

Contents

- 1 Contents / Editing Policy / Information Disclosure System
- 3 Corporate Philosophy and DNA
- 5 Our History of Business Evolution and Growth

Chapter 1 Growth Strategy

7 Message from the President



- 13 Value Creation Process
- 15 Capital and Strengths
- 21 Overview of Management Plan
- 23 Review of NC2023
- 25 Medium-term Management Plan: New Challenge 2026 (NC2026)
- 27 Sustainability Medium-term Plan 2026
- 29 CFO Interview



- 35 Action to Implement Management That Is Conscious of Cost of Capital and Stock Price
- 37 Businesses and Functions

Chapter 2 Business Strategies by Segment and Region

- 41 History of Our Business Portfolio
- 43 At a Glance (Segment Overview)

- 45 **Feature: Highlighted Businesses in NC2026**
  - 1 Automotive Market Strategy in Plastics
  - 2 Environment-Related Business

- 49 Summary of Each Segment
- 57 Global Network
- 59 Reports by Region

Chapter 3 ESG Information

- 61 Sustainability Management
- 63 Materiality
- 65 Climate Change
- 69 Management of Compliance with Chemical Substances Regulations
- 70 Supply Chain Management
- 71 Human Rights
- 73 Employee Engagement
- 75 Diversity and Inclusion
- 78 Human Resource Development
- 79 Health and Productivity Management
- 81 Management
- 83 **Outside Director Three-Way Talk**



- 87 Corporate Governance
- 100 Risk Management
- 104 Compliance / Anti-Corruption
- 105 Information Security
- 106 DX Promotion

Data

- 107 Sustainability Data
- 115 Financial Information
- 123 Consolidated Subsidiaries and Affiliates
- 125 Corporate Information / IR Activities / Stock Information

Editing Policy

We prepare the integrated report as an important tool that enables our stakeholders to understand the business activities and distinctive initiatives that drive value creation for the Inabata Group. In Integrated Report 2024, we have focused on presenting our new medium-term management plan to accelerate growth and our first-ever sustainability medium-term plan as core elements, with the aim of enhancing understanding of our future growth strategy.

- **Guidelines referenced:** Integrated Reporting Framework by the International Financial Reporting Standards (IFRS) Foundation, Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0 by the Ministry of Economy, Trade and Industry (METI), etc.
- **Relevant period:** From April 2023 to March 2024 (some information may not be limited to this period)
- **Relevant organizations:** Inabata & Co., Ltd. and its domestic and overseas Group companies

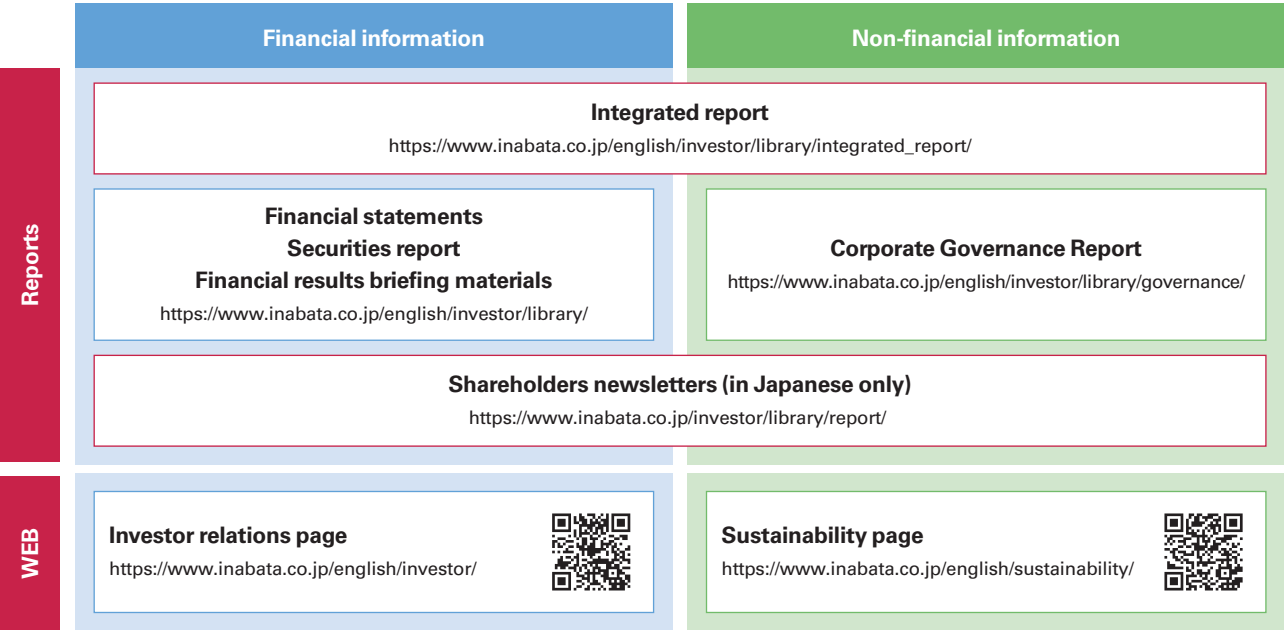
**A cautionary note regarding future estimates**  
The data and future predictions contained in this report are based on information available and judgments applicable at the time of the report's release. Consequently, the data and future forecasts contained herein may include elements that are subject to change, and the reader should be aware that this document and its contents are no guarantee of future performance.

Cover design

The cover of this report features a design with a checkerboard pattern in various shades of moderate blue, reflecting the traditional Japanese grid motif while embodying the meanings of harmony and peace associated with these colors. In 2024, as we launch our new medium-term management plan, we are committed to ongoing value creation through our business. Our goal is to achieve our long-term vision, IK Vision 2030, which outlines our vision for 2030, by fostering sustainability and ensuring seamless integration across our operations.



Information disclosure system of the Inabata Group



We have created investor relations (IR) and sustainability pages on our website, on which we disclose financial and non-financial information. We have published integrated reports since 2020. The report encompasses both financial and non-financial information and is also available on our website.



Katsutaro Inabata  
Founder

# IK INABATA

Love (ai) and Respect (kei)

## Mission

People come first, based on the spirit of “love (ai)” and “respect (kei),” and together we strive towards contributing to the development of society

Respecting all people as a member of society

We have continued to pass down our people-first spirit of “love (ai)” and “respect (kei).” Guided by this spirit, we believe our purpose is to serve society and contribute to its development through our business activities.

## Vision

To continually evolve, serving clients and society, through global operations and meeting their changing needs

Aiming for continuous evolution and growth

To respond to change, we will further enhance our network of people and information while continuing to hone our expertise that creates value and ability to act with initiative. In this way, we will aim for unceasing evolution and growth as a *shosha*, or Japanese trading company.

## IK Values

- To cherish integrity and respect for people (ethics)
- To continually challenge the limits with high ideals, big dreams and great passion (aspiration)
- To prize dialogue and teamwork, and to treasure professional growth of employees (organization)
- To become the best partner of our clients, providing solutions from the clients’ standpoint (role)
- To grow with people across borders, sharing and respecting diverse values with the aim of co-prosperity (symbiosis)

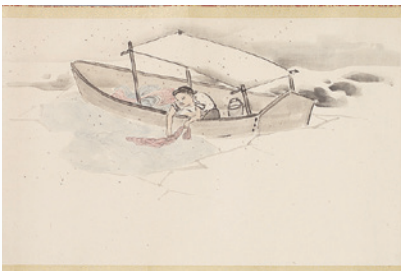
Together with diverse stakeholders

We have defined common values that serve as a guideline in the current business environment where each person must make decisions and act swiftly and appropriately. By sharing the ethics and aspirations that form these values with not only employees but all of our diverse stakeholders throughout the world, we believe we can evolve together.

Since our founding,  
we have continued to manage  
our business with respect for people.

“Honesty is the only way to earn trust of society”

This is one of the sayings left behind by our founder, which describes our spirit of “love (ai)” and “respect (kei).”  
Our company’s history of over 130 years boasts a lineage of creating diverse businesses that contribute to social interests relevant to the times, and our emphasis on managing our business with respect for people links with today’s sustainability management.



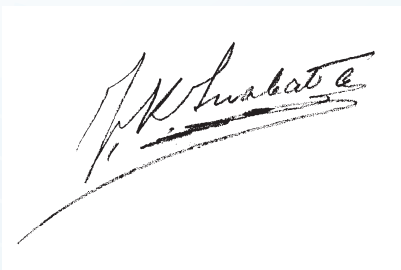
Our founder, Katsutaro Inabata, washing silk threads in the Rhone river in the winter during his study abroad in France (by Sekka Kamisaka)



Inabata Senryoten at the time of founding



The IK logo emblazoned on Inabata Shoten's tenugui towel



Founder Katsutaro Inabata's signature



We have continued to evolve and grow as a company while responding to the changing needs of our clients and society.

Founding story 1

As Kyoto declined following the transfer of the capital, our founder, Katsutaro Inabata, studied abroad in France, sponsored by the prefectural government

Following the Meiji Restoration, the capital of Japan was transferred to Tokyo, resulting in a dramatic reduction of Kyoto's population and the beginning of an economic decline. Against this backdrop, our founder, Katsutaro Inabata, who was born in Kyoto Prefecture and attended teacher's school, was selected by the Kyoto Prefectural government in 1877 to visit France to study. He was only 15 at the time. While attending two industrial preparatory schools in Lyon, Europe's largest silk fabric producing region, he studied the fundamentals of industrial chemistry and undertook practical training for three years at the Marnas dyeing factory. He later studied dyeing theory and applied chemistry at the University of Lyon while also visiting other European countries. Supporting him through his eight years abroad was a strong sense of mission to contribute to not only the revitalization of Kyoto but also to the modernization of all of Japan.



Founding story 2

As Japan worked urgently to modernize its industries, Katsutaro brought Europe's world-leading dyeing techniques back to Kyoto Prefecture

When Katsutaro returned to Japan in 1885, he was offered a position as an agriculture and commerce engineer by the Meiji government. He turned it down, however, instead wishing to serve Kyoto Prefecture. Starting as a lecturer at a Kyoto dyeing institute, he later assisted in the establishment of a textile company in Kyoto and was recommended for the position of chief engineer. In this way, he worked to spread the world-leading dyeing techniques that he had learned while studying abroad. In 1890, he founded Inabata Senryoten, the predecessor to Inabata, and devoted himself to the development of Japan's dyeing industry as a whole.



Contributing to the modernization of culture

Holds Japan's first cinema show; Nikkatsu succeeds the business

On a business trip to France in 1896, Katsutaro purchased a cinematograph, films, and screening rights from his friend, Auguste Lumière. He then held Japan's first film screening in Namba, Osaka. A newspaper at the time wrote that the audience was surprised and amazed by the moving picture. He then transferred the rights to a company which would later become Nippon Katsudo Shashin Corp., which is now known as Nikkatsu Corp.



Replica of a cinematograph

1890— Early Period

The era of founding and growth

We started with the import and sales of dyes and dyeing & weaving machines and expanded our business around the chemicals field.

1890

Inabata Senryoten established in Kyoto

1908

Branch established in Tianjin, China



1916

Amid the suspension of dye imports during World War I, Katsutaro contributed to the establishment of Japan Dyestuff Manufacturing

When the dye imports came to a complete halt during World War I, the Government of Japan encouraged the domestic production of synthetic dyes, leading to the establishment of Japan Dyestuff Manufacturing Co., Ltd. in Osaka in 1916. Katsutaro was involved in the establishment of the company and was appointed as its president in 1926. He actively managed the company and dedicated himself to the domestic production of dyes and their popularization.



Japan Dyestuff Manufacturing Co., Ltd., established in 1916

1945— Growth Period

The era of restructuring and revival

We advanced into new domains while strengthening the pharmaceuticals business, amid postwar chaos in the country.

1959—

Amid the rapid rise of the petrochemical industry with the postwar recovery, Inabata responded to demand for petrochemicals by importing polypropylene for the first time in Japan

In 1955, government-led heavy chemical industrialization advanced and demand for petrochemicals expanded. Against such a background, Inabata had the foresight to set its eye on polypropylene, which was said to be an all-purpose resin. In 1957, Inabata concluded a provisional import contract with an Italian firm that had industrialized polypropylene production that year, and imports to Japan began for the first time in 1959.



Early petrochemical product that contributed to the growth of the plastics business

1976

Overseas sales base established in Singapore



1984— Reform Period

The era of challenges and hardship

We created new value by separating the pharmaceuticals business and expanding overseas bases.

1984—

Separation of the pharmaceutical business following structural changes in the pharmaceutical industry  
Rebuilding the business portfolio and launch of the information & electronics business

In the 1980s, a government policy to suppress medical costs resulted in significant changes to the structure of the domestic pharmaceutical industry. While we made the difficult decision to separate our pharmaceuticals division, which accounted for approximately one-third of our total net sales at the time, we worked to restructure our business portfolio, defining this phase as our "third founding period." This resulted in growth in our LCD-related business, which shares a link with our current information & electronics business.



Information & electronics business grew with the spread of LCDs

1990

100th anniversary



2010— The Fourth Founding Period

The era of progress and creation

We are striving to become our clients' best partner as a *shosha*, or Japanese trading company, providing manufacturing, logistics, and finance solutions backed by our highly specialized knowledge.

2010—

With the intermediary role of trading companies being questioned amid the increase in online trading, Inabata strengthened and enhanced its multifaceted capabilities and created a new business model

In recent times, the expansion of e-commerce and direct trading between companies has caused the role of trading companies to be questioned. Amid these circumstances, we have strengthened supplementary functions based on our core role as a trading company, such as manufacturing and processing, as well as logistics, proposing integrated solutions and new business models tailored to the needs of our customers. This has enabled us to create unique value that ensures customers choose our company.

2010

IK Values established  
Our corporate mission has been redefined with "love (ai)" and "respect (kei)" at its core, structured around a framework of Mission, Vision, and Values.



Mexico plastic compounding factory

