

Management Philosophy

1. Creating products and services with the focus on customers
2. Achieving "good quality" with innovative thinking and technology
3. Building a vital workplace with respect for individual employees

We contribute to society through global growth and environmental preservation

Sustainability Fundamental Policy

Based on its Management Philosophy, the Aisan Group will keep on providing solutions to social challenges and contribute to the sustainable development of society through our global business operations.
Aisan will create new values with our time-proven technology and quality to meet our stakeholders' expectations and improve our corporate value in a sustainable manner.

VISION2030

Beaming future is in our hands

Creating new values with proven technology and quality to enrich the society.
Making the present society more convenient, bringing happiness to future generations.



Vision of the Company

Specific long-term policies aimed at solving social issues and achieving sustainable growth in order to realize our principles

Medium-term policy that sets the company's vision for 2030 in conjunction with the Sustainability Fundamental Policy

Specific actions to realize VISION2030



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Editorial policy:

What we want to communicate in the Integrated Report 2025

This Integrated Report is a tool to provide concise information on Aisan Industry's medium- to long-term value creation story from both perspectives of financial information and non-financial information, which form the foundation of our sustainable growth. This time, we are focusing on explaining our new Medium-term Management Plan announced in February 2025, outlining the path toward becoming an engine system supplier, which is our vision. We have also made efforts to explain specific measures emphasizing capital efficiency management and to present the process for realizing VISION2030 in a more understandable manner.

Going forward, we will continue to enhance the volume and quality of information disclosure in response to input and feedback received by stakeholders through our business activities and investor relations activities. We look forward to receiving continued feedback from stakeholders.

In editing this document, we have referenced the International Integrated Reporting Framework by the IFRS Foundation (formerly IIRC), the Guidance for Collaborative Value Creation by the Ministry of Economy, Trade and Industry, and various international guidelines such as GRI and SASB.



Initiatives to instill the new Medium-term Management Plan

The new Medium-term Management Plan announced in February 2025 was accompanied by the publication of Japanese and English handbooks to ensure thorough familiarization and deep understanding among employees. All employees of the Aisan Group worldwide are united in their ambitions and striving to make it a reality.

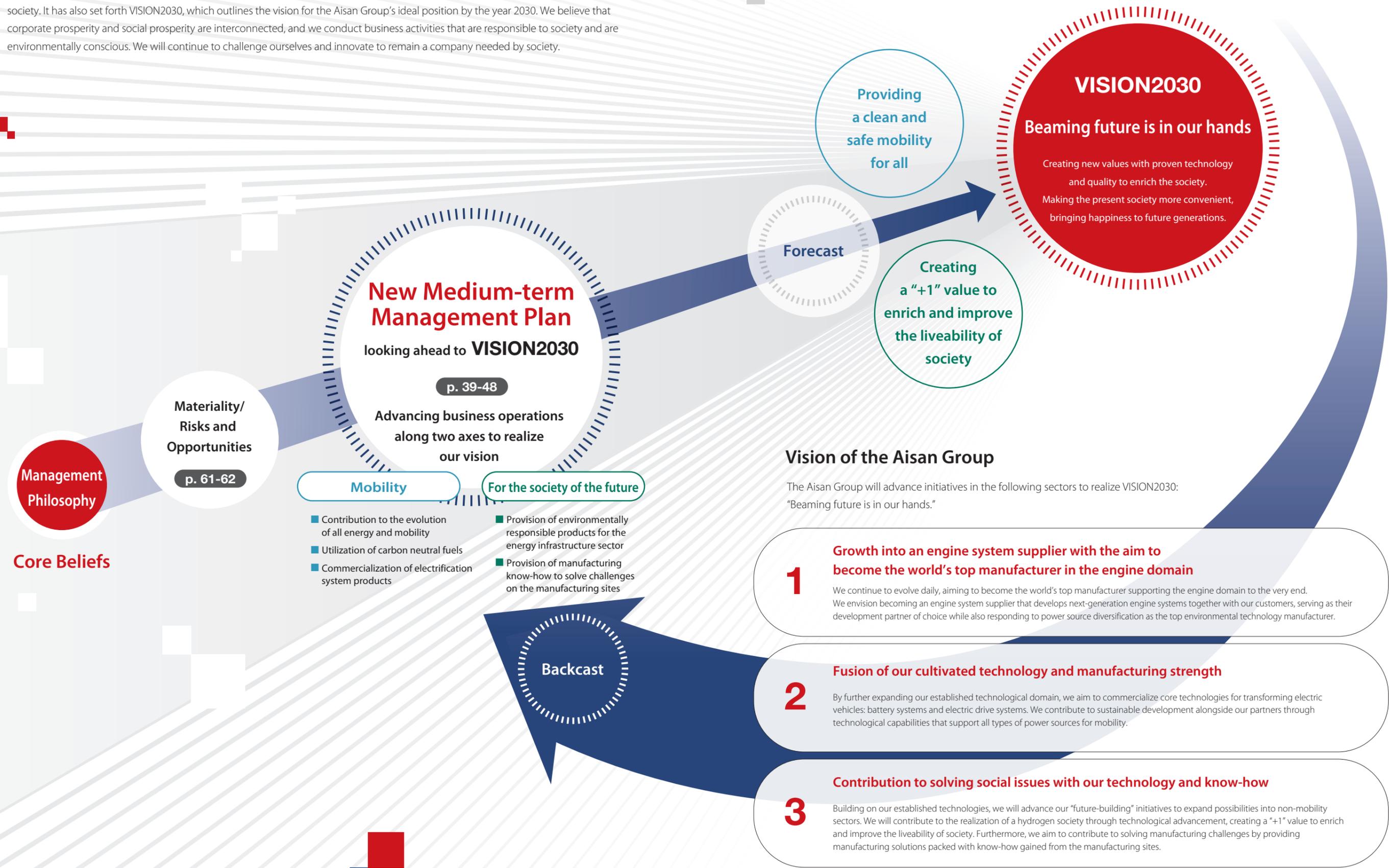


Forward-Looking Statements

This report contains forward-looking statements based on our future outlook and plans. Please note that these statements include risks and uncertainties and may differ from actual results and performance.

Under its Management Philosophy, the Aisan Group has established a Sustainability Fundamental Policy aimed at realizing a sustainable society. It has also set forth VISION2030, which outlines the vision for the Aisan Group's ideal position by the year 2030. We believe that corporate prosperity and social prosperity are interconnected, and we conduct business activities that are responsible to society and are environmentally conscious. We will continue to challenge ourselves and innovate to remain a company needed by society.

Vision



As the culmination of our efforts to achieve VISION2030, we announced a new Medium-term Management Plan in February 2025. This plan aims to contribute to the evolution of mobility and, beyond that, to solving social challenges. Utilizing the technology refined by the Aisan Group, we aim to realize a beaming future.

Mobility

Contribution to the evolution of all energy and mobility

Powertrain business

- Aim to become the world's top **manufacturer**, continuously supporting the engine domain
- Respond to the diversification of power sources and aim to become an **engine system supplier** that serves as our customers' development partner of choice
- Contribute to a Zero CO₂, Zero Emissions Society as the **top environmental technology manufacturer**

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Electrification products business

Expanding our technological domain to establish electrified products as a business

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Outcome

Providing a clean and safe mobility for all

In the powertrain business, we aim to develop and design next-generation engine systems compatible with carbon-neutral fuels, striving to establish our position as an engine system supplier through technological advancement and business expansion. We will pursue the achievement of Zero CO₂ and Zero emissions through the expansion of our carbon-neutral fuel-compatible products. Simultaneously, we will aim to broaden our development domains by leveraging M&A and alliances, thereby deepening and expanding our business. We will continue to provide products that meet the exhaust gas regulations of various countries by leveraging our fuel vapor emission control technology, which we have been developing for many years.

In the electrification products business, we have positioned the development of battery systems and electric drive systems as key focus areas. Leveraging our existing technologies and strengths in manufacturing capabilities gained through engine component development, we aim to contribute to the battery control and thermal management sectors. We plan to first focus on developing battery systems for two-wheeled and small mobility vehicles, then expand our business scope to include four-wheeled vehicles. To gain expertise in reliably controlling diverse electric components, we plan to start with the manufacturing of battery cell cases and covers, then gradually expand into other domains. We will pursue growth by leveraging diverse production technologies, rigorous quality control, and highly efficient production capacity.

For the society of the future

Driving solutions for social challenges beyond mobility

Application of clean energy technologies

- Contributing to **CO₂ reduction with our technology**, envisioning a **hydrogen society** essential for next-generation renewable energy demand

Contribution to energy supply in non-mobility sectors

p. 48

Provision of manufacturing solutions

- Contributing to **continuous on-site improvement and productivity enhancement** through manufacturing solutions that leverage our know-how

Provide comprehensive solutions from on-site diagnosis to process improvement

p. 48

Outcome

Creating a “+1” value to enrich and improve the liveability of society

By applying our long-cultivated LPG gas utilization technology, we will establish ammonia and hydrogen utilization technologies and contribute to the realization of a hydrogen society. Leveraging fuel control technologies, evaporated gas adsorption and desorption technologies, and expertise in functional components for fuel cell vehicles cultivated in our mobility business, we will also venture into non-mobility domains. We propose a system that extracts hydrogen from ammonia for power generation, aiming to contribute across diverse domains beyond mobility—including infrastructure, power generation, and the space industry.

With the aim of creating a society where humans and robots coexist, we will contribute to automating tasks and solving challenges in manufacturing sites by providing collaborative robot packages that incorporate production technology know-how cultivated in our manufacturing sites. We will propose affordable, easy-to-operate robot packages specifically for simple tasks involving lightweight parts. We aim to contribute to the overall improvement and efficiency of manufacturing sites by providing comprehensive support—from specification reviews tailored to each site's unique characteristics, through equipment manufacturing and production preparation, to process improvement.

Aisan Group's Core Products

Since the postwar transition to civilian production, the Aisan Group has carried out the design, manufacture, and sale of engine functional components in an integrated manner, earning high praise from automakers in Japan and around the world. Building on these refined technologies, we will continue to contribute to the advancement of mobility.

Product dominance

Fuel pump module

It was developed with the goal of achieving maintenance-free operation unaffected by fuel quality fluctuations across the globe, including emerging nations. Its high durability in harsh environments has gained support. Additionally, the components do not adopt rare metals, maintaining cost advantages and superiority in material resource procurement.

In recent years, in anticipation of fuel diversification promoting Zero CO₂ emissions, we have been developing products compatible with 100% ethanol-based carbon-neutral fuels.

Throttle body

With our strength in world-leading compact and lightweight technology, we achieved lighter weight of components through thinning die-cast bodies by improving and optimizing the casting process, successfully developing the world's lightest product. Our processing technology minimizes the cutting process for metal parts, reducing material waste and establishing a cost advantage.

Furthermore, we have been recognized for our environmental contributions while ensuring quality in the recycling of runner sections from resin components assembled into products.

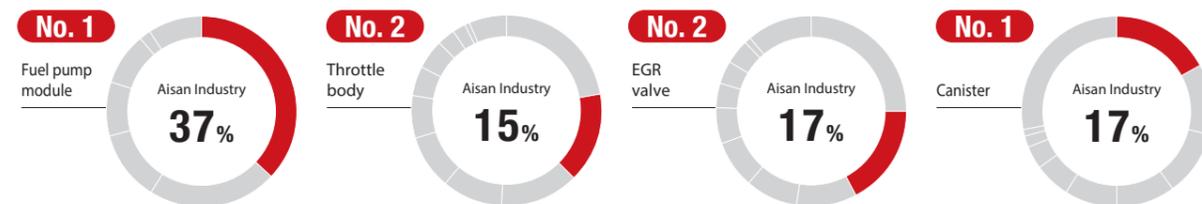
EGR valve

For optimal engine operation and high fuel efficiency, two requirements must be met: allowing a large volume of exhaust gas to flow when the valve is open and maintaining high sealing integrity when the valve is closed. To achieve this performance, we successfully doubled the exhaust gas recirculation rate using a newly developed, patented double eccentric valve structure. This technology is incorporated into products for large vehicles, contributing to further improvements in fuel efficiency and reductions in exhaust emissions.

Canister

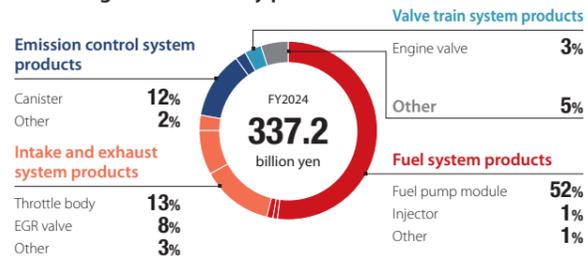
We have achieved both environmental performance and fuel efficiency, and our high level of technological capability has enabled us to maintain a 100% product adoption rate among Toyota Motor Corporation vehicles. Furthermore, in the global market, we have continuously developed products that meet the stringent environmental regulations introduced in the 1970s in the United States, Canada, and other countries. This has demonstrated our pioneering role in environmental technology for engine-related products in the mobility sector.

Global market share of core products (FY2024, In-house research)

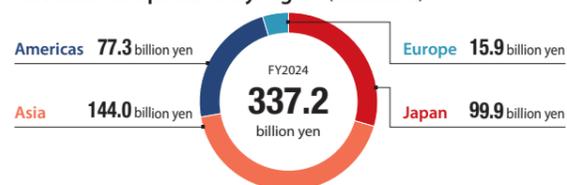


FY2024 performance

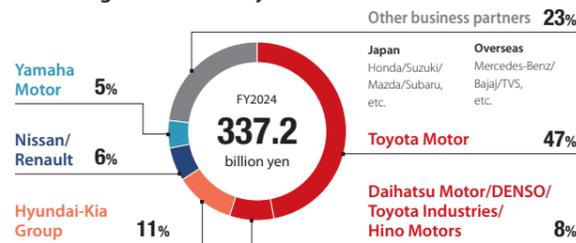
Percentage of net sales by product (Consolidated)



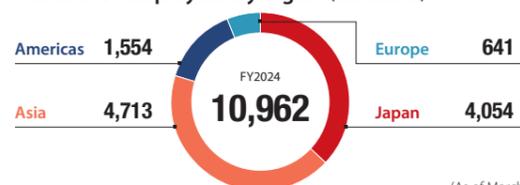
Net sales composition by region (Consolidated)



Percentage of net sales by customer (Consolidated)



Number of employees by region (Consolidated)



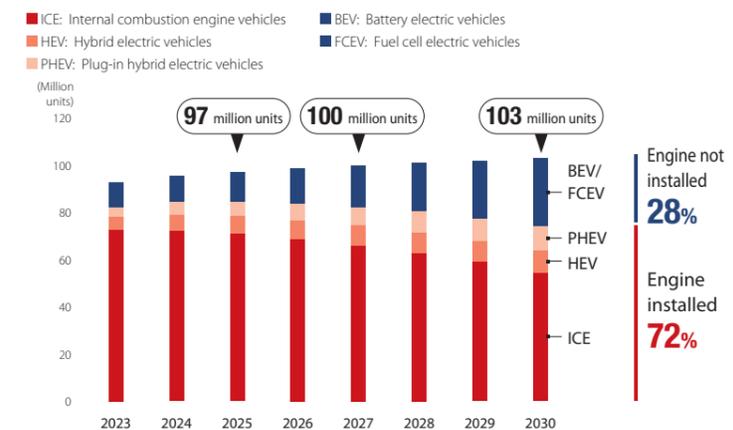
(As of March 31, 2025)

The Powertrain Domain Focused on by the Aisan Group

The Aisan Group provides critical functional components that form the core of mobility power sources, with particular strength in fuel system and intake/exhaust system components for engines. Even as fuel diversification in mobility progresses, we contribute to the joy, fun, and peace of mind of mobility through our refined technological capabilities and quality. Aisan will create new values with our time-proven technology and quality to meet our stakeholders' expectations and improve our corporate value.

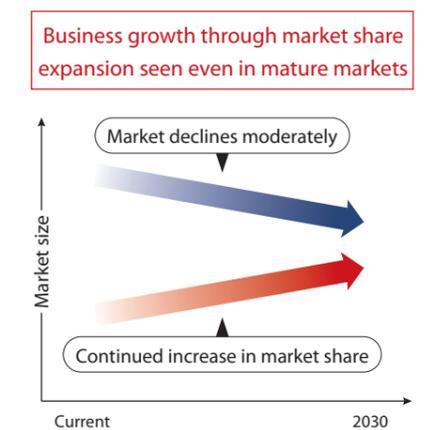
Expansion of the powertrain business domain

Global automobile production forecast



[Source] Based on our projections using data from the 2024 Fuji Keizai Co., Ltd. survey

Strategy in mature markets

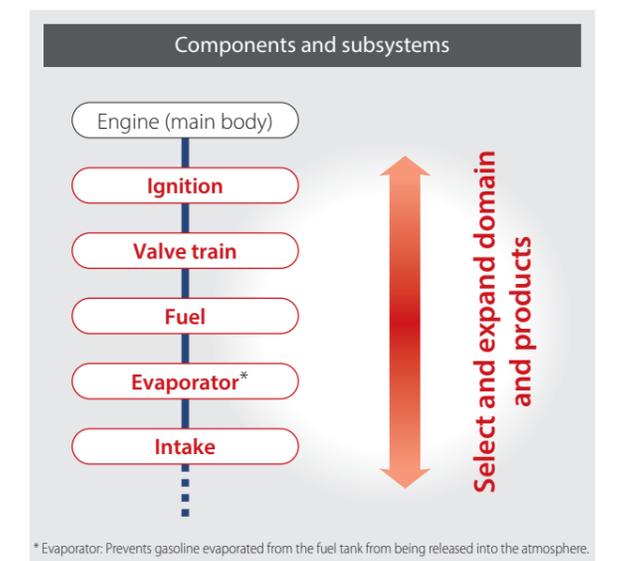
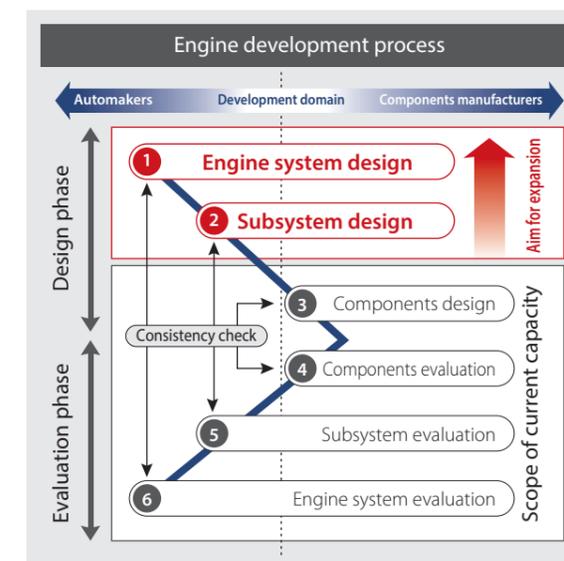


Global regional optimization driven by growth in engine-related products

We anticipate that fuel diversification will progress according to the energy circumstances of countries around the world. We will propose the best products and systems for each region by capturing the unique characteristics of each region within the global market.

Leveraging M&A and alliances to pursue technological advancement and electrification products business

To become an engine system supplier, we will improve our technology and also utilize M&A and alliances in the engine development process to broaden our capabilities, evolving to encompass subsystem design and engine system design.



Product Portfolio/Control Technology Supporting Mobility Evolution and Fuel Diversification

Toward Zero CO₂ and Zero emissions, the shift from current gasoline-based fuels to carbon-neutral fuels such as e-fuels and biofuels is progressing, with expectations for reduced emissions of environmentally harmful substances outside the vehicle. To address these needs, the Aisan Group will contribute to achieving Zero CO₂ and Zero emissions by expanding its product lineup compatible with carbon-neutral fuels and by employing technologies that suppress fuel vapor emissions.



Core products for four-wheeled vehicles

1 Fuel system products



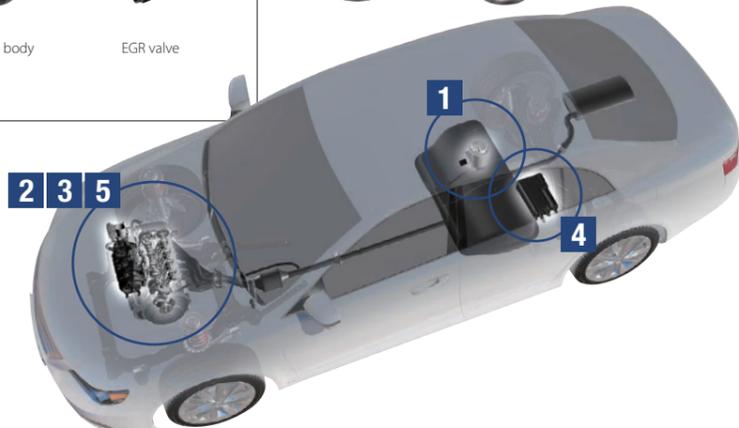
2 Intake and exhaust system products



3 Valve train system products



4 Emission control system products



5 LPG/CNG products



Fuel cell products



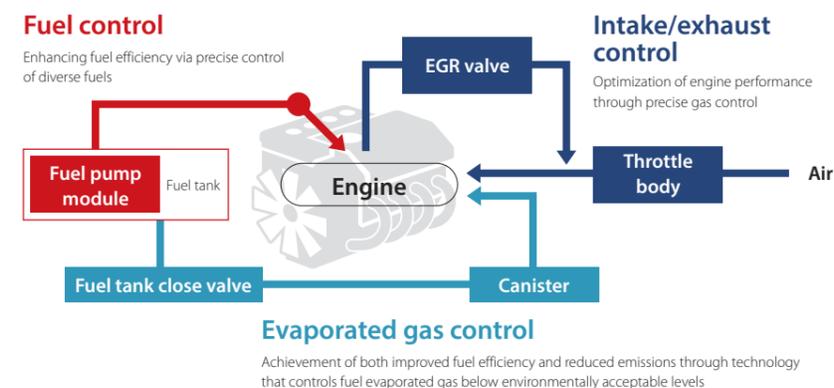
Core products for small motorcycles



Aisan's control technology

Our strength lies in the control of diverse power sources for mobility and vehicle system control technology. We contribute to the environment by improving fuel efficiency and reducing emissions through the optimal control of engine-related components.

Vehicle system control | Technology that defines the individuality of mobility (fuel injection volume, air volume, ignition timing, etc.)



1 Fuel system products

Contribution to improved fuel efficiency with the top-selling product worldwide

Sends fuel from the tank to the engine. Peripheral products for maintaining fuel pressure are also modularized, and by controlling the pump flow, they further improve the fuel efficiency.

4 Emission control system products

Adsorbs fuel vapor to prevent emissions

Adsorbs the fuel evaporation gas generated in the fuel tank and supply lines which cause air pollution, and controls them appropriately to prevent their release into the atmosphere.

2 Intake and exhaust system products

Contribution to improved driving performance and reduced exhaust emissions

Controls the amount of intake air to the engine to achieve comfortable driving performance. In addition, it contributes to improved fuel economy and lowers NOx by recirculating exhaust gas.

5 LPG/CNG products

Pioneer in gas fuel vehicle products supporting diverse fuels

It responds to the diverse power sources, including LPG, which is widely used for taxis in Japan, and CNG, which is expected to be in demand mainly in resource-rich countries.

3 Valve train system products

Engine combustion chamber intake/exhaust control

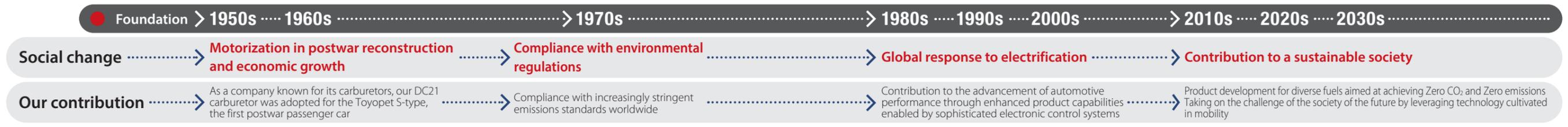
Opens and closes the intake/exhaust ports of the engine combustion chamber. These products require heat resistance and wear resistance to follow the high-speed rotation of engines in high-temperature environments.

Fuel cell products

Contribution to the promotion of Zero emissions

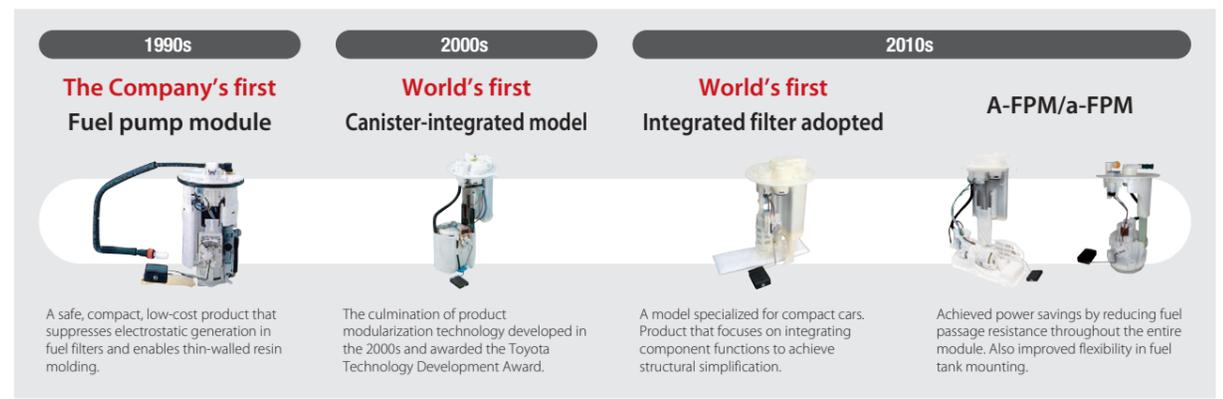
Utilizing our know-how accumulated from gas fuel systems, it controls the hydrogen and oxygen supplied to the fuel cell, contributing to highly efficient power generation.

Since its founding, the Aisan Group has contributed to solving various challenges in response to changes in society. We design engine components that meet market needs, consistently supporting the evolution of mobility with industry-leading quality and performance. We will further refine this technology and aim to contribute to a sustainable society.



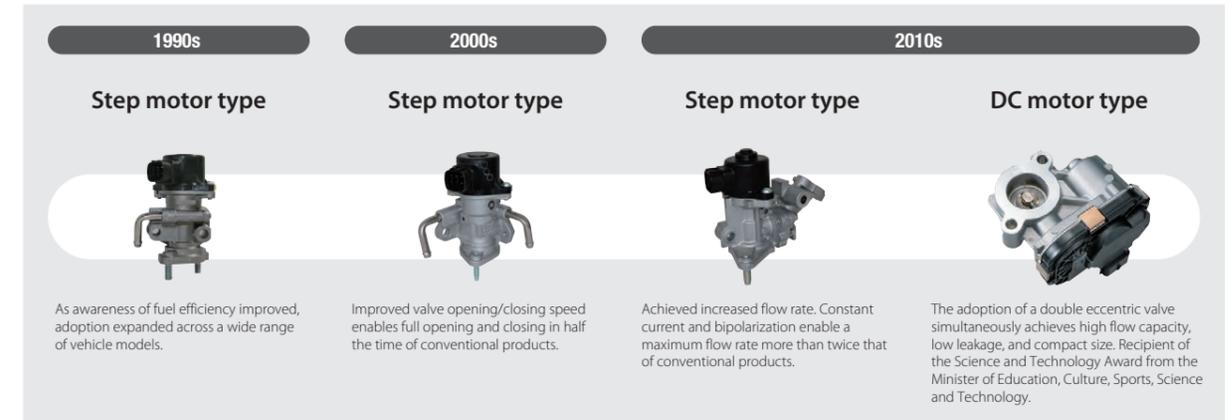
Fuel pump/Fuel pump module Product development aiming for the top position in the world

In the 1990s, we began developing and manufacturing fuel pump modules that integrated fuel pumps and their functional components, aiming to reduce product development and assembly costs. Improvements to fuel filters and enhancements to the entire module, along with the achievement of more compact, high-performance, and energy-efficient fuel pumps, provide features that set us apart from competitors. Since the 2000s, we have achieved further cost reductions and more compact designs through innovations such as the world's first canister-integrated structure and integrated filter, continuing to enhance product efficiency.



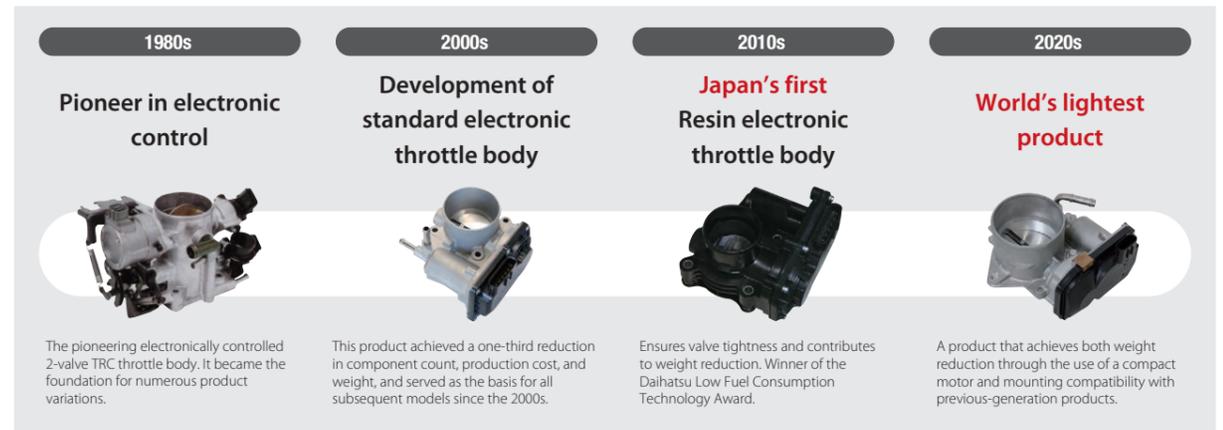
EGR valve Contributing to improved fuel efficiency

By recirculating exhaust gases from the engine and mixing them with fresh air, we aim to improve fuel efficiency and reduce NOx. Development began in the late 1990s in response to growing interest in stricter fuel efficiency and emissions regulations, with demands for responsiveness, high flow rates, and greater controllability. Pursuing both the ability to handle large exhaust volumes at once and tight sealing during valve closure, we have developed high-performance DC motor-driven products since the 2010s. Our advanced technology is highly regarded.



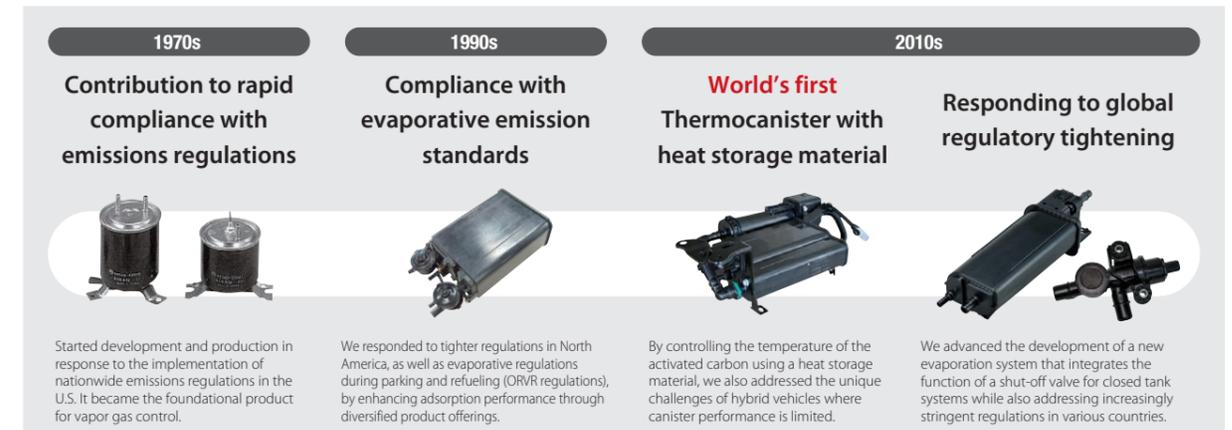
Throttle body Accumulated technical expertise through in-house development

Production began in the 1980s, and as the core product of the Aisan Group, it has earned high praise from automakers. We contribute to low emissions and fuel efficiency while achieving optimal engine output through components that supply the air necessary for engine combustion. We continuously upgrade our products, always aiming to achieve higher performance, lighter weight, and cost efficiency. As a part of this effort, we developed the world's lightest product in 2020 and continue to evolve further.



Canister Evolution from fuel vapor emission control devices

Development began in response to emissions regulations in the United States during the late 1960s. We have contributed to environmental protection by developing new products and refining them in response to each successive tightening of regulations in various countries. We continuously support environmentally conscious initiatives tailored to the characteristics of countries and regions worldwide, and aim to be the top manufacturer of environmentally conscious evaporation* systems.



* Evaporation: Technology that prevents gasoline evaporated from the fuel tank during parking or refueling from being released into the atmosphere.

One-third of the vehicles on roads worldwide are equipped with Aisan Group's products. As the diversification of power sources accelerates, our role is to anticipate changes in society, evolve our technologies, and steadily advance our response to next-generation mobility. We will continue to take on challenges for further growth.

Number of companies **30** companies
(8 in Japan, 22 overseas)

Number of employees **10,962** (Consolidated) | **3,184** (Non-consolidated)

Europe **4** companies

Americas **5** companies

- Czech Republic ○ Belgium
- France (Sold in October 2025) ○ Slovakia
- (3 manufacturing companies, 1 sales company)

- USA ○ Mexico
- (4 manufacturing companies, 1 sales company)

This region has consistently met the world's most stringent environmental regulations. We will aim to expand sales by rebuilding a highly efficient production structure capable of responding immediately to new customers acquired through the business transfer.

Although engine demand is expected to decline, we aim to maintain powertrain business sales by expanding appealing products for both existing and new customers. We also aim for further growth through the introduction of electrified products.

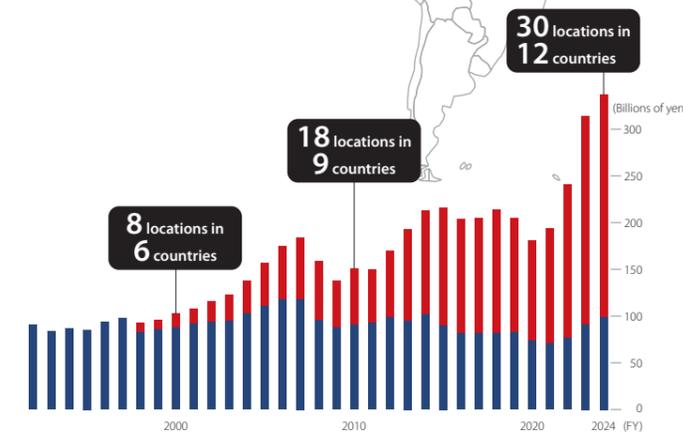
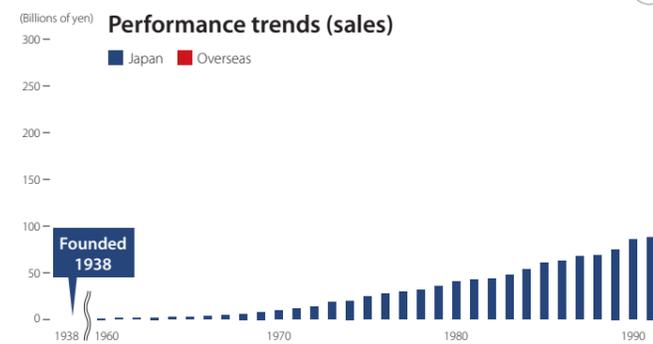
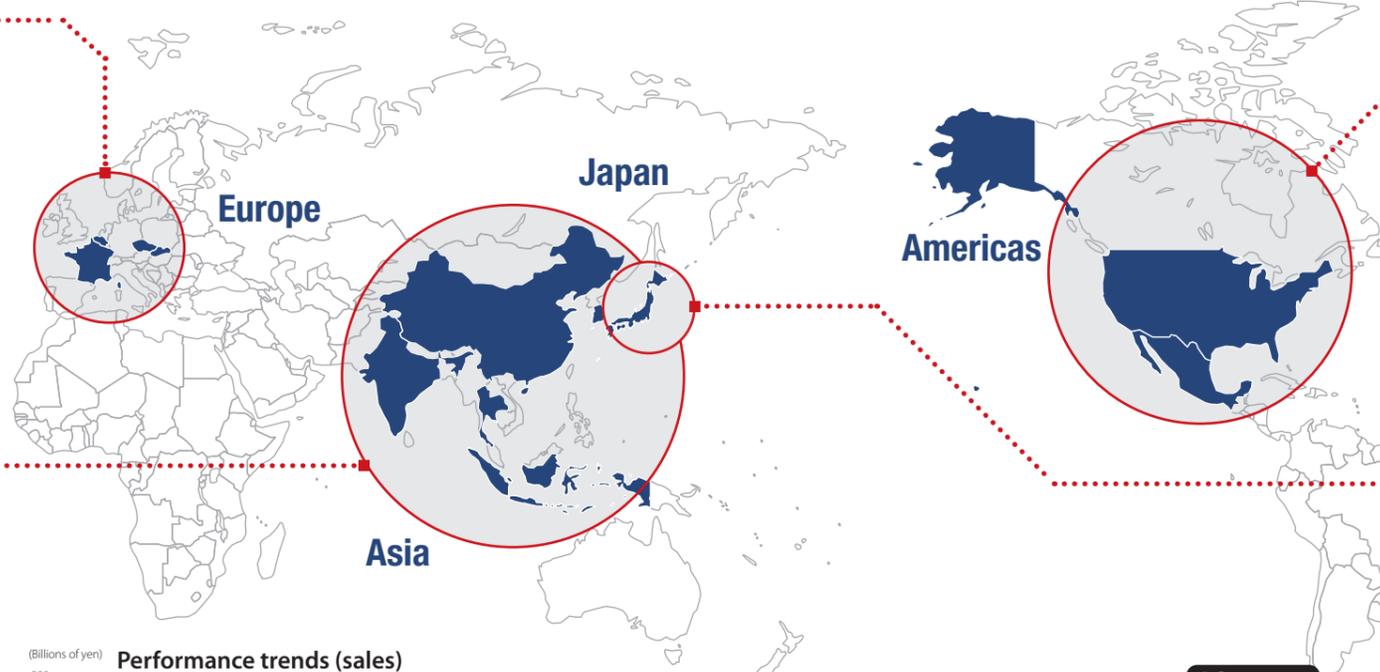
Asia **13** companies

Japan **8** companies

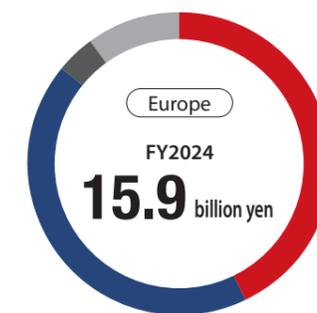
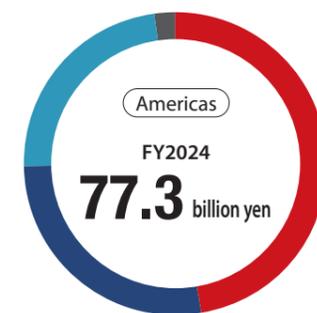
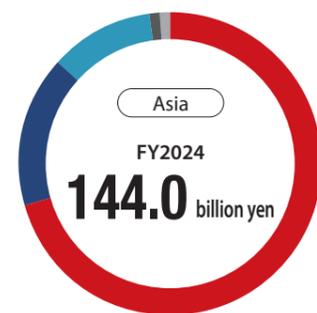
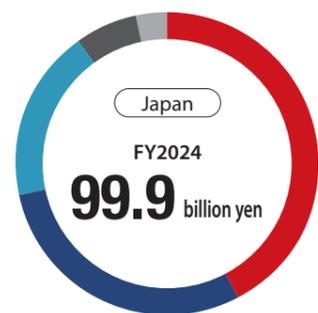
- China ○ Thailand ○ Indonesia
- South Korea ○ India
- (10 manufacturing companies, 3 sales companies)

- (1 headquarters, 5 manufacturing companies, 2 others)

The India and the ASEAN region continues to see expanding engine demand due to the impact of motorization accompanying economic development, resulting in significant market growth. Based on our cultivated technological capabilities and product strength, we will make aggressive investments, with the India and the ASEAN region as a key priority, to pursue business expansion.



■ Percentage of net sales by region/product (Consolidated)



- Fuel system products **39%**
- Intake and exhaust system products **27%**
- Emission control system products **17%**
- Valve train **6%** ■ Other **3%**

- Fuel system products **70%**
- Intake and exhaust system products **16%**
- Emission control system products **11%**
- Valve train **1%** ■ Other **1%**

- Fuel system products **47%**
- Intake and exhaust system products **27%**
- Emission control system products **23%**
- Valve train **2%**

- Fuel system products **43%**
- Intake and exhaust system products **43%**
- Valve train **4%** ■ Other **10%**

Aisan Group's Identity — The foundation for practicing sustainability management —

For more than 80 years since its establishment, the Aisan Group has achieved growth by overcoming many changes through dedicated technological refinement to meet the changing markets of the social environment and stricter regulations. The spirit to challenge ourselves and pride in quality that we have cultivated throughout our history has been passed down to the present as the identity of the Aisan Group. Amidst current social trends and changes in the automotive industry, we present messages from employees who uphold this spirit and approach their work with sincerity.

Thriving through transformations



Spirit of challenge

We are currently promoting a production transfer project associated with the acquisition of the fuel pump module business. I coordinate extensively with the transferring company on matters such as establishing the transfer schedule, preparing the production area, maintaining product quality, and personnel planning.

Smooth collaboration with the transferring company, which has different corporate cultures and practices, was a significant challenge but an essential part of maintaining trust between our customers and the Aisan Group. To address this challenge, **I have placed the highest priority on maximizing mutual benefits and setting shared goals. I have facilitated discussions within cross-departmental working groups and worked to coordinate efforts through regular progress reports to top management and collaboration with headquarters.**

I firmly believe that **this experience in business transformation is a crucial step in seizing new business opportunities.** To contribute to the Aisan Group's continued sustainable growth, I will continue to boldly take on new ventures and new fields as part of our ongoing progress.

Dwi Setyoko



Factory Control / Production Control General Manager
PT.AISAN NASMOCO INDUSTRI

Supporting critical functional components



Pride in being a quality provider

The Aisan Group's initiatives focused on quality, which form the core of our operations, are essential to earning and maintaining customer trust and enhancing product competitiveness. Each employee is earnestly committed to improving quality and actively engages in discussions about how we can enhance the workplace environment and increase efficiency.

We are committed to expanding educational and learning opportunities based on the belief that individual growth leads to company development.

With quality as our top priority, team members are working diligently on specific improvements in their daily tasks, on how best to enhance customer trust through the provision of high-quality products.

A workplace culture where free exchange of opinions is possible is an essential part of achieving this. Through close collaboration with all team members and communication across departments, **we will strengthen the company's overall quality to allow delivery of more attractive, higher-quality products and grow into a stronger company.**

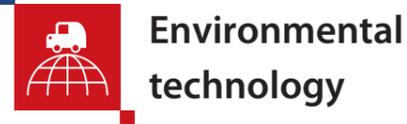
Our commitment to quality improvement stems not merely from routine operations, but from our pride and sense of mission. We will strive to enhance the competitiveness of the Aisan Group and improve customer satisfaction, always keeping this commitment in mind.

Stacy Keen



Manufacturing General Manager
FRANKLIN PRECISION INDUSTRY, INC.

Responding to tighter regulations



Environmental technology

"Through our products and manufacturing approach, we will preserve the beauty of nature for future generations."

Aisan Group's strength lies in its ability to adapt to all fuels, including hydrogen and e-fuels, as an extension of our existing technologies. As environmental regulations tighten worldwide, our strengths will be increasingly leveraged in products such as canisters and EGR valves.

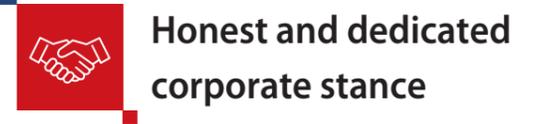
Here in the Czech Republic, **we have taken proactive steps to respond to Europe's leading environmental regulations not merely as compliance targets, but as a guide for pioneering initiatives toward building a sustainable society.** Specifically, in response to the European Green Deal's aim to transition to a circular economy, we implemented reuse of resin runners and factory wastewater using evaporative water purification equipment, achieving an annual reduction of 418 tons of waste. Going forward, we will earn market trust and establish our position as a leading environmental company through initiatives such as manufacturing using low-carbon materials and making products more lightweight.

Michal Morávek



Industrial Engineering Manager
AISAN INDUSTRY CZECH s.r.o.

For all our stakeholders



Honest and dedicated corporate stance

Within the Aisan Group, we handle a wide range of essential operations that ensure smooth manufacturing processes, including inter-factory logistics and building management. Within this framework, I am responsible for managing the employee cafeteria. **Beyond simply providing delicious meals, we proactively contribute to the SDGs for many people both inside and outside the company, with efforts extending beyond the scope of cafeteria operations.** This includes contributing to health management through healthy menus that consider nutritional balance, adopting sustainable seafood that is environmentally conscious, and providing food support to children in developing countries through the TABLE FOR TWO program.

My greatest reward is hearing diners say how delicious it was—it's the ultimate motivation for my work. By providing healthy and sustainable meals, **we will help energize not only our employees but also external stakeholders.**

We will continue to pursue new initiatives to ensure every employee enjoys a healthy and happy everyday life.

Takaya Sengoku



Group Manager
Food Department, AIKYO SANGYO CO., LTD.