



The enrich people's life with materials tour with INOAC-kun

SlimFlex Edition



INOAC makes products using polyurethane foam, rubber, plastics, and composite materials to make life more comfortable in a wide range of settings! Here we will venture out to the SlimFlex plant of one of the companies in the INOAC Group, INOAC SlimFlex Co., Ltd. Just how are materials for life comfort made, and how are they brought to us? Let's take a closer look at one of these materials!

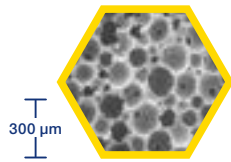
Introducing INOAC-kun
 I'm INOAC's original character INOAC-kun, the polyurethane fairy!
 I change into various forms and products to be helpful as a familiar, friendly presence in your life!



What kind of material is SlimFlex?

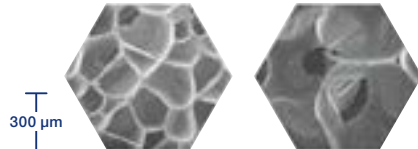
Microcell polymer sheet SlimFlex is highly dense and extremely fine. It is a high-performance urethane foam with a uniform cell structure. It is used in a wide variety of settings thanks to having superior shock absorption, sealability, dimensional stability, and processability among other properties, without being thick.

Extremely fine foam compared to other materials



SlimFlex

Compared to SlimFlex, other materials foam in a non-uniform manner



CR sponge

PE foam

What SlimFlex excels at

Don't you feel tired after a long walk? Since insoles made with SlimFlex are shock absorbent, they reduce some of that physical strain. They are also deformation-resistant, meaning that they last a long time!



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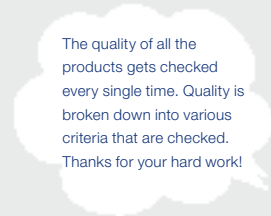


We start by asking customers for their requirements and creating prototype products of materials that meet those requirements. We combine various raw materials that utilize our expertise from previous development to design what the customer needs—pretty cool, isn't it?



Prototype development

Once the prototype is complete, mass production can finally begin. In addition to maintaining quality, various preparations must also be made to keep the workers safe.



From left, checking quality within the manufacturing process, a furnace insulated with THERMAX thermal insulator, and a quality experiment being conducted



Sustainability at INOAC

Balancing environmental responsibility with performance

Some grades contain plant-based raw materials! In addition to being environmentally responsible, they are also used to improve functionalities such as heat resistance and sealability.



Carbon neutrality initiatives

We're working on a variety of initiatives to cut greenhouse gas emissions. Solar panels have been installed on the roofs above car parking spaces at our plants!



Feature Story 1 | The enrich people's life with materials tour

with INOAC-kun



Whether transporting to INOAC Group companies for processing or directly delivering to customers, it is important to transport them according to carefully-made plans. We also keep the warehouses tidy!



At a logistics warehouse inside a plant

INOAC SlimFlex Co., Ltd. is the producer, while INOAC Corporation handles the sales. They divide up the responsibilities, and each focuses on their respective tasks.

SlimFlex



INOAC

?/ Improving loading methods during transport

Load-to-truck ratios were low, and efficiency was an issue. After reconsidering loading methods based on the properties of the products, conducting verifications internally, and securing customers' agreements, we successfully improved load efficiency!

Issue Since loading was only one row high, load-to-truck ratio was low at only 50%, making transport inefficient



Counter-measure Switched to loading two rows high after conducting in-house verification and receiving agreement from customers, resulting in higher loading efficiency



?/ User-first mentality

Advocating our "user-first mentality" quality policy, all of our employees employ a thorough market-in approach! We are also dedicated to having internal systems to quickly be able to meet customers' needs, as we offer a physical mini-sample catalog and prototype fabrication service.



Left: Akira Fujiyoshi Management Subsection Chief Planning Section INOAC SlimFlex Co., Ltd.
Right: Jun Nozaki President INOAC SlimFlex Co., Ltd.

Operating globally as a unified Team INOAC

SlimFlex's superior performance is no longer a secret. Its usage applications are expanding both domestically and abroad as inquiries keep flooding in. With new overseas plants also in the works, all of our employees everywhere, young and old, are working together as a unified corporate group to stably supply the same level of quality worldwide.

Feature Story 2 | Current state of the Hakuba Project

After roughly three years of activity, the Hakuba Office and Showroom which we opened in December 2022 is now preparing to open a new location in the spring of 2028. With the staff of the Hakuba Office playing a central role, a new branding project for relationship building with the community and establishing the brand has been launched in collaboration with the Real Estate Management Department and the Brand Communication Section of the Public Relations Department.

Special sponsor (Inoue Rubber Co., Ltd.) of the 2024 IRC Tire Hakuba Gravel Meeting cycling sports event



Building the future together with Hakuba

The new location project aims to go beyond just being a business location for a single company. Its participants are repeatedly discussing what type of support INOAC is uniquely able to provide for the local issues Hakuba is facing, and what exactly they want to establish or achieve in Hakuba. As they keep their ears attuned to Hakuba's hopes and expectations for INOAC, they are working to build a location that delivers solutions for issues in the community while simultaneously developing our business.



Employees who had been involved in our CSR for around 9 months and are in their second year with the company visited Hakuba and **listened to what local residents had to say.**

Job creation is an important issue for Hakuba. Declining capacity utilization during the summer/fall "green season" will be the focus in the tourism industry in which roughly 70% of Hakuba residents work. To address this, they are developing summertime activities to replace winter sports during that time of the year. Insufficient employment is seen as a lost opportunity for Hakuba and its residents.

Hakuba's natural environment and abundant scenery are precisely the future its residents hope to protect. To maintain the village's identity, transformation must also sometimes be embraced. While enjoying the benefits of tourism, we will also pass down the natural environment and agriculture underlying Hakuba's breathtaking landscape.

“What I sensed was the determination for humans and nature to coexist.”



Other initiatives in Hakuba are described here.

<https://inoac-hakuba.com/>



Feature Story 3 | Approaching our 100th anniversary

The INOAC Group will mark the 100th anniversary of its founding in 2026.

With the purpose to “Enrich people’s life with materials” as our cornerstone, we have established an extensive range of businesses utilizing polyurethane, rubber, plastics, and composite materials.

As we approach the 100th anniversary of our founding, we wish to express our heartfelt gratitude to all of you who have helped keep our company running over the years.

We will continue working to achieve a sustainable society through our business activities.

We plan to update our work uniforms on the occasion of our 100th anniversary. Its design and work comfort were planned based on the results of employee surveys.

Our production sites in Japan grew starting around the year 1963. This is a photo of our plant at the time in Bibai, Hokkaido.



▷1963

1979
Special edition at the time of the merger between Inoue Rubber and MTP Kasei



▷1979

2011
Great East Japan Earthquake special edition detailing our activities and efforts to address damage in areas stricken on 3.11



▷1990



▷2011



▷2025

Our in-house magazine that shares a broad range of information on everything from management policies to employee success stories has been playing a major role in bringing the company and its employees together for more than 70 years since its first publication. Special editions are published when disasters strike, and it has also served as a medium to communicate special measures by INOAC and our future developments.



▷2026

100th Anniversary



▷FUTURE

▷1926



It all started with manufacturing tires for bicycles. If you consider how bicycles comprised the majority of logistics at the time, we really have been operating a business that supports industry ever since our founding.

1954
The memorable first edition of the in-house magazine



We started producing and selling Color Foam mattresses made from polyurethane foam in 1959. I hope it helped everyone sleep better.



▷1959



▷1959



We established our first overseas joint venture in Sri Lanka. That was when our overseas expansion truly began.



▷1960

Our materials also started going into use as automotive components in the 1960s. Now, our materials also go into large numbers of products that utilize their properties within key components.



▷1961



In 1961, we performed on-site construction of thermal insulation for LPG tankers with rigid polyurethane foam. We thus played a key role in importing LP gas into Japan.



Reflecting on 100 years of INOAC Soichi Inoue, Chairman

The history of **INOAC** begins with its founding as Inoue Rubber Co. in Atsuta ward of **Nagoya, Japan in 1926**. Having been surrounded by the smell of rubber from a very young age, I experienced firsthand the growth of our business along with the industrialization of the area, from a business that started with producing bicycle tires to one that makes industrial-use rubber products.

Japan faced severe hardships after World War II. On the other hand, the sentiment toward postwar recovery was also strong. While there was a time when people had nothing, I feel like we really went all out in a fever pitch effort determined to rebuild the company, bring stability to working people's lives, and contribute to Japan's recovery.

In 1954 we launched the first ever production of polyurethane foam in Japan through a technology partnership with Bayer from **Germany**. We had been importing rubber products from Germany



The technology partnership with Bayer
Far right: Soichi Inoue
Third from right: The late Aiichi Inoue

since before the war. Partly through those connections, we were introduced to polyurethane foam and immediately traveled to Germany. They were also a losing country in the war, and we did have some feelings of affinity from that. However, there were so many surprises when we actually went there, I remember it being a tremendously stimulating experience. We went to the central laboratories of Bayer which had escaped damage from the war, we saw that despite being a defeated nation, they had a very free-spirited culture with many future-minded researchers hard at work. I was impressed at how each individual went about their duties with a management mentality and a strong sense of purpose based on autonomy, which made me think, "I want our company to be like this." In our interactions with the US military in Japan after the war, seeing their freedom and the way they established libraries in each city made me feel the importance of being international.

Then **in the 1960s**, our business expanded when we also began developing and producing materials for automotive seat cushions, ceiling materials and other interior parts, and exterior components such as bumpers made from polyurethane raw materials based on petrochemistry developed **in the US**. Further expansion followed in the 1970s when we began developing microcellular polyure-

thane. Meanwhile, we established a joint venture in Sri Lanka in 1959, and also worked on expanding into Southeast Asia starting in the 1970s.

In my 30s and 40s I was constantly jetting around the world and was rarely in Japan. There is no doubt in my mind that the key to success is to actually go to the worksites and build trust with the people there. This mentality is something important that I also want to pass down to future generations at INOAC.

In our **overseas expansion**, we have focused on management that esteems the country or region and its people, and values the ambitions of local employees rather than overtly pushing the Japan angle. The fact that we do not fly the Japanese national flag at our overseas plants speaks to that perspective. The same approach applies to our business in Japan. The INOAC Group now **operates in locations throughout Japan**. In this case as well, we make a point of visiting the business sites, establishing bonds, and holding their respective ideologies in high regard. That is what **"valuing our people"** is truly all about. Authoritarianism tends to grow within an organization when a company gets larger, which could stunt growth. To prevent that at INOAC, we have had **rules that make no reference to job titles** such as president or manager. However, I also feel we need to



Soichi Inoue in the present day

be more conscious of the true intention of those rules—to respect each individual's ideas and behavior—without formalizing them.

In 1990, we changed our company name to INOAC Corporation. This name combines our fundamental approaches of "innovation" and "action," but in my mind, the "IN" at the beginning also means **"international"**. I am confident that over the next 100 years, we will continue to build a large **"beautiful forest"** by valuing our people, embracing a go-for-it spirit without fear of failure and the approach of innovation plus action, and becoming even more international.

Thank you all very much for your support over the years. Please keep looking forward to great things from INOAC.