06 Sustainability Environmental and Social

6-1 Measures to Reduce Environmental Burden

We will promote measures to reduce the environmental burden and contribute to a sustainable society.

Basic Thinking

Our Group contributes to society by working proactively to conserve the environment, aiming to harmonize our corporate activities, mainly in the design, manufacturing, and sale of medical devices and industrial equipment, with the global environment.

Promotional Structure

Our group' s activities to reduce environmental impact are promoted through both the governance of the Board of Directors and the voluntary improvement activities of each employee. The Board of Directors sets strategies and KPIs and oversees progress, while all employees carry out improvement activities in their daily work. Environmental considerations have taken root in the corporate culture.

Top-down promotion of environmental activities

Recognizing the importance of reducing environmental impact, our group is actively engaged in company-wide environmental conservation and protection activities, including obtaining environmental ISO certification and supporting TCFD Recommendations.

➡For specific measures, see "Environmental management" on the next page, "Information Disclosure based on TCFD Recommendations" on page 86, "Measures to Reduce Greenhouse Gas Emissions" on page 89, and "Measures to Conserve Natural Capital" on page 91.

Bottom-up promotion of environmental activities

All of our group' s employees understand the importance of reducing our environmental burden and work proactively to conserve and protect the environment, including company-wide environmental activities.

➡For specific measures, see from "company-wide environmental activities" on the next page through "Measures to Reduce Greenhouse Gas Emissions" on page 89.

Environmental Policy

Our Group has established the following policy with the aim of contributing to society by promoting environmentally conscious production activities and environmental conservation and protection in our business activities, which are mainly the design, manufacturing, and sale of stainless steel wire ropes, design and manufacturing of catheters and guide wires, and manufacturing and sales of metal wire rope processing equipment.

1. **We will comply with relevant laws, regulations, and other agreed-to requirements.**
2. **We will accurately understand the impact of our business activities on the environment, perpetually set appropriate environmental objectives and targets, continually improve our impact on the environment, and engage in the following key activities to prevent environmental pollution and assure environment protection.**
   - We will promote resource saving and energy conservation.
   - We will reduce, separate, and recycle waste.
   - We will provide products that take environmental conservation and protection into consideration.
   - We will thoroughly manage chemical substances.
   - We will utilize purchased goods useful for environmental improvement.
3. **Through environmental education, we will raise the awareness of and support each employee in taking responsibility for environmental conservation and protection activities.**
4. **We will inform everyone who works for us of this environmental policy and share it publicly.**

6-1 Measures to Reduce Environmental Burden

Promotion of Environmental Management and Company-Wide Environmental Activities

Governance

For information on governance, see “Governance” under “Information Disclosure based on TCFD Recommendations” on page 86.

Environmental management (top-down promotion)

Obtaining ISO 14001 certification

Our group has established an environmental policy for each major base of the Device Division and obtained the international environment management system standard ISO 14001.
On the other hand, for the Medical Division, although we have not acquired ISO 14001 certification, strict compliance and safety throughout the raw materials, packaging materials, secondary materials, and manufacturing processes are required by laws and regulations of the countries where relevant products are sold. These laws and regulations clearly specify the requirements for environmentally hazardous substances, and by complying with these regulations, we are able to ensure that we make necessary environmental considerations.
For this reason, in the Medical Division, we do not set restrictions on the use of environmentally hazardous substances at the product design stage, but our environmental compliance is ensured through the management of chemicals adhering to the laws and regulations.

Implementation of environmental audits

At the business sites that have acquired ISO 14001 certification, we conduct regular internal audits to reduce environmental risks. We analyze the causes of problems identified in these audits and implement measures to prevent recurrence. In addition, we continuously check whether the measures are functioning properly and improve our environmental management.

➡For other measures, see “Information Disclosure based on TCFD Recommendations” on page 86, “Measures to Reduce Greenhouse Gas Emissions” on page 89 and “Measures to Conserve Natural Capital” on page 91.

Status of ISO 14001 certification (as of the end of FYE June 2025)


Asahi Intecc Co., Ltd. Osaka R&D Center

ASAHI INTEC THAILAND CO.,LTD.

TOYOFLEX CEBU CORPORATION

Provision of environmentally friendly products

Our group considers the impact on the environment from the product design stage and selects materials and manufacturing processes with less environmental impact to realize a circular economy. We also contribute to the realization of a sustainable society by educating all employees of the importance of providing environmentally friendly products and by promoting voluntary efforts from the business forefronts.
Our group’s guide wire has a unique structure that increases durability (resistance to deformation that maintains operability) during treatment by using our core technology. This reduces the number of guide wires used in a single operation, contributing to the reduction of medical wastes.
In addition, our group’s penetration catheters use a proprietary metal structure, the ACT ONE (multi-threaded coil), to increase the volume ratio of metal and reduce the amount of resin used compared with conventional products. This structure also contributes to the reduction of microplastics.

Company-wide environmental activities (bottom-up promotion)

Promotion of company-wide environmental activities

Asahi Intecc Group has launched the Asahi Sustainability Activity (ASA) as a global environmental initiative with the participation of all our group employees, with the aim of raising environmental awareness among them by setting “continuous company-wide promotion and penetration of ESG centered on the environment” in our Management Policy. In addition to raising employees’ awareness for the environment through company-wide participation, we intend to accumulate ideas and know-how that are effective in reducing the environmental burden by sharing excellent activities, and to strengthen company-wide response capabilities to environmental problems.

Implementation of environmental education

As part of environmental activities with the participation of all employees, our group holds environmental education seminars every year, inviting outside lecturers with specialized knowledge. The purpose of the seminars is to raise the environmental awareness of employees actually involved in environmental activities. Topics covered include global trends in environmental regulations, the latest energy-saving and resource-saving technologies, carbon neutrality, biodiversity conservation, waste reduction, and regional contribution. We also introduce examples of other companies’ efforts to improve the quality of our group’s environmental activities.
Seminars are distributed online so that they can be viewed on demand, and an e-learning system is in place to enable all employees to learn at any time. With this approach, we have created an environment in which employees at all business bases in Japan and overseas can continuously acquire environmental knowledge and utilize it in their daily work and community activities.

Interview with Officer in Charge of Environmental Affairs

Matsumoto, the officer in charge of environmental affairs, will give an explanation about initiatives and the significance of promoting environmental management through an interview format.

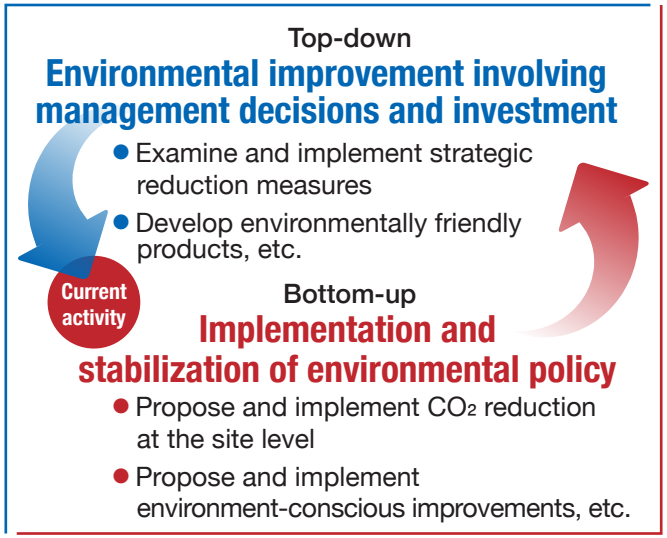
Munechika Matsumoto
Senior Executive Officer
Asahi Intecc Co.,Ltd.

Since joining the company in 1979, he has consistently been engaged in the Device Division and contributed to the development of stainless-steel components, the company's core technology. He became director of the company in 2016 and executive director in 2021. In September 2025, he became senior executive officer due to the retirement of a director. Recently, Matsumoto is promoting bottom-up environmental activities as an environmental officer.

Promotional system for environmental management

Q: Under what kind of system are environmental initiatives promoted?

Asahi Intecc Group is promoting environmental management through both a top-down approach by management and a bottom-up approach by employees. The Board of Directors sets environmental goals linked to management policies, and each division develops a system allowing for voluntary action. In this context, my main role is the promotion of bottom-up activities. As a bottom-up activity, we are promoting the Asahi Sustainability Activity (ASA), in which all employees participate. Through this activity, we are performing a variety of improvements rooted in our daily operations, including energy conservation, resource recycling, and environmentally-conscious product design.



At each site, a system is established in which each employee makes proposals, and new improvements are made there. The results of these activities are shared company-wide at the ASA results presentation meeting held once a year, and outstanding initiatives are awarded to raise employee motivation. Through this system, environmental activities are not merely measures to be taken internally but are stabilized as part of the corporate culture in which all employees partake.

ASA results presentation meeting

Approach to climate change and CO_2 reduction

Q: How do you position response to climate change in the management?

We see climate change response as an important issue to achieve both sustainable growth and enhanced corporate value. In particular, reducing CO_2 emissions is a top priority, and we have set a target of reducing Scope 1 and 2 emissions by 30% compared to FYE 2022 level by 2030. We also aim to maintain the FYE 2023 level on a per unit sales basis for the entire supply chain (Scope 3).

These policies are being implemented through company-wide activities at the site level. By balancing bottom-up improvement proposals with management support, we are producing tangible results. For example, we are working to reduce the environmental impact in a manner suitable to each site such as introducing high-efficiency equipment at the manufacturing sites and promoting paperless operations in the administrative divisions.

Specific initiatives and results

Q: As bottom-up activities, what were the specific activities and results?

About two and a half years after the company-wide implementation of environmental activities, 30 sites in Japan and overseas (about 90% of the total) participated, and a total of 639 improvement proposals were submitted. A variety of initiatives are being promoted on a voluntary basis, including energy and resource conservation, waste reduction, and awareness raising.
The introduction of a high-efficiency chiller system at the Thailand factory is a good example of management's swift approval and support for the proposal from the site, which resulted in an annual reduction of approximately 2,600 tons of CO_2 emissions (approx.5.4% of the company's total emissions).
In addition, activities to reduce the use of copy paper promoted at all sites resulted in a reduction of approx. 310,000 copies per month (approx. 2 tons of CO_2 equivalent) by reviewing printing settings and introducing electronic approval. This is the result of continuous efforts of individual employees in their daily work.
In addition, employee-led cleanup volunteer activities are spreading in each region. Many employees participate in clean-up activities on local roads, rivers, parks, etc. and interact with the local community by wearing original bibs bearing our company logo. This embodies our social responsibility as a company and enhances the trust of the local community and brand value. These efforts can be said to be the symbolic result of all-employee participatory environmental management, which is born from the interaction between the on-site ingenuity and the upper management support.

Challenges and learning in promotion

Q: Were there any difficulties or areas of particular endeavor in promoting the activities?

The compatibility of environmental performance with product quality, safety, and manufacturing costs is a major issue. Because medical devices require high quality and safety, switching to materials and processes with lower environmental impact requires careful consideration. For this reason, we have established a system to conduct research and development of new materials and manufacturing technologies by assessing their environmental impact from the design stage. As a result, we position environmental response not as constraints but as opportunities for

High efficiency chiller at Thailand factory

Environmental activities in Cebu

Original bibs with Asahi Intecc logo

new value creation. There were differences in infrastructure, cultural background, and cost awareness between domestic and overseas sites. In Japan, the concept of the 3Rs (Reduce, Reuse, Recycle) is widespread in education and social awareness, but in other countries, the depth and systems of environmental education differ from country to country.
Nevertheless, our company' s overseas bases, particularly in the EU, China, and Southeast Asia, are highly aware of the environment, and are actively engaged in voluntary improvements and community collaboration activities.

Positive effects on management and business

Q: What effects have environmental response had on the business and organization?

Environmental activities have effects of improving employee engagement and other benefits. In particular, at the ASA results presentation meeting, the initiatives are shared across departments and regions, and a corporate culture in which all employees participate is established throughout the group.
In addition, through volunteer activities and community collaboration, contacts with local residents have been established. I feel that recognition of the company as a trusted company and a company rooted in the community has expanded. These activities also serve as an opportunity for each and every employee to be proud of the company.

External collaboration and future directions

Q: How do you promote cooperation with external parties such as governments and local communities?

We promote co-creation with local communities through cleanup activities and tree-planting activities in cooperation with local governments and environmental education cooperation with local schools. We are also actively incorporating external support, such as the introduction of highly efficient facilities through administrative subsidy programs. Through these efforts, local communities, governments, and companies are working together to build a foundation for decarbonization.

Future prospects

Q: What do you think are the key themes for the future?

In the future, we must further promote decarbonization throughout the supply chain and deepen cooperation with our business partners and subcontractors. As a responsibility of the manufacturing industry, we also aim to reduce the environmental impact of our products throughout their life cycles by adopting the use of materials with low environmental impact and promoting the collection and reuse of products. At the same time, we will continue environmental education and enlightenment activities to pass on the all-employee participatory environmental management to the next generation.

Significance of environmental management

Q: Finally, what does environmental management mean for the Asahi Intecc Group?

At our company, environmental management is a symbol of our culture in which all employees think and act on their own initiative. Upper management presents policies and resources, and the sites respond with creativity and execution. This interaction supports sustainable environmental improvement and value creation. We will apply the knowledge we have cultivated through this system to achieve both social value and business growth.

Climate Change Adaptation Measures

Information Disclosure based on TCFD Recommendations

As the impact of climate change intensifies year by year and public concern grows, companies are also required to take proactive measures. The Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), requires companies to disclose information about climate change-related risks and opportunities in its final report released in 2017.
Based on our experience with past flood damage in Thailand and typhoon damage in Philippines, Asahi Intecc Group recognizes that addressing environmental issues, including climate change, is one of the critical challenges. Our Group declared our endorsement for TCFD Recommendations in August 2022. We will actively promote disclosure of information on climate change in accordance with the four themes (governance, strategy, risk management, and metrics and targets) defined by the TCFD.

Governance

Our Group's basic policy is to actively engage in environmental conservation and to contribute to a sustainable society through our corporate activities in general, aiming to harmonize our corporate activities, mainly in design, manufacturing, and sale of medical devices and industrial equipment, with the global environment. In addition, our environmental efforts including climate change adaptation measures are set as one of the important issues of establishing management structure for sustainable growth in our Medium-Term Management Plan.
Our Group has established a system for the Board of Directors to appropriately supervise important issues related to sustainability, such as climate change. In particular, important matters related to management risks and opportunities are reported by the Director in charge of Environmental Affairs and the Director in charge of ESG to all Directors, including outside directors, and are reflected in our Group's management strategy after discussion at the Board of Directors.

Strategy

As the environmental burden on the earth increases, we believe that it is impossible to carry out corporate activities without realizing a sustainable society. In particular, for life-saving medical devices, we believe that disruptions to the supply chain and a decline in the ability to supply due to the intensification of global disasters are not only business risks but also social risks.
Our group's business activities may also be affected by future tightening of environmental regulations and increased risks of natural disasters caused by rising temperatures. Based on such environmental awareness, we conducted scenario analysis in accordance with the 1.5°C scenario (NZE 2050)* presented by the International Energy Agency (IEA), the 2°C (and less than 2°C) scenario (SDS)*, and the 4°C scenario (RCP 8.5)* presented by the Intergovernmental Panel on Climate Change (IPCC), etc. See page 87 for details on scenario analysis.

* Scenarios for limiting the global average temperature to around 1.5°C/2°C (and less than 2°C)/4°C above compared with levels prior to the industrial revolution.

Risk management

Concerning the matters that have a significant impact on our Group's management, including climate change-related risks, the Board of Directors will discuss and examine risk assessment, countermeasures, and preventive measures, and manage the climate change-related risks that are assessed and identified. For risk management, each department implements measures to respond to risks. Climate change-related risks are recognized by the Corporate Strategic Office, and important risks are reported to the Board of Directors. We will continue to follow up on climate-related risks based on the TCFD Recommendations and will continue the establishment of a management system of climate-related risks, including collaboration with company-wide risk management.

Analysis of impacts on climate change

1In the 1.5°C scenario and the 2°C (and less than 2°C) scenario, transition risks are assumed such as tighter energy conservation regulations, introduction of carbon taxes and emissions trading, environmental regulations and price increases for key materials. In the 4°C scenario, physical risks such as supply chain disruptions and suspension of operations at manufacturing sites due to disasters such as floods and typhoons are assumed to be particularly increased, and the increased risk of developing intravascular diseases could be an opportunity for our group to supply products that can contribute to improving the efficiency of the medical forefront. In order to deepen the analysis of the impact of climate change on our group' s business and to further study countermeasures, we conduct a quantitative assessment of the financial impact (estimated value) of climate change on our group relative to FYE June 2024. There is no major change in this situation for FYE June 2025. Based on these predictions, each group company conducts risk and opportunity analysis for each business field and shares it with the Board of Directors.

Risks/ opportunities	Important risks	Risks and opportunities in our group	Impact(period in which impact becomes obvious / financial impact / importance)			Countermeasures
Transition risks	Strengthened decarbonization policies and regulations	Risks of increased costs due to tighter regulations on greenhouse gas emissions and the introduction of carbon taxes and emissions trading*1	Medium term	1.5°C scenario: Approx. -1 billion yen (2030) 2°C scenario: Approx. -1 billion yen (2030)	Medium to large	・Promotion of initiatives to reduce CO_2 emissions ・Use of renewable energy ・Switching to low-carbon alternatives ・Lighter packaging
		Risks of increased costs due to increase in infrastructure-related costs accompanied by various tighter regulations, including regulations on greenhouse gas emissions*2		1.5°C scenario: Approx. -900 million yen (2030)		
	Reduction of plastics, shift to materials with low environmental burden, and increase in material prices	Risks of rising prices of key raw materials*2	Medium term	1.5°C scenario: Approx. +700 million yen (2030) 2°C scenario: Approx. +100 million yen (2030)	Medium	・Globalization of pharmaceutical organization ・Strengthening research on new materials
		Risks of increased R&D and SG&A expenses due to the search for new materials, changes in product design, and response to pharmaceutical issues		——		
	Reputation risk due to delayed response to climate change	Risks of a decline in corporate value due to a delay in responding to climate change, resulting in a decline in stakeholder evaluation	Medium term	——	——	・Strengthening sustainability management ・Enhancement of information disclosure
Physical risks	Increased frequency and scale of meteorological disasters (heavy rain, floods, typhoons)	Risks that supply chain disruptions could disrupt the procurement of raw materials from suppliers and disrupt the supply from manufacturing subsidiaries to sales destinations*3	Long term	4°C scenario: Approx. -200 million yen	Small	・Climate change risk assessment for suppliers ・Conducting questionnaire for suppliers ・Examination of alternative purchasing methods ・Examination of alternative production and sales routes
		Risks of inundation of the factory and equipment due to river flooding around the manufacturing site, resulting in temporary difficulties in operation*4	Long term	4°C scenario: Approx. -2.9 billion yen	Large	・Climate change risk assessment at production bases ・Diversification of production bases ・Examination of measures for bases where large-scale inundation is expected
		Risks of submergence and incapacity of manufacturing sites due to rising sea levels associated with rising temperatures*5		4°C scenario: Approx. -29.5 billion yen		
	Rise in temperature	Risks of increased maintenance and management costs for production facilities due to higher average temperatures	Long term	——	Small	・Replacement of air conditioning equipment, etc.
Opportunities	Increased risks of developing intravascular diseases	Opportunities to supply products that can contribute to increased efficiency at the medical workplace*6	Long term	4°C scenario: Approx. +4.8 billion yen (2050)	Large	・Strengthened R&D

Note: In calculating the impact shown on the right, we used reasonable methods based on available information. However, research results, information, and data that are the sources of information for each scenario are those at the time of the scenario study, and the impact estimates analyzed and calculated based on these scenarios are inherently uncertain.

*1: The impact is calculated on the assumption that our company will bear the carbon tax assumed in each scenario for its CO2 emissions (SCOPE1 + SCOPE2) if no reduction is made from the CO2 emissions for the FYE May 2025.
*2: The impact is calculated on the assumption that the increase in power generation costs due to changes in the power supply mix resulting from the tightening of greenhouse gas emission regulations will be passed on to electricity fees.
*3: The impact of a temporary suspension of operations by suppliers of major raw materials at their manufacturing bases due to river flooding is calculated based on the impact on our Company and the possibility of occurrence.
*4: The impact of a temporary suspension of our operations at our manufacturing bases due to river flooding is calculated based on the impact and the possibility of occurrence.
*5: The impact of inundation of our manufacturing sites due to rising sea levels caused by rising temperatures (maximum value if we did not relocate our factories) is calculated.

6-1 Measures to Reduce Environmental Burden

Metrics and targets

In line with SBTi's 1.5°C-level reduction target*, our group has formulated a medium-term CO_2 emissions reduction target of reducing CO_2 emissions (Scope 1 + 2) from our group's business activities by 30% from FYE June 2022 by 2030.

As for CO_2 emissions from the supply chain (Scope 3), we aim to maintain the level of FYE June 2023 by basic sales unit. In Scope 3, the majority are emissions in Category 1 (purchased products and services). However, since our group's main business is the manufacturing and sale of medical devices, it is more difficult than in other industries to make changes to purchased products. Therefore, we believe that it will be difficult to significantly reduce emissions. On the other hand, reducing CO_2 emissions is an important issue for our group to address, so we are working on the reduction not only in our group but also in cooperation with our suppliers throughout the entire supply chain.

Scope1+ Scope 2

CO_2 emissions from our group's business activities decreased by 0.1% year on year for the group as a whole, and emissions per unit of sales decreased by 10.6%, as a result of energy-saving activities and improved production efficiency accompanying productivity improvements.

We believe that the volume of CO_2 emissions from our group's business activities is relatively small compared to the scale of its sales. However, in addition to improving the efficiency of manufacturing processes and energy conservation activities such as diligently saving electricity, we will consider and implement comprehensive initiatives, including the conversion to renewable energy in the future.

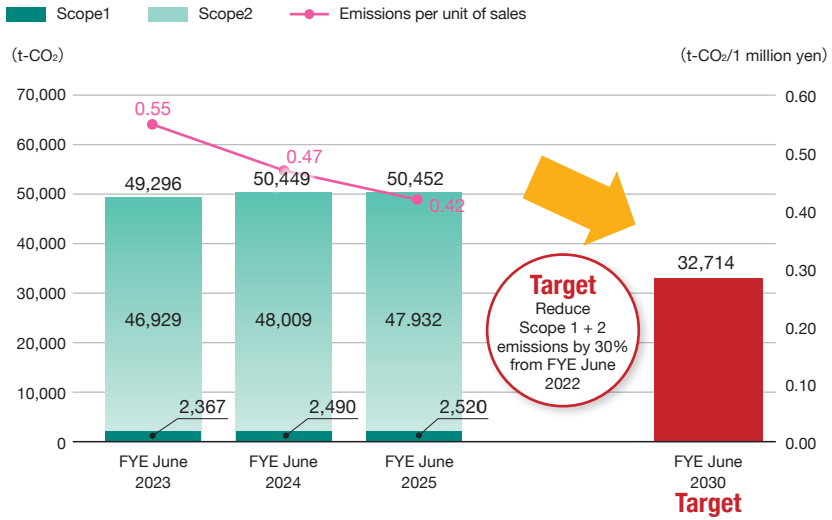
Scope 3

Our group is working to reduce CO_2 emissions throughout its entire supply chain by, for example, conducting a questionnaire regarding environmental considerations for major suppliers and selecting more environmentally friendly materials after considering the impact on the environment from the design stage.

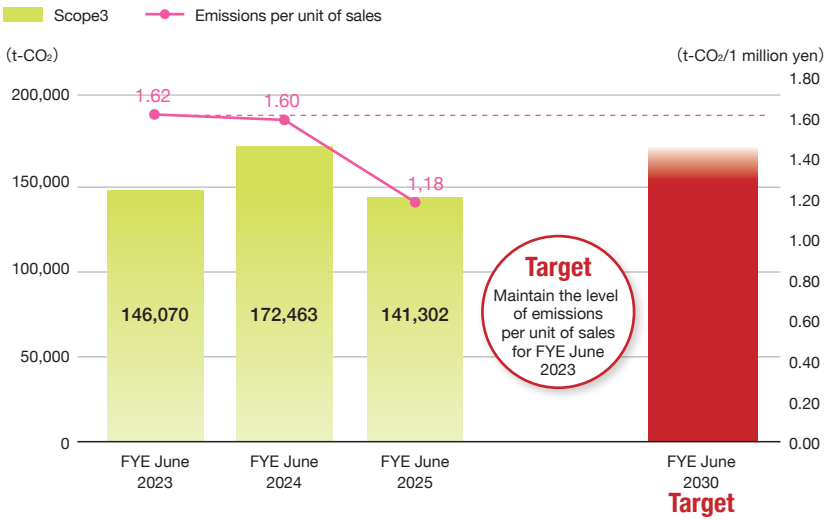
CO_2 emissions under Scope 3 decreased 18.1% year on year, and emissions per unit sales decreased 26.3% year on year. The main reason for this reduction is that in the previous fiscal year, Category 2 emissions temporarily increased significantly owing to the construction of the Research and Development Building.

➡See "Non-Financial Summary" on page 137 for data by category.

Scope 1 + 2 emissions



Scope 3 emissions



Measures to Reduce Greenhouse Gas Emissions

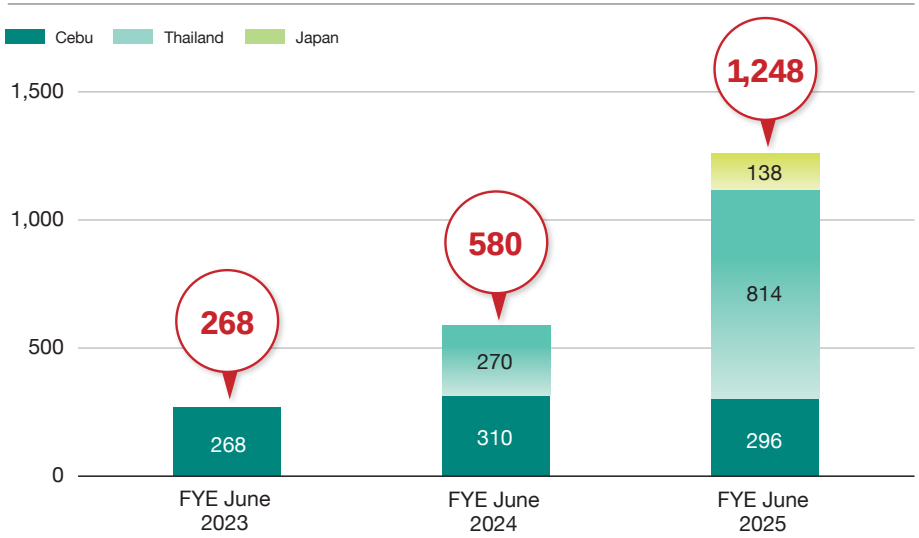
Although our group's business structure does not require the use of large amounts of energy, all of our business sites view the reduction of greenhouse gas emissions associated with their business activities as an important challenge and are working on energy conversion and energy efficiency (saving energy) with the aim of contributing to solving climate change issues.

Use of renewable energy

In order to shift to cleaner sources, our group has installed solar panels at its major overseas production plants in Thailand and Cebu, as well as at the Global Headquarters R&D Center in Japan, and is promoting the use of renewable energy. We will continue to actively consider the introduction of solar panels in Japan and overseas.

At present, the use of renewable energy is limited only to that generated by solar panels, but we will also consider proactively the procurement of electricity derived from renewable energy to further reduce CO_2 emissions.

Amount of renewable energy generated at each site



Global Headquarters R&D Center

Cebu Factory

Thailand Factory

Promotion of energy efficiency (saving energy)

Our group recognizes that reducing CO_2 emissions by reducing energy consumption in its business activities and improving energy efficiency is an important issue. We are promoting initiatives that prioritize the introduction of environmentally friendly equipment (green purchasing) and reduce power consumption by improving processes. When renewing or introducing new equipment, we evaluate not only the purchase price but also the energy consumption and life cycle cost, and select equipment with low greenhouse gas emissions, aiming to create continuous energy-saving effects.

Specific measures

- Introducing high-performance chillers, energy-saving boilers, high-efficiency motors, etc.
- Introducing LED lighting and automatic control (human sensor/timer)
- Reducing power consumption through process improvement
- Reducing logistics fuel consumed by domestic relays by sending products from overseas manufacturing bases directly to clients and agents
- Introducing machinery and equipment for automated power-saving (Hanoi Factory)
- Using low fuel consumption vehicles such as hybrids for company cars
- Ensuring that lights are turned off frequently
- Participating in environmental preservation activities at each site, etc.

Replacement with high-performance chillers (Thailand Factory)

Promotion of environmentally conscious purchasing and resource conservation

Our group places importance on reducing resource consumption and promoting reuse in the procurement of office supplies and materials other than equipment. By actively adopting recycled materials and environmentally conscious purchasing (green procurement), we are promoting company-wide initiatives that lead to resource recycling and waste reduction.

Examples of our initiatives

・Change from plastic pallets to paper pallets
・Reuse of plastic cushioning materials
・Preferential use of environmentally certified products

These efforts are closely related to measures to conserve natural capital.

➡See pages 92 for details.

Paper pallet

Reuse of plastic cushioning materials

External Evaluation and Certification

Selected for Inclusion in FTSE Blossom Japan Sector Relative Index

Our company was selected for inclusion in the FTSE Blossom Japan Sector Relative Index* adopted by the GPIF in 2022. Going forward, we will further strengthen our ESG initiatives and information disclosure in line with the expectations of our stakeholders, and promote sustainability management that simultaneously enhances social value and corporate value.

FTSE Blossom Japan Sector Relative Index

*The index was compiled by FTSE Russell, a global index provider, and is designed to measure the performance of Japanese companies that demonstrate outstanding environmental, social, and governance (ESG) initiatives. As of June 30, 2025, 683 stocks were selected.

Achieved B score in CDP2025 (climate change)

Our group received a “B” score in the CDP2025 Climate Change Questionnaire administered by the Carbon Disclosure Project (CDP), an international environmental non-profit organization. The B score corresponds to management level, where a company recognizes the risk and impact related to environmental problems and is planning and taking strategic actions to manage them, and is ranked third from the top among eight levels (A, A⁻, B, B⁻, C, C⁻, D, D⁻). We will continue to strengthen our sustainability initiatives, including those related to climate change, in order to maintain and improve our scores.

CDP Discloser 2025

Measures to Conserve Natural Capital

Policy and Basic Thinking

Our group enjoys various benefits from natural capital through its business activities and may have various impacts on it. We recognize that considering and striving to maintain and conserve natural capital, including biodiversity, is an important environmental issue, and we will work to conserve natural capital through our business activities and social contribution activities.

Governance

Our group' s basic policy is to actively engage in environmental conservation and to contribute to a sustainable society through our corporate activities in general, aiming to harmonize our corporate activities, mainly in development, manufacturing, and sale of medical devices and industrial equipment, with the global environment. In addition, our environmental efforts, including measures to maintain biodiversity and natural capital, have been identified as one of the important issues under “Build a strong management foundation for sustainable growth” in our Medium-Term Management Plan.

Our group has established a system for the Board of Directors to appropriately supervise important issues related to sustainability, such as climate change. In particular, important matters related to management risks and opportunities are reported by the director in charge of environmental affairs and the director in charge of ESG to all directors, including outside directors, and are reflected in our group' s management strategy after discussion at the Board of Directors.

Information Disclosure Based on TNFD Recommendations

In addition to addressing climate change, our group has begun to consider how to address nature-related risks and opportunities in light of international trends in biodiversity and natural capital. In particular, we recognize that the TNFD* Recommendations published in 2023 become increasingly important as a trend for international information disclosure, and we have set a target of disclosing nature-related information based on the TNFD Recommendations by around 2030.

TNFD Taskforce on Nature-related Financial Disclosures

*Taskforce on Nature-Related Financial Disclosures: an international organization established to build a corporate risk management and disclosure framework for natural capital.

Initiatives for Each Theme

Examples of community contribution and biodiversity initiatives

As part of its efforts to contribute to local communities and promote biodiversity, our group is actively promoting community-based environmental preservation activities by its employees and is conducting a variety of activities at its business sites in Japan and overseas.

In Japan, our employees are actively involved in community cleanup volunteer activities at the Global Headquarters R&D Center, Osaka R&D Center, Nagoya Office, Shinagawa Office, and Tohoku R&D Center. In addition, we prepared original bibs with our company logo to enhance the sense of unity and awareness of our activities. Employees wear these bibs during cleanup activities, etc., which helps us increase the sense of unity about the measures at each site. The players and staff of our women soccer team, Asahi Intecc Loveledge Nagoya, are also making contributions to the local community as part of the domestic environmental activities at their training bases, such as cleaning the area around Asahi Intecc WOVEN FIELD and planting daffodil bulbs.

At the Cebu Factory, we are continuing our efforts to improve the local environment, including planting 500 trees for the purpose of regenerating local forests and preventing soil erosion, supporting school gardens using waste wood, providing vegetable seedlings and forage grass, and providing plastic containers that can be reused as rainwater tanks. These activities have produced multifaceted effects, such as reducing CO_2 emissions, reusing waste materials, utilizing rainwater, and supporting environmental education for children.

Our group will continue to pursue environmental conservation activities rooted in local communities through cooperation between local communities and our employees at the domestic and overseas sites.

Donation to the Keidanren Nature Conservation Fund (KNCF)

Our group has donated to the Keidanren Nature Conservation Fund. The fund is used not only in Japan but also in various countries and regions, including the Asia-Pacific region, to support projects conducted by NGOs, etc. in various countries, such as natural resource management, environmental education, tree planting, and protection of rare animals. Through this donation, we will strive to realize a society that coexists with the natural environment and conserves biodiversity.

Volunteer cleaning activities at Osaka R&D Center, Makio River upstream, Izumi City

Cleanup activities by employees of Global Headquarters R&D Center at the riverbed in front of Seto City Hall

Planting daffodil bulbs by players of Asahi Intecc Loveledge Nagoya

Tree planting by employees of Cebu Factory

Sowing seeds in school gardens using waste wood

6-1 Measures to Reduce Environmental Burden

Measures to reduce and recycle waste

Our group works to reduce waste and reuse resources in the following ways:

・Promoting digitalization of internal documents using IT systems
・Limiting printed distribution of meeting materials, etc.
・Recycling manufacturing materials (metals) ・Thoroughly separating garbage
・Reducing food waste in employee cafeterias at each site
・Reducing PET bottles (microplastics) by promoting the use of personal reusable bottles
・Participating in a vaccine program to collect PET bottle caps

Because the majority of the medical devices our group handles come into direct contact with patients' blood and other bodily fluids, they are all legally required to be disposed of as medical waste after use to prevent infection, making resource recycling and reuse difficult.

Measures for thorough management of chemical substances

As a manufacturer of medical devices, our group places the highest priority on safety for the human body. As regulations prohibit the use of chemical substances that are harmful to the human body, we select chemical substances in our products and manufacturing processes rigorously. In addition, as we also supply products to the industrial equipment sector, it is our basic policy that our products do not have any impact on human health, regardless of use, and we manage chemical substances with safety in mind.

On top of that, we ensure the proper use, storage and management of chemical substances used in the manufacturing process in accordance with relevant laws and regulations such as the Fire Service Act, Industrial Safety and Health Act, Poisonous and Deleterious Substances Control Act, etc. We are also working to reduce the use of chemical substances and environmental impact by improving processes and examining alternative substances.

Specific measures

・Monitoring information on substances subject to environmental regulations (RoHS Directive/REACH in Europe, environmental regulations in Japan)
・Limiting use of restricted substances in raw materials, secondary materials, and product manufacturing processes
・Monitoring storage amounts and facilities ・Putting people in charge of management
・Assessing risks related to the use of chemical substances and formulating management procedures
・Auditing waste disposal contractors・Regularly monitoring working environments
・Emergency response education and training

Measures for water resources

In the production process of our group, there are few processes that use large amounts of water, and water is mainly used for limited purposes such as cleaning parts and cooling. Overall water consumption is therefore relatively low and the impact on water resources is not evaluated to be significant.

In this situation, we are continuously working to reduce water consumption at our production sites, which use relatively large amounts, through process improvements and equipment upgrades. At each business site, we are also making efforts to minimize environmental impact by thoroughly managing wastewater quality in accordance with local laws and regulations.

All of our manufacturing sites are located in an area with a low risk of drought, etc., and we use appropriate water sources, such as tap water, industrial water, and groundwater, depending on the situation in each region.

We will continue to monitor the use of water resources in our business activities and take measures to conserve water and preserve water quality as necessary.

Tap water consumption

	FYE June 2023	FYE June 2024	FYE June 2025
Tap water consumption (1000 m^3)	362	364	385

*Excluding sales sites because water consumption of such sites is extremely limited and cannot be individually identified.