishes the Hamamatsu Plant.

**2016** Acquires Allsafe Japan Ltd.

**2017** Acquires Shibata Industry Co., Ltd. Acquires Takara Sangyo in Shiga, Japan.

**2022** Moves to the Prime Market on the Tokyo Stock Exchange.

**2023** Moves to the Standard Market on the Tokyo Stock Exchange.

1980 -

1998 -

2022 -

Starts pipeline rehabilitation business

Taking advantage of the trend to maintain and repair existing gas pipelines instead of installing new ones, Ashimori utilized its accumulated technologies to develop PALTEM, a new pipeline rehabilitation technology (hose lining method) that was the first of its kind in Japan.



Expands overseas, establishes drivers of growth

In the automotive safety systems business, Ashimori built its first factory outside Japan, in Thailand, in 1998. The company went on to accelerate its global push by establishing strategic overseas bases for greater procurement capability, improved cost competitiveness, and wider sales routes. In the high performance products business, Ashimori expanded its production system. The company also strengthened business and expanded operations through moves including acquisitions of companies dealing in logistics machinery and pipeline rehabilitation work.



Excellence recognized worldwide  
New Ashimori Vision 2028

In the leadup to our 150th anniversary in 2028, we have revised our Mission, Vision, and Values statements to make them more engaging for group employees. We have also created a new slogan: "Powered by Innovation, Pioneering the Future" to enhance unity. The slogan inherits the spirit of our company creed and demonstrates our strong will to utilize our technological strengths and continue to reform our company culture with the aim of becoming an excellent, world-class organization.

Value Creation

# Value Creation Process

Company Slogan

## Powered by Innovation, Pioneering the Future

Social issues

Input

Business activities

Output

Outcome

### Providing new value

**Key issues for Ashimori**

- Climate change
- Resource depletion, water issues
- Safety and security
- Population decline/aging
- Gender equality, respect for diversity
- Human rights

**Financial capital**  
Consolidated total assets  
**53,861 million yen**

**Human capital**  
Number of employees (consolidated)  
**2,442**

**Intellectual capital**  
Number of patents held  
**349** in Japan | **205** overseas

R&D expenses  
**501 million yen** (for Automotive Safety Systems)

**568 million yen** (for High Performance Products)

**181 million yen** (for others)

**Manufactured capital**  
Group companies  
**7** in Japan | **7** overseas

Note: FY2023 results

**Medium-Term Management Plan**

**New Ashimori Vision 2028**

**Excellence recognized worldwide** [P.15](#)

**Mission Vision Values**

- Mission** Provide products that protect lives and livelihoods
- Vision** Maintain our reputation as a trusted organization
- Values** Make quality our number one priority in production

**Company creed**

- Place a high value on trust and strive for the utmost reliability
- Maintain a vibrant company based on harmony and open-mindedness
- Be creative and contribute to society through our business activities

**Strengths**

- Tradition, reliability
- Our people
- Technology, adaptability, R&D

**Materiality**

- Harmony with the environment
- Supply of reliable products at appropriate prices
- Enhancement of governance
- Human resource development and diversity
- Thorough compliance with laws, rules, and regulations

[P.25](#)

**Main products**

- Seatbelts
- Airbags
- Separation nets
- Tonneau covers

[P.08](#)

- PALTEM pipeline rehabilitation
- Hoses for firefighting and fire hydrants
- Disaster relief products

[P.09](#)

- Labor-saving logistics products
- Soil stabilization products
- Belts (land and sea transportation, solar power generation)

[P.09](#)

**SUSTAINABLE DEVELOPMENT GOALS**

Realize a safe, secure, and comfortable society

**Keep people safe and protect their lives**

**Provide people with security**

**Support people's lifestyles**

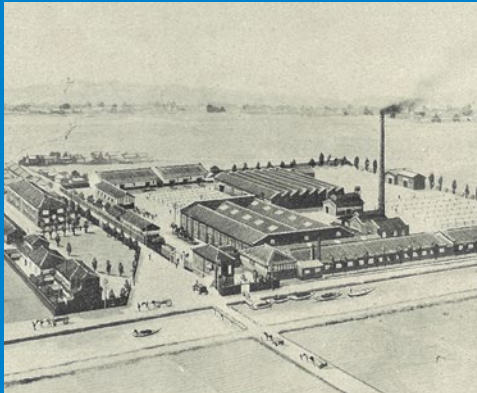
Value Creation

# The Source of Value Creation

Ashimori has accumulated many strengths over its 146-year history. These strengths—tradition and reliability; technology, adaptability, and R&D; and our people—are at the core of our company creed. They have enabled us to diversify business to come out with a range of products that contribute to the realization of a safe, secure, and comfortable society.

## Tradition, Reliability

Ashimori will celebrate its 150th anniversary in 2028. On the foundation of the strong technical expertise we have built up, we have sincerely responded to the detailed needs of the market and built relationships of trust with countless customers. By providing products that protect lives and livelihoods, we will continue to be a corporate group trusted by all.



## Technology, Adaptability, R&D

Originally a rope manufacturer, we have continued to diversify our business operations by applying the core technologies that we cultivated in textiles. Now, having surpassed the boundaries of the textile industry, our central operations are in the fields of safety and renewal activities, such as safety-related automotive parts and the reconstruction of essential utilities. We will continue contributing to society through unceasing R&D and technological innovation.



### Harnessing core technologies to tap into the safety and renewal market

- Weaving/assembling**  
Tubular fabrics, wide-woven textiles, rope, belts, cords, etc.
- Winding/fixing**  
Seatbelts, automotive interior parts, cargo-lashing systems, etc.
- Plastic processing (covering)**  
Fire hoses, PALTEM liners, SZ structural materials, etc.
- Inflating**  
Airbags, Air Roll System, bags for civil engineering applications, etc.

### Combining → Integrating into systems

By deploying and combining our four core technologies of weaving/assembling, winding/fixing, plastic processing (covering), and inflating, we have developed products ranging from fiber/resin/metal composite components to complete systems. We are engaged in ongoing R&D with the aim of expanding our business in the safety and renewal market.

## Our People

The Ashimori Group HR Vision Statement has been formulated to foster our ideal of an Ashimori employee: someone strongly committed to our company principles, who takes the appreciation they receive for their efforts inside and outside the company to make their job more rewarding. The Ashimori Code of Conduct has also been formulated as our commitment to society.

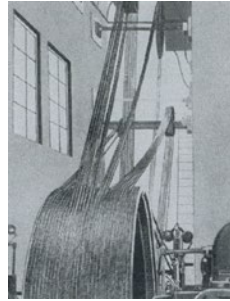


## Value Creation

## The Source of Value Creation

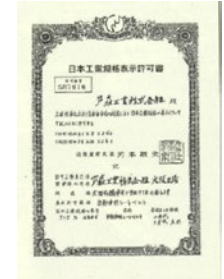
## Start of manufacturing of cotton power transmission ropes (1885)

After starting up his cotton and linen thread business, company founder Ashimori Buhei the 10th became the first in Japan to successfully manufacture cotton power transmission ropes domestically, a product that had previously been imported.



## Obtained JIS certification as a seatbelt manufacturer (1967)

We were the first seatbelt manufacturer in Japan to receive JIS (Japanese Industrial Standards) certification. We also received approval for our products under overseas standards, which opened the way for exporting to Europe and the United States.



## Start of manufacturing of latex rubber-lined Jet Hose fire hoses (1952)

By leveraging our core technologies of weaving and resin processing cultivated in the textile industry, we developed the latex rubber-lined Jet Hose fire hose. This hose replaced the linen hoses that were mainstream at the time and became the prototype for today's fire hoses.



## Four firsts in Japan

born of technology,  
adaptability, and R&D

## Completion of the PALTEM pipe lining system (1980)

This 100% domestically developed trenchless rehabilitation technique makes it possible to repair and replace pipelines without digging up roads. Since the existing pipelines are reused without being removed, less waste is produced and construction time can be shortened.








Value Creation

# Our Businesses

Consolidated net sales  
**50,039**  
 million yen  
 Fiscal year ended March 2024

## Automotive Safety Systems








Business	Features	Solutions					
<p><b>Seatbelt-related</b></p> <ul style="list-style-type: none"> <li>• Seatbelts</li> </ul>	<p>Our products ensure safety for car occupants in the event of a traffic accident and provide a comfortable car interior, thus contributing to improving the functions of automobiles, a part of social infrastructure. The transition to electric vehicles is moving the trend towards lighter automobile parts, and we are partnering with automobile manufacturers to develop products with low environmental impact.</p>	<p><b>Achieving both safety and comfort</b></p>  <p>Ever since receiving JIS (Japanese Industrial Standards) certification in 1967, a first for a <a href="#">seatbelt manufacturer</a>, we have been actively working to achieve both safety and comfort in developing next-generation seatbelts incorporating the technologies we have built up.</p>					
<p><b>Airbag-related</b></p> <ul style="list-style-type: none"> <li>• Airbags</li> </ul>		<p><b>State-of-the-art technologies protect lives</b></p> <p>We have always manufactured a range of <a href="#">airbags</a> that have incorporated the most advanced technologies of their time in the fields of fibers, chemistry, electrotechnics, electronics, control, mechanics, and sensors.</p>  <p>Driver airbags      Passenger airbags      Side airbags      Curtain airbags</p>					
<p><b>Interior products</b></p> <ul style="list-style-type: none"> <li>• Sunshades (electric and nonelectric)</li> <li>• Separation nets</li> </ul>		<p><b>A comfortable car interior</b></p>  <p><a href="#">Sunshades (electric and nonelectric)</a> regulate the amount of sunlight entering through car windows and thus help create a comfortable interior.</p>		<p><b>Preventing cargo from collapsing</b></p>  <p>BMW X2 (©BMW AG)</p> <p>The <a href="#">separation net</a> separates the passenger seats and the cargo space. It prevents the cargo from collapsing or entering into the passenger seats during sudden braking.</p>		<p><b>Anti-theft</b></p>  <p><a href="#">Tonneau covers</a> (luggage covers) are to block baggage and other items in the vehicle's cargo space from outside view. They are a great anti-theft measure.</p>	

Value Creation

Our Businesses

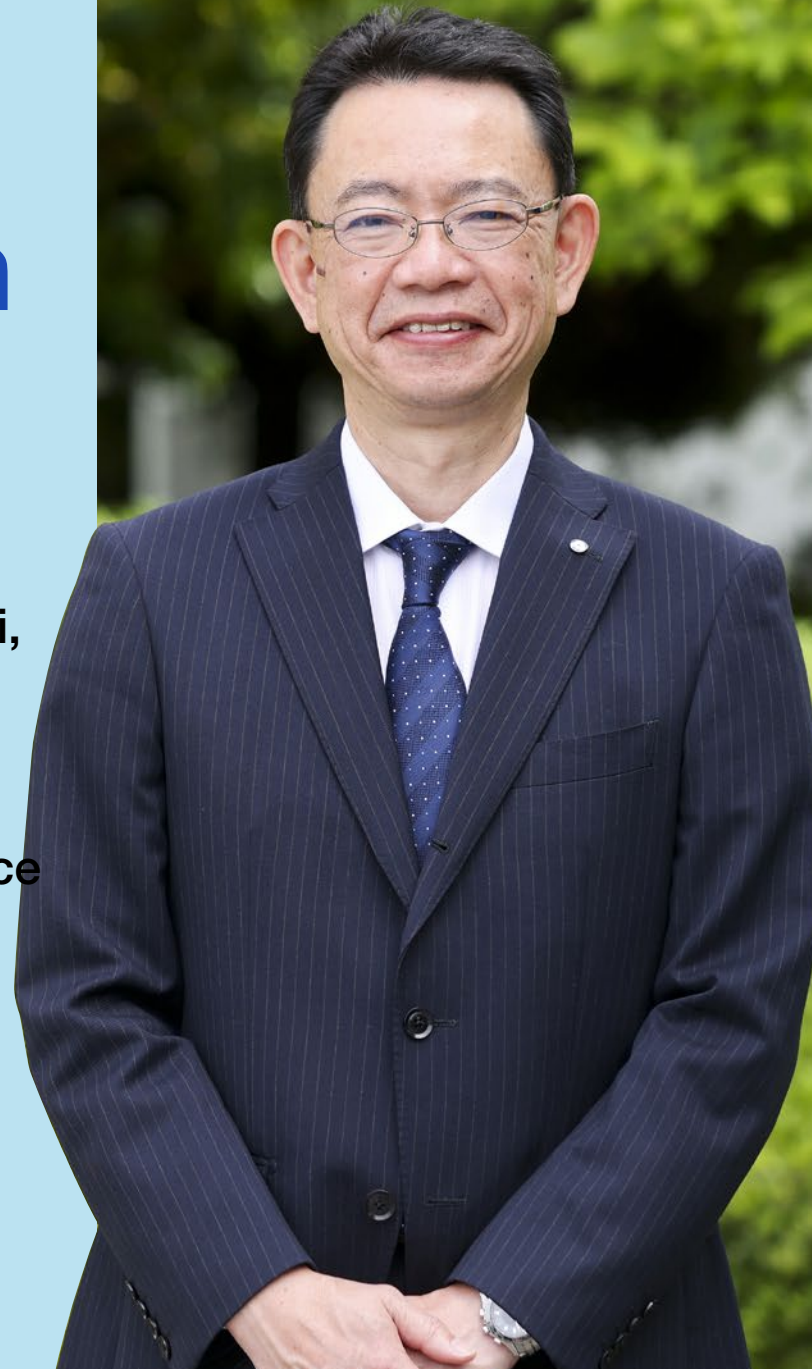
Consolidated net sales  
**18,320**  
 million yen  
 Fiscal year ended March 2024

High Performance Products

Business	Features	Solutions		
<p><b>PALTEM division</b></p> <ul style="list-style-type: none"> <li>• Manufacture and sales of materials and equipment for PALTEM pipeline rehabilitation; pipeline rehabilitation work</li> <li>• Construction materials</li> </ul>	<p>PALTEM (Pipeline Automatic Lining System) is a type of trenchless technique for rehabilitating buried pipelines—such as those carrying potable water, sewage, agricultural water, gas, telecommunications signals, or electricity—without having to dig up the pipe. This environmentally friendly method minimizes damages to pipeline surroundings while supporting lifeline infrastructure.</p>	<p><b>Maintenance and management of essential utilities</b></p> 	<p>We contribute to maintaining essential utility services using safe and secure <b>pipeline rehabilitation technology</b>.</p>	<p style="text-align: center;"><b>Focus</b></p> <p>Pipes (essential utilities) buried underground are subject to aging and deterioration caused by the changing environment. In Japan, recent years have seen pipes damaged and weakened due to frequent earthquakes and ground sinkage. In response to the increasing needs for pipeline rehabilitation, we are supporting society through the development and installation of new technologies.</p>
<p><b>Disaster prevention division</b></p> <ul style="list-style-type: none"> <li>• Fire hoses</li> <li>• Emergency drain hoses</li> <li>• Disaster prevention materials and equipment</li> </ul>	<p>We help make social infrastructure safe and secure by providing a range of hose types; for example, low-pressure-loss hoses that reduce pressure loss at the time of water discharge, and large-diameter hoses. We also have disaster mitigation products that minimize damage and injury in disasters.</p>	<p><b>Lengthening water supply and water discharge distance of fire hoses</b></p>  <p>Low-pressure-loss hoses reduce pressure loss by up to 50% during water supply, thus improving fire-fighting performance (greater water volume, shorter time in hose, longer water supply</p>	<p><b>Handling large-scale fires</b></p>  <p>Large-volume water-supply hoses can send large amounts of water over long distances. Since both sides of the hose are covered with urethane resin, it has the needed high weather resistance and durability for battling large blazes.</p>	<p><b>Rescue support during disasters</b></p>  <p>Our water supply and drainage system boasts superb mobility and portability. It can contribute to quick rescue activities by providing temporary drainage in urban areas and supplying clean water in disasters.</p>
<p><b>Industrial materials division</b></p> <ul style="list-style-type: none"> <li>• Fishing and marine ropes</li> <li>• Reinforcing fabrics for timing belts</li> <li>• Labor-saving logistics systems</li> </ul>	<p>We manufacture and sell a variety of products from fiber materials to labor-saving logistics systems. Besides materials that help make possible clean, environmentally friendly energy, we have truck logistics products that can be easily used by anyone and contribute to a workplace conducive to all.</p>	<p><b>Labor savings in logistics</b></p>  <p>Our Air Roll System uses an air hose to raise and lower roller conveyors equipped on truck beds. It can easily be used by elderly people and women to lessen their workload.</p>	<p><b>Preventing sinking on soft ground</b></p>  <p>Palace Sheet (tubular fabric technology) is a surface stabilization method that uses sheets to stabilize the surface layer of soft ground. When used as footing for heavy machinery temporarily placed on agricultural land, it is easy to remove and the ground can be easily restored to its original state.</p>	<p><b>At work in many fields</b></p>  <p>From wide-woven textiles used for rubber materials and heat-resistant screens, to lashing belts used to secure cargo or vehicles, we provide fiber materials for a wide range of fields.</p>

# Message from the President

Building on the success of our collaboration with Toyota Gosei, we will realize further growth in the automotive and pipeline rehabilitation businesses and balance solving societal challenges with achieving corporate growth.



## President

# Hiromasa Zaitso

## Profile

March 25, 1963	Born in Oita Prefecture, Japan
April 1985	Joined Toyota Motor Corporation
January 2010	General manager of Technology Administration Division of Toyota
June 2013	General manager of General Administration Division of Toyota
June 2017	Corporate officer of Toyota Gosei Co., Ltd.
January 2024	Advisor of Ashimori Industry
June 2024	Assumed current position

## Growth Strategy

# Message from the President



## On becoming president

In January 2024, I left Toyoda Gosei Co., Ltd. (hereinafter, “Toyoda Gosei”) to become a corporate advisor at Ashimori Industry. In June, I succeeded Mr. Shigeyuki Washine as president. At Toyoda Gosei, I worked in administrative fields, such as general administration and human resources. When I heard the name “Ashimori,” it seemed like a whole new world for me, as it is an Osaka company, is not affiliated with Toyota, and has a history of nearly 150 years. At the same time, I felt that this would be a new challenge in a role that would be both rewarding and carry great responsibility. I will do my very best to fulfill my responsibilities as president.

## Overview of consolidated results

### Review of the fiscal year ended March 2024

For the fiscal year ended March 2024, our automotive safety systems business benefited from the effects of the weak yen and a passing on of some of the market fluctuations in raw material prices to selling prices, as well as improved productivity and operational efficiency through collaboration with Toyoda Gosei, while, in our high performance products business, PALTEM-related orders remained strong throughout the period. These and other factors led to consolidated results with record highs in net sales, operating profit, and ordinary profit. As a result, the numerical targets of the Ashimori Group Medium-Term Management Plan for the 123rd to 125th financial periods (FY March 2023–March 2025; hereinafter the “current medium-term management plan”) were achieved one year ahead of schedule, in the fiscal year ended March 2024.

### ▶ Highlights for the fiscal year ended March 2024

Consolidated results for net sales, operating profit, and ordinary profit all reached record highs

Year-on-year change

Net sales 68.38 billion yen 4.2% ↗

Operating profit 3.75 billion yen 74.4% ↗

Ordinary profit 4.2 billion yen 50.3% ↗

Net income attributable to owners of the parent 3.21 billion yen 216.2% ↗

## Future business development and growth strategies under new management

### Steering the way for future business development

I believe that achieving further growth in the automotive and pipeline rehabilitation sectors, which have large sales volumes, is of utmost importance.

In the automotive field, it all comes down to quickly realizing the results of our collaboration with Toyoda Gosei, which began in May 2021. In the short term, our priority is achieving cost reduction. We are working with Toyoda Gosei to reduce costs by introducing Toyota-style manufacturing (TPS: Toyota Production System), standardizing design specifications, optimizing parts procurement, making effective use of production bases, and so on. The results are gradually starting to become evident. In the medium term, our goal is to play a vital role as a collaborative partner for Toyoda Gosei, which aims to become a systems supplier capable of comprehensively developing and proposing the three automotive safety components of airbags, seatbelts and steering systems. In order to create valuable and attractive products for automakers, we need to enhance our manufacturing and technological development capabilities. Towards that end, we will work to cultivate human resources and secure engineers, including through personnel exchanges with Toyoda Gosei.

In the pipeline rehabilitation sector, there is anticipated need for replacement of aging infrastructure in Japan, and we will work to stimulate further demand for environmentally friendly pipeline rehabilitation projects. Although we believe that market demand is solid, price competition is becoming fierce, especially for small- and medium-diameter pipelines. We will respond to the needs of society by developing

## Growth Strategy

## Message from the President

new products that can address price competition, environmental issues, and labor shortages in the construction industry. Meanwhile, jurisdiction over water supply projects in Japan has been transferred from the Ministry of Health, Labour and Welfare to the Ministry of Land, Infrastructure, Transport and Tourism as of April 2024. As a result, although it may take some years from now, it is possible that pipeline rehabilitation will attract even more attention and become mainstream in water supply rehabilitation. We will thus actively pursue market development.

## Business development challenges

In our automotive safety systems business, demand is expected to continue to expand due to stricter safety regulations. However, as electric vehicles (EVs) become more widespread and competition intensifies worldwide, automakers are starting to demand that we, as a supplier, reduce costs further and be more proactive with proposals. We have traditionally been known for being attentive to automakers' needs and providing detailed solutions, but we will need to be able to make our own proposals. For example, with regard to EVs, the interior design may require new types of airbags. And when self-driving is in operation, safety systems will be needed to protect passengers, who may be sitting in a variety of different positions, from unexpected collisions. We will further develop our collaboration with Toyota Gosei and enhance our ability to provide proposals that encompass seatbelts, airbags, and steering systems as a set.

The environment for PALTEM-related products in our high performance products business is facing three major problems: aging, public financial difficulties, and labor shortages. On one hand, buried

pipelines—as part of the infrastructure that includes water supply, sewerage, and gas pipelines—are aging. On the other hand, Japan's declining population is leading to issues like constrained public works budgets and construction site labor shortages. I want us to work on how we can contribute to solving these societal challenges, including by developing new technologies and construction methods, like operational automation and streamlining and shortened construction periods.

With regard to disaster prevention, our aim is to achieve continuous growth by securing orders for large-diameter hose systems for petrochemical complexes and nuclear power plants, while ensuring the safety and quality of our products. In our industrial materials business, we will put forward new, labor-saving products for the logistics industry, which is

suffering from significant labor shortages. We will also work to expand sales of environmentally friendly soil stabilization products for housing and civil engineering.

## Formulating a new medium-term management plan to begin in the fiscal year ending March 2026

Our current medium-term management plan will come to an end in March 2025. Over the course of the final year of the plan, we are discussing the formulation of a new medium-term management plan, which will cover the next three fiscal years (fiscal 2025 to 2027). We are committed to our corporate mission of providing products that

## ▶ Collaboration with Toyota Gosei

## Strengthening our ability to provide comprehensive solutions

## Seatbelts



## Airbags



## Steering



## Growth Strategy

## Message from the President



protect lives and livelihoods, and we are engaging in repeated discussions with our employees about business activities that will have great significance for society.

The current mission represents our company-wide mission. Based on that, we will formulate missions, visions, and values for each business segment in our new medium-term management plan. We have already formed study teams for each of our businesses, and employees have begun discussing different topics, such as the purpose of our businesses and how we will develop them for the future. I sometimes take part in these discussions, and they are both very interesting and valuable, as they bring up honest opinions you would not read in the official reports given at executive meetings. We can discuss problems that we've known about but haven't been able to address until now, as well as hear ideas on things like how to change the way we work. It's very good for employees to be able to sort out problems and consider

solutions on their own, and we intend to continue activities like these study teams in the future.

In the fiscal year ended March 2024, we achieved our highest-ever performance thanks to having overcome previous difficult periods and the tailwind of a weak yen. However, it will not be easy to continue to grow our performance at this rate. For the future, we will need to focus on investments that have been restrained up until now. We will also have to focus on new research and technological development. We will formulate and implement various human resource development measures and investment plans needed for sustained growth. Although the new medium-term management plan will present different challenges than before, it will offer us a period during which we can consider a business plan that will allow us to continue growing into a new phase. Furthermore, in the lead-up to our 150th anniversary in 2028, we will also be incorporating content that will

## Priorities as the representative of the Ashimori Group

### Valuing our mission

I value our company creed and corporate philosophy, "Be creative and contribute to society through our business activities" and our mission, "Provide products that protect lives and livelihoods." Our company has a history of creating new products and diversifying its business based on the technologies it has cultivated out of its original textile business. Some companies that seek to diversify their business end up diluting their core business, but, for nearly 150 years, Ashimori has firmly maintained its business of protecting lives and livelihoods. And we will continue to carry on this wonderful history and tradition.

Providing products that protect lives and livelihoods means taking on the responsibilities and having the determination to provide safe and reliable products to people all over the world. We need to be stronger and more competent as a company, and it is therefore essential that our executives and employees maintain high ethical standards and never forget to take pride in their work. To achieve this, it is not only important that each individual work to improve themselves but that organizational strength and teamwork also be included as key elements.

The Toyota Group has incorporated a QC (quality control) story-based problem-solving method as part of its workplace improvement activities. When I came to Ashimori as a corporate advisor in January 2024, I felt that employees' skills and expertise were not being effectively integrated. My thought was that, if we introduced the QC story-based problem-solving method to everyone and made it a common framework for how to work, instructions and reports between superiors and

## Growth Strategy

## Message from the President

subordinates would flow more smoothly, and everyone's ability to work within an organization would improve. So, I took on the role of lecturer myself and started training employees in problem-solving techniques. The classroom training, which involved around 30 people per session, has now been completed. The trainees have moved on to the phase where they choose the focus of their respective workplace responsibilities to put their problem-solving into practice. I imagine it will still take some time, but I have high hopes for the efforts of our employees.

In addition, we will strengthen the entire Ashimori Group by reforming our corporate culture to prioritize safety and quality through activities that promote the Ashimori Group Employee Code of Conduct, by systematically developing our human resources, by improving our technological development and manufacturing capabilities, and by strengthening our

financial structure. We are determined to create an open company in which each and every employee is able to grow further, fostering solid organizational strength and the motivation to pursue teamwork and take on challenges.

## Expanding the circle of dialogue

Dialogue with employees is crucial, as sitting in the boardroom doesn't tell you what's happening on the ground. Employees are also likely wondering what management is thinking. We need to reduce the distance between these two groups. I have started dialogue with executives and department heads, but I want to increase communication even further with employees. I want to expand the circle of dialogue to encompass not only employees but also business partners and customers. This was one of the reasons why I have undertaken training for our employees on problem-solving techniques. After I came to Ashimori as a corporate advisor, it was the first time I could introduce myself to the employees and get to know what sorts of employees we had at Ashimori. Additionally, I have been participating in the discussions that the study teams in each business have been having regarding the new medium-term management plan, as this provides an important opportunity for dialogue.

We need to provide our employees with more information about our business situation. At the same time, because the labor union is an equal counterpart to management, we would like to deepen discussions between labor and management so that, while management will continue to provide information, requests and issues will also be raised by the labor union.

## To our stakeholders

Moving forward, companies will be expected to balance solving societal challenges with achieving corporate growth. We have been doing this for over 100 years and are ever more determined to continue doing so. Sustained growth as a company is not possible unless we continue to meet society's expectations with the products and services that we provide.

We aim to build more open relationships with shareholders and our other stakeholders to ensure that the Ashimori Group resonates with everyone. Thank you for your continued and steadfast support.

## Dialogue with employees



Taking on the role of lecturer to provide training for employees

## Growth Strategy

# Ashimori Group Medium-Term Management Plan (FY March 2023–March 2025)

## Progress status

**The numerical targets for the second year of the Ashimori Group Medium-Term Management Plan (FY March 2023–March 2025) were achieved one year ahead of schedule, in the fiscal year ended March 2024.**

Consolidated net sales for the fiscal year totaled a record-high 68.389 billion yen, an increase of 2.765 billion yen from the previous fiscal year. Profits also grew significantly, with operating profit increasing 1.6 billion yen year-on-year to 3.753 billion yen, ordinary profit increasing by 1.405 billion yen year-on-year to 4.202 billion yen, and net income attributable to owners of the parent increasing by a significant 2.199 billion yen year-on-year to 3.217 billion yen. In all of these cases, profits reached a record high.

The fiscal year ending March 2025 is the third and final year of the medium-term management plan for the 123rd to 125th financial periods. For the third year of the medium-term management plan, we had established targets for consolidated net sales of 60 billion yen and operating profit of 2.7 billion yen, but we now expect consolidated net sales of 68 billion yen and operating profit of 3.2 billion yen, which are higher than initially planned. We expect net income to remain on target at 2.0 billion yen. Although we have planned for a year-on-year decrease in revenue and profits, we will implement various measures to improve performance and aim for results that exceed those of the previous fiscal year.

	FY ended March 2023 (result)	FY ended March 2024 (current)	FY ending March 2025 (forecast)	FY ending March 2025 (medium-term management plan)
Net sales	65.624 billion yen	68.389 billion yen	68 billion yen	60 billion yen
Operating profit	2.152 billion yen	3.753 billion yen	3.2 billion yen	2.7 billion yen
Net income	1.017 billion yen	3.217 billion yen	2.0 billion yen	2.0 billion yen

## Corporate strategy

### 1. Embark on a new growth trajectory

We will continue concentrating resources in the growth markets of automotive safety systems and pipeline rehabilitation.

#### • Automotive safety systems

#### Strengthen collaboration to expand safety system sales globally

In the field of automotive safety systems, we will clarify the division of roles in the collaboration between our company and Toyoda Gosei, develop safety systems that combine seatbelt and airbag technologies, and work to acquire new customers and increase orders.

### Strengthen our capital and business alliance with Toyoda Gosei

#### Improve product competitiveness



Collaboration that incorporates Toyoda Gosei airbag technology

**Expand sales globally**



Growth Strategy

**Ashimori Group Medium-Term Management Plan (FY March 2023–March 2025)**

• Pipeline rehabilitation (PALTEM Division)

In the field of pipeline rehabilitation, given the expectation that aging infrastructure in Japan will be replaced, we will strengthen the development of new construction methods and expand beyond the sewerage sector in order to respond to growing demand by further shortening construction times.

**Respond to growing demand accompanying infrastructure replacement**

Develop new construction methods to expand beyond the sewerage sector

**Urgent replacement is needed**



Increasing number of aging pipelines

Development of new construction methods that shorten construction time

Widely promote sustainable construction methods to increase visibility and expand sales

**2. Improve corporate structure, finance, and culture**

We aim to increase our corporate value by improving the quality of our human capital. We will reform our personnel and education systems to cultivate individuals with advanced expertise, a broad perspective, the ability to think logically, and who can apply all of this on a global stage, as described in the Ashimori Group HR Vision Statement. At the same time, we will establish and implement the Ashimori Group Employee Code of Conduct via employee group activities to facilitate our transformation into a corporate group possessed of high discipline and ethics.

**Improve corporate value by improving the quality of our human capital**

**Ashimori Group HR Vision Statement**

- Advanced expertise
- Broad perspective
- Logical thinking

Develop globally minded talent

**Reform of personnel and education systems**

- Employee group activities
- Establishment and implementation of the Ashimori Group Employee Code of Conduct

**Become a corporate group possessed of high discipline and ethics**

## Growth Strategy

# Automotive Safety Systems Business



Director, Managing Executive Officer,  
Division Manager of Automotive Safety  
Systems Business Division

## Kaoru Nagatomi

By further accelerating development, design, sales, procurement, and production-related collaboration with Toyoda Gosei, we aim to maximize the interests of all stakeholders.

At the Board of Directors meeting held on November 30, 2023, we resolved to enter into a capital and business alliance agreement with Toyoda Gosei Co., Ltd. and to strengthen our collaboration with them in the safety systems business. We will further accelerate development, design, sales, procurement, and production-related collaboration for the maximum mutual benefit of our shareholders, employees, customers, and other stakeholders.

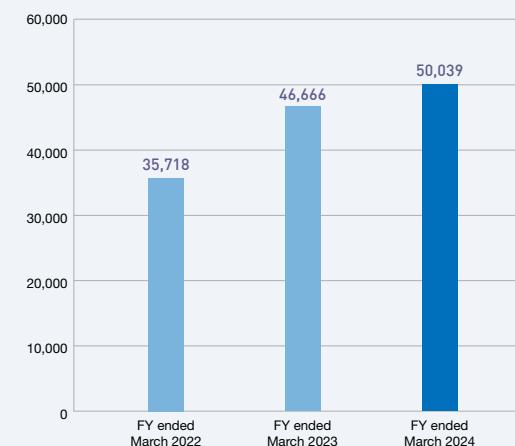
With regard to airbag development, both parties have already combined their technologies and know-how to create more competitive design specifications and have begun incorporating them into products. We are beginning to see benefits from pursuing economies of scale through the integration of product specifications and the increased sophistication of our supply chain.

Regarding production systems, we began introducing the Toyota Production System (TPS) into Ashimori at the start of this collaboration, and it has already been rolled out at our Osaka Plant and Yamaguchi Plant (Ashimori Industry Yamaguchi Co., Ltd.). Specifically, streamlining processes, reducing intermediate inventory, and introducing a kanban system have led to improved productivity and labor savings while also contributing to quality stabilization and inventory reduction.

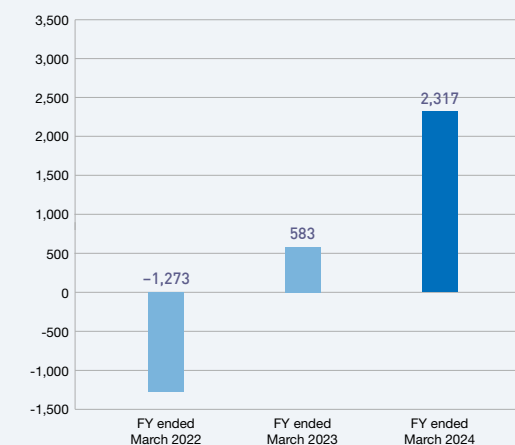
With regard to personnel exchanges, joint subcommittees have been set up for each collaborative theme and are actively working to create synergies. We also dispatch personnel to Toyoda Gosei and receive personnel from Toyoda Gosei. The two companies work to achieve mutual understanding of the way in which each company does their business.

With regard to our next medium-term management plan, we believe that the seeds of collaboration that we have been sowing under the current plan will finally bear fruit, and we hope to use this to achieve synergies both domestically and overseas.

Net sales (Million yen)



Operating profit (Million yen)



## Growth Strategy

## Automotive Safety Systems Business

## Overview

Our main products include automotive seatbelts, airbags, rear cargo space covers (tonneau covers), and electric sunshades. These products are manufactured and sold by Ashimori as well as our subsidiaries.



- Automotive seatbelts
- Airbags
- Tonneau covers
- Electric sunshades
- Nonelectric sunshades, others

## Source of strength

We have provided the world with a range of products while respecting the company's founding spirit of focusing on product development that is always one step ahead. This spirit remains in the DNA that we continue to pass on at Ashimori. We have taken on the challenge of manufacturing products that are one step ahead of our competitors and have created many "firsts in Japan." One example is when, in 1967, we became the first seatbelt manufacturer to receive JIS (Japanese Industrial Standards) certification for automotive seatbelts.

Based on this capacity for product development, we will continue to expand and develop our business by responding attentively to customer needs.

## External environment and business strategy

Ashimori has been affected by such factors as the declining sales volume of Japanese automakers in the Chinese market, but, as production aimed at European automakers is doing well, we will continue to pursue our business activities with undiminished intensity. Our Thai subsidiary supplies airbag cushions and seatbelts to group companies and will continue to enhance its competitiveness through active investment in automation.

With regard to airbags, we will continue to pursue sales expansion within the framework of collaboration with Toyoda Gosei. We are already supplying seatbelts to emerging EV manufacturers. We have completed development of a next-generation seatbelt with significantly improved product competitiveness. We are receiving keen interest and inquiries for this seatbelt from new customers who we have not previously worked with, and we hope to steadily use this to expand sales globally.

## News

## Horizontal recycling

Horizontal recycling involves the cyclical movement of resources, whereby used plastics extracted from scrapped cars are given new life as resin materials for new cars through collaboration with resin manufacturers and recyclers.

We have established material recycling rates for plastic and die-cast parts, and these are reflected in our products. We will continue working to find ways to conserve resources.

## Growth Strategy

# High Performance Products Business



Director, Managing Executive Officer,  
Division Manager of High Performance  
Products Business Division

## Futoshi Makimoto

We are investing resources to establish a solid position in the Japanese domestic pipeline rehabilitation market.

We are working on the following measures that will establish our position as a comprehensive infrastructural disaster prevention manufacturer.

The chief growth department is the PALTEM (pipeline rehabilitation) division, which is currently expanding the scale of its business in response to the Japanese government's Fundamental Plan for National Resilience, a risk management initiative. As of the end of fiscal 2022, the total length of sewerage pipeline in Japan was approximately 490,000 km. The amount of sewerage pipeline that has exceeded its standard service life of 50 years will rapidly increase over the next 20 years. As of the end of fiscal 2021, the total length of water supply pipeline was approximately 740,000 km. Roughly 140,000 km of this pipeline has exceeded its legal service life of 40 years.

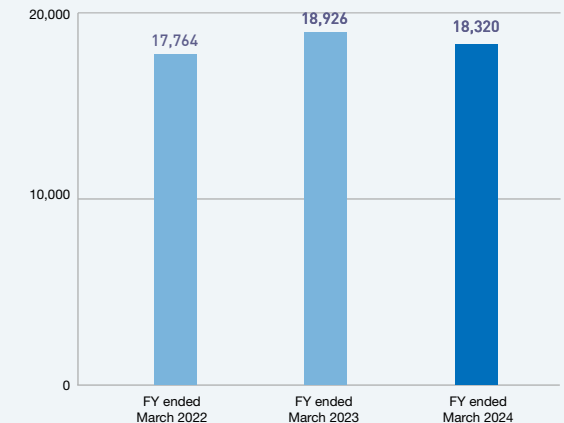
Given all of this, pipeline repair and rehabilitation and earthquake-proofing are required from a long-term perspective. It is thus expected that the market for pipeline rehabilitation will continue to expand. We are improving the technology for existing construction methods and developing new environmentally friendlier construction methods with shorter construction times, while also strengthening our expansion into areas other than sewerage. The aim is to bolster our profitability so that sales and profits can be increased at a pace at least as fast as that of the market's expansion.

In the area of disaster prevention, we will expand sales of fire extinguishing system products, such as for large-scale fires at petrochemical complexes, and develop new disaster prevention supplies. Additionally, we will aim to improve profitability by streamlining our production system and reducing sales, general, and administrative expenses.

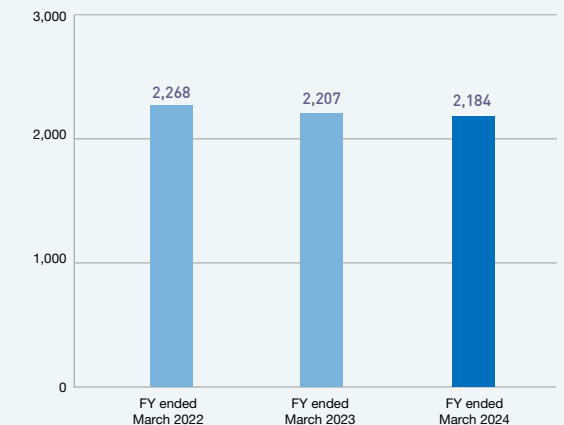
With regard to industrial materials, we will focus on product selection and concentration. We will work together with group companies to develop and expand sales of labor-saving logistics products that meet the needs of the logistics industry, which is suffering from a serious labor shortage.

We will steadily capture demand, particularly for pipeline rehabilitation in the sewerage sector, while in the disaster prevention and industrial materials sector, we will continue to work not only on existing products but also on entering new markets as well as actively developing new products.

Net sales (Million yen)



Operating profit (Million yen)



## Growth Strategy

## High Performance Products Business

## Overview

Our main products include fire hoses, fire hydrant hoses, industrial/civil engineering hoses, pipe repair hoses, high-performance fabrics, synthetic ropes, narrow woven fabrics, disaster prevention supplies, construction materials, and other related products and materials. These products are manufactured and sold by Ashimori as well as our group companies. In addition, Ashimori Engineering Co., Ltd., a group company, primarily purchases construction materials from us which they then use to carry out pipeline rehabilitation work.

## PALTEM division



- Materials and equipment for PALTEM pipeline rehabilitation
- Construction materials, others

## Disaster prevention division



- Fire hoses
- Industrial/civil engineering hoses
- Disaster prevention materials and equipment, others

## Industrial materials division



- Industrial fiber materials (synthetic ropes, canvas, others)
- Labor-saving logistics systems
- Personal fall-arrest equipment, others

## Source of strength

We have taken on the challenge of manufacturing products that are one step ahead of our competitors and have created many “firsts in Japan.” Some of these many firsts include cotton power transmission ropes, followed by black ropes and, in the 1950s, latex rubber-lined fire hoses, automotive seatbelts, and PALTEM. We also have connections with a number of different industries, such as were leveraged in jointly developing PALTEM with a gas company. We receive numerous development requests from companies in not only the textile industry but also the fire-fighting equipment industry, automotive industry, ship and truck industry, and accessory installation industry, among others. We carefully cultivate and maintain these connections with numerous industries, all while continuing to develop new products that are the result of pushing ourselves to meet ever higher technological standards.

## External environment and business strategy

The business environment for the Ashimori Group from the 124th fiscal year (ended March 2024) to the 125th fiscal year (ending March 2025) is generally recovering. However, raw material prices remain high and labor costs continue to rise.

In this environment, I believe that we will have increasing opportunities to contribute to society through the sustainable products/systems we provide. Examples include PALTEM, a pipeline rehabilitation method that has a lower environmental impact than conventional excavation methods; for disaster prevention, drain hoses and disaster tents; and, for industrial materials, labor-saving logistics products.

## Measures and outlook for the fiscal year ending March 2025

In the fiscal year ending March 2025, demand for PALTEM-related products is expected to remain strong due to core demand from the government. In disaster prevention-related products, although there has been a reactionary decline compared with the previous year, when large-diameter hose systems were delivered to petrochemical complexes, we are working to ensure that market demand translates into sales.

The market for industrial materials is generally showing signs of recovery, and, with the so-called 2024 problem in mind, sales of products for the logistics and automotive industries, which are the main focus of the company, have remained strong.

We will steadily capture demand, particularly for pipeline rehabilitation in the sewerage sector, while in the disaster prevention and industrial materials sector, we will continue to work not only on existing products but also on entering new markets as well as actively developing new products.

## News

Our industrial materials division product, Silica Screen, has been delivered to Azabudai Hills, which opened in Minato Ward, Tokyo in November 2023. While typically concealed in the ceiling as part of the fire prevention system and not usually visible, this industrial material, noted for its excellent heat resistance, thermal insulation, and electrical insulation, has been supplied as fire shutters.



Note: The photo is not from the installation at Azabudai Hills.

Growth Strategy

# Research and Development, Quality Control, Intellectual Property

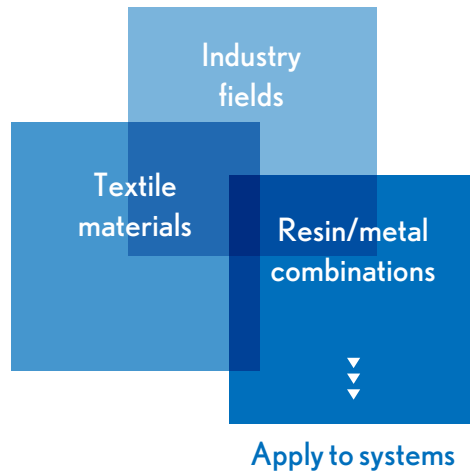
## Research and Development

▶ R&D policy

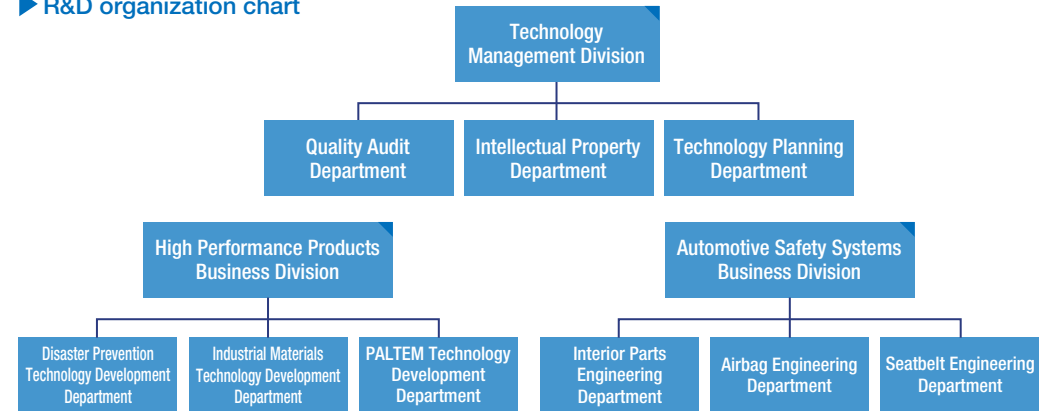
By deploying and combining our four core technologies of weaving/assembling, winding/fixing, plastic processing (covering), and inflating, we have developed products ranging from fiber/resin/metal composite components to complete systems. We are engaged in ongoing R&D with the aim of expanding our business in the safety and renewal market.

▶ R&D areas

We have established an R&D system that allows us to contribute to society through manufacturing driven by cutting-edge technologies and ideas. We continue to advance this system in targeting the fields of automotive safety systems and high-performance products, including disaster prevention products, industrial materials, and PALTEM.



▶ R&D organization chart



News

We develop products combining our core technologies with an eye to future markets.

1. Tapping new markets, developing new products

We are using environmentally friendly materials to develop disaster mitigation products. We are also developing products that make work easier for nursing care and other physically demanding jobs. In the environmental field, we are in the process of developing systems that help prevent global warming.

2. Developing products and systems that use tubular fabrics

Our efforts include using innovative looms and extrusion molding technologies to develop light and smooth low-recoil hoses, and building and disseminating water-supply systems.

3. Production innovation

We are developing hose production technologies that utilize atmospheric pressure plasma, and automating looms.

## Growth Strategy

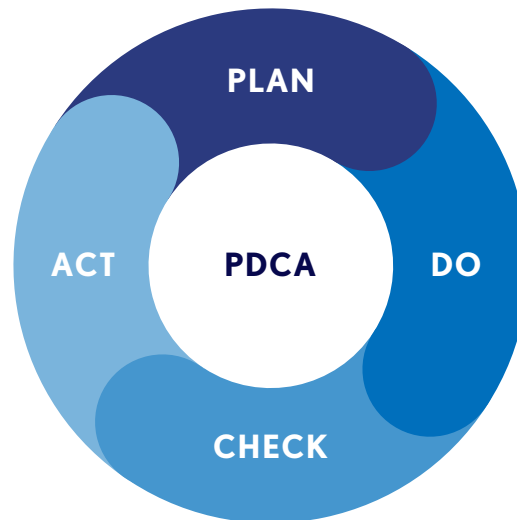
## Research and Development, Quality Control, Intellectual Property

## Establishing a Quality Control System

We have established quality-assurance departments in all of our business divisions. In addition to complying with relevant standards and statutes, we regularly and strictly review how well we are complying with the requirements demanded by our customers. A quality control structure incorporating a PDCA cycle is established, maintained, and improved throughout every business process, including product planning, design, development, manufacturing, and shipment.

## ▶ Quality management structure

ISO 9001 is a widely recognized international standard for quality management systems. It governs the management and supervision of the quality of services and manufactured products, with a view to ensuring customer satisfaction and promoting continuous improvement. IATF 16949, another international quality management standard, was formulated specifically for organizations in the automotive industry. Based on ISO 9001, this standard includes additional industry-specific requirements. The IATF 16949 standard was developed with the purpose of globally unifying automotive standards in the United States, Germany, France, and Italy. Ashimori has succeeded in continuously meeting the stringent requirements of this certification.



## Intellectual Property

## ▶ Basic approach

Under a policy of being a supplier possessing intellectual property that gives a competitive edge, our main jobs are conducting intellectual property activities including applying for patents, and supporting our business divisions by carrying out intellectual property clearance.

## ▶ Management of intellectual property and technologies

To protect our own IP rights and respect those of other companies, we do more than simply apply for patents as we have always done. Other efforts include striving for confidentiality through combination with design patents, trademarks, and knowhow; systematic training to improve the expertise of our IP employees; and the collection and analysis of IP information that strengthens our business.

## Growth Strategy

## Financial Strategy



Executive Officer,  
General Manager of Administration Division,  
General Manager of Computer Systems Department

**Junji Doi**

Striving to establish a stable business  
base and improve ROE

**Q Could you explain the financial strategies outlined in the Medium-Term Management Plan?**

In the current Medium-Term Management Plan (123rd to 125th fiscal years [fiscal year ended March 2023 to year ending March 2025]), we decided to once again tackle the challenge of achieving the target figures of the previous medium-term management plan by working with Toyoda Gosei to make our automotive safety systems business profitable and to returning the profitability of our high performance products business to pre-pandemic levels. Specific targets for the fiscal year ending March 2025 are net sales of 60,000 million yen, operating profit of 2,700 million yen, and net income of 2,000 million yen.

Over the long term, we have set targets of company-wide ROIC of over 7%, reducing borrowings, achieving an equity ratio of 40%, a dividend payout ratio of 30% or more, and a dividend per share of 100 yen.

**Q Please explain Ashimori's performance for the fiscal year ended March 2024 and your forecast for the fiscal year ending March 2025.**

In fiscal 2023 (year ended March 2024), the performance of our automotive safety systems business improved significantly due to the weak yen, and, even in our high performance products business, which was sluggish in the first half of the year, orders in our mainstay PALTEM business were strong for the period. These resulted in a significant increase in revenue and profit compared to the previous fiscal year, and we achieved our best performance ever. As a result, we reached our numerical targets, including a 7% ROIC (return on invested capital) and a 40% equity ratio, one year ahead of schedule.

For fiscal 2024 (year ending March 2025), we expect reduced revenue and profits in our automotive safety systems business due to uncertainty in exchange rates and rising labor costs. In our high performance products business, although

**▶ Financial status**

(Unit: Million yen)	FY ended March 2023	FY ended March 2024	Year-on-year change
Current assets	32,552	34,652	2,100
Fixed assets	19,000	19,209	208
Total assets	51,552	53,861	2,309
Interest-bearing debt	14,299	12,937	-1,361
Other liabilities	18,801	18,358	-443
Total liabilities	33,100	31,295	-1,804
Capital	8,388	8,388	-
Capital surplus	1,632	1,632	-
Retained earnings	7,985	10,901	2,915
Treasury stock	-148	-148	0
Accumulated other comprehensive income	556	1,743	1,187
Stock acquisition rights	20	24	4
Non-controlling interests	17	24	6
Total net assets	18,452	22,566	4,114
Total liabilities and net assets	51,552	53,861	2,309
Equity ratio	35.7%	41.8%	6.1%

**▶ Cash flow status**

(Unit: Million yen)	FY ended March 2023	FY ended March 2024	Year-on-year change
Cash flows from operating activities	6,267	3,173	-3,093
Cash flows from investing activities	-1,463	-725	738
Cash flows from financing activities	-2,700	-1,901	798



Growth Strategy

Financial Strategy

demand is expected to be robust and revenue will increase, we expect a decline in profit margins due to rising raw material and labor costs and, therefore, expect operating profit to remain flat. As a result, profits are predicted to decrease overall (net sales 68,000 million yen, operating profit 3,200 million yen, ordinary profit 3,200 million yen, and net income attributable to owners of the parent 2,000 million yen).

**Q** What is your view on financial risks?

In fiscal 2023 (fiscal year ended March 2024), we made capital investments of 1,310 million yen. We worked to strengthen our financial structure and reduce interest-bearing debt by keeping depreciation costs within 1,746 million yen. Of these capital investments, 770 million yen was spent on the automotive safety systems business. Although we have concluded our large-scale investments, such as building factories to expand our production base, we will continue to invest in molds to win new orders and in updating aging production equipment.

In fiscal 2023, we continued to reduce interest-bearing debt, which decreased by 1,361 million yen year-on-year. Interest-bearing debt, including long-term and short-term debt, at the end of the fiscal year ended March 2024 was 13,008 million yen, which accounts for 24% of total assets of 53,861 million yen. Moving forward, we will continue to carefully evaluate the profitability of each investment project and select them accordingly. We will not raise new funds, and we plan to reduce our interest-bearing debt to below 12,000 million yen by the end of the fiscal year ending March 2025.

**Q** Tell us about shareholder returns.

The final dividend for the 124th fiscal year (ended March 2024) was planned to be 75 yen per share, but, since the numerical targets of the Ashimori Group Medium-Term Management Plan for the 123rd to 125th fiscal years (year ended March 2023 to year ending March 2025) were achieved one year ahead of schedule, it has been set at 100 yen per share.

Although we will fall short of our target dividend payout

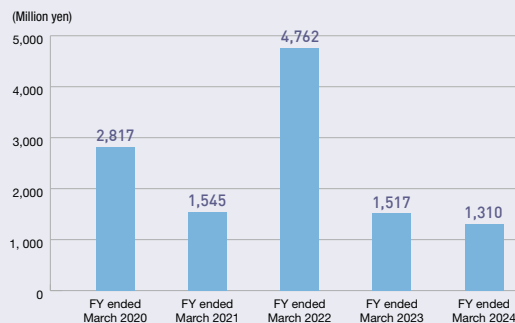
ratio of 30%, we have decided to prioritize strengthening our financial base by reducing interest-bearing debt.

With regard to the retained earnings for this fiscal year, we intend to effectively invest them to strengthen our financial base, research and development, capital investment, human resources investment, M&A, and other elements that will increase our corporate value over the medium to long term.

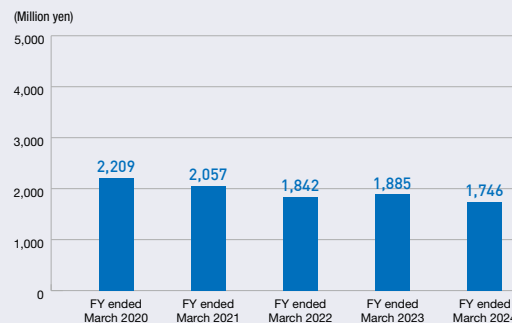
**Q** Tell us about Ashimori's financial strategy, including future business outlook and shareholder returns.

We have made reliability and soundness the foundations of our business and have worked to establish a stable business base from a long-term perspective. Regarding dividends, we see profit distribution as one of our most important priorities and place importance on maintaining stable dividends. Moving forward, we will continue to make every effort to establish a stable business base and improve our return on equity.

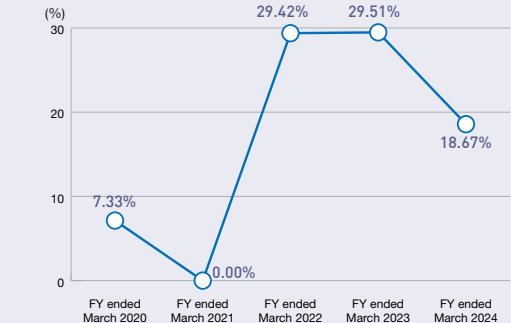
▶ Capital investment



▶ Depreciation



▶ Dividend payout ratio



Sustainability Action

# Sustainable Management and Materiality



## Sustainability Committee

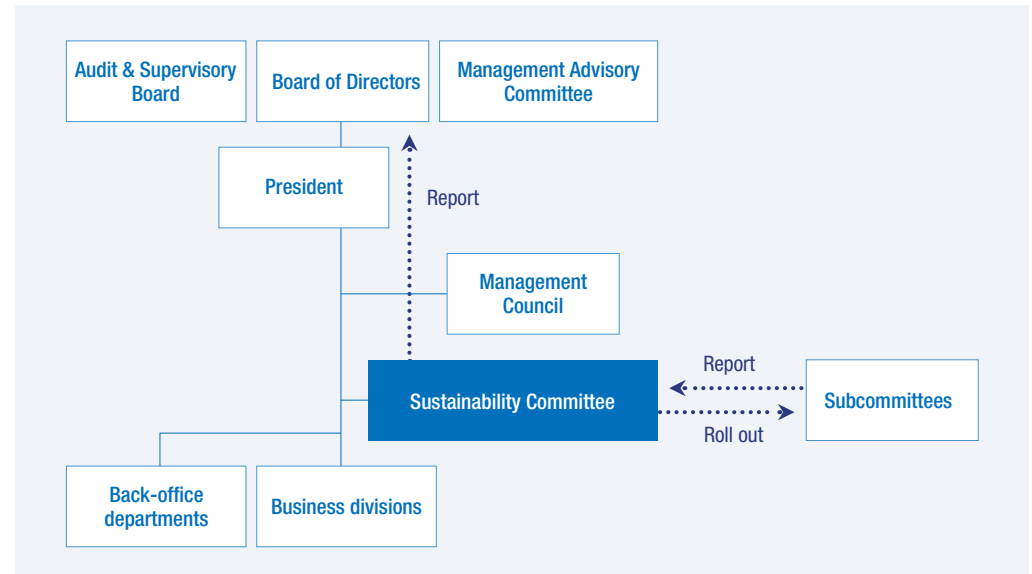
On October 22, 2021, the Board of Directors approved the establishment of the Sustainability Committee, which has since met as a general rule every three months. The committee formulates a basic policy on sustainable management and deliberates on sustainability-related issues. It also identifies risks and business opportunities related to climate change, and comes up with measures and policies to deal with these, which it reports to the Board of Directors.

The Board of Directors monitors progress on relevant management strategies and makes appropriate recommendations to business divisions. We have established a sustainability implementation structure, shown at right, which covers all Ashimori divisions and group companies for the purpose of thoroughly informing and executing sustainability policy and action throughout the Group.

## Overview of Sustainability Committee

<b>Purpose</b>	Promote management from the viewpoint of sustainability
<b>Role</b>	Formulate a basic policy on sustainable management, deliberate on sustainability-related issues, risks, and opportunities, and submit reports and recommendations to the Board of Directors
<b>Meeting frequency</b>	Quarterly (as a rule)
<b>Chair</b>	President
<b>Members</b>	Inside directors, executive officers, full-time Audit & Supervisory Board members, general managers of related departments, General Administration Department SDGs Promotion Unit

## Sustainability Implementation Structure

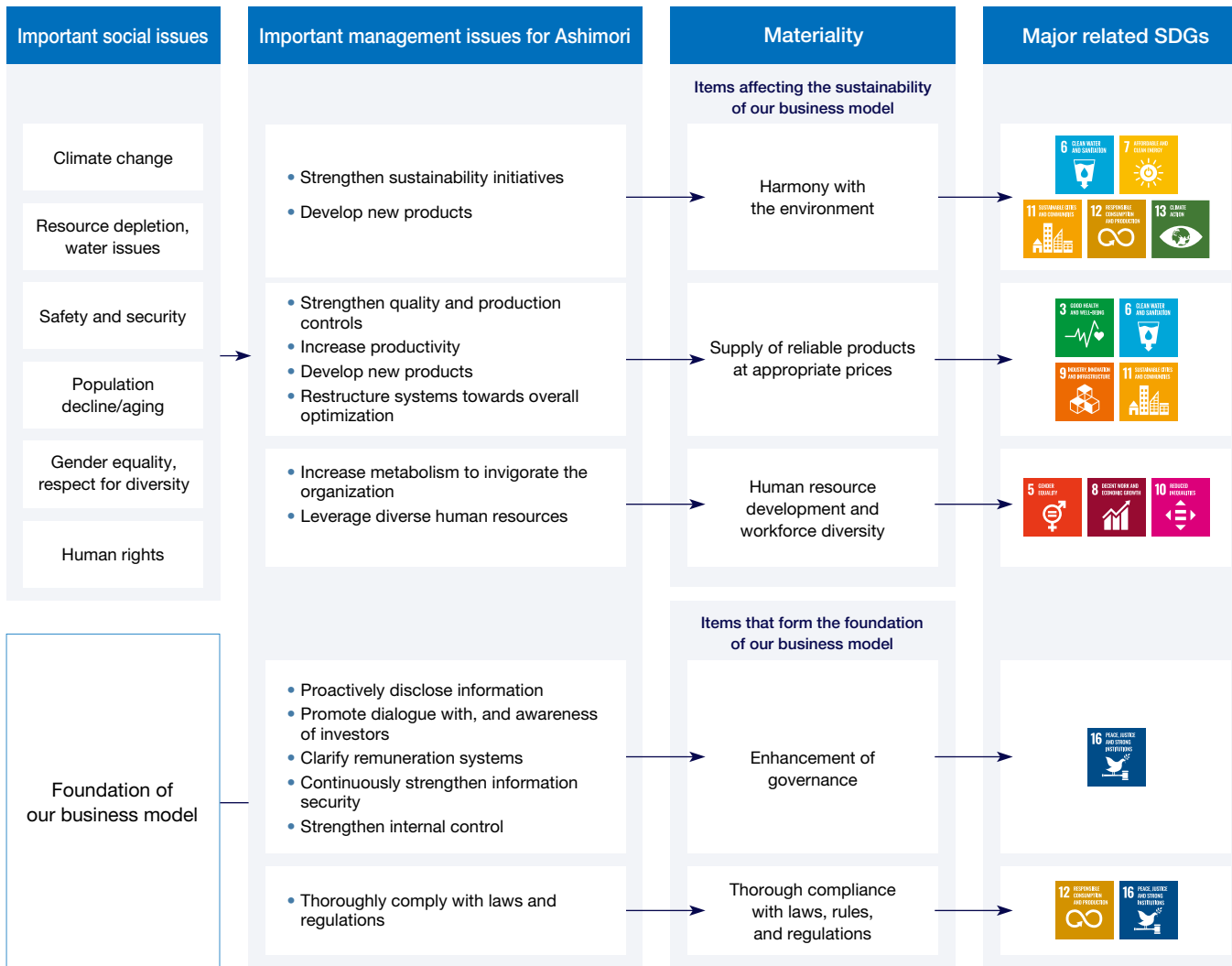


Sustainability Action

## Sustainable Management and Materiality

### Materiality

For materiality, Ashimori has selected: mainly non-financial items that may affect the sustainability of the company's business model and that are common to "important social issues" and "important management issues for the company" and; items related to the key management issues that form the foundation of the company's business model.



### 5 material issues

5 material issues

**Harmony with the environment**

**Main initiatives**

- Reduce CO<sub>2</sub> emissions
- Work towards a circular economy
- Carry out construction work in a green manner



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**Supply of reliable products at appropriate prices**

**Main initiatives**

- Strengthen quality management structure, establish quality assurance departments in all business divisions



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**Human resource development and workforce diversity**

**Main initiatives**

- Build a fair, transparent personnel evaluation system
- Foster employees to fit the ideals of the Ashimori Group HR Vision Statement



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**Enhancement of governance**

**Main initiatives**

- Strengthen corporate governance



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**Thorough compliance with laws, rules, and regulations**

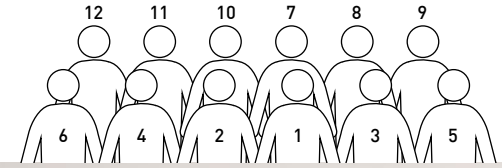
**Main initiatives**

- Improve and strengthen compliance management system
- Internal audits of the Ashimori Group, including all worldwide group companies



Sustainability Action

# Management Team



1 Representative Director,  
President, Chief Executive Officer  
**Hiromasa Zaitu**

2 Director,  
Managing Executive Officer  
**Futoshi Makimoto**

3 Director,  
Managing Executive Officer  
**Kaoru Nagatomi**

4 Director, Executive Officer  
**Kazuyoshi Ito**

5 Director, Executive Officer  
**Akinori Koyama**

6 Director (Outside)  
**Haruo Shimizu**

7 Director (Outside)  
**Yasushi Okada**

8 Director (Outside)  
**Takashi Ogawa**

9 Director (Outside)  
**Kazuyoshi Furukawa**

10 Full-Time Audit &  
Supervisory Board Member  
**Hiroki Kane**

11 Audit & Supervisory Board Member  
(Outside)  
**Masami Oishi**

12 Audit & Supervisory Board Member  
(Outside)  
**Mitsuhiro Morikawa**

## Sustainability Action

## Management Team

**1** | Representative Director, President, Chief Executive Officer  
**Hirosama Zaitus**

April 1985 Joined Toyota Motor Corporation  
January 2010 General manager of Technology Administration Division, Toyota  
June 2013 General manager of General Administration Division, Toyota  
June 2017 Executive officer of Toyoda Gosei Co., Ltd.  
January 2024 Advisor of Ashimori Industry  
June 2024 President and chief executive officer (to present)

**5** | Director, Executive Officer  
**Akinori Koyama**

April 1988 Joined Ashimori Industry  
November 2018 General manager of Airbag Engineering Department, Automotive Safety Systems Business Division  
June 2019 President of Ashimori Industria de Mexico, S.A. de C.V.  
April 2023 General manager of Engineering Management Group, Automotive Safety Systems Business Division (to present)  
June 2023 Executive officer (to present)  
April 2024 General manager of Business Management Group, Automotive Safety Systems Business Division  
June 2024 Director, deputy division manager of Automotive Safety Systems Business Division (to present)

**9** | Director (Outside)  
**Kazuyoshi Furukawa**

April 1980 Joined Konoike Construction Co., Ltd.  
October 2013 Operating officer of Konoike  
October 2018 Director and senior executive officer of Konoike  
October 2020 Director and vice president of Konoike  
February 2021 Senior executive officer of Konoike  
March 2023 Standing advisor of Konoike  
June 2024 Outside director of Ashimori Industry (to present)

**2** | Director, Managing Executive Officer  
**Futoshi Makimoto**

August 1987 Joined Ashimori Industry  
June 2016 President of Ashimori Engineering Co., Ltd.  
June 2017 Executive officer of Ashimori Industry  
November 2018 General manager of PALTEM Management Group  
June 2019 Director, managing executive officer, division manager of High Performance Products Business Division (to present)  
June 2023 Head of Osaka Office (to present)

**6** | Director (Outside)  
**Haruo Shimizu**

February 1970 Joined Daikin Manufacturing Co., Ltd. (now Exedy Corporation)  
June 2006 President and CEO of Exedy  
April 2015 Chairman of Exedy  
June 2016 Senior advisor of Exedy  
June 2019 Outside director of Ashimori Industry (to present)

(Significant concurrent positions)  
Outside director of Suminoe Textile Co., Ltd.

**10** | Full-Time Audit & Supervisory Board Member  
**Hiroki Kane**

April 1988 Joined Ashimori Industry  
May 2015 General manager of Accounting Department  
June 2017 General manager of Internal Audit Office  
June 2022 General manager of Finance Department  
June 2023 General manager of Business Administration Department, Automotive Safety Systems Business Division  
June 2024 Full-time Audit & Supervisory Board member (to present)

**3** | Director, Managing Executive Officer  
**Kaoru Nagatomi**

January 2019 Joined Toyoda Gosei Co., Ltd.; section head, Safety Systems Engineering Division  
June 2021 Executive officer of Ashimori Industry; in charge of development under division manager of Automotive Safety Systems Business Division  
April 2022 Managing executive officer, division manager of Automotive Safety Systems Business Division (to present)  
June 2023 Director (to present)

**7** | Director (Outside)  
**Yasushi Okada**

April 1993 Joined Toyoda Gosei Co., Ltd.  
June 2020 Deputy chief, Product Development Center, Toyoda Gosei  
June 2021 Outside director of Ashimori Industry (to present)  
June 2022 Deputy chief, SS Headquarters, Toyoda Gosei (to present)  
June 2023 Corporate officer of Toyoda Gosei (to present)  
January 2024 Chief of Europe and Africa Regional Headquarters of Toyoda Gosei (to present)

(Significant concurrent positions)  
Corporate officer, deputy Chief of SS Headquarters, chief of Europe and Africa Regional Headquarters of Toyoda Gosei

**11** | Audit & Supervisory Board Member (Outside)  
**Masami Oishi**

April 1990 Joined Ministry of Foreign Affairs of Japan (MOFA)  
March 2005 Left MOFA  
December 2010 Registered as attorney, joined Osaka International Law Offices  
June 2022 Outside Audit & Supervisory Board member of Ashimori Industry (to present)  
October 2022 Joined Progress Law Firm (to present)

**4** | Director, Executive Officer  
**Kazuyoshi Ito**

March 1988 Joined Ashimori Industry  
April 2014 General manager of PALTEM Sales Department  
June 2019 Executive officer, general manager of PALTEM Management Group, president of Ashimori Engineering Co., Ltd.  
June 2021 Head of Tokyo Office (to present)  
June 2022 Director (to present)

**8** | Director (Outside)  
**Takashi Ogawa**

April 1982 Joined Toyota Motor Co., Ltd. (now Toyota Motor Corporation)  
April 2015 Executive officer, AE Engineering Group general manager, Fujitsu Ten Ltd. (now Denso Ten Ltd.)  
April 2019 Director, senior executive officer, Denso Ten  
June 2023 Outside director of Ashimori Industry (to present)  
October 2023 Outside director of Central Engineering Co., Ltd. (to present)

(Significant concurrent positions)  
Outside director of Central Engineering Co., Ltd.

**12** | Audit & Supervisory Board Member (Outside)  
**Mitsuhiro Morikawa**

April 1982 Joined Unitika Ltd.  
June 2009 General manager of Business Administration Office, Management Department; general manager of Polymerization Division  
July 2012 Executive officer, general manager of Management Department  
July 2013 Senior executive officer  
June 2018 Full-time Audit & Supervisory Board member  
June 2022 Corporate advisor  
January 2023 Retired as corporate advisor  
June 2023 Outside Audit & Supervisory Board member of Ashimori Industry (to present)

## Sustainability Action

# Outside Director's Message



**By enhancing overall capabilities, including strategic planning, Ashimori aims to be a manufacturer that can demonstrate its unique strengths.**

Outside Director  
**Takashi Ogawa**

Ogawa joined Toyota Motor Co., Ltd. (now Toyota Motor Corporation) in 1982. In 2015, he became executive officer and group general manager of AE Engineering Group of Fujitsu Ten Ltd. (now Denso Ten Ltd.); in 2019 he became senior executive officer and director of Denso Ten; and, in 2023, he became an outside director of Central Engineering Co., Ltd. Ogawa has been an outside director at Ashimori since 2023.

## Enhancing planning capabilities to become a trailblazing manufacturer

I believe that Ashimori is a typical Japanese manufacturer with outstanding technological capabilities. Its engineers are very passionate about making superb products, and I believe they are confident in their ability to efficiently create cost-effective products. However, these abilities and knowledge are highly specific to each individual, and efforts to improve skills that are not directly related to manufacturing, such as passing technical know-how on to the next generation or improving planning capabilities for creating new products that generate demand, appear to be lackluster. This is not unique to Ashimori; it is something often seen in Japanese manufacturers.

For Ashimori to grow further, it needs to efficiently and explicitly codify and deploy the knowledge associated with its high-level technology, as well as improve its problem-solving and human resource development capabilities, which are fundamental for a company. In the automotive industry, which I have been involved in for a long time, Japanese manufacturers are in a position to lead a once-in-a-century period of transformation, and bringing about this change will require the ability to look ahead and plan. Change is accelerating not only in the automotive industry but in many other industries as well, where planning skills and negotiating skills (political power) are becoming more important than ever before. I believe that, if it keeps these things in mind, Ashimori can expect significant growth.

## Ensuring effectiveness through spirited discussions among directors who possess different experience and knowledge

At each board meeting, directors with a variety of backgrounds exchange frank opinions, including opposing views, and these discussions get so lively that they tend to extend the meeting time. By the way things are done, I believe the business execution departments take these discussions seriously.

The purpose of the Board of Directors is to increase the company's added value in the medium to long term and to consider the direction to take towards that end. Thus, I think it will be difficult to assess whether or not the board is effective until some time has passed. However, although I have only been an outside director for one year, I believe that this process is ensuring the effectiveness of the Board of Directors.

This fiscal year marks the final year of the current medium-term management plan. Although I was not involved in the discussions for formulating this plan, I would like to take an active role in the discussions leading up to the formulation of the next plan in order to further enhance the effectiveness of the Board of Directors.

## Capitalizing on many years in the automotive industry to offer ideas for strengthening collaboration with partner companies

Having worked in an OEM and tier 1 supplier in the automotive industry, I believe that my role at Ashimori is to offer recommendations on how to strengthen collaboration between Ashimori and Toyoda Gosei, based on a thorough understanding of the positions of OEMs and tier 1s, whose interests differ slightly.

Toyoda Gosei is a trusted partner and a major shareholder, so it would normally be assumed that there would be no problems if one followed their guidance. Because their guidance is usually correct, it allows Ashimori to concentrate on making its products without having to think about extraneous matters. However, if Ashimori continues on like this, its ability to think ahead and develop products will become diminished, and I believe that this risks a loss of balance in terms of maintaining Ashimori's development, growth, and distinctiveness over the medium to long term. I think this is an important focus for discussion going forward so that Ashimori does not lose its originality and its employee vitality.

## Anticipating corporate development through improved overall strength and synergy between the two business divisions

Towards that end, as I mentioned at the beginning, I would like to propose that Ashimori cultivate managers with problem-solving and human resource development skills, and that it improve its overall capabilities as a manufacturer and as a company, including its strategic planning capabilities. When a problem occurs, it is necessary to identify the root cause and prevent it from reoccurring. I would like to see a process developed that advances this from both a technical and managerial perspective, and I am considering how, and to what extent, I can contribute in my role as an outside director.

Finally, in the future, if Ashimori can successfully create synergy between its two major businesses, automotive safety systems and high performance products, I believe it will be able to expand into a variety of other businesses. I think there are a variety of possibilities, such as synergy in basic technology, synergy in work processes, or synergy in production methods, and as we are doing business in the same company, my hope is that Ashimori finds good synergies.

## Sustainability Action

# Outside Audit & Supervisory Board Member's Message



**As an Audit & Supervisory Board member who is also a lawyer, I want to foster a proactive approach in addressing potential risks.**

Outside Audit & Supervisory Board Member  
**Masami Oishi**

Oishi joined the Ministry of Foreign Affairs in 1990. She became a registered attorney in 2010 and joined the Progress Law Firm in 2022. Since June 2022, she has been an outside Audit & Supervisory Board member at Ashimori.

## Cultivating a heightened sensitivity for leveraging steadily honed and distinctive technology in the modern era

My impression of Ashimori's corporate culture is that it is laid-back, in both a good and bad sense. I believe the reason Ashimori has been able to cultivate technological capabilities over the years that demonstrate such a high degree of originality is because it has steadily honed these capabilities free from a sense of pressure to keep up with the ever-changing times. At the same time, however, in order to use these technologies to contribute to society in the future, Ashimori must be more sensitive to those trends for which these technologies can be leveraged. To achieve this, it is important to interact with people from a variety of industries, rather than being confined to just those within the same company.

In terms of reforming Ashimori's corporate culture, employee group activities have been held for the past three years as a way of creating an open work environment and improving work efficiency. This initiative seems to be helping employees communicate better with each other and to develop an awareness of their roles and responsibilities. I hope that these group activities will transcend departmental and sectional boundaries so that Ashimori's different business divisions do not become disconnected from the outside world or each other, like the proverbial frog in a well.

## Responding to frank questions from different sectors in order to strengthen governance

The atmosphere at board meetings is such that people feel free to frankly and openly express their opinions. Outside directors with management experience often have insightful questions and advice about business planning and execution, based on their own experience, to which the business execution members provide clear replies. My assessment is that governance is functioning effectively in terms of both decision-making and oversight.

On the other hand, in order to have effective discussions at board meetings, all directors must understand the company's business activities and the issues it faces. But because Ashimori's business is diverse, it sometimes seems that people from other industries do not receive sufficient advance input. I also believe that effectiveness can only be achieved if discussions are properly reflected in business execution, but due to time constraints, I sometimes feel that the reporting on business execution is insufficient.

Regarding the skills matrix of executives, there has been a slight increase in those with business experience. Those with executive or management experience tend to focus on figures like sales and profits and are also proactive about tackling new products and other initiatives. In such situations, I think someone with a different background like myself is needed, especially as an audit and supervisory board member, to apply the brakes a little and ask whether pushing ahead as-is is the right thing to do. I believe that governance is functioning properly, as even the frank questions I have are answered and addressed sincerely.

## Handling the issue of diversity with real action and not just appearance

As a lawyer, I understand that I am expected to strengthen governance, particularly in terms of compliance with laws and regulations. I am now in my third year as an outside Audit & Supervisory Board member, and I have gained a general understanding of Ashimori's operations and the issues it faces. Going forward, I want to go beyond dealing with everyday operational issues and be more active in addressing other matters, such as potential risks.

When it comes to diversity at Ashimori, I believe what is needed is not just to improve appearance, but to give advice and foster activities that promote real action in responding to the diversification of society.

Looking at the percentage of female managers, it's clear that Ashimori is lagging behind in terms of gender equality and diversity. However, over the past 10 or so years, the company has been actively hiring women, and the number of female managers will likely increase in the future. I hope that, in the future, Ashimori will have female and non-Japanese executive officers who have been promoted from within the company. As a female executive myself, I hope to contribute in providing opportunities and motivation for breaking through the glass ceiling within Ashimori.

## Bringing in a fresh wind with the hope that 1 + 1 produces a result greater than 2

Under the leadership of new president Hiromasa Zaitzu, who took office in June, collaboration between Toyoda Gosei and the automotive safety systems business will see even further development. This is a great opportunity to learn about the world-renowned Toyota Production System, but Ashimori also has its own advantages that have allowed it to stay in business for some 150 years. Rather than simply implementing the Toyota Production System, my hope is that, through close collaboration that takes into consideration employee sentiment, the result of this 1 + 1 effort is something greater than 2.

With regard to Ashimori's collaboration with Toyoda Gosei, while much of the attention is focused on the automotive safety systems business, I believe even more attention needs to be spent on unifying Ashimori's corporate values as a whole and fostering a sense of unity across all of businesses.

I hope that, by bringing in a different perspective from Toyoda Gosei, the high performance products business will be able to pursue a fresh approach that lets it leap forward.

Sustainability Action

# Governance

## Corporate Governance

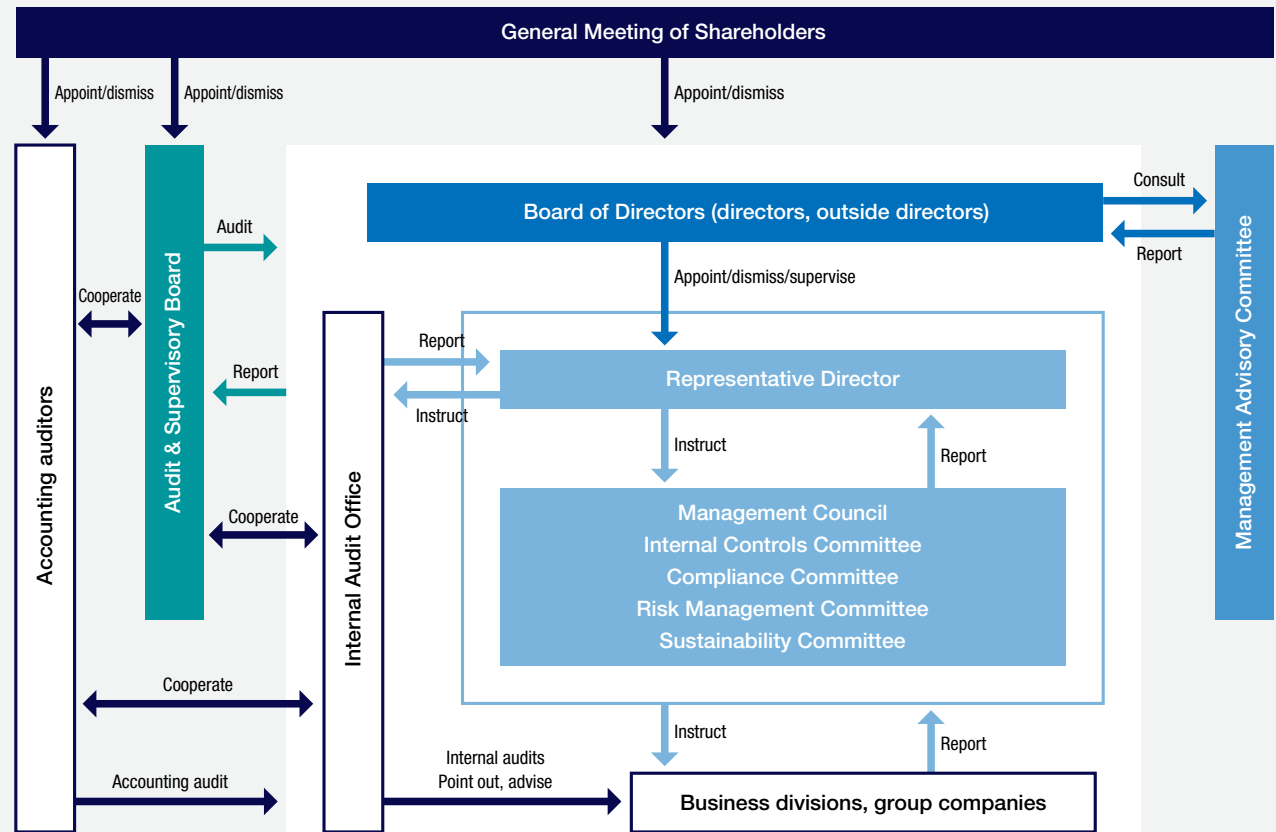
### Basic Approach

Ashimori understands the importance of strong corporate governance in improving the efficiency and transparency of management and maximizing corporate value.

That's why we strive to realize strong corporate governance through the following basic policy.

- 1 Respect shareholder rights by ensuring equality among shareholders, creating an environment conducive to the execution of their rights, and protecting these rights.
- 2 Cooperate in a fair and socially decent manner with all stakeholders, including shareholders.
- 3 Disclose information in accordance with the law, and ensure transparency by proactively disclosing information not required by law.
- 4 Have the Board of Directors properly exercise its roles and duties so that we can carry out transparent, fair, and flexible decision-making.
- 5 Carry out constructive dialogue with shareholders in sharing a direction for long-term, stable growth.

Corporate governance structure



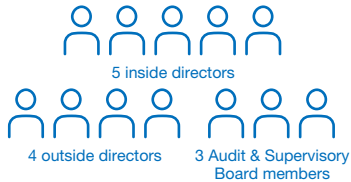


Sustainability Action

Governance

Overview of Board of Directors, Audit & Supervisory Board, and Committees


**Board of Directors 9 directors**



5 inside directors  
4 outside directors  
3 Audit & Supervisory Board members

The Board of Directors is comprised of nine directors (including four outside directors) who make resolutions on important matters based on the rules of the Board of Directors, in addition to matters stipulated by law, regulations and the Articles of Incorporation, and it supervises how each director executes his or her duties. Additionally, all Audit & Supervisory Board members attend meetings of the Board of Directors, allowing them to monitor how the directors execute their duties.

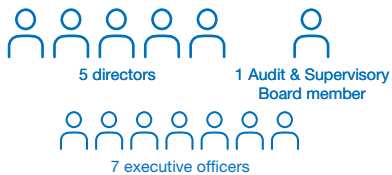
**Audit & Supervisory Board 3 members**



1 full-time member  
2 part-time members (including 2 outside members)

The Audit & Supervisory Board is comprised of one full-time member and two part-time members (including two outside members). In addition to meetings of the Board of Directors, the full-time member of the Audit & Supervisory Board attends important meetings, such as those of the Management Council, expressing their opinions as necessary to enable them to continually monitor how the directors execute their duties. Also, Audit & Supervisory Board members work closely with the Internal Audit Office and accounting auditors, periodically exchanging information and opinions in an effort to improve auditing functions.


**Management Council**



5 directors  
1 Audit & Supervisory Board member  
7 executive officers

The Management Council is comprised of five directors, one Audit & Supervisory Board member, and seven executive officers. It deliberates on Board of Directors' resolution matters and other important matters related to management and strives to improve the efficiency of management activities.

**Management Advisory Committee 4 directors**



1 inside director  
3 outside directors

The Management Advisory Committee is comprised of four directors (of which, three are outside directors), and its aim is to further strengthen Ashimori's corporate governance by increasing the fairness and objectivity of decision-making regarding important management matters, such as director nomination and remuneration.

Appointment and Dismissal of Directors

Management Advisory Committee

Ashimori has established a Management Advisory Committee as an advisory body to the Board of Directors. The aim of the Committee is to further strengthen the company's corporate governance by increasing the fairness and objectivity of decision-making regarding important management matters, such as director nomination and remuneration.

- Chair: Haruo Shimizu (outside director)
- Members: Hiromasa Zaitzu (president), Takashi Ogawa (outside director), Kazuyoshi Furukawa (outside director)

Appointment and Dismissal of Directors

With regard to the nomination of director candidates and executive officers, in order to ensure transparency and fairness, standards and policies regarding candidate selection, as well as candidate selection proposals, are discussed by the Management Advisory Committee, a majority of which is outside directors. The results of these discussions are reported to the Board of Directors, and decisions are made by the Board of Directors based on the Management Advisory Committee's recommendations, taking into account knowledge, experience, ability, performance evaluation, and other relevant criteria.

With regard to the nomination of Audit & Supervisory Board member candidates, those individuals, who the Audit & Supervisory Board agree are suitable candidates possessing the requisite expertise, experience, and skills to fulfill the duties of an Audit & Supervisory Board member, if chosen by a vote of the Board of Directors, are proposed as Audit & Supervisory Board member candidates at the General Meeting of Shareholders.

If a director or executive officer commits an act that violates laws, regulations, the Articles of Incorporation, internal regulations, etc., or if it is found that they are unable to properly perform their duties due to mental or physical breakdown or lack of ability, the Board of Directors will, upon receipt of a recommendation from the Management Advisory Committee, deliberate on whether to dismiss said director or executive officer.

## Sustainability Action

## Governance

## Reason for Directors' Appointment

	Name	Reason
Directors	Hiomasa Zaitzu	Zaitzu worked for many years at Toyota Motor Corporation and Toyoda Gosei Co., Ltd., mainly in human resources and general administration, and has served as a corporate advisor to Ashimori Industry since January 2024. He has a wealth of experience and wide-ranging knowledge of the automotive industry.
	Futoshi Makimoto	As a director, Makimoto has appropriately supervised management and decided important matters, while, as managing executive officer and division manager of the High Performance Products Business Division, he has promoted the expansion and restructuring of the production system and implementation of technological improvements for the purpose of increasing sales and profitability.
	Kaoru Nagatomi	As a director, Makimoto has appropriately supervised management and decided important matters, while, as managing executive officer and division manager of the High Performance Products Business Division, he has promoted the expansion and restructuring of the production system and implementation of technological improvements for the purpose of increasing sales and profitability.
	Kazuyoshi Ito	As a director, Ito has appropriately supervised management and decided important matters, while, as general manager of the PALTEM Management Group and representative director and president of Ashimori Engineering Co., Ltd., a group company, he has promoted the expansion of production and sales systems and technological improvements in the field of pipeline rehabilitation.
	Akinori Koyama	Koyama has been involved with the development and design of automotive safety systems for many years and has accrued extensive knowledge of the automotive safety systems business in general. He has also been involved in corporate management, including serving as president of one of Ashimori's overseas group companies, and currently serves as general manager of the Engineering Management Group, Automotive Safety Systems Business Division.

	Name	Reason
Directors (outside)	Haruo Shimizu	Shimizu has a wealth of experience and wide-ranging knowledge, including from his many years as the CEO of Exedy Corporation, and he has provided appropriate advice to, and independent supervision of, the Board of Directors. In addition, as a member of the Management Advisory Committee, which is an advisory body to the Board of Directors and representative director, he is actively involved in strengthening the independence and objectivity of procedures related to officer nomination and remuneration, and in expanding corporate governance.
	Yasushi Okada	Having served as a corporate officer, deputy chief of SS Headquarters, and chief of Europe and Africa Regional Headquarters at Toyoda Gosei Co., Ltd., Okada is well-versed in the field of automotive components, particularly safety systems, and, as an outside director, he performs supervision of the Board of Directors, as well as provides advice regarding Ashimori's automotive safety systems business.
	Takashi Ogawa	Having been involved in the development of automotive electronic components for many years at other companies, Ogawa is well-versed in the field of automotive components, and, as an outside director, he performs supervision of the Board of Directors, as well as provides advice regarding Ashimori's automotive safety systems business. In addition, as a member of the Management Advisory Committee, which is an advisory body to the Board of Directors and representative director, he is actively involved in strengthening the independence and objectivity of procedures related to officer nomination and remuneration, and in expanding corporate governance.
	Kazuyoshi Furukawa	Having been involved in civil engineering for many years at Konoike Construction Co., Ltd., Furukawa is well-versed in the civil engineering and construction industries, and, having served as director and vice president of the same company, he has a wealth of experience and wide-ranging knowledge.

## Skills Matrix

	Name	Corporate management	Legal/compliance	HR/labor	Finance/accounting	Production technology	Global
Directors	Hiomasa Zaitzu	●	●	●			
	Futoshi Makimoto	●				●	
	Kaoru Nagatomi					●	
	Kazuyoshi Ito	●				●	
	Akinori Koyama					●	●
Directors (outside)	Haruo Shimizu	●				●	●
	Yasushi Okada					●	
	Takashi Ogawa	●				●	
	Kazuyoshi Furukawa	●				●	
Audit & Supervisory Board member	Hiroki Kane		●		●		
Audit & Supervisory Board members (outside)	Masami Oishi		●				●
	Mitsuhiro Morikawa			●	●		

Note: The table above does not represent all the knowledge and skills of each person.

## Sustainability Action

## Governance

## Officer Remuneration

## Basic policy on officer remuneration

The following is Ashimori's basic policy regarding the determination of remuneration for directors.

- The level of remuneration is sufficient to secure excellent human resources from within and outside the company and ensure they remain motivated to improve business performance.
- The level of remuneration shall reflect changes in the business landscape and external, objective data, as well as take into account the balance between public standards, the details of management, and employee salaries.
- The total amount of officer remuneration, including bonuses to officers, shall be paid within the annual remuneration limit approved at the General Meeting of Shareholders.

## Performance-linked remuneration

- The total amount of payment is capped at 150 million yen per year.
- The individual payment amount shall be calculated by multiplying the base payment amount determined for each position by a payment rate ranging from 25% to 200%, depending on the category of consolidated operating profit for the relevant fiscal year (excluding the performance-linked remuneration) of between 500 million yen or more and 4,000 million yen or more, and then adding or subtracting based on factors such as performance evaluation using segment ROIC as an indicator and the budget achievement rate for the relevant fiscal year.
- No payment will be made if there is a consolidated ordinary loss or a consolidated net loss attributable to owners of the parent in the relevant fiscal year.
- The specific amount of payment to each eligible director will be determined at a set time, taking into account his or her position, responsibilities, and stock price.
- Company stock compensation will be in the form of restricted stock compensation, the total number of which will be capped at 20,000 shares per year, and the total amount of compensation paid for the grant of restricted stock compensation will be capped at 18 million yen per year.
- The amount of company stock compensation included in the individual payment amount shall be between 1 million yen and 3 million yen, depending on the category of consolidated operating profit for the relevant fiscal year (excluding the performance-linked compensation) of between 1,250 million yen or more and 2,250 million yen or more. The number of shares to be granted shall be determined by resolution of the Board of Directors.
- Bonuses will be paid in the amount of individual payments minus the amount of company stock compensation.

## Remuneration determination process

Remuneration for executive directors consists of basic remuneration provided as a fixed monthly payment and performance-linked remuneration.

The amount of individual remuneration is calculated based on the officer remuneration regulations passed by the Board of Directors, and, after deliberation by the Management Advisory Committee, the amount to be paid is decided by the representative director, who is delegated by the Board of Directors.

The following are the specific details for the different types of remuneration.

## Basic remuneration

- A fixed monthly payment is provided, which is commensurate with the duties performed by each position.

## Officer Remuneration

Total amount of remuneration by officer category, total amount of remuneration by type, and number of eligible officers

Category	Total amount of remuneration, etc. (million yen)	Total amount of remuneration by type (million yen)				Number of eligible officers
		Fixed remuneration	Performance-linked remuneration	Retirement benefits	Non-monetary compensation	
Directors (excluding outside directors)	190	118	68	—	3	6
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	16	16	—	—	—	1
Outside officers	16	16	—	—	—	8

Note: All non-monetary compensation paid to directors (excluding outside directors) is performance-linked and consists of company shares.

Sustainability Action

Governance

Compliance

Compliance Management Structure

We have a Compliance Committee chaired by our president. It meets twice a year, in principle, to report on progress in compliance activities and scheduled plans.

Education and Training

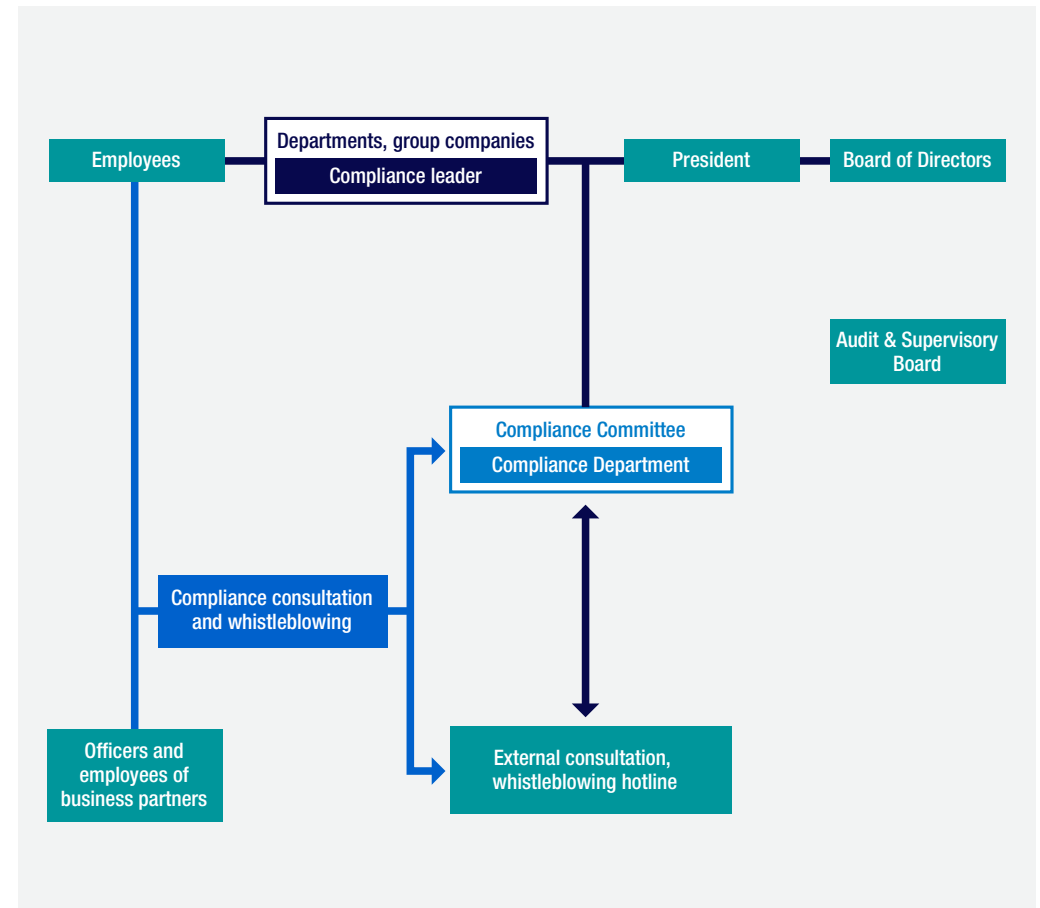
The Compliance Department holds ongoing training and education. In fiscal 2023, it used an e-learning system to hold a total of 13 sessions on laws and regulations related to company operations, including quality fraud, harassment, anti-bribery, and the invoice system. Certain training is mandatory for all relevant employees in Japan and overseas. At overseas group companies, training specific to each country and region is held in order to improve compliance in the workplace. Compliance guidebooks containing fundamental guidelines to follow in conducting business activities have been revised and updated seven times since they were first published in 2009 and are distributed to group companies both inside Japan and out.

Reforming Our Corporate Culture: Employee Group Activities

We began activities to reform our corporate culture in 2022 and have created the Ashimori Group Employee Code of Conduct as a guideline. We facilitate employee group activities in which all employees participate, so that behavior in accordance with the code of conduct becomes the norm. In employee group activities, employees read through the Employee Code of Conduct and compliance guidebooks together while engaging in activities that raise employee awareness and improve conduct by ensuring that employees are aware of and following basic work practices in the workplace.

Whistleblowing System

We have established internal regulations regarding whistleblowing (Whistleblowing Guidelines), and have established whistleblowing contact points in the Compliance Department, as well as at an external specialized organization (a law firm). When a whistleblower report is received, the Compliance Department instructs the relevant departments to investigate the matter and formulate and implement countermeasures. It reports the response to the whistleblower and confirms the corrective actions taken. The results of whistleblower reports are also reported to the Compliance Committee.



## Risk Management

### Risk Management System

We have established the Ashimori Group Risk Management Regulations, and, based on these, we convene a Risk Management Committee, which is chaired by the president, covers all group companies in Japan and overseas, and deliberates on risk identification and response, among other related topics.

### Internal Control

We have two internal control policies: the Basic Policy on Internal Control; and the Implementation Policy for Internal Control Assessment Related to Financial Reporting (Basic Plan Document). Based on these, the Internal Audit Office, under the direct supervision of the president, conducts internal audits of the Ashimori Group, including all worldwide group companies.

The internal control implementation standards were revised in April 2024 to require the inclusion of qualitative importance among the criteria for the selection of important business locations. Additionally, in light of recent fraud and scandals, measures and action to address fraud-related risks are needed. From fiscal 2024, we have added our overseas subsidiary Ashimori Korea Co., Ltd. as an important business location, given its qualitative importance, and we will conduct a comprehensive quality and safety inspection to address fraud-related risks and will work to improve the effectiveness of internal controls.

## Information Security and Cyber Security

We have formulated in-house information security standards for all group companies in Japan as we strive to strengthen information security measures.

In order to be prepared in the event of damaging ransomware infections and targeted attacks, which could pose significant business risks, we are taking ongoing measures in terms of both system improvements and employee education, such as by introducing additional security systems and conducting training on business email compromise attacks for all employees.

We make the necessary, relevant investments in strong and stable information security systems to ensure customer trust is our top priority. We also constantly work closely with business partners to strengthen information security, including cybersecurity measures.

Sustainability Action

# Environmental

## Basic Environmental Policy

We have established the following Basic Environmental Policy and will engage in environmental conservation activities.

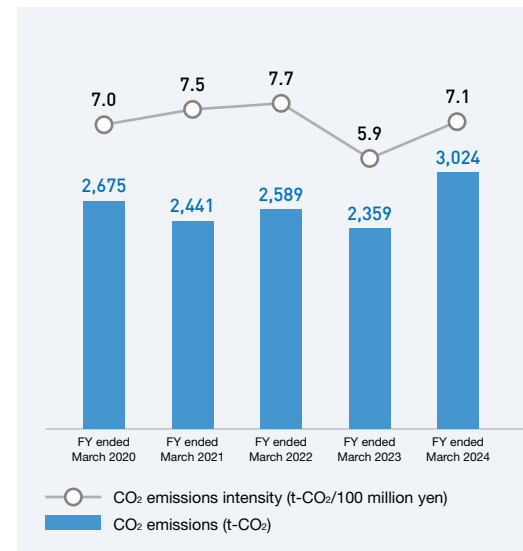
1. We will consider the impact of our business activities on the environment, set goals and targets for environmental conservation, and pursue environmental conservation.
2. In addition to complying with environmental laws and agreements, we will also establish internal regulations, work to prevent pollution, and strive to ensure our customers feel satisfied with regard to the environment.
3. We will treat the following items as environmental priorities.
  - (1) Reducing the amount of industrial waste sent to landfills and reducing the amount of product loss.
  - (2) Reducing environmental pollutant emissions.
  - (3) Conserving energy and preventing global warming.
  - (4) Developing environmentally friendly products.
4. Through education and training on environmental conservation, as well as internal public relations activities and other means, we will work to raise the environmental awareness of people associated with our company and will engage in environmentally friendly activities.

We obtained environmental management system (ISO 14001) certification in 2002 and have developed a quality and environmental management manual and environmental management regulations, as well as regularly report on our activities at meetings of the Management Council.

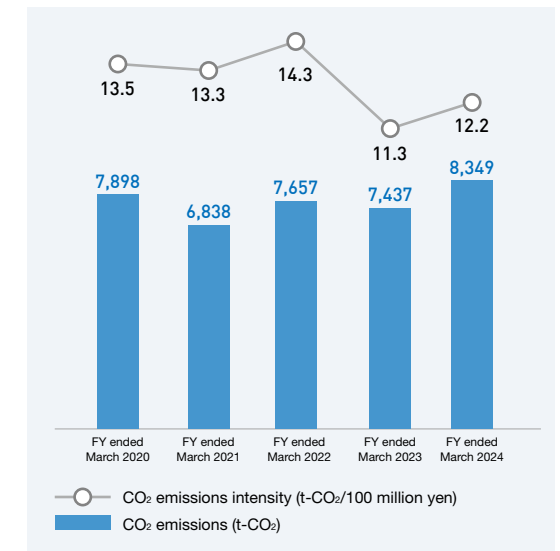
## Reducing CO<sub>2</sub> Emissions

The following are the trends in CO<sub>2</sub> emissions (Scope 1 and Scope 2) for Ashimori and its consolidated group (domestic and overseas) for the period encompassing the fiscal year ended March 2020 to the fiscal year ended March 2024.

Ashimori Industry (non-consolidated)



Ashimori Group (consolidated)



Sustainability Action

Environmental

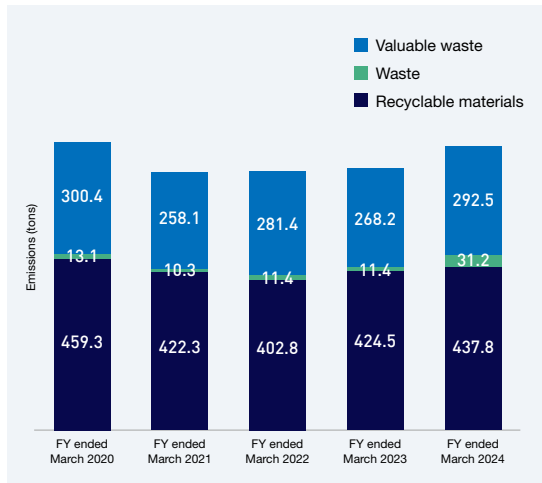
Toward a Circular Economy

Reducing Industrial Waste

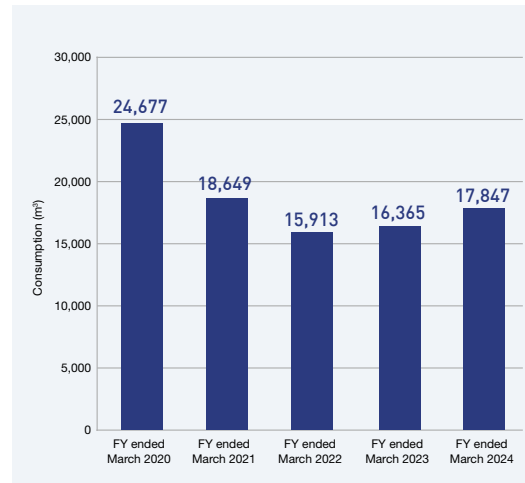
Within the Ashimori Group, we are making ongoing efforts to help with the realization of a circular economy by stressing the 3Rs (reduce, reuse, and recycle) in an effort to reduce waste. For example, we are working to reduce industrial waste by dissolving some discarded documents as valuable waste.

Also, helping secure water resources is another important issue for us. We are working to reduce the amount of water we use, such as by utilizing industrial-use water recycling technology.

Amount of valuable waste, industrial waste, and recyclable materials emitted at the Osaka Plant and the Sasayama Plant



Amount of industrial-use water consumed at the Head Office and Osaka Plant



Saving Energy and Reducing Environmental Impact

Using Renewable Energy

The Ashimori Group has installed solar power generation equipment on the roofs of some of its factories. At group companies (in India and Mexico), we are striving for decarbonization by using this solar power toward running the factories. In Japan (Yamaguchi Prefecture), we operate as a solar power provider to help reduce environmental impact and contribute to protecting the environment.



Ashimori India Private Limited



Ashimori Industria de Mexico, S.A. de C.V



Ashimori Industry Yamaguchi Co., Ltd.

Sustainability Action

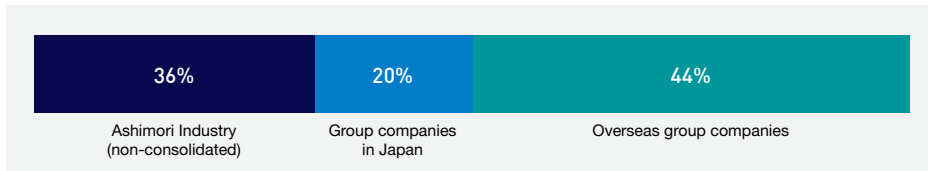
Environmental

Carbon Neutrality Initiatives

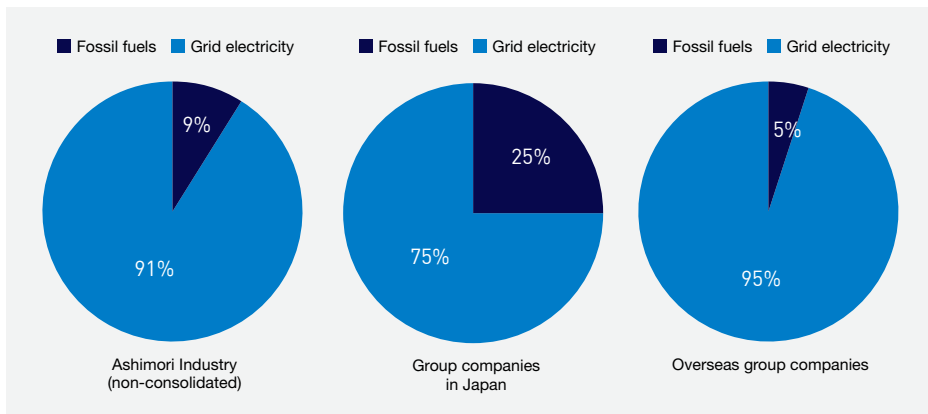
Ascertaining the Current State of Greenhouse Gas Emissions (≈ CO<sub>2</sub>)

For our entire Group, approximately 36% of CO<sub>2</sub> emissions come from Ashimori Industry (Head Office and Osaka Plant, Sasayama Plant, etc.), approximately 20% from domestic group companies, and approximately 44% from overseas group companies. The proportion of grid power (electricity supplied from the power company's transmission and distribution network) is high at all of our locations, and this proportion is particularly noticeable at Ashimori Industry and overseas group companies.

Non-Consolidated and Domestic/Overseas Group Company CO<sub>2</sub> Emission Ratio (FY2023)



Fossil Fuel and Grid Electricity CO<sub>2</sub> Emissions Ratio (FY2023)



Carbon Neutrality Roadmap

We calculated and disclosed greenhouse gas (≈ CO<sub>2</sub>) emissions for the first time in 2022 and have created a draft roadmap to reduce this in the future and achieve carbon neutrality, based on on-site surveys at major domestic plants in September 2022.

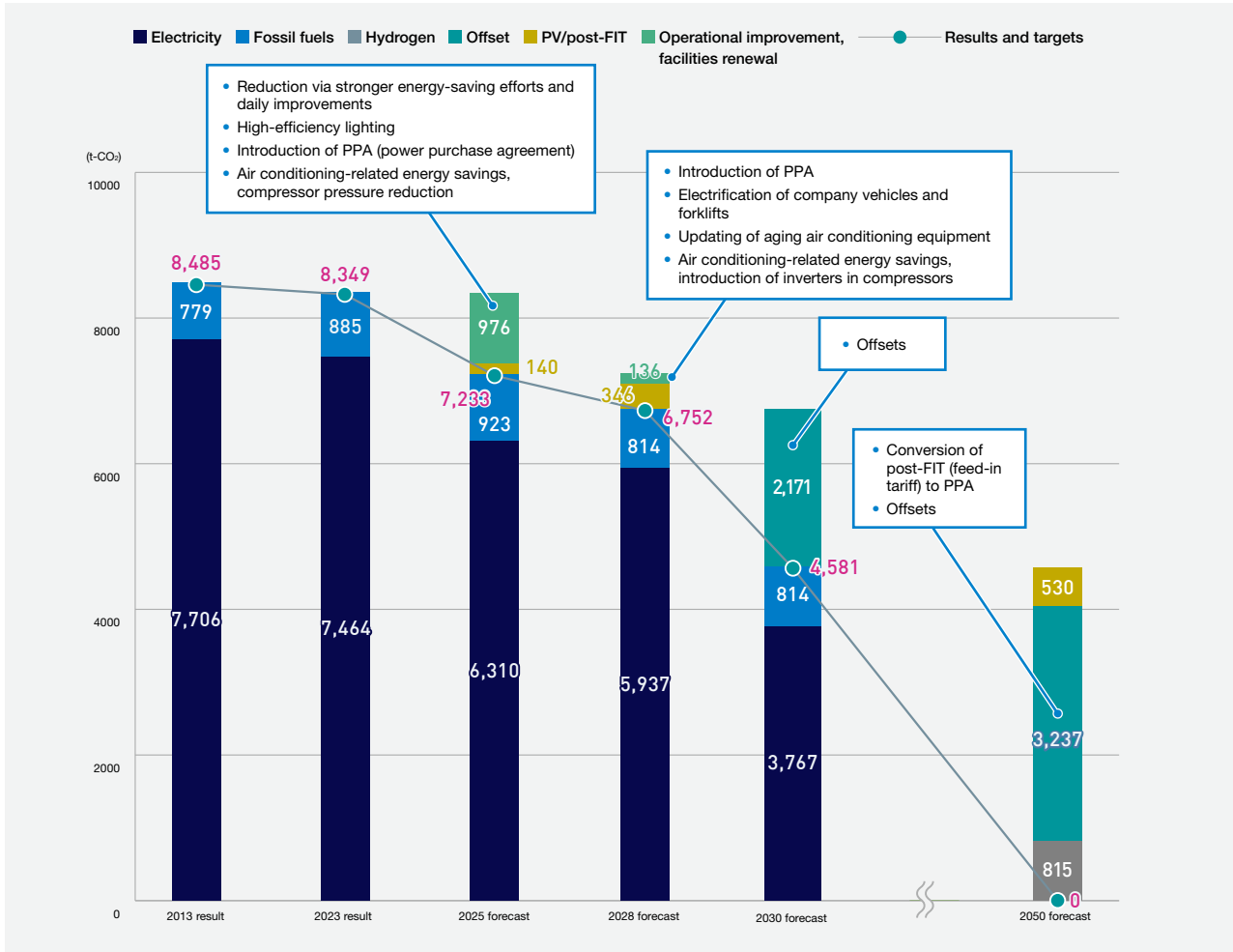
- (1) In line with the Japanese government's goals, we have formulated a plan for our Group to reduce greenhouse gas emissions by 46% in fiscal 2030 compared to fiscal 2013 and achieve carbon neutrality by fiscal 2050.
- (2) We cover Scope 1 (direct emissions) and Scope 2 (indirect emissions, such as purchased electricity), which include those of all group companies in Japan and overseas, but we do not cover Scope 3 (indirect emissions at other companies during the production process of purchased raw materials, parts, etc.).
- (3) The main means of achieving this plan are (1) operational improvements and updates to energy-saving equipment, (2) energy creation (solar power generation), and (3) offsets.
- (4) The current estimated total investment for these is 1,874 million yen for a cumulative total of 28 years from fiscal 2023 to fiscal 2050, and the cumulative cost reduction effect (reducing the amount of purchased electricity through solar power generation and switching to LED, etc.) is 1,498 million yen.
- (5) The effects of operational improvements and the amount of additional investment are calculated only for the Osaka Plant, Sasayama Plant, and Ashimori Industry Yamaguchi Co., Ltd., where the on-site surveys were conducted.



Sustainability Action

Environmental

CO<sub>2</sub> Emissions



Note: The PPA potential of overseas group companies is not reflected.

Measures

Application of a thermal barrier coating to the roofs of our Head Office and Osaka Plant was completed by the end of June 2024, and we are continuing to repaint the older buildings throughout this fiscal year.

We are also steadily converting the lighting at our Head Office and Osaka Plant to LED, and we plan to switch over all lighting in the plant, except for some parts of the warehouse, to LED by the end of fiscal 2024.

In addition, we are steadily updating the air conditioning equipment in the plant that is over 20 years old. This is scheduled to be completed by the end of fiscal 2024.

Regarding the main compressors at the Head Office and Osaka Plant, two of the three have been updated to inverter-type units. The remaining compressor is scheduled to be updated to an inverter-type unit by the end of fiscal 2024.



## Addressing Climate Change

In order to assess the impact of climate change-related risks and opportunities on our Group's business, we primarily relied upon the IPCC (Intergovernmental Panel on Climate Change) 6th Assessment Report and the IEA (International Energy Agency) World Energy Outlook 2022, as well as *Climate Change in Japan 2020* (detailed version) by the Ministry of Education, Culture, Sports, Science and Technology and the Japan Meteorological Agency.

As a general guide for the periods, the short term is until 2028, the medium term is 2035, and the long term is 2050.

### 1. Physical risks

Regarding physical risks, we examined the risks of the SSP1-1.9 scenario, which has very low greenhouse gas emissions, and the SSP5-8.5 scenario, which has very high greenhouse gas emissions, from the IPCC 6th Assessment Report.

The results were that, although the increase in physical risk is limited under the SSP1-1.9 scenario, the SSP5-8.5 scenario made us recognize, once again, the importance of regularly reviewing measures to prepare for natural disasters at multiple sites, not only in the long term but also in the medium term.

For the process of identifying the location of risks, we investigated the impact on business operations and factory operations over the past 20 years at all locations of our company, and all group companies, in Japan and overseas (focusing on business offices and factories, but excluding sales offices) of events that have the potential to become more severe and increase risks due to climate change, specifically the acute risks of heavy rain, floods, landslides, storm surges, typhoons, and heavy snow, and the chronic risk of power shortages, which are primarily associated with droughts, high temperatures, and cold waves.

We found that there have been a total of three operational outages at multiple locations in Japan and overseas due to weather events such as typhoons and heavy snow, but none of these lasted more than a day and the impact of each was minor, resulting in no economic loss.

For flood, landslide, and storm surge risks at all sites, encompassing both our company and domestic group companies, we found that, based on the Ministry of Land, Infrastructure, Transport and Tourism's hazard map, there are six business sites in

flood-prone areas, two in storm surge-prone areas, and one in landslide-prone areas.

Since 2000, our Chinese plant has ceased operations due to blackouts caused by power outages a total of seven times (all for one day), but the impact was minimal and there was no economic loss.

Also, there were no power outages in 2023.

Together with our group companies, we are taking measures to minimize the impact of disasters through comprehensive risk management, including business continuity plans that include replacing branch operations at the Head Office and alternative production at other factories.

### 2. Transition risks

We considered transition risks by sorting and discussing them according to the different categories of "policy and legal," "technology," "market," and "reputation," along with opportunities, with our main references being the IEA's NZE2050 (which focuses on a scenario in which global CO<sub>2</sub> emissions become virtually zero by 2050) and STEPS (Stated Policies Scenario).

#### Policy and legal

In the NZE scenario, which requires the strongest efforts, there is a risk that production costs will rise further due to the introduction of a carbon tax and electricity costs rising or remaining high. We recognize that further reductions in manufacturing costs will lead to stronger resilience. (Short- to long-term)

## Sustainability Action

## Environmental

**Technology**

In both the NZE and STEPS scenarios, if we are unable to reduce GHG (greenhouse gas) emissions associated with production, there may be a risk of losing competitiveness. On the other hand, we believe that promoting comprehensive GHG measures, including energy conservation, will increase opportunities to improve profitability. (Medium- to long-term)

**Market**

In both the NZE and STEPS scenarios, because the main products in the automotive safety systems business are automotive seatbelts, airbags, and interior parts, we believe that the direct impact of the shift away from fossil fuels in the market and the increasing share of electric vehicles and other vehicles will be limited. (Short- to long-term)

On the other hand, if the growth of new car sales is inhibited by the growth in car sharing, there is a risk that sales and production facilities will be affected, which could affect our finances. (Long-term)

In the high-performance product business, under both the NZE and STEPS scenarios, it is possible that demand for large-scale rainwater drainage pipe construction, which uses our PALTEM pipeline rehabilitation technology developed over the years, and existing products like drain hoses and disaster tents may expand, especially as part of measures against flooding during heavy rains and torrential rains in urban areas. (Short- to long-term)

**Reputation**

By creating and steadily implementing a roadmap toward carbon neutrality, developing new disaster prevention-related products, and improving the quality and functionality of existing products, we believe that whether we will be able to contribute to society through disaster prevention and mitigation, and to disclose accurate information is both a risk and opportunity in terms of reputation. (Short- to medium-term)



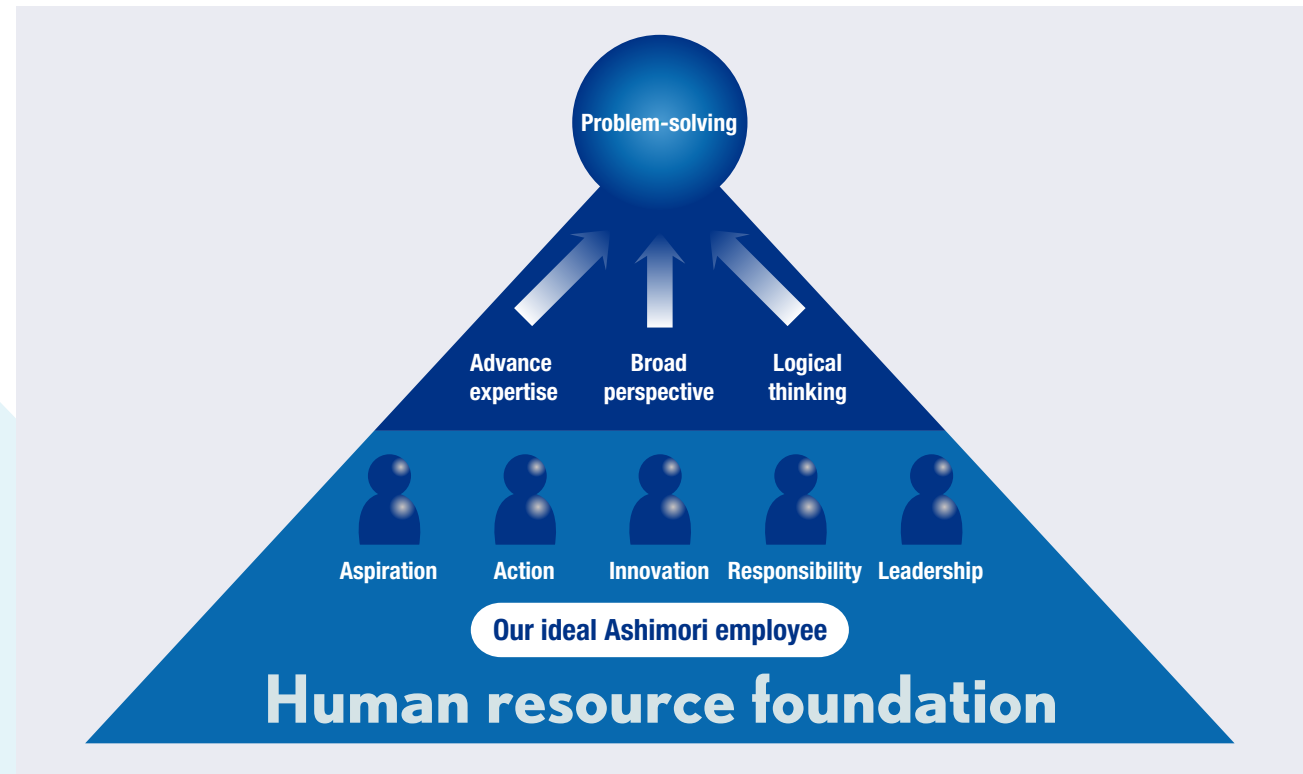
## Sustainability Action

# Human Resource Strategy

## Strengthening our human resource foundation

Human resources are the foundation of the Ashimori Group, and strengthening our human resource foundation is essential if we are to respond to changes in the market and achieve further growth. The recruitment market is becoming increasingly tight, and, in an environment where it is difficult to expect personnel numbers to increase in line with our company's growth, it is essential that we grow our current human resources. While there still exists a need for improved employee education, we have begun

efforts to establish a new organizational culture in which employees are encouraged to identify and solve problems on their own. Starting this fiscal year, President Zaitzu himself is an instructor, providing QC story-based training on problem-solving methods to all union members and their superiors. By repeating this process of training to disseminate knowledge, we will strengthen our human resource foundation by cultivating individuals who are continually focused on identifying and solving problems.



General Manager, Human Resources Department

## Hirofumi Takahashi

Fostering a sense of unity and building an organizational foundation that is resilient to change by creating a work environment in which our corporate vision resonates with employees as they pursue rewarding work and opportunities for growth

## Sustainability Action

## Human Resource Strategy

### Disseminating our HR vision

We have developed the New Ashimori Vision 2028 in order to achieve the goals of the three-year medium-term management plan, which began in 2022. The ideal Ashimori employee is one with advanced expertise and a broad perspective who can think logically and solve problems quickly. Cultivating such employees requires refinement of personal competencies and abilities, particularly those of aspiration, action, innovation, responsibility, and leadership. The company has yet to develop a common understanding about this among its employees, and the challenge we have is to deepen this understanding and put it into practice so that we can achieve the goals of our next medium-term management plan. To address this, we launched a working group to promote the HR Vision Statement. It is working to identify current issues within Ashimori and the obstacles hindering full understanding of the HR Vision Statement, and it is examining measures that will get all employees moving in the same direction. Based on the belief that ensuring our corporate philosophy resonates with employees, that they feel involved as a member of the company both inside and outside it, and that receiving gratitude as feedback will provide them with an absolute sense of job satisfaction, we will implement the specific measures formulated by the working group with regard to fair evaluation and treatment, creating educational opportunities, and improving the workplace environment.

### Human resource development policy

We will conduct a review of our personnel system, which emphasizes seniority, to move toward a fairer system that reflects individual effort and achievement in employee compensation. Without changing our commitment to

valuing people, we will encourage early advancement of talented personnel, regardless of age or years of service, in order to promote individual growth and organizational revitalization. To achieve this, since managers have a large role to play in developing and evaluating their subordinates, this term we are providing education for all line managers to review the basics of management. In order to strengthen team management capabilities and maximize the capabilities of each employee in pursuit of company-wide goals, we are placing an even greater emphasis on communication. This involves clarifying the roles and goals expected of each employee and communicating them to their subordinates, and providing many opportunities for employees to feel a sense of accomplishment and growth by providing feedback on results and evaluations.



### Direction for human capital

As the workforce becomes more mobile, companies cannot place excessive expectations on hiring to achieve

business results, and many companies are facing labor shortages. Rather than looking here and there to try and secure the necessary number of people, we need to focus on how to increase the number of current employees who can fulfill the roles the company expects of them. This term, we started training for managers, and the most pressing task facing the Human Resources Department is to develop talent at each level in line with our HR Vision Statement and to strengthen and raise the overall level of our human resource foundation.

We will utilize internal and external resources to create an educational system for each level of employment, to create a culture in which employees seek growth by themselves, and to review and implement a system in which the evaluation of employee growth and performance leads to compensation. We will spare no effort in investing in human resources, wherever necessary, to be a company where employees find it rewarding to work.

## Sustainability Action

# Employee Roundtable

## A Challenge for Our People— Towards the Realization of a Safe, Secure, and Comfortable Society

In our New Ashimori Vision 2028, which was created in preparation for 2028, the 150th anniversary of our founding, we have formulated the Ashimori Group HR Vision Statement, which describes what we expect of our employees. We asked Ashimori personnel who are active at the forefront of their departments to talk about the challenges they take on in pursuit of the realization of a safe, secure, and comfortable society.



—  
Manager, Industrial Materials  
Technology Development Department,  
High Performance Products

### Miho Enomoto

Enomoto joined Ashimori in 2019. After graduating from university, she was involved in the development of fabrics for industrial materials, but, in 2019, she joined Ashimori so that she could better balance work and family life. Her current work involves the development of timing belts.

—  
Manager, Airbag  
Engineering Department,  
Automotive Safety Systems

### Yuta Minami

Minami joined Ashimori in 2006. His motivation for joining was to find work near Suita, where he spent four years of university. He is currently involved in airbag design.

—  
Sales Department,  
Automotive Safety Systems

### Ryo Endo

Endo joined Ashimori in 2011. Because Ashimori operates globally, he joined with the hope of working in sales where he could utilize his English skills. He is currently involved in sales of seatbelts, airbags, and other products to automakers.

—  
Manager, PALTEM Technology  
Development Department, High  
Performance Products

### Takayuki Morio

Morio joined Ashimori in 2004. He studied civil engineering at university and decided to join Ashimori after becoming interested in PALTEM, which allows repairs to be made to underground pipelines without digging them up. He was previously involved with PALTEM-related design and construction but is currently working on the development of new construction methods.

## The 5 abilities required of the ideal Ashimori employee

The Ashimori Group HR Vision Statement lists five abilities that ideal Ashimori employees—“our people”—should hone: aspiration, action, innovation, responsibility, and leadership. What skill are you particularly focused on honing?

**Minami** The automotive industry is constantly evolving, and I feel that we need the skill of innovation in order to keep up. This is because continually meeting customer requests within a short development period requires flexible, outside-the-box thinking. With technological innovations, such as self-driving, changing the way cars are driven, the driver's seat may no longer need to face forward. We also need to be more competitive with our own ideas.

**Endo** For me, it's responsibility and action. I think having a sense of responsibility is another way of saying having a sense of ownership. Doing work because you're told to do it isn't fun, but work that you think about and take the lead in doing on your own is meaningful, and it's a great joy when you can contribute to the company in that way. This is what will motivate me for my next job. And, when it comes to putting your sense of responsibility into practice, this naturally pairs with the ability to take action.

**Enomoto** I think all five abilities are important, but I would say that aspiration and action are especially important. First of all, being in the development department means that our main job is to create new things, so we need the innovation that Mr. Minami mentioned, but we also need the

## Sustainability Action

## Employee Roundtable

**Enomoto** aspiration to cultivate a wealth of knowledge and experience that serves as the foundation for innovation. And then there's action, which is the ability to get people involved, lead, and see things through when it comes to turning your ideas into reality.

**Morio** What I'm particularly conscious of is leadership. The existing PALTEM method has been in use for nearly 35 years, so the development of a new method is urgently needed. The development team consists of four people, including me, and each of us is assigned a specialized area, such as resins and base materials for material development, production equipment development, and construction system development aimed at labor-saving construction. If we're not on the same page, the schedule will fall behind, so the most important thing for me right now is being able to communicate closely with and lead team members.



## What a “safe, secure, and comfortable society” means for Ashimori employees

## What kind of society do you envision when you think of a safe, secure, and comfortable society that is directly related to our business?

**Minami** I envision a society where economic stability ensures jobs and salaries, with little crime and good public safety. And, in terms of my work, it would be a society in which systems are in place to respond to unexpected circumstances such as accidents. Airbags are an example of something that contributes to this. When it comes to protecting people's lives, for example, if someone dies in a traffic accident and their surviving family members fall into financial difficulty, they will also lose their safety, security, and comfort.

**Endo** When I think about what “security” means, because the things I fear most are disasters and accidents, I think of a society without accidents (including non-automobile-related accidents) and of a society with advanced disaster preparedness. Disasters can't be prevented, but I think the best thing is that we can create a society where people's lives are not severely disrupted in the event of an emergency. The chances of preventing accidents can be increased by paying close attention and putting various systems in place. But there's a dilemma: if we could create a society where there are no accidents, the airbags and other safety systems that we make would no longer be necessary.

**Enomoto** A secure society is one where people can feel confident that the future will not be worse than the present, and even that it will be better. A safe society is one that is free from physical, mental, and environmental harm. And a comfortable society is one where people can lead

pleasant lives with peace of mind. Children move in ways that adults can never imagine, so as a mother, I hope for something that can anticipate this and protect their lives.

**Morio** I believe that ensuring safety and security is what leads to a comfortable society. For example, while it's impossible to completely prevent crime, accidents, disasters, and disease, I believe that a safe and secure society is one that has systems in place to prevent these things before they happen and to respond when they do. On top of this, a comfortable society is one in which people have more leeway with their time when it comes to work and life. Making the workplace comfortable includes improving the work environment and labor practices and improving people's work-life balance, such as by enabling them to take childcare leave.

## How do you think you can contribute to the realization of that safe, secure, and comfortable society?

**Minami** My ambition is to provide affordable, high-quality airbags. Airbags are already common in developed countries, but they are still not very widespread in developing countries. I'd like to increase their popularity by producing them at the lowest possible cost, while, of course, ensuring high quality. Additionally, I'd like to establish specifications that can meet all of the increasingly stringent standards for occupant restraint performance that are being adopted by automakers in their efforts to achieve zero fatal accidents.

**Endo** As a manufacturer of safety systems, we need to understand the needs of society in order to provide better products. The low cost aspect mentioned earlier is also important to us in sales. Automobile manufacturing costs continue to rise due to advances in electronic functions and other factors, but prices cannot be raised accordingly, so the competitiveness of our safety components is directly linked to how we can manufacture them at the lowest possible cost.

**Enomoto** The products I work on only perform to their full potential once they have been processed at the customer's site and are, thus, not directly related to safety, security, and comfort. But if our products are used in, for example, a robot arm and contribute to improving the performance of the customer's products, such as by improving workability, then I believe that this ultimately increases comfort. I also believe that reducing environmental impact by reviewing and revising the raw materials and manufacturing processes for our products contributes to a better life.

**Morio** PALTEM helps protect essential utilities from disasters. Also, our rehabilitation technique reduces the burden on the surrounding environment by not digging up pipelines, thereby maintaining the integrity of the pipeline so that it can be used indefinitely. This I believe contributes to safety and security. Furthermore, the construction equipment and facilities currently under development are designed to operate with less fuel and be carbon neutral, while also reducing the labor required. In the future, I'd like us to come up with equipment and facilities that are even safer and that anyone can install.



## Sustainability Action

## Employee Roundtable

**Morio** Personally, I try to raise my environmental awareness by, for example, participating in the environmentally themed LOHAS Festa event and making a conscious effort to purchase tableware made from recycled resources.

## Changes felt by Ashimori employees regarding the new organization

**Hiromasa Zaitzu took office as president in June and will further collaboration with Toyoda Gosei. What changes do you notice?**

**Endo** First of all, something that I personally liked was that Mr. Zaitzu asked us to refer to him by his name rather than by his job title. Now, we even drop the titles when referring to the division heads. It makes it easier to talk to them now, and I feel the office atmosphere has improved.

**Enomoto** I sometimes pass by the president's office, and the door is always half open, letting us know that he's there. It makes him feel more approachable.

**Endo** There's a sense of strictness, but I mean that in a good way. It's the determination to see things through to completion once we've set a goal.

**Minami** I feel the people at Toyoda Gosei are very good at identifying problems and also very capable of solving them, so I'd like to learn from them. At the same time, I want to protect the good characteristics that Ashimori has. There are quite a few customers for whom we are essential, and I want to keep it that way while also incorporating those crucial elements that will help ensure we are always able to provide our customers with great proposals.

**Enomoto** Once we have established to a certain extent how to proceed with business in automotive safety systems, I think this will then have an impact on our high performance products business. However, our customers are all quite different, ranging from automakers to civil engineering and construction companies to, even, fishermen and more, so I'm a bit worried about whether we can do things in the same way. I hope we can all absorb what we need to learn so that the resulting synergy will lead to the birth of a new Ashimori.

**Morio** Instead of the seniority-based system of the past, the atmosphere has changed to one where competent and capable employees are being promoted. I think this motivates everyone and is a good thing. Toyoda Gosei has shared technical knowledge with us about an issue in the construction method development I was in charge of. Moving forward, I believe there will be a lot to learn, not just technical knowledge, and I want to absorb it all. On the other hand, in the PALTEM division, even the smallest complaints are handled by everyone in sales to technology, and this is considered one of our strengths that I want us to continue to value.



## About the ideal Ashimori employee for the future

**What do you think the ideal Ashimori employee is for the future?**

**Minami** I guess things can't just stay the way they are. Having "good people" is what you'll hear about Ashimori a lot, but that alone won't be enough. A new essence has now been introduced into our company, and I believe that, if we can extract the best from each other, we'll be able to cultivate even better human resources.

**Enomoto** There isn't much connection between departments in our company; it's more like a collection of SMEs. So, it would be great if we could foster positive connections and relationships between people in different departments such that, if one department's performance drops, we do our best to support them.

**Endo** I think it's very important that you are able to enjoy yourself, and ideally, even in tough situations, you want to remember to laugh and take a break, rather than frowning your brow. I hope to create a sense of camaraderie not only between business divisions but also between departments, where everyone wants to work hard together. Personally, if I see someone at work who looks distressed, I make a conscious effort to talk to them. Mr. Minami is normally a very active leader, but sometimes he walks around with a scary look on his face, so I make him laugh. (Laughs)

**Minami** Thanks for helping me out. (Laughs) Sometimes it's the other way around, and I make him laugh.

**Morio** I don't think people can change their personalities instantly. The same goes for the ideal Ashimori employee. But nothing will change if you don't want it to. I think company-wide education, such as seminars on how to change, are also necessary.

**Endo** In fact, there's an HR Vision working group that discusses what's needed to fully realize the Ashimori Group HR Vision Statement. Ms. Enomoto and I are both members.

**Enomoto** The group is made up of 14 people of different ages, genders, and positions from four departments, and we meet every two weeks to discuss issues. I think this will be reflected in the next medium-term management plan, which will be formulated next year.

**Endo** This is something new for Ashimori, and I'm excitedly looking forward to what changes might come of it.



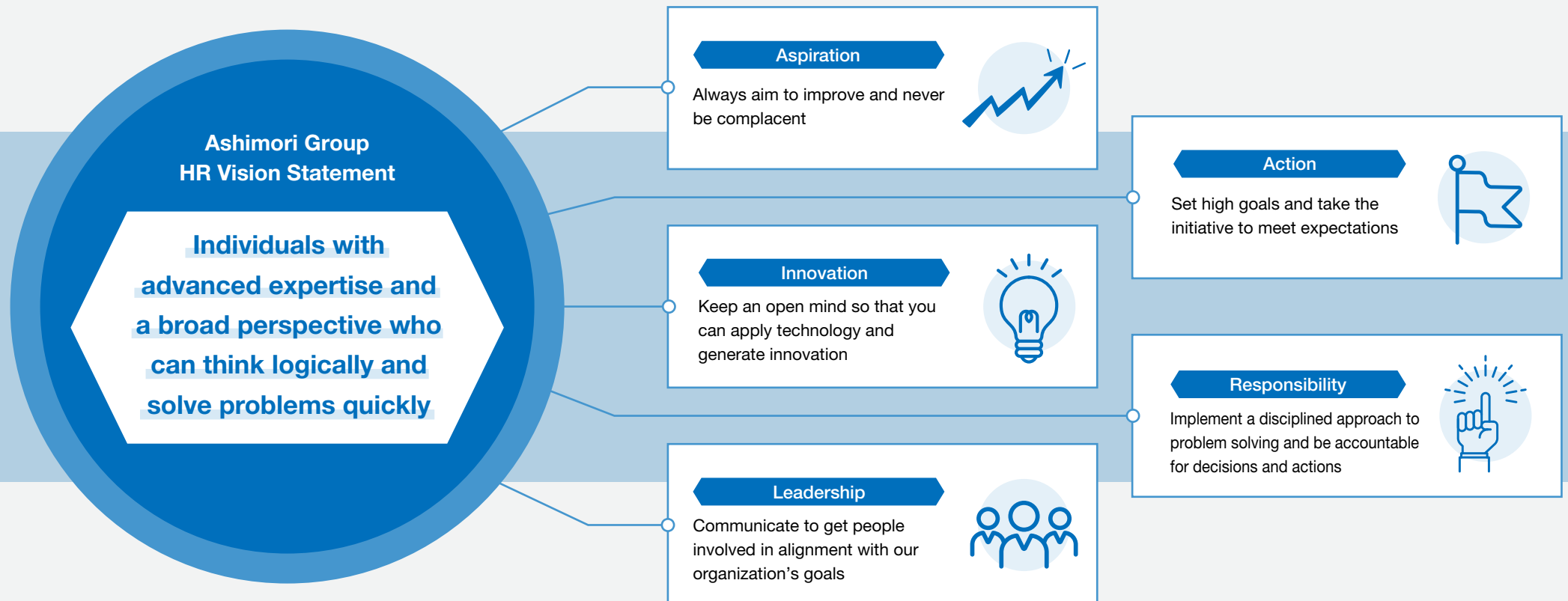


## Sustainability Action

## Social

## Ashimori Group HR Vision Statement

Someone strongly committed to our company principles, who takes the appreciation they receive for their efforts inside and outside the company to make their job more rewarding—this is the ideal Ashimori employee. We have thus formulated the Ashimori Group HR Vision Statement to foster this ideal.



## Sustainability Action

## Social

## Human Resources

## Human Resource Development

We provide necessary training for each level of employees: managers, mid-level employees, and younger employees. Employees are able to learn and deepen their understanding of leadership and other skills: for managers through appraiser training and new manager training, and for mid-career employees through mid-career training. We also provide training for younger employees, starting with new employee training and training for employees up to their fifth year in the company, in order to facilitate employee development contributing to the realization of the Ashimori Group HR Vision Statement.

## Diversity and Inclusion

Period: April 1, 2023 to March 31, 2024; reference date: March 31, 2024

Item	Non-consolidated	Consolidated	Note
Percentage of women among new graduate hires	20.0%	14.3%	Employees who joined our companies in Japan in April 2023
Percentage of women among mid-career hires	15.4%	41.2%	Employees in Japan
Percentage of women	16.7%	53.8%	Full-time employees
Percentage of female managers	4.3%	10.5%	
Percentage of female section chiefs*	17.2%	27.1%	
Ratio of overseas employees	-	69.9%	Full-time employees
Gender wage gap			
All workers	56.4%	56.5%	Employees in Japan
Full-time employees	75.3%	68.3%	Employees in Japan
Part-time and fixed-term workers	49.3%	63.0%	Employees in Japan

\*Team leader job position under supervision of a manager

## Work-Life Balance

Period: April 1, 2023 to March 31, 2024; reference date: March 31, 2024

Item	Non-consolidated	Consolidated	Note
Men's childcare leave acquisition rate	66.7%	62.4%	Employees in Japan
Percentage of female employees returning to work after taking childcare leave	100.0%	100.0%	Employees in Japan
Percentage of female employees quitting their jobs after taking childcare leave	0.0%	0.0%	Employees in Japan
Number of employees who worked from home	197	-	Total number: 2,838
Number of employees using staggered working hours system*	440	-	Total number: 2,280

\*We have a system that allows full-time employees to take paid leave in hourly increments.

## Human Rights Policy

This Human Rights Policy Statement was approved by the Board of Directors of Ashimori Industry Co., Ltd. on April 26, 2023.

### Ashimori Group Human Rights Policy Statement

The Ashimori Group (Ashimori Industry Co., Ltd. and its domestic and overseas group companies, hereinafter referred to as “we”) has been supported for many years since our founding in 1878 by numerous people including local communities, suppliers, and customers of the countries and regions in which we operate, and we have grown and expanded our business by tackling new challenges continuously. We are committed to endeavoring to respect human rights in our business activities and we hereby set forth the Ashimori Group Human Rights Policy Statement, which every person in the Ashimori

Group should observe based on the Ashimori Group Code of Conduct, guided by the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the Declaration on Fundamental Principles and Rights at Work (International Labour Organization [ILO]), the Ten Principles of the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights, in order for us to be beneficial continuously to society especially in manufacturing products to keep people safe and make them feel secured.

#### 1 | Commitment to respect for human rights

We understand that our business activities may directly or indirectly affect human rights. We recognize that respect for human rights is an important issue to be addressed in the management of our business, and we are committed to making every effort to fulfill our responsibility to ensure that human rights are respected in all of our business activities.

#### 2 | Scope of responsibility

This policy statement is applied to all executives and employees of the Ashimori Group. We are committed to acting responsibly so that all stakeholders understand and agree with this policy statement. We will strive to respond in an appropriate manner to human rights abuse by our suppliers, business partners, or customers.

#### 3 | Human rights of our executives and employees

We will secure a workplace free from all discrimination and harassment of any form on the grounds of nationality, race, ethnicity, gender, age, creed, religion, disability, sexual identity and orientation, or otherwise. Likewise, we will not tolerate any type of human rights abuse, such as forced labor and child labor. We respect the freedom of association and the right to collective bargaining.

#### 4 | Education and training

We will provide appropriate education and training to all our executives and employees in order to ensure that this policy statement is established firmly and implemented effectively in all aspects of our business.

#### 5 | Human rights due diligence

We understand that we must identify and prevent or mitigate any actual or potential adverse impacts on human rights associated with our business activities through our human rights due diligence process.

#### 6 | Remedy

In case it is certain that we have caused or been implicated to adverse impacts on human rights by our business activities, we take appropriate remedial action.

#### 7 | Disclosure

We will disclose information on our human rights actions appropriately.

#### 8 | Stakeholder engagement

We will conduct dialogue and consultation with relevant stakeholders on our efforts for this Human Rights Policy Statement in course of promoting our actions for respecting human rights.

## Human Rights Due Diligence

This was conducted for all group companies in Japan and overseas in fiscal 2022. There were several group companies that had insufficient related internal regulations, but improvements were completed in fiscal 2023. We are also gradually conducting human rights due diligence on our business partners.

Sustainability Action

Social

Community Contribution

**Contributing to Education: Factory Tours for Children and Visiting Elementary Schools**

For many years, the Ashimori Head Office and Osaka Plant (Settsu, Osaka Prefecture) have been featured as an example of a manufacturing company in supplementary textbooks for third- and fourth-grade elementary school students in Settsu City. In fiscal 2023, multiple elementary schools in Settsu City visited our Head Office and Osaka Plant and took a plant tour. We also continued our visits to schools to give lessons for students in lieu of plant tours.

For fiscal 2024 and beyond, we want to continue communicating, through various activities rooted in local communities, our business as well as the importance of manufacturing.



Touring the factory

**Crime and Disaster Prevention: Company Fire Brigade**

Ashimori has its own fire brigade, which operates as a fire and rescue division within the organization of the municipality of Settsu, where Ashimori’s Head Office and Osaka Plant are located.

The skills and knowledge built up through periodic drills and exercises are put to work by our fire brigade to help secure safety in the event of fires or other disasters at Ashimori or in the community.

Occupational Safety and Health

We have developed a safety and health policy grounded on the basic principle of “Think on your own, act on your own.”

Action Policy

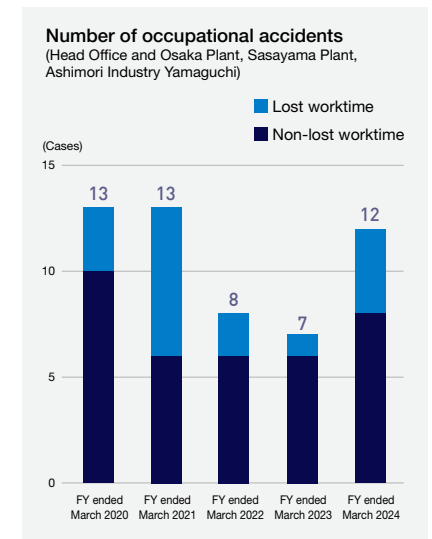
- Aim for zero accidents (occupational accidents, fires, and traffic accidents) and zero dangers.
- Work with the 5S and 5-Constants in mind.
- Promote mental and physical health.
- Expand and enrich safety and health education and management systems.
- Ensure a safe and comfortable working environment.
- Comply with laws, regulations, and societal rules, and strive to coexist with local communities.

Action Policy

For workplace accidents, regardless of severity, an accident report is promptly prepared, the cause is separately investigated, and measures are taken to prevent reoccurrence. The graph shows the numbers of occupational accidents that have occurred at the Head Office and Osaka Plant, the Sasayama Plant, and Ashimori Industry Yamaguchi. (These figures include accidents such as falls on bicycles on the way to work.)

In response to the high number of workplace accidents taking place up through October 2023, we issued a state of emergency declaration on November 1 and conducted safety and health awareness activities with the aim of achieving zero accidents.

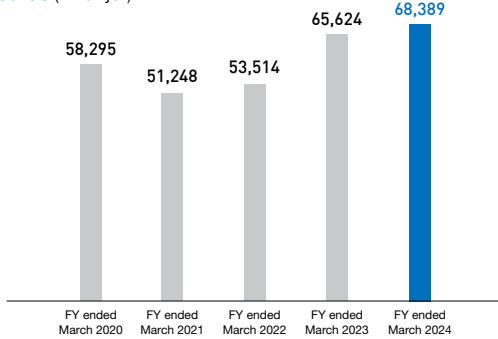
Specifically, activities included morning workplace visits using safety and health awareness materials, which were read aloud at each workplace, as well as providing e-learning and hazard awareness training.



Data

# Financial Highlights

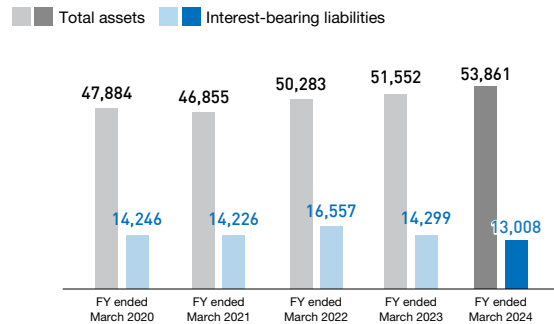
Net sales (Million yen)



Net sales reached a record high of 68,389 million yen (up 2,765 million yen over the previous fiscal year).

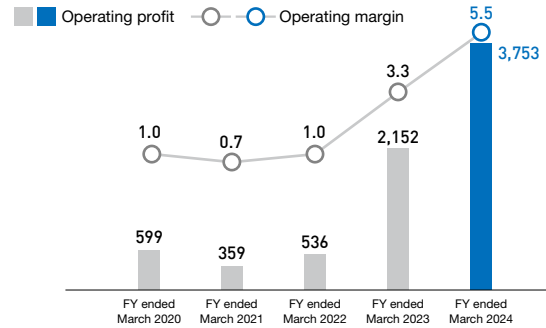
The automotive safety systems business, although affected by some production adjustments, achieved net sales of 50,039 million yen (up 3,372 million yen over the previous fiscal year) as a result of the effects of a weak yen and passing onto sales prices some portion of the market fluctuations in raw material prices. In the high performance products business, orders for our mainstay PALTEM-related products remained steady throughout the period, but sales were sluggish in the first half of the year compared to the previous fiscal year, when there was a lot of carryover construction work, resulting in sales of 18,320 million yen (down 605 million yen compared to the previous fiscal year).

Total assets (Million yen) / Interest-bearing liabilities (Million yen)



Total assets were 53,861 million yen, up 2,309 million yen from the end of the previous fiscal year. This was due to factors such as an increase in current assets of 960 million yen, an increase in inventory assets of 1,801 million yen, and a decrease in tangible fixed assets of 26 million yen. Also, interest-bearing debt was 13,008 million yen, including long-term and short-term debt, which accounts for 24% of total assets of 53,861 million yen. Our policy is to strictly evaluate and select each investment project based on its profitability and not to raise new funds.

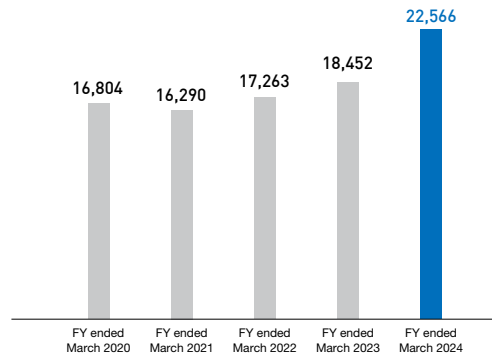
Operating profit (Million yen) / Operating margin (Million yen)



Operating profit reached a record high of 3,753 million yen (up 1,600 million yen over the previous fiscal year).

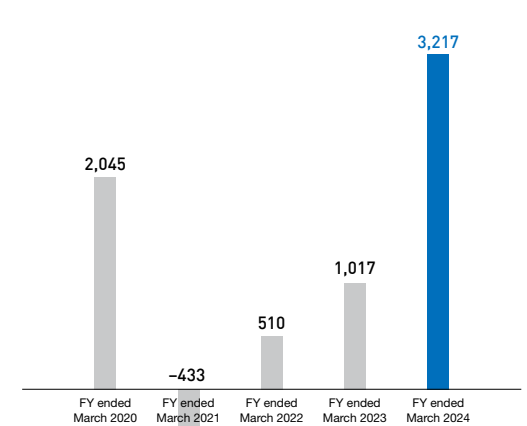
The automotive safety systems business saw a significant improvement in terms of profit and loss, thanks to improved productivity through collaboration with Toyoda Gosei, increased operational efficiency, self-help efforts to reduce expenses, and the impact of exchange rates. As a result, operating profit was 2,317 million yen (up 1,733 million yen over the previous fiscal year). In the high performance products business, despite the sale of large-diameter hose systems for disaster prevention to petrochemical complexes, profits were at the same level as the previous fiscal year at 2,184 million yen (down 23 million yen compared to the previous fiscal year).

Net assets (Million yen)



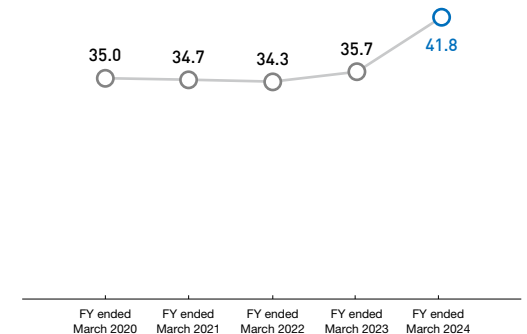
Net assets were 22,566 million yen, up 4,114 million yen over the previous fiscal year.

Net income attributable to owners of the parent (Million yen)



Net income attributable to owners of the parent was up by 2,199 million yen over the previous fiscal year to 3,217 million yen.

Equity ratio (%)

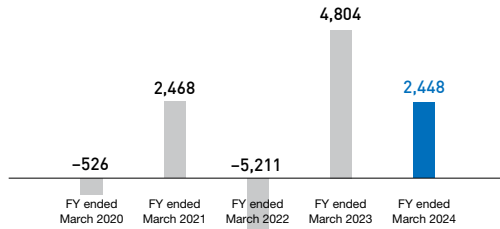


The equity ratio was 41.8%, up 6.1 points from the previous fiscal year.

Data

## Financial Highlights

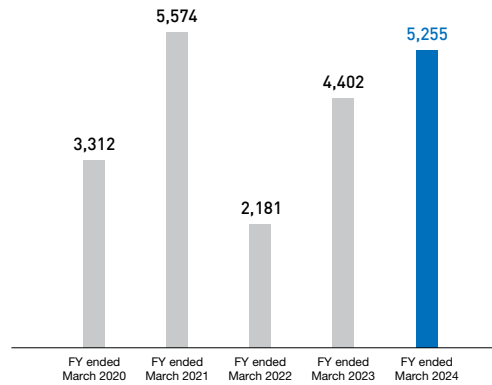
### Free cash flows (Million yen)



Cash flow from operating activities was 3,173 million yen (6,267 million yen in the previous fiscal year). This mainly breaks down into profit before income taxes of 4,337 million yen, depreciation of 1,746 million yen, and a decrease in accounts receivable of 334 million yen.

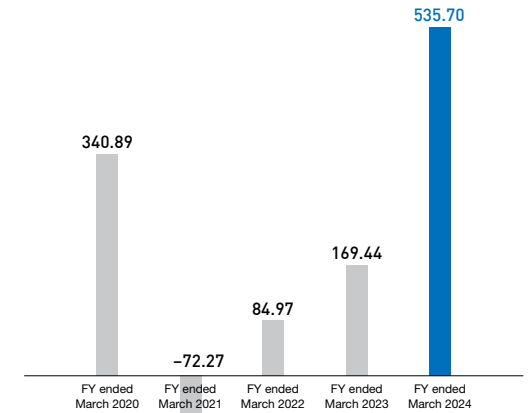
Cash flow from investing activities (funds used as a result of investing activities) was 725 million yen (1,463 million yen used in the previous fiscal year). This mainly breaks down into expenditures of 901 million yen for the acquisition of tangible fixed assets and proceeds of 161 million yen from the sale of investment securities.

### Cash and cash equivalents at end of period (Million yen)



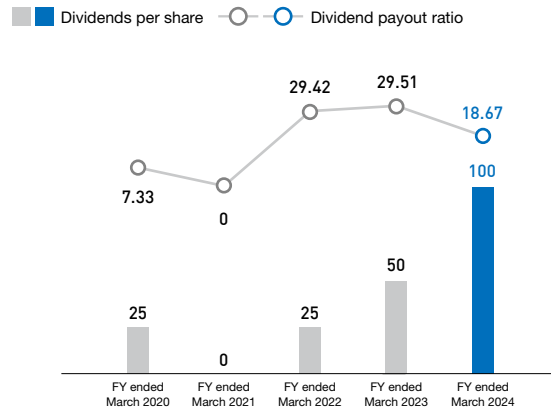
Cash and cash equivalents were 5,255 million yen, up 853 million yen over the previous fiscal year.

### Earnings per share (Yen)



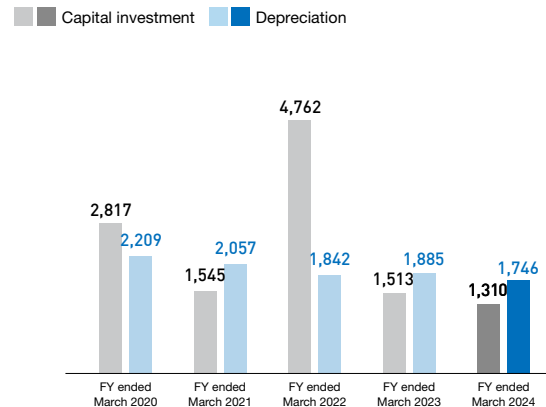
Earnings per share were 535.70 yen, up significantly from 169.44 yen in the previous fiscal year.

### Dividends per share (Yen) / Dividend payout ratio (%)



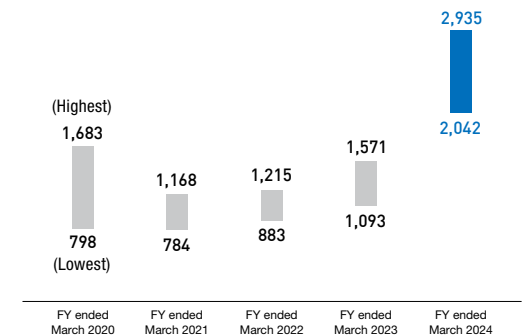
With regard to dividends, since the numerical target of the Ashimori Group Medium-Term Management Plan for the 123rd to 125th fiscal year (year ended March 2023 to year ending March 2025) was achieved one year ahead of schedule, it has been set at 100 yen per share. Although dividend payout ratio will fall short of our target of 30%, we have decided to prioritize strengthening our financial base by reducing interest-bearing debt.

### Capital investment (Million yen) / Depreciation (Million yen)



For the fiscal year under review, we made capital investments of 1,310 million yen. We worked to strengthen our financial structure and reduce interest-bearing debt by keeping depreciation within 1,746 million yen.

### Stock price (Yen)



## Data

## Major Financial Data of the Past 11 Years

		2014/03	2015/03	2016/03	2017/03	2018/03	2019/03	2020/03	2021/03	2022/03	2023/03	2024/03
Net sales (million yen)	Consolidated	46,729	48,067	51,380	50,331	56,714	60,978	58,295	51,248	53,514	65,624	68,389
Operating profit (million yen)	Consolidated	1,166	1,025	2,071	1,510	1,879	2,237	599	359	536	2,152	3,753
Ordinary profit (million yen)	Consolidated	1,564	1,306	1,700	1,362	1,946	2,321	652	419	671	2,796	4,202
Net income attributable to owners of the parent (million yen)	Consolidated	(1,225)	1,470	1,360	1,019	457	1,245	2,045	(433)	510	1,017	3,217
Capital investment (million yen)		1,224	1,728	1,800	2,691	3,803	4,216	2,817	1,545	4,762	1,513	1,310
Depreciation (million yen)		1,356	1,293	1,342	1,281	1,650	1,906	2,209	2,057	1,842	1,885	1,746
Cash flows from operating activities (million yen)		795	(1,444)	3,241	1,930	1,917	3,765	(46)	3,487	(1,021)	6,267	3,173
Cash flows from investing activities (million yen)		(1,146)	(594)	(1,495)	(3,673)	(2,944)	(3,818)	(480)	(1,019)	(4,190)	(1,463)	(725)
Cash flows from financing activities (million yen)		802	615	(951)	1,956	282	560	928	(221)	1,738	(2,700)	(1,901)
Free cash flows (million yen)		(351)	(2,038)	1,746	(1,743)	(1,027)	(53)	(526)	2,468	(5,211)	4,804	2,448
Cash and cash equivalents at end of period (million yen)		3,808	2,503	3,143	3,219	2,480	2,941	3,312	5,574	2,181	4,402	5,255
Total assets (million yen)	Consolidated	35,045	36,935	36,464	40,913	44,278	47,667	47,884	46,855	50,283	51,552	53,861
Net assets (million yen)	Consolidated	10,608	12,837	13,577	14,323	14,603	15,393	16,804	16,290	17,263	18,452	22,566
Interest-bearing debt (million yen)		8,900	9,597	8,834	11,563	12,443	13,122	14,246	14,226	16,557	14,299	13,008
Equity ratio (%)	Consolidated	30.2%	34.7%	37.2%	34.9%	32.9%	32.2%	35.0%	34.7%	34.3%	35.7%	41.8%
Dividends per share (yen)		0.00	2.50	3.00	3.00	40.00	45.00	25.00	0.00	25.00	50.00	100.00
Total cash dividends (million yen)		0	151	181	181	239	269	150	0	150	300	600
Earnings per share (yen)	Consolidated	(21.49)	24.28	22.47	168.44	75.86	207.58	340.89	(72.27)	84.97	169.44	535.70
Dividend payout ratio (%)	Consolidated	0.00%	10.30%	13.35%	1.78%	52.73%	21.68%	7.33%	0.00%	29.42%	29.51%	18.67%
Net assets per share (yen)	Consolidated	174.82	211.57	223.89	236.29	2,431.21	2,561.30	2,793.49	2,706.35	2,868.24	3,065.96	3,749.27
Price earnings ratio (PER) (times)		(5.9)	6.4	7.3	9.4	30.1	7.7	2.6	—	10.6	8.6	5.1
Operating margin (%)		2.5%	2.1%	4.0%	3.0%	3.3%	3.7%	1.0%	0.7%	1.0%	3.3%	5.5%
Return on equity (ROE) (%)		(11.3%)	12.5%	10.3%	7.3%	3.1%	8.1%	12.7%	—	3.0%	5.7%	15.7%
Highest stock price (yen)		180	308	244	199	3,400	2,900	1,683	1,168	1,215	1,571	2,935
						[478]						
Lowest stock price (yen)		116	115	127	142	2,020	1,122	798	784	883	1,093	2,042
						[149]						

For the fiscal year ended March 2018, the highest stock price and lowest stock price after a reverse stock split are shown. The highest stock price and lowest stock price before the reverse stock split are shown in [] brackets.

## Data

## ESG Related Data

## Governance

	Scope	FY ended March 2022	FY ended March 2023	FY ended March 2024
Number of directors	Non-consolidated	9	9	9
Of which, outside directors	Non-consolidated	4	4	4
Ratio of outside directors (%)	Non-consolidated	44.4	44.4	44.4
Percentage of women among directors (%)	Non-consolidated	0	0	0
Number of Board of Directors meetings	Non-consolidated	13	12	12
Board of Directors meeting attendance rate (%)	Non-consolidated	100	100	100
Number of patents held	Non-consolidated	651	638	554
In Japan	Non-consolidated	395	407	349
Overseas	Non-consolidated	256	231	205
R&D expenses (million yen)	Non-consolidated	976	1,214	1,250
Automotive safety systems	Non-consolidated	354	504	501
High performance products	Non-consolidated	488	566	568
Other businesses	Non-consolidated	133	144	181

## Environmental

	Scope	FY ended March 2022	FY ended March 2023	FY ended March 2024
CO <sub>2</sub> emissions Scope 1 (tons-CO <sub>2</sub> )	Non-consolidated	283	279	283
CO <sub>2</sub> emissions Scope 2 (tons-CO <sub>2</sub> )	Non-consolidated	2,306	2,081	2,741
CO <sub>2</sub> emissions Scope 1 (tons-CO <sub>2</sub> )	Consolidated	933	959	885
CO <sub>2</sub> emissions Scope 2 (tons-CO <sub>2</sub> )	Consolidated	6,723	6,477	7,464
Valuable waste emitted (tons)	Osaka Plant and Sasayama Plant	281	268	293
Industrial waste emitted (tons)	Osaka Plant and Sasayama Plant	11	18	31
Recyclable materials emitted (tons)	Osaka Plant and Sasayama Plant	403	425	438
Industrial-use water consumed (m <sup>3</sup> )	Head Office and Osaka Plant	15,913	16,365	17,847

ISO 14001 certification

Osaka Plant certified in 2002

## Social

	Scope	FY ended March 2022	FY ended March 2023	FY ended March 2024
Number of employees	Non-consolidated	457	443	431
	Consolidated	2,491	2,451	2,442
Percentage of female managers (%)	Non-consolidated	3.9	2.2	4.3
	Consolidated	9.8	10.1	10.5
Percentage of female section chiefs (%) (team leader job position under supervision of a manager)	Non-consolidated	—	18.1	17.2
	Consolidated	—	22.4	27.1
Men's childcare leave acquisition rate (%)	Non-consolidated	35.3	60.0	66.7
	Consolidated (Japan)	—	48.1	62.4
Percentage of women returning to work after taking childcare leave (%)	Non-consolidated	100	100	100
	Consolidated (Japan)	—	100	100
Ratio of overseas employees (full-time employees) (%)	Consolidated	69.7	67.4	69.9
Average length of service (years)	Non-consolidated	15.0	15.3	15.3
Average number of annual paid leave taken (days)	Non-consolidated	13.6	14.8	15.7
Overtime per employee per month (hours)	Non-consolidated	9.9	8.9	9.3
New graduate hires: men	Non-consolidated	3	8	8
New graduate hires: women	Non-consolidated	3	2	2
Mid-career hires: men	Non-consolidated	6	9	11
Mid-career hires: women	Non-consolidated	1	1	2
Number of employees who worked from home	Non-consolidated	429	393	197
Number of employees who took nursing care leave	Non-consolidated	0	1	1
Number of occupational accidents (total number of accidents accompanied and not accompanied by lost worktime)	Head Office and Osaka Plant, Sasayama Plant, Ashimori Industry Yamaguchi	8	7	7



## Data

# About Us

## Corporate Profile (As of March 31, 2024)

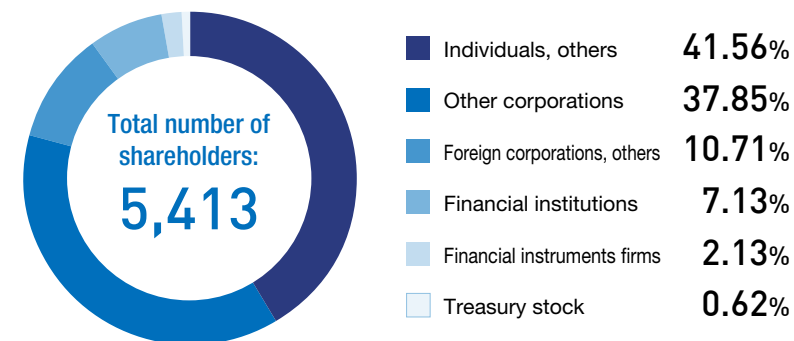
Company name	Ashimori Industry Co., Ltd.
Head office	7-11-61 Senrioka, Settsu, Osaka 566-0001, Japan
Founding date	November 7, 1878
Date of incorporation	December 27, 1935 (reorganized as a joint-stock company)
Capital	8,388 million yen
Representative	Hiomasa Zaitso, President
Number of employees	2,442 (consolidated)
Listing	Standard Market, Tokyo Stock Exchange
Securities code	3526

## Stock Information (As of September 30, 2024)

### Total number of shares

Total number of authorized shares	22,000,000 shares
Total number of issued shares	6,056,939 shares

### Share distribution by shareholder type



### Major shareholders

Name	Number of shares held	Shareholding ratio
Toyoda Gosei Co., Ltd.	1,703,500	28.30%
Ashimori Business Partners Shareholding Association	396,600	6.59%
The Master Trust Bank of Japan, Ltd. (trust account)	196,900	3.27%
Ashimori Employees Shareholding Association	175,747	2.92%
Custody Bank of Japan, Ltd. (trust account)	131,700	2.19%
Sankyo Co., Ltd.	112,000	1.86%
MSIP Client Securities	89,600	1.49%
Miyako Tanahashi	87,800	1.46%
DFA Intl. Small Cap Portfolio	84,199	1.40%
Nippon Life Insurance Company	67,018	1.11%

**Total**
**Number of shares held: 3,045,064 Shareholding ratio: 50.59%**

Note: Shareholding ratio is calculated after deducting treasury stock (37,625 shares).

Data

## About Us

# Ashimori Group Network

### Plants and offices

Name	Location
Head Office and Osaka Plant	Settsu, Osaka Prefecture
Osaka Office	Osaka, Osaka Prefecture
Tokyo Office	Chiyoda-ku, Tokyo
Sasayama Plant	Tamba-Sasayama, Hyogo Prefecture
Fukui Plant	Obama, Fukui Prefecture
Hamamatsu Plant	Hamamatsu, Shizuoka Prefecture
Hokkaido Office	Sapporo, Hokkaido
Tohoku Office	Sendai, Miyagi Prefecture
Chubu Office	Nagoya, Aichi Prefecture
Kyushu Office	Fukuoka, Fukuoka Prefecture

### Main group companies

#### ■ High performance products business

Name	Location
Ashimori Engineering Co., Ltd.	Chiyoda-ku, Tokyo
Allsafe Japan Ltd.	Yokohama, Kanagawa Prefecture
Shibata Industry Co., Ltd.	Tachikawa, Tokyo
Jet Trading Co., Ltd.	Osaka, Osaka Prefecture

#### ■ Automotive safety systems business

Name	Location
Ashimori Industry Yamaguchi Co., Ltd.	Yamaguchi, Yamaguchi Prefecture
Ashimori (Thailand) Co., Ltd.	Thailand
Ashimori Technology (Wuxi) Co., Ltd.	China
Ashimori India Private Limited	India
Ashimori Korea Co., Ltd.	South Korea
Ashimori Industria de Mexico, S.A. de C.V.	Mexico
Ashimori Europe GmbH	Germany

