Integrated Report 2024

TS TECH Integrated Report





Bringing joy to society through the power of people

TS TECH Philosophy

Vision Statement

A company dedicated to realizing people's potential A company sincerely appreciated by all

Mission Statement

We shall provide comfortable,
high-quality products at competitive prices
to our customers worldwide,
always pursuing the infinite
possibilities in manufacturing.

Operational Directives

- We should make our workplace a vibrant one, valuing consensus and communication.
- Work should be done in accordance with the circumstances, with importance placed on time and priorities.
- We must always challenge ourselves to create new value by leveraging our passion and know-how.
- Each of us should always persevere to make our individual vision a reality.

The value of our existence lies in the TS TECH Philosophy, which doesn't change over time.

As "A company dedicated to realizing people's potential, a company sincerely appreciated by all,"

we have always pursued products that bring a smile to customers' faces by making the most of the abilities of each and every employee.

The value we create will always keep changing as we continue to deliver excitement like never before to the world, but the essence of who we are will never change.

We will continue meeting the challenge of endless possibilities to make the mobility of the future freer and more enjoyable.





The TS TECH Group—Carrying Forward the TS TECH Philosophy over Generations

The existential value of our company can only be found by embodying the TS TECH Philosophy, which consists of the Vision Statement, Mission Statement, and Operational Directives. Based on a corporate management belief that people are the decisive factor in a company, and as an automotive interior system supplier, we are committed to continuously enhancing our corporate value, striving for harmonious coexistence with society, and fulfilling our vision of being a company that is sincerely appreciated by all stakeholders.



Our Vision Statement forms the basis of our corporate activities.

A company dedicated to realizing people's potential A company sincerely appreciated by all Dedicated people who work hard and take on challenges are the driving force of our Group, and as such we view them as "valuable human assets." TS TECH highly values and respects its people and strives to build strong relationships of trust with all stakeholders. In doing so, we aim to become a company whose presence is valued and is sincerely appreciated.



Our Mission Statement expresses the purpose of the Group's corporate activities.

We shall provide comfortable, high-quality products at competitive prices to our customers worldwide, always pursuing the infinite possibilities in manufacturing.



"form" to embody one of the vision statements: "A company sincerely appreciated by all." The second represents the "spirit" articulated in the other vision statement: "A company dedicated to realizing people's potential."

The Mission Statement has two parts. The first represents the



Each and every employee is aware of and committed to the four Operational Directives

- ▶ We should make our workplace a vibrant one, valuing consensus and communication.
- ▶ Work should be done in accordance with the circumstances, with importance placed
- ▶ We must always challenge ourselves to create new value by leveraging our passion
- ▶ Each of us should always persevere to make our individual vision a reality.

The people who work for our Group have different types of jobs. They work in development, sales and purchasing, production, or management, for example, and as such their work styles also vary. Each employee incorporates the Operational Directives into their own work as a guide for putting the TS TECH Philosophy into practice and approaches their daily work with the awareness that they are responsible for implementing this philosophy.





are indispensable human assets that contribute significantly to the company's growth.





CONTENTS

01 Vision Statement

02 The TS TECH Philosophy

CONTENTS and Editorial Policy 04

06 The History of TS TECH

To Our Stakeholders

Message from the President

Investing in human capital and bolstering partnerships to promote technological innovation and build a more competitive company than ever



Value Creation Story

Enhancing Corporate Value

Value Creation Process 12

14 2030 Vision

34

16 Outline of the 15th Medium-Term Management Plan

18 Financial Strategies

Corporate Development and 22 Engineering Officer Interview

TS TECH's Value Chain 26

Generating Value in Four Regions

36 Stakeholder Engagement

Materiality and ESG Management

Special Feature

38 Interview with the Chairperson of the Sustainability Committee



Identified Material Issues and 2030 Targets

Social

42 **Human Capital Initiatives**

46 Initiatives for Respecting Human Rights

47 **Supply Chain Initiatives**

Environment

50 Working to Build a Sustainable World

Information Disclosure Based on TCFD 51 Recommendations

Environmental Initiatives

Governance

58 Corporate Governance

67 Messages from Outside Directors

Fact Book

Financial Reporting

73 Management's Discussion and Analysis Consolidated Statement of Financial Position 74 76 Comprehensive Income 78 79 Consolidated Statement of Cash Flows 81 Notes to Consolidated Financial Statements 128 Independent Auditor's Report



Financial/Non-Financial Information

Financial Highlights 132

134 Non-Financial Highlights

138 Corporate Data

139 On the Publication of TS TECH Integrated Report 2024

Consolidated Statements of Profit or Loss and Consolidated Statement of Changes in Equity

While the report is based on the consolidated group (TS TECH Co., Ltd. and its domestic and overseas subsidiaries and affiliates), some data regarding environmental and social initiatives, etc., may pertain to aggregate results for the non-consolidated company in Japan. Cases in which the scope of aggregation differs will be specified in the text.

About the Report's Designations

"TS TECH Group" (the Group) signifies the consolidated group, while "TS TECH" (the company) signifies the non-consolidated company in Japan.

Term Covered

Editorial Policy

Integrated Report

The TS TECH Group has been issuing the "TS TECH Report," an integrated report that includes both financial and non-financial information, since 2012, and changed its name to the "TS TECH Integrated Report" in fiscal

2021. In this report, we will continue to introduce the Group's stance as

an enterprise and the efforts it is making to contribute to sustainability in

the course of its business in order to be a company sincerely appreciated

TS TECH Website

Sustainahility

and social factors.

sustainability/

IR Information

Non-Financial Information

Provides qualitative and quantitative

information related to environmental

https://www.tstech.co.jp/english/

Financial Information

results announcements, etc.

https://www.tstech.co.jp/english/ir/

Provides consolidated financial summaries,

by all and whose presence is valued by all of its stakeholders.

About the Report's Formats

Fiscal 2024 (April 1, 2023–March 31, 2024)

Reference Guidelines

Scope of the Report

- ISO 26000:2010 standard, International Organization for Standardization (ISO)
- International Integrated Reporting Framework, IFRS Foundation
- Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry (METI) of Japan
- Global Reporting Initiative (GRI) Sustainability Reporting Standards, etc.

Disclaimer

This report contains forward-looking statements from TS TECH Co., Ltd. pertaining to plans, forecasts, strategies, and results. These forwardlooking statements are based on currently available information.

