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Product Responsibility

Policy

Quality Policy

Basic Policy

**“Illuminating a more affluent tomorrow”
“For customer peace of mind and satisfaction”**

Aspiring to continue meeting the expectations of our customers and society, and to provide high-quality products and services by valuing the spirit of craftsmanship (Monozukuri), we will help our customers solve issues by strengthening quality control and stepping up activities to eliminate defects.

Plan and Targets

Under Medium-term Management Plan 2024, we will promote initiatives to improve quality with the quantitative target of reducing the number of defects and the cost of rectifying defects by half in FY 2024 in comparison with FY 2020 results over four years, and contribute to increased profits by increasing customer satisfaction and reducing unnecessary costs.

Organization

Quality Assurance System

Under the direction of the President, who is our chief executive officer, and the Executive Committee, the head of the Quality Control Management Unit (Executive Officer, Masami Ogawa) oversees quality management for the whole Meiden Group. The quality assurance (QA) promotion system comprises the General Manager of the Quality Control Management Division, and members including the quality assurance managers of each business unit. We engage in activities such as sharing quality information and roll-out of policies to other business units at Company-Wide QA Promotion Committee and each business unit's QA Promotion Committee, etc.

Quality Assurance System



Quality Assurance Activities and Quality Risk Management

The Meiden Group conducts initiatives in each business unit for quality assurance and quality improvement according to the President's Quality Management Policy. We comply with relevant laws, we have created quality management systems based on ISO9001 not only for production divisions, but for each business unit including sales divisions, technical divisions and for each Group company, with a focus on manufacturing companies, and we are implementing quality assurance measures.

In order to maintain and improve said systems, we conduct ISO9001 internal auditor education for all Group companies in order to improve the skills of internal auditors.

Furthermore, if there is a quality issue that is likely to have a severe effect on society, such as a blackout, a stoppage of water supply, or a recall, we handle the matter in accordance with stringent rules to ensure swift and appropriate action through reporting to management and sharing information with specialist divisions, relevant divisions, and relevant business units, etc.

Response Flow for Quality Issues

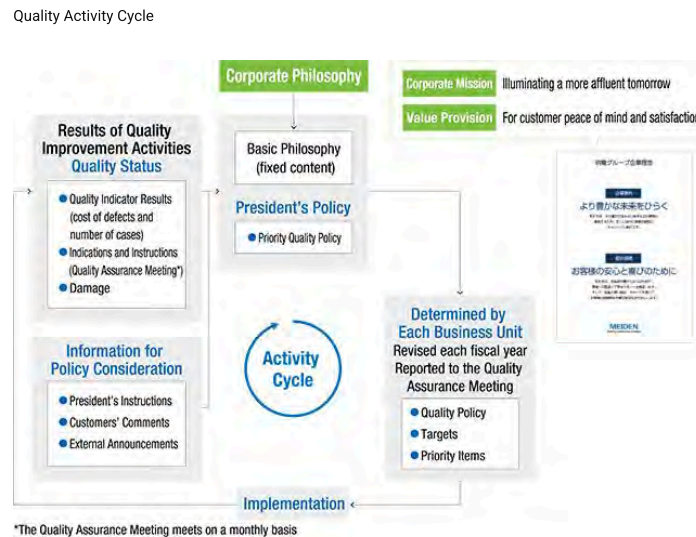


ISO 9001 Acquisition Record (as of FY2023)

	Eligible sites	Certified sites	Rate of acquisition
Meiden Group (Japan)	22	22	100%
Meiden Group (International)	12	12	100%
Whole Meiden Group	32	32	100%

Quality Activity Cycle

Each fiscal year, each business unit drafts a priority quality policy for their own business unit, promotes activities such as CS activities and defect elimination activities based on the President's Quality Management Policy and the directions of the top management, etc., with the aim of increasing customer satisfaction.



Initiatives

Strengthening Quality Control

Inspecting our own operations to ensure that we do not make defective goods nor allow them to come in or go out to achieve reliable quality control.

To improve quality, the Meiden Group determines what points to control and carries out its activities under our policy of not making defective goods nor allowing them to come in or go out.

(1) Reducing defects in outsourced and purchased products

- Analyze any defects that surface in order to reconsider inspection standards and systems, thereby preventing defects from getting in.
- Support efforts to enhance management by auditing and providing instruction to subcontractors based on the analysis results, thereby improving the quality of outsourced and purchased products.

(2) Reducing defects from insufficient consideration and inattention

Reduce defects caused by insufficient consideration: Use design FMEA and process FMEA to better identify risks, thereby preventing defects caused by insufficient consideration.

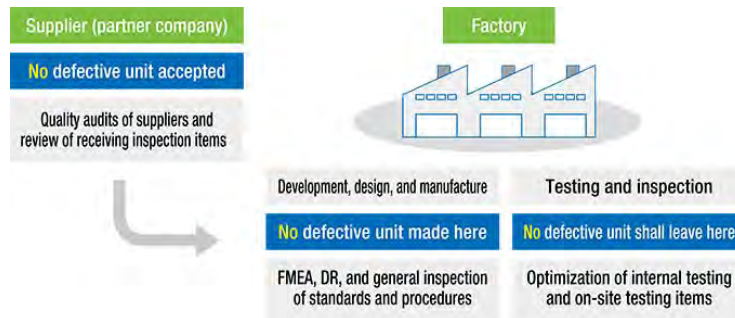
Reduce defects caused by inattention: Reconsider QR maps, procedures, and standards and ensure that workers understand them, thereby preventing human error.

(3) Reducing internal defects

Analyze any defects that occur in our processes (internal defects) and ensure that corrective measures are taken, thereby preventing defects from getting out to subsequent processes.

(4) Preventing outflow of defects

Clearly specify which tests should be conducted internally and which should be conducted on-site, and make sure they are conducted.



In particular, under Medium-term Management Plan 2024, we analyzed the results of Medium-term Management Plan 2020, and identified Meidensha's weaknesses. We are overcoming our weaknesses and promoting improvement of quality management by conducting the following activities at all companies.

Improvement at the Supplier Management Level

The quality of outsourced and purchased products varies widely according to the technological level of suppliers. We believe it is important to understand the technological level of suppliers and to provide instruction for improvement. To that end, we conduct quality audits and instruction of suppliers, which leads to a reduction in defects of outsourced and purchased products.

Reform of Receiving Inspection Items

In addition to improvement at the supplier management level, we conduct inspections of outsourced and purchased products in the course of receiving inspections, and prevent flow of defective products into internal processes. We promote optimization of inspections by comparing receiving inspection items of each business unit for each type of product and conducting an overall evaluation.

Identification of 3H* Risks and Response Measures

Using design FMEA, we conduct DR that clarify new points, changes, usage conditions, etc. For mass produced products, we prevent process faults by focusing on changes in the process FMEA, which leads to a reduction in defects. A risk map is used to assess the level of risk and create a mechanism for efficiently identifying risks by clearly stipulating the level of DR.

* 3H: Hajimete "first time," Henkou "change," Hisashiburi "first case in a long time")

Improved Quality of DR (design review)

We clearly state the levels of DR to be conducted by determining the level of risk using the risk map. For DRs that are deemed to be especially important, we operate a “key person system” wherein experts in each product field are nominated and asked to participate in the DR. Through DR by experts, we create an environment where extensive content is considered and risks can be identified, which results in high-quality DR. In order to facilitate nominating and requesting the participation of experts in DR throughout the organization, a list of registered key persons is made available throughout the company. Furthermore, we have created and we implement and strictly manage a system of notifying managers and administrators of remaining items so that processes do not proceed without resolving matters that have been identified and matters that require consideration, etc., through DR by the deadline that has been set, in order to reduce the risk of defects arising from unresolved matters.

Utilizing the past defect cases

We have created and operate a system to convert information about defects that have arisen into easily applicable knowledge and to facilitate the accumulation and application of this knowledge. We then apply this knowledge to subsequent development and design to ensure that similar defects do not arise in the future.

Establishing and Complying with Standards and Procedures

We manage management items and methods in each process through a Quality Control Process Chart (QC Process Chart) that we call the QR Map. By applying this QR map, we are able to ensure that all tasks are completed and that everyone completes tasks at the same level, which enables us to reduce the risk of defects arising due to the variations among personnel. This QR map is linked to standards and procedures to promote tasks in each process. We limit recurrence of past defects and occurrence of similar defects by conducting an overall examination and revision of these standards and procedures to ensure that their content relates to prevention of recurrence of defects or occurrence of similar defects. Furthermore, we encourage filling in the Quality Control Process Chart (QC Process Chart) so that the implementation status can be confirmed by third parties.

Preventing Outflow of Defects

We must not allow any defects to leave the Company. In order to achieve this, it is important to conduct thorough testing. There are many products for which it is not possible to conduct all tests in-house. Therefore, we clearly differentiate tests that should be conducted in-house and tests that should be conducted on-site, and make sure we conduct them accordingly.

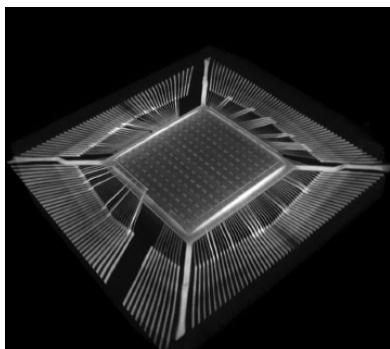
Analysis Technology to Prevent Defects for Parts and Materials

At the Materials & Semiconductor Device Analysis Center, we promote activities to improve product quality and prevent defects through analysis and reliability evaluation of semiconductor devices and

materials that are used in our products, adopting “improving product quality,” “creating new products,” and “consideration for the environment” as our basic policies.

If new parts and components such as semiconductor devices are used, they do not only undergo evaluation of variation in electrical characteristics and failure analysis, but (1) they undergo non-destructive inspection, (2) they are removed from packaging and further examined, and (3) the internal structure is examined by taking cross-sections etc., to evaluate whether they comply with internal standards. We also actively work to achieve long-term reliability and have a system of checking the potential effects of a range of stresses such as heat and humidity.

Also, we acquired laboratory accreditation (ISO/IEC 17025) for RoHS restricted substances in response to the tendency to revise RoHS directives for environmental regulations, in order to provide products for customers to use.



X ray transmission observation of electronic components



Evaluation of electrical characteristics of semiconductor devices (power device analyzer)

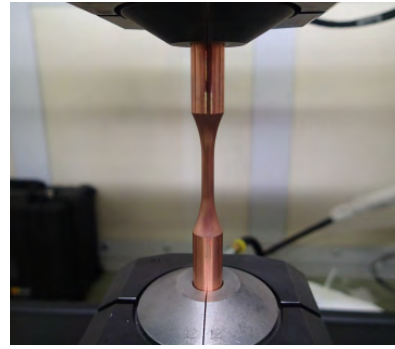
Coexistence of Limit State Design and Product Quality

At the Analysis Center, we conduct research and development relating to improving the precision of vibration analysis and obtaining more material strength data in order to achieve both product competitiveness and product quality through limit state design. If product components are made as small and light as possible, strength can be an issue where it was not in the past. We are therefore improving the precision of vibration analysis by conducting vibration analysis and testing of each component and whole product. We have also introduced high-speed fatigue testing equipment to obtain more complete strength data for materials such as copper, which is used in heavy electrical products.

For example, when conducting vibration resistant design for the switchboard of electrical equipment, we achieve reliable products by conducting vibration resistance analysis simulations from the initial design stage, and conducting detailed evaluations of actual machine equivalent models once design is complete. Furthermore, we conduct evaluation of product life by comparing results of vibration analysis of rotating machinery and materials strength data.



Structure analysis of switchboard



Ultra-high cycle fatigue testing of copper

Activities to Prevent Defects in Mass-produced Products

For mass-produced EV products, we are working to thoroughly manage quality in the following ways.

- (1) Manufacturing automation: Improve automation and eliminate human error
- (2) Image analysis: Detect missing goods, detect position of screw holes and cables, manage fastening positions, etc.
- (3) Temperature management: Manage shrink-fitting conditions and manage adhesive setting conditions, etc.
- (4) Centralized process data management: Link with a traceability database

Expansion of Remote Product Inspection Before Shipping

Due to the impact of the COVID-19 pandemic, it has become difficult to conduct pre-shipment product inspections by customers visiting our factories, as before, so we started remote pre-shipment inspections. At these remote pre-shipment inspections, by connecting the inspection factory via PC screen, customers at a remote location can check the status of the inspection by viewing three screens: an image of the entire inspection site, an image of the inspector's hands taken up, and an image of the inspection certificate. Customers can talk to on-site inspectors through an internet meeting system using a microphone and a camera.

In addition, we established the Meiden Standard System to conduct remote pre-shipment inspections and rolled out ideas and initiatives to meet the new needs of customers, such as by automatically inputting inspection results in the inspection certificate in real time, by transmitting measurement data from measurement devices such as products' external dimensions and coating thickness, etc. Going forward, we will continue to promote expansion of products and factories, while achieving overall improvement by managing and rectifying issues and carrying out remote pre-shipment inspections.



Development and Introduction of Image Inspection Equipment for Surface Coating

We have developed and introduced surface coating image inspection equipment to quantitatively investigate the quality of coated surfaces. We are able to prevent variation in quality checks by replacing external visual inspection of metal sheets used for switchboards, etc., with image analysis that quantifies color irregularities and roughness. For the inspection, the inspector takes a photograph of the coated surface of the metal sheet using a microscope that incorporates a CCD camera and an LED light. We are able to check the accuracy of the data by loading the photograph data into a PC, quantitatively measuring the exterior of the coated surface, and acquiring the image data in real time. In the past, half of the items that were deemed to be defective by pre-shipping inspection using switchboards and control panels only had a defective surface coating, and were able to be shipped after recoating or polishing. By introducing this equipment, we are able to reduce the cost of recoating and polishing because of defective surface coating by reducing the number of defects due to quality of coating to zero. Going forward, we aim to review conditions such as the amount of coating and time spent polishing and washing, optimize coating processes, reduce cost, and shorten time, using coating accumulated evaluation data.



Surface coating image inspection equipment

Quality Kaizen (Incremental Improvement) Activities at Overseas Subsidiaries

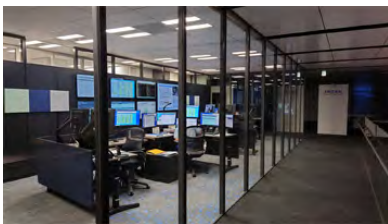
For overseas subsidiaries, we have introduced a mother factory system in which the domestic production plant is in charge of starting up production and providing training guidance for overseas subsidiaries. We provide support and guidance for overseas subsidiaries through the mother factory, which excels in technology, development capabilities, quality control, etc., and is fully equipped with comprehensive management capabilities for plant operations. We work to increase the competitiveness of overseas subsidiaries and promote further globalization by actively providing support such as dispatching engineers and managers from Meidensha and providing the required technology.

Connecting with Customers, Monitoring Facilities, and Supporting Peace of Mind

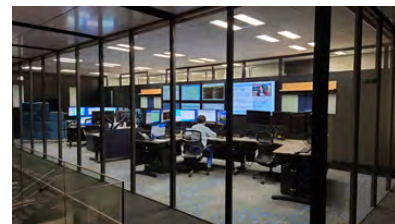
Meiden Customer Center

The Meiden Customer Center is the point of contact for inquiries and trouble calls for all Meiden Group products. It responds promptly to customer situations by working closely with sales and engineering departments, factories, and nationwide service centers. Meiden Customer Center operators are standing by 24 hours a day all year to monitor customer facilities and support their stable and optimal operation.

We also analyze the customer comments that come into the Meiden Customer Center and apply the feedback to our craftsmanship and the services we offer to increase customer satisfaction.



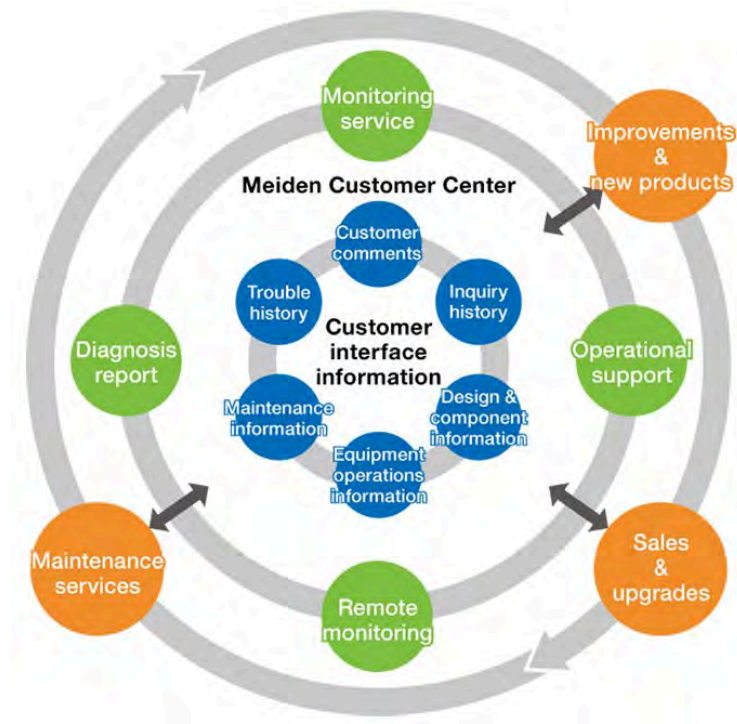
Meiden Customer Center offers 24-hour support all year.



ISMS (Information Security Management System) Certification

Our remote monitoring service connects the Meiden Customer Center with Meiden Group products installed in infrastructure facilities and renewable energy power stations. The service monitors the operating status of customers' facilities and, if an abnormality occurs, asks maintenance service personnel to address the situation or even makes the first response to the failure itself. In addition, equipment operating data is collected and monitored at fixed points and centrally managed in the Meiden Customer Center. This allows us to analyze trends in equipment abnormalities and issue periodic diagnostic reports.

The customer center analyzes and uses data such as equipment operating information, past trouble history, plant design information, and on-site maintenance information to develop suggestions for customers to help them do appropriate maintenance, lower life-cycle costs, and reduce greenhouse gas emissions.



Initiatives

Developing Human Resources to Support the Supply of High-quality Products

Education Relating to Quality Management Technology

In order to increase all employees' awareness of quality and impart basic knowledge of quality management, we conduct education relating to quality management technology for all employees that are involved with manufacturing, even if they are not directly connected to the Production Business Unit. We conduct training that includes drills relating to the role of quality management, how to promote improvement (Kaizen), seven tools for quality control, analysis based on the five whys, and supplier engagement education, etc., for each level of employee such as new employees and group leaders. We are in the process of rolling out the curriculum for Japanese and overseas subsidiaries.



Training scene



Facility Maintenance Skill Training for Safe and worry-free Operation

At the technology center adjacent to Numazu Works, we conduct training programs for workmanship and technical skills maintenance engineers. We raise engineers who contribute to the stable, safe, and efficient operation of customers' equipment through practical training using real equipment.

Instructors are veteran engineers with extensive real-world experience and the curriculum is formulated to allow participants to touch and experience actual equipment, such as extra high-voltage and high-voltage receiving substation equipment, computers, power converter equipment, generators, and rotating machinery. Maintenance training is conducted each year for customers to whom Meidensha's products have been supplied. Participants deepen their understanding of the internal composition of machinery through cross-sectional models of products, and gain experience of actually operating disconnecting switches and circuit breakers, testing protective relays, and using generating equipment and inverters, etc.

Additionally, at Manabi-ya, the technical training center established adjacent to our technology center in October 2020, we have constructed an educational system utilizing VR (virtual reality) and AR (augmented reality), and are using the latest ICT technologies, such as the experience of maintenance at virtual full-scale facilities, the visualization of invisible power distribution ranges, and the reference of veteran workers' working know-how to smoothly pass on technologies in the maintenance and service fields, where actual on-site experience is required, as well as to quickly develop young workers and improve technical capabilities.



Technical training



Technical training for customers



Cutting model

Transmission of Skills Using Eye Tracking

We introduced the line-of-sight analysis tools called "Eye Tracking" and began an initiative to visualize the hand and eye movements of skilled worker who has "good intuition" and "knacks" for the purpose of transferring the skills and knowhow of skilled worker to the next generation.

The line-of-sight analysis tools, "Eye Tracking" is glasses with built-in small cameras. When worker wears this glasses, the central camera records the field of view and captures the movement of the hand. By having skilled worker wear these glasses, it is possible to visualize fine hand and eye movements that were previously in tacit knowledge domain. Furthermore, having a skilled worker explain what is happening on the recorded video makes it possible to elicit their criteria and other aspects of the work and include them in manuals.



The line-of-sight analysis by Eye Tracking

Results Data

Number of Legal Violations Relating to Quality (as of FY2023)

	FY2021	FY2022	FY2023
Meiden Group (consolidated)	0	0	0

Quality Management Education and Training Results (FY2022 Results)

	Times conducted	Participants	Outline
Group leader training	1	15	Training to learn the quality control and workplace improvement techniques required of technical group leaders
ISO 9001 Internal Auditor Development Course	6	168	Training to learn the knowledge needed by internal auditors to continuously improve the ISO 9001 quality management system

Supply Chain Management

Policy

The Meiden Group promotes sustainable procurement in conjunction with business partners, in order to contribute to the realization of a sustainable society.

Whilst the Corporate Code of Conduct is based on our Corporate Philosophy, we ask all of our business partners (suppliers) to conduct activities in accordance with our Basic Procurement Policy for CSR items that cover all of our business endeavors.

The Meiden Group Basic Procurement Policy

All of our procurement activities are based on the Meiden Group Corporate Code of Conduct.

Actively Promoting Responsible Corporate Conduct

- (1) Embody our procurement principles along with our suppliers, and build a sustainable supply chain
- (2) Promote environmentally considerate procurement activities, and contribute to global environmental conservation along with our suppliers
- (3) Eliminate use of conflict minerals, which are a source of funds for armed groups that repeatedly engage in inhumane acts such as slavery, forced labor, child labor, and abuse.

Plan and Targets

The Meiden Group promotes enhanced supply chain management based on the basic policy of “Medium-term Management Plan 2024.”

We are working to conduct fair and impartial transactions, and to improve sustainability further while strengthening partnerships to help business partners understand the importance of promoting sustainability in the supply chain. Furthermore, we hope to promote legal compliance, environmental conservation, and community contribution activities, etc., with our business partners, with the aim of achieving mutual sustainable development.

We are continuing activities to support the acquisition of environmental management systems (EMS) certification by our business partners and enhancing sustainability promotion by building partnerships such as through follow-up education after EMS certification has been acquired, information security measures, and support for health and safety measures.

Promotion of Sustainability that Involves the Entire Supply Chain

Sharing and Explaining Our Procurement Principles to Suppliers

To ensure understanding of the Meiden Group's approach to supply chain management in the context of material procurement, we give a copy of the Meiden Group Sustainable Procurement Guidelines to all suppliers and ask them to inform their employees and ensure compliance thereof.

When signing new contracts with suppliers, we ask them to comply with the Meiden Group Sustainable Procurement Guidelines. These cover human rights, labor, health and safety, the environment, fair trade and ethics (including prohibition of corruption and bribery), and other matters. We also directly ask them to comply with both the Meiden Group Basic Procurement Policy and the Meiden Group Sustainable Procurement Guidelines at the production plan explanatory meetings held each year at each of our production sites.

As of now, we have given copies of the Meiden Group Sustainable Procurement Guidelines to approximately 1,600 of our domestic suppliers.

The Meiden Group Sustainable Procurement Guidelines were drafted with reference to the Japan Electronics and Information Technology Industries Association (JEITA)'s Responsible Business Conduct Guidelines (March 2020 edition), and are now available in three languages (Japanese, English, and Chinese).



Meiden Group Sustainable Procurement Guidelines (Japanese)  >

Meiden Group Sustainable Procurement Guidelines (English)  >

Meiden Group Sustainable Procurement Guidelines (Chinese)  >

Response to the Conflict Minerals Issue

We have established a conflict minerals response policy, and the Meiden Group Sustainable Procurement Guidelines clearly express our intention to address the conflict minerals issue.

Policy on Conflict Minerals Issue

In order to fulfill its corporate social responsibility through procurement activities, the Meiden Group promotes initiatives to prevent the use of conflict minerals (tantalum, tin, gold, and tungsten) mined in the Democratic Republic of the Congo and surrounding nations, which are used to fund armed group activities that repeatedly engage in human trafficking, forced labor, child labor, abuse, etc., or inhumane acts, etc.

We conduct surveys of high-risk minerals as a due diligence measure, using the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI).

In FY2023, we conducted a survey of materials that we had purchased from 420 major suppliers in the previous year and received acceptable responses from 390 companies (93%). If the surveys reveal that minerals have been used to support conflicts, we ask our business partners to take corrective action to avoid using the relevant minerals, such as by changing suppliers. Furthermore, if customers identify risky refineries, we ask business partners that use these refineries to re-examine the status of their business dealings. In addition, starting in FY2023, we are conducting a cobalt survey using the Extended Minerals Reporting Template (EMRT).

At present, we have not confirmed any relationships between our business partners and armed groups, and we are conducting measures aimed at identifying refinery operators and ensuring supply chain transparency.

Request to business partners

The Meiden Group considers ensuring a transparent supply chain and conducting responsible procurement of materials and parts to be important matters. We request that all of our business partners accept our Policy on Conflict Minerals Issue and cooperate with our initiatives to source conflict-free minerals.

Promotion of Green Procurement

Based on our corporate philosophy of “contribute to people, society, and the global environment to make a world a better place to live,” we are proceeding with environmental activities in accordance with the Meiden Group’s Environmental Action Policies. In material procurement, throughout the entire life-cycle to disposal, we try to make environmentally conscious products and reduce disposal, and engage activities in protecting the global environment by energy-saving, resource-saving, and minimizing the use of toxic chemicals, etc.

We view procurement of materials as part of our supply chain sustainability activities. We drafted the Green Procurement Guidelines to clarify our policies and request even greater understanding and cooperation from our business partners.

We provide the Green Procurement Guidelines to domestic business partners and we request all new business partners to disseminate and apply at the time of the first transaction.

Furthermore, by issuing sustainability surveys (environmental activities surveys), we are able to understand our business partners' CSR promotion activities and environmental activities, conduct risk assessment, and receive assistance with our sustainable procurement activities, including green procurement.

In FY2022, we revised our Green Procurement Guidelines in light of the needs of the times. We engage with a broad range of environmental issues that businesses need to consider, such as reducing GHG emissions, using water effectively, and caring for biodiversity. We work with business partners to promote climate change countermeasures.

We ask our business partners to understand the importance of global environmental conservation activities and to cooperate in our activities. Please refer to the Green Procurement Guidelines (revised July 2022) for details.

the Green Procurement Guidelines (only Japanese)  [>](#)

Risk Evaluation

Evaluation of Suppliers

We convey the importance of sustainability and our philosophy to our business partners, including legal compliance, environmental protection, and community contribution, as listed in the Corporate Code of Conduct. In addition to evaluating business partners for quality, delivery, price, capacity for technological development, and environmental certifications, we look at whether they are fulfilling their social responsibility in terms of risks to the environment and social issues like human rights and labor, fair trade principles, social contribution, environmental conservation, and management of chemical substances.

Through this evaluation, we work to gain an understanding of business conditions relating to social issues such as climate change, biodiversity, environmental management, human rights, and working environments, and then to identify suppliers which have a high-risk. Also, when we start working with new suppliers, we conduct environmental audits on suppliers where there are high environmental risks. This way, we can assess and correct any risks.

We conduct appropriate, fair, and impartial procedures for all business partners through surveys relating to sustainability promotion and environmental conservation activities at the time of the first transaction. (FY2023 survey record: 1,653 companies)

Furthermore, we evaluate suppliers through "our business partners' evaluation system" and issue a score card each year based on the results. (453 companies evaluated in FY2023)

The image shows a complex survey form with multiple sections, including headers, checkboxes, and data entry fields. It appears to be a detailed questionnaire used for assessing sustainability and environmental conservation activities.

Survey relating to sustainability activities and environmental conservation activities

評価視点	目的	評価項目	得点	配点
企業評価	企業の実業活動評価	財務、一般情報、ESG等	16.5	/30点
企業実績評価	企業の実業活動評価	品質、CSR、納期、サービス	24.0	/30点
技術力評価	企業の実業活動評価	品質、CSR、納期、技術開発	13.4	/20点
協力度評価	企業の実業活動評価	品質、CSR、納期、技術開発	17.0	/20点
合計			70.9	/100点

Materials procurement score card (example)

Initiatives

Building a Sustainable Supply Chain

Environmental Management Initiatives

When promoting environmentally conscious design, which forms part of our environmental management activities, we operate an environmental BOM* management system that is compliant with the regulations governing chemical substances in products.

In the Green Procurement Guidelines, the Meiden Group has stipulated two risk levels (prohibition and reduction) for hazardous substances regulated by laws and regulations relating to chemical substances such as the RoHS directive and REACH regulations. Based on this, we conduct surveys of chemical substances contained in procured materials and expand environmentally conscious products by promoting the elimination of hazardous substances.

* BOM: Bill of Materials

Reducing Environmental Impact by Building Environmental Management Systems for Business Partners

We provide assistance not only for the Meiden Group but also for business partners, to build environmental management systems (EMS) and promote the reduction of environmental impact. We ask our partners to participate in these activities too, and promote the reduction of environmental impact throughout the entire supply chain.

We ask our business partners to create environmental management systems. In particular, we strongly recommend acquiring external EMS certification such as ISO14001 and EcoAction 21.

Environmental Audits

We conduct environmental audits on suppliers. While checking circumstances on the ground, we confirm and provide guidance on compliance with laws and regulations regarding chemical substances, waste, and the like. Suppliers who did not pass the audit were asked to take corrective measures and given a follow-up audit (8 companies).

If suppliers do not yet have an environmental management system (EMS), we have them take part in an EcoAction 21 study session (Green Program).

Promoting and Supporting EcoAction 21 Certification and Registration for SMEs

The Meiden Group is providing support for the environmental management system, EcoAction 21 certification, promoted by the Ministry of the Environment, and registration activities of our business partners, and aim to spread environmental management systems and environmental improvements throughout the entire value chain. We promote green procurement, giving priority to the purchase of products and parts from environmentally conscious suppliers. We also promote efforts to reduce GHG emissions and pursue carbon neutrality. As of FY2023, the ninth year of the program, a total of 137 suppliers (3 more than FY2022) have earned EcoAction 21 certification.

We also hold study sessions during the production plan explanatory meetings held each year to promote understanding of the Meiden Group's environmental policy and carbon neutrality initiatives, and ask our suppliers to make their own efforts as well. Additionally, since FY2023, we have been working with the Organization for Small & Medium Enterprises and Regional Innovation, Japan to visualize our suppliers' CO₂ emissions.

We will continue providing support for our business partners in relation to EcoAction 21 certification and registration activities, and aim to promote environmental management systems, environmental improvements, and CO₂ emissions reductions throughout the entire value chain.



Presentation of case studies of supplier improvements
EcoAction 21 Conference in Shizuoka



Organization for Small & Medium Enterprises and
Regional Innovation, JAPAN (Numazu area)
Carbon neutrality implementation seminar



Organization for Small & Medium Enterprises and
Regional Innovation, Japan (Ota area)
Individual support for carbon neutrality

Sharing Excellent Examples with Suppliers

We report good examples of EcoAction 21 initiatives to suppliers at regional production plan briefings.

At the case study presentations, we explain the efforts of the example companies to visualize their issues and establish systems to address issues with small groups through EcoAction 21 activities, and the outcomes of their efforts, namely reducing energy and chemical usage. These presentations are motivating for the example companies because they are opportunities for participating companies to learn about their successful efforts.

Communication with Business Partners

The Meiden Group is conducting the following activities to build relationships with business partners.

We are directly confirming the challenges and requirements of our partners and pursuing support activities.

1. Gathering Real Feedback

Business Partners are regularly visited by officers of Meidensha, the head of the Procurement Group, and production engineering staff, who gather information such as issues and requirements, which leads to improved functionality, quality, and productivity.

2. Seeking Procured Items on the Website

The Meidensha website has introduced “instructions for initial transactions” and “transaction application form” on material procurement, and we collect information on a broad range of business partners.

3. Using the Supplier Portal (web)

We regularly post information about subsidies (grants, etc.) for SMEs on our supplier portal (web), and supply information so that opportunities to update equipment, etc., are not missed.

We also contribute to the business efficiency of our business partners by creating efficiency in operations from submission of quotations to ordering, ATP, and delivery, using paperless electronic information, conducting conflict minerals surveys using a questionnaire, and confirmation of BCP implementation and damage caused by earthquakes and typhoons, etc.

4. Establishment of the Public Whistleblower Hotline

Meidensha has established the Public Whistleblower Hotline: contact person is an outside lawyer (Law Office Hironaka), for the officers and employees of our business partners, in order to promote appropriate dealings. We request our business partners to report or consult with this contact point when they discover any violation of laws and regulations, inappropriate behavior, or potential violation of laws and regulations by our employees in relation to business transactions.

Details on the management of information, protection of reporter confidentiality, response to reports, etc., can be found on the Procurement Group webpage. (Only in Japanese).

Initiatives

Increasing Business Partners Engagement

We aim to build sustainable relationships with our business partners, and work to increase engagement with business partners with the basic philosophy of collaboration and co-creation. We believe that it is

important to appropriately understand and respond to demands and expectations of the Meiden Group.

Hosting of Meidensha Partners Meeting

We host Meidensha Partners Meetings to enhance two-way communication with business partners and strengthen relationships. The President gives messages to business partners concerning future Meidensha policies, and awards to praise the assistance and contribution towards business activities and production activities. He appreciates them face-to-face, and rewards exceptional activities and results. Additionally, the President visited the award-winning business partners to express his gratitude to all their employees.



President's message at the Partners Meeting



Commendation of superior and excellent examples at Partners Meeting



Visit to business partner (last fiscal year)

Holding Production Plan Explanatory Meetings for Suppliers

Each year, we invite our major business partners to each production site in order to directly share information, inform, exchange opinions, and communicate with our business partners.

- Explanation of the Meiden Group's procurement policy (purchase record and plan)
- The record and plan of the business status of Meidensha and each business unit
- Providing information about our various support activities to help suppliers adhere to the Meiden Group Sustainable Procurement Guidelines (Compliance, human rights and labor, health and safety, environment, quality and safety, information security, business continuity planning, etc.)
- Announcement of examples of notable improvement and sharing information to increase technical ability from business partners
- Explanation of the Meiden Group's environmental policy and green procurement policy, and request for cooperation from business partners



Production plan briefing (Numazu area)



Dialogue with suppliers



At a social gathering

Holding Various Seminars, etc.

We hold seminars on process improvement and information security measures at our suppliers' manufacturing sites as needed to improve their capabilities. We hold product exchange meetings with workplaces, where we communicate and exchange opinions with workers. In collaboration with the Corporate DX Promotion Group, we conducted on-site checks of whether appropriate information security measures were being taken to prevent information leaks and provided advice. Also, in terms of health and safety, we have commenced workplace checks of our business partners using the Health and Safety Support Project. In order to raise the awareness and efforts of our business partners regarding social responsibility, we actively provide training and support for environmental, health and safety, information security, and BCP measures, as well as sharing best practices.



Product exchange meeting



Information security instruction



Project to Support Safety & Health

Record of Seminars Held (FY2023)

Theme	Number of seminars held	Number of participating companies	Number of participants
Production plan explanatory meetings (Ota, Numazu, Nagoya)	6 seminars	298 companies	450 participants
EcoAction 21 implementation seminar	2 seminars	8 companies	16 participants
Organization for Small & Medium Enterprises and Regional Innovation, Japan seminar on carbon neutrality	2 seminars	83 companies	100 participants
Organization for Small & Medium Enterprises and Regional Innovation, Japan visits to individual companies to provide support for carbon neutrality	36 visits, 3 visits per company	12 companies	70 participants
BCP (Business Continuity Planning (Jigyokei)) seminar	1 seminar	71 companies	83 participants
Security Action 2-Star Declaration support seminar	1 seminar	54 companies	60 participants
Hands-on safety experience truck education	10 seminars	18 companies	68 participants
Safety support diagnostics and education	26 seminars	11 companies	Approx. 70 participants

Record of Monitoring Suppliers (FY2023)

Theme	Content	Times conducted (number of companies)	Outline
Environment	Environmental audits	10 companies	Participation in FY2023 EcoAction 21 (EMS) by 7 companies that required correction

Theme	Content	Times conducted (number of companies)	Outline
Health and safety	Checking suppliers' sites using the health and safety support business	7 companies	Numazu area: 3 companies Ota area: 1 company Nagoya & Kofu areas: 3 companies
Information security	Submission of self-diagnoses using the information security self-diagnosis card	2,154 companies	Work-site checkup based on checkup results: 6 companies
BCP implementation	Investigation of impacts of natural disasters, major accidents, and misconduct, etc.	1 time (the number of companies investigate depends on the scope of the investigation)	Earthquake, concentrated heavy rain

Enhancing Group Procurement Systems (education of procurement managers)

Thoroughness of Absolute Compliance and Prohibited Matters of the Procurement Group

In order for the member of Procurement Group to behave in a proper manner, we have devised “absolute compliance matters” and “absolute prohibitions” as a code of conduct for the Procurement Group so that all employees reflect on their own actions and do not commit any inappropriate conduct.

We read the following items at every morning meeting and ensure that all employees know them as a daily education; legal compliance, prevention of corruption, respect for human rights, labor practices, consideration for the environment, quality, safety, and information security, etc.

Enhancing Group Procurement Systems

The whole Meiden Group is working to enhance procurement systems. Monthly meetings are held with the procurement divisions of major group companies to promote initiatives for improving the procurement base and to share information.

Initiatives to Improve Our Procurement Base

- Be thorough with legal compliance
- Be thorough with sustainable procurement
- Enhance risk management (BCP and internal control)
- Enhance professional development

Education and Professional Development for Procurement Managers (as of FY2023)

Certified Procurement Professional qualification system	Attainment: 61%
Eco Test	Attainment: 87%
Education for new staff and reassigned personnel, etc. (FY2023)	100% attendance

Participation in Initiatives

UN Global Compact Network Japan

Supply Chain Subcommittee

The Procurement Group has participated in the Supply Chain Subcommittee since FY2024. In collaboration with other participating companies, we are working to improve sustainable procurement in our supply chain.

Declaration of Partnership Building

A Declaration of Partnership Building is a declaration by company representatives to seek coexistence and co-prosperity throughout supply chains, build new partnerships, and adhere to desirable business practices, all with the aim of creating sustainable relationships in which large and small companies can grow together.

In our declaration, we expressly identified the following individual items:

- Promote support activities such as manufacturing reform activities for individual companies, including process improvement with support from industry promotion foundations
- Promote operational efficiency through information sharing and visualization of entire supply chains

We have also reached agreements with all suppliers (237 companies) on the handling (e.g. return, disposal, paid storage) and will continue to work on "Optimization of mold management" in the future, so that the cost of managing molds required for manufacturing parts is not improperly borne by suppliers.



Human Rights

Policy

Thoughts on human rights

Since it was founded, the Meiden Group has created and supplied a variety of technologies, products, and services, with a focus on electrical equipment that supports social infrastructure, and contributed to the sustainable development of society.

Respect for human rights is the foundation of our business activities to realize our corporate philosophies of “illuminating a more affluent tomorrow” and “for customer peace of mind and satisfaction.” Through its business activities, the Meiden Group will create a joyful and sustainable society for everyone, and comply with international human rights norms as indicated by the Meiden Group Corporate Code of Conduct.

In 2022, Meidensha signed a statement of support for the United Nations Global Compact and was registered as a participating company.

We also support the National Action Plan on Business and Human Rights (2020-2025) formulated by the Japanese government in 2020, and through its implementation, we strive to promote responsible corporate behavior with regard to respect for human rights.


Specifically, we identify, prevent, and mitigate potential human rights risks and impacts in our activities, including those in our supply chain, and disclose how we address them on an ongoing basis.

The Meiden Group Human Rights Policy

As a policy for the concrete implementation of the above ideas, we have made the Meiden Group Human Rights Policy available in three languages (Japanese, English, and Chinese). In addition, we are working to ensure that it becomes ingrained in all employees through our human rights training.

Further, for the sake of both internal and external stakeholders, we regularly revise the Group’s Sustainable Procurement Guidelines, which include human rights considerations, to reduce human rights risks in our supply chain, and these guidelines are distributed to our business partners.

[The Meiden Group Human Rights Policy \(347KB\)](#)  >

[Meiden Group Sustainable Procurement Guidelines \(532KB\)](#)  >

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Promotion Framework

Twice a year, human rights progress reports are presented to the Board of Directors and the Executive Officers' Meeting as part of Meidensha's framework for promoting sustainability management. In particular, incidents of harassment are reported at regular meetings of the Compliance Committee, which oversees our response to them, and the nature of such incidents is also reported to management.



Human Rights Due Diligence

Meidensha practices human rights due diligence to identify, manage, prevent, and mitigate human rights risks in our business activities for all stakeholders. We also investigate the state of human rights using a questionnaire for our stakeholder suppliers on their sustainability and environmental protection initiatives.

In FY2023, for the first time we gave an impact assessment survey on human rights risks to our employees. Aiming to conduct a fact-finding investigation regarding current risks relating to human rights, we identified issues in this area. Going forward, we will conduct more in-depth investigations into these issues and further strengthen our response to prevent and mitigate negative impacts on human rights.

Schedule of initiatives to promote respect for human rights (scope: Meidensha)

Step		FY2022 and earlier	FY2023	FY2024	
				1st half	2nd half
Initiative		Join UN Global Compact			
Initiatives to promote and train		<ul style="list-style-type: none"> Training for officers Workplace discussions (Human Rights Week) 	Workplace discussions (Human Rights Week)		Workplace discussions (Human Rights Week)
Establish policy		<ul style="list-style-type: none"> Revise Human Rights Policy Revise Corporate Code of Conduct Establish Sustainable Procurement Guidelines 			
Human rights due diligence	Conflict minerals	3TG* survey	Survey 380 business partners with CMRT (Conflict Minerals Reporting Template)	FY2023 survey	Supplier impact assessments
		Cobalt survey	EMRT (Extended Minerals Reporting Template)	FY2023 survey (cobalt & mica survey)	
	Self-assessment	Survey scope		Japanese subsidiary self-assessments	
		Risk inventory			
		Study of impacts and countermeasures			
	Risk assessment			Measures	Japanese subsidiary risk assessments
Issue list creation					
Departmental interviews					
Identify issues					
Impact assessment			Sort out discussion points		
			Survey, tabulation and analysis using assessment sheets for employees		

* 3TG : Tin, Tantalum, Tungsten, Gold

Relief and Remedy

Establishment of a Compliance Hotline

The Meiden Group has established whistleblowing systems available to internal and external stakeholders, and accepts reports concerning a wide range of human rights issues, from those that may arise on a daily basis to serious human rights violations. The internal Compliance Hotline and the Harassment Consultation Hotline are available for reports within the Group. We have established the Compliance Whistleblowing Hotline (for compliance issues) and Workplace Harassment Hotline (for harassment issues) as external whistleblowing services, and all stakeholders (including individuals and local residents) can use these systems to share their concerns through a contact form.

In accordance with national guidelines, the above whistleblowing services are designed to ensure information management and whistleblower protection, including the name of the whistleblower, and to allow for anonymous reporting. We take care to ensure that whistleblowers are not disadvantaged and strive to improve the credibility of our whistleblowing systems. Information received through our internal and external whistleblowing services is investigated by the Compliance Committee after confirming its content, and is handled in consultation with attorneys as necessary. Additionally, in the event that we confirm that there has been an impact on human rights, we are committed to providing redress to the affected parties in accordance with the Group's Code of Conduct and other relevant standards.

[Compliance Whistleblower System >](#)

Promoting Respect for Human Rights through Our Business Activities

To ensure respect for human rights as stated in the Corporate Code of Conduct, the Meiden Group understands international norms (such as the Universal Declaration of Human Rights and International Bill of Human Rights) and actively engages in human rights due diligence and human rights awareness activities based on the United Nations Guiding Principles on Business and Human Rights. We also comply with all relevant laws concerning the prohibition of forced labor and abolition of child labor.

Prevention of Forced Labor

We present working conditions to employees when they are hired and we take action to prevent forced and involuntary labor.

[Compliance Data](#) >

Prevention of Child Labor

The Meiden Group only hires senior high school graduates and up.

Interaction with employee representatives

We value conversations between employee representatives and management to ensure that employees can engage in meaningful work. We have established a regular central labor-management conference and regional labor-management conferences, and we are working to improve the workplace environment according to the circumstances of each site.

Support for a living wage

The Meiden Group not only complies with minimum wage requirements in each prefecture in accordance with the Minimum Wages Act, but also is careful to pay at least a living wage.

We also provide a family allowance to support the lifestyles of employees who meet certain conditions such as having spouses and children to provide for. The Meiden Group Mutual Aid Association also provides various types of condolence, sympathy, and celebratory funds, as well as loans for financial assistance required for the mutual support and welfare of members. In addition, we have a home loan program to receive funding from financial institutions when those who have saved property accumulation residence funds eventually make a purchase.

Initiatives on Labor Problems

In order to properly manage working hours and curb long working hours, our labor management system centrally monitors and manages PC log-ons and log-offs and employee ID card data stamps when employees arrive at and leave the office. If an employee works more than a certain number of hours, that employee and their supervisor are asked about the employee's working conditions, and guidance is given to prevent long working hours and legal violations. Additionally, we hold briefings regularly on working

hours and distribute manuals internally on working hours and attendance management to improve employee literacy on labor management. Furthermore, to encourage employees to take their annual paid leave, we established “My Plan Annual Leave” and “Recommended Days for Taking Annual Leave” to promote employee work–life balance.

[HR Data >](#)

Harassment

Regarding harassment, we have established an internal consultation system to respond promptly while adhering to the principles of protecting the privacy and confidentiality of the user. The system is available to Meiden Group employees as well as dispatch workers and contractors. Information obtained through the system is used to conduct surveys of the user and relevant parties, provide feedback after having understood the situation, and prevent recurrence. The system provides an opportunity to implement recurrence prevention measures and conduct individual education.

We have also included items concerning harassment in our employee awareness survey, which allows us to observe trends each year.

[Harassment prevention system >](#)

Human Rights Education for Officers and Employees

Meiden Group conducts various training programs to promote respect for basic human rights. We offer periodic group training and videos (in Japanese, English, and Chinese) on compliance and harassment to raise all Group employees’ awareness of these issues. We also increase understanding and awareness by providing opportunities for individuals to reconsider their workplace and ways of thinking. We have also expanded anger management training for managers to include all employees. Through the training, we raise awareness to respect the personalities and ideas of others.

Content of Human Rights Training (FY2023)

Training type	Targets	Human rights themes dealt with	No. of persons taking training
Workplace discussions relating to human rights	All Group employees	Link between business and human rights	5,867
Harassment education	All Group employees	Prevention of various types of harassment	6,575
Compliance manager training	Compliance managers	Responses to consultations regarding harassment, etc.	124
Anger management training	All Group employees	Understanding and controlling anger, which can lead to harassment	1,921

Occupational Safety and Health

Policy

Initiatives Based on Top Management’s Safety and Health Management Policy

The Meiden Group develops the “President’s Safety and Health Policy” and the “President’s Health & Productivity Management Policy” every year, and rolls out occupational safety and health and health management activities based on them. The President’s policies form a comprehensive code of conduct. They cover all employees (including part-time and temporary employees) of Meidensha and Meiden Group subsidiaries in Japan and abroad as well as employees of our partner companies.

We have explicitly stated that ensuring the health and safety of each employee is at the core of corporate management, and we work to eliminate industrial accidents and maintain and improve health.

◇ The Meiden Group Occupational Safety and Health Action Guidelines

“Safety comes first before anything else” and “Nothing is more valuable than good health”

1. Basic Occupational Health and Safety Policy

At the Meiden Group, employee health and safety are core management values. We work to “ensure a safe environment that is conducive to work, as well as achieve comfort and affluence for employees,” as it says in the Meiden Group Corporate Code of Conduct and aim to be a leading health and safety company with zero industrial accidents.

2. Health and Safety Action Guidelines

- (1) Create a safety culture built on good communication, in which everyone anticipates the risks of industrial accidents, avoids unsafe actions, and communicates well with each other.
- (2) Comply with relevant laws including the Industrial Safety and Health Act, as well as business unit and workplace rules.
- (3) Conduct ongoing health and safety initiatives based on the Occupational Safety and Health Management System.
- (4) Identify health and safety risks in all workplaces, including near-miss incidents, and practice thorough risk assessments (including chemical risk assessments) to eliminate or reduce risks.

- (5) Develop a sensitivity to danger and help each employee develop the ability to avoid danger by providing health and safety training and training in which employees experience safety issues with their senses.
- (6) Conduct hazard prediction activities for all work from preparation to cleanup and perform work only after safety is ensured. After work is finished, review the hazards and take measures for the next day's work.
- (7) Thoroughly train inexperienced and other new employees on work procedures and safety rules and check that they understand. In addition, review past industrial accidents and educate employees to prevent the same accidents from recurring, thereby enhancing employee safety awareness.

3. Basic Health Management Policy

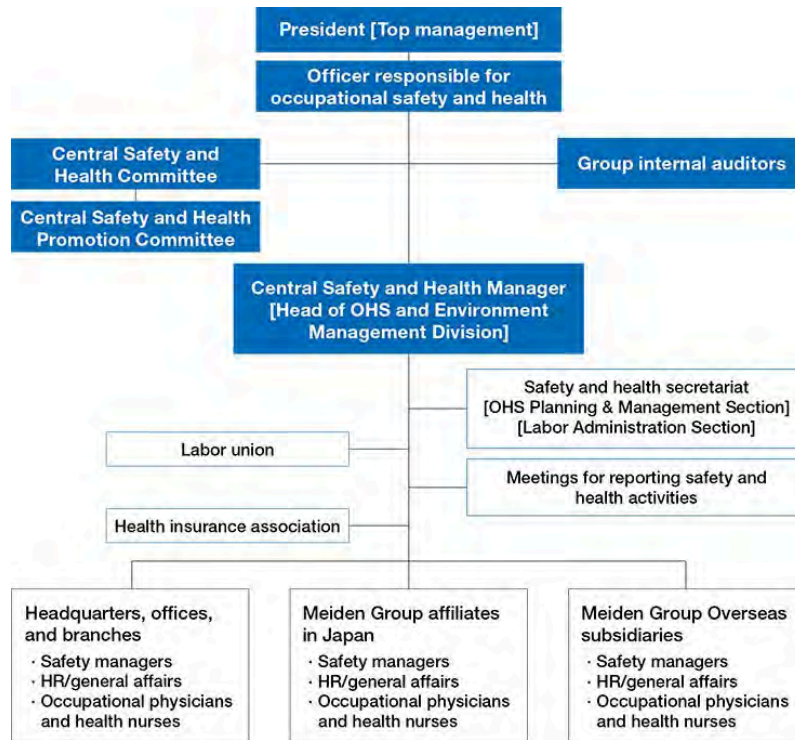
Recognizing that the health of each employee is the foundation of the Company and facilitates sustainable corporate growth, the Meiden Group is committed to creating a workplace and running health promoting programs that enable employees to be healthy in mind and body, feel a sense of purpose, and lead fulfilling lives (well-being).

4. Guidelines for Health Management Action

- (1) Promote work-life balance and diverse, flexible workstyles
- (2) Increase each employee's health awareness and health literacy
- (3) Strengthen systems for promoting mental health and create workplaces designed to help prevent mental illness
- (4) Promote passive smoking control and smoking cessation programs
- (5) Support prevention and response to ensure long, healthy careers for all employees

Health & Productivity Management >

The Meiden Group Organization System for Occupational Safety and Health and Health & Productivity Management



Supervision of Safety and Health Led by Top Management

In Japan, we comply with laws and regulations, hold monthly meetings of the Safety and Health Committee at each site, where we encourage participation by unions and employees, and conduct consultation and information sharing relating to matters such as causes of and responses to industrial accidents, the status of employees that have taken leave due to illness, and other matters that require attention. Also, the Central Safety and Health Committee, chaired by the officer responsible for occupational safety and health as appointed by the President, discusses and makes decisions on matters relating to Group-wide policies and targets.

FY2023 Results

• Results of Occupational Safety and Health Initiatives

Certification status of the occupational safety and health management system

■ Acquired ISO 45001

Area	Scope
Headquarters area	<p>Meidensha (research and development business units, staff business units, and business units) and area subsidiaries*</p> <p>* Area subsidiaries: MEIDEN KOHSAN CO., LTD., Headquarters, ThinkPark Tower, North Kanto Branch / MEIDEN SYSTEM SOLUTIONS CORPORATION, Tokyo Branch / MEIDEN UNIVERSAL SERVICE LTD., Tokyo Branch / MEIDEN AQUA BUSINESS COMPANY, Headquarters / M WINDS CO., LTD., Headquarters, Akita, Noto / MEIDEN MASTER PARTNERS CORPORATION, Headquarters / MEIDEN NANOPROCESS INNOVATIONS, INC., Headquarters, Chiba</p>
Numazu area	<p>Meidensha (factories, research and development business units, staff business units), on-site affiliates*</p> <p>* On-site affiliates: MEIDEN SYSTEM MANUFACTURING CORPORATION, Headquarters / MEIDEN KOHSAN CO., LTD., Numazu Branch / MEIDEN SYSTEM SOLUTIONS CORPORATION, Headquarters / MEIDEN UNIVERSAL SERVICE LTD., Numazu Branch / MEIDEN TECHNO SYSTEMS CO., LTD., Headquarters / MEIDEN PLANT SYSTEMS CORPORATION, Equipment Factory / MEIDEN FACILITY SERVICE CORPORATION, Numazu Management Center</p>
Ota area	<p>Meidensha (factories, research and development business units, staff business units, Gunma Branch), on-site affiliates*</p> <p>* On-site affiliates: MEIDEN KIDEN KOGYO CO., LTD., Headquarters / MEIDEN KOHSAN CO., LTD., Ota Branch / MEIDEN FACILITY SERVICE CORPORATION, Ota Management Center / MEIDEN SYSTEM SOLUTIONS CORPORATION, Ota Branch / MEIDEN UNIVERSAL SERVICE LTD., Headquarters</p>
Nagoya area	<p>Meidensha (factories, research and development business units, staff business units), on-site affiliates*</p> <p>* On-site affiliates: MEIDEN SYSTEM SOLUTIONS CORPORATION, Nagoya Branch / MEIDEN UNIVERSAL SERVICE LTD., Nagoya Branch / MEIDEN FACILITY SERVICE CORPORATION, Nagoya Management Center</p>
Kofu area	MEIDENSHA CORPORATION (EV Business Planning Headquarters, EV Sales & Engineering Headquarters, Motor Drive Solutions Business Sales & Engineering Headquarters, KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.)
Branches (including sales offices in jurisdiction)	Hokkaido Branch / Tohoku Branch / Yokohama Branch / Kitakanto Branch / Higashikanto Branch / Shizuoka Branch / Niigata Branch / Hokuriku Branch / Chubu Branch Office / Kansai Branch Office / Shikoku Branch / Chugoku Branch / Kyushu Branch (36 locations in total)
Plant Construction & Engineering Business Group	Planning & Administration Division, Construction Management Dept. No. 1, Construction Management Dept. No. 2
Domestic subsidiaries	MEIDEN PLANT SYSTEMS CORPORATION, Headquarters and Western Japan Branch
Overseas subsidiaries	MEIDEN SINGAPORE PTE.LTD., VIETSTAR MEIDEN CORPORATION, TRIDELTA MEIDENSHA GmbH, MEIDEN MALAYSIA SDN.BHD., MEIDEN METAL ENGINEERING SDN.BHD., PT. MEIDEN ENGINEERING INDONESIA, MEIDEN ZHENGZHOU ELECTRIC CO.,LTD.

Not applicable: MEIDEN ENGINEERING CORPORATION, MEIDEN FACILITY SERVICE CORPORATION (and other than Numazu, Ota and Nagoya Management Center), MEIDEN CHEMICAL CO., LTD., EAML Engineering CO., LTD.

Occupational Safety and Health Management System

In FY2015, the Meiden Group obtained OHSAS 18001 certification for each of the four main Japanese production sites, Numazu Works, Ota Works, Nagoya Works, and Kofu Meidensha Electric Mfg. Co., Ltd., including on-site affiliates. Furthermore, MEIDEN SINGAPORE PTE. LTD. obtained certification in FY2013,

and the four remaining main overseas sites, MEIDEN ZHENGZHOU ELECTRIC CO., LTD., SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD., P.T. MEIDEN ENGINEERING INDONESIA, and MEIDEN T&D (INDIA) LIMITED, obtained certification in FY2017.

Since FY2018, we have promoted penetration of the Occupational Safety and Health Management System to the entire Group, as well as transition to and expanded application of ISO 45001 certification due to the need for international standards.

In FY2019, we acquired joint certification for the four main Japanese production sites (Ota Works, Numazu Works, Nagoya Works, and Kofu Meidensha Electric Mfg. Co., Ltd. *including on-site affiliates) under ISO 45001. In FY2020, we expanded ISO 45001 certification to Japanese workplaces other than production sites (Tokyo office, branches) and construction business units (Plant Construction Headquarters).

In FY2021, we plan to acquire certification for four Japanese affiliates. (MEIDEN PLANT SYSTEMS CORPORATION, MEIDEN AQUA BUSINESS COMPANY, M WINDS CO., LTD., and MEIDEN NANOPROCESS INNOVATIONS, INC.)

Going forward, we will continue to maintain and improve our occupational safety and health management system at all Meiden Group locations.

Rate of ISO 45001 Acquisition (as of March 31, 2024)

Japan

	Total number of sites	Number of sites that have acquired certification	Proportion (%)
OHS Management ISO45001 acquisition	101 sites	96 sites	95%

Overseas

	Total number of sites	Number of sites that have acquired certification	Proportion (%)
OHS Management ISO45001 acquisition	21 sites	7 sites	33%

Health and Safety Risk Assessments

Conducting Health and Safety Risk Assessments

The Meiden Group conducts risk assessments to ensure a work environment where employees can work in health and safety.

We have established and are using rules and systems to manage not only workplaces that require measurement of the work environment and workplaces where chemicals must be managed, but also

workplaces engaged in light tasks and office work. We use common risk assessment standards within the Group and are systematically taking steps to eliminate and reduce risks.

We also strive to identify sources of danger from past cases of industrial accidents and day-to-day near-miss initiatives, where our goal is to get participation by all employees. Once the dangers are identified, we visualize the health and safety risks in every workplace and tie them in with risk assessments. Then we take preliminary measures and work to improve the workplace environment.

Preliminary Risk Assessment System

The Meiden Group established the preliminary risk assessment system to provide information that benefits management decision-making. When screening business investments, a preliminary risk assessment meeting carefully examines investments that may have a significant impact on the Meiden Group. The system follows our Basic Policy regarding Establishment of a System to Ensure the Appropriateness of Business Activities.

During the assessment, we evaluate financial risks, responsibilities (such as product guarantees), and feasibility (such as systems). The Corporate Policy Planning Group and the Internal Control Promotion Division serve as the secretariat for preliminary risk assessment meetings, and their supervising officers determine whether a meeting needs to be held. Other units involved include the General and Legal Affairs Division, the Accounting and Financing Group, and the Sales Planning & Administration Group.

During M&A, a third-party unit performs the due diligence. Besides doing a financial investigation of the target company, we also evaluate it from an ESG perspective to strengthen risk management. This includes the target's corporate culture, legal compliance systems including human rights concerns, compliance with environmental regulations, labor conditions, occupational safety and health, and other factors.

[Business Activity Risk Management >](#)

Safety and Health Indicators

Occupational Safety and Health Indicators (Meiden Group)

		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Meidensha only	Accident frequency rate*1	0.26	0.88	0.26	0.13	0.00	0.64	0.50
	Accident severity rate*2	0.01	1.35	0.01	0.00	0.00	0.01	0.02
	Number of accidents per 1,000 persons each year*3	0.28	1.09	0.53	0.00	0.00	0.97	0.71
	Total accident frequency rate*4	0.90	1.13	0.66	0.76	0.50	1.27	0.75
	Casualties*5 (persons)	7	9	5	6	4	10	6
	Of which, number resulting in four or more days of absence	1	4	2	0	0	4	3

		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	Of which, number resulting in one-three days of absence	1	3	0	1	0	1	1
	Of which, number resulting in no absence	5	2	3	5	4	5	2
Meiden Group consolidated (Japan & overseas)*6	Accident frequency rate*1	0.26	0.50	0.47	0.43	0.21	0.43	0.81
	Accident severity rate*2	0.01	0.54	0.01	0.00	0.01	0.06	0.06
	Number of accidents per 1,000 persons each year*3	0.34	0.77	0.74	0.61	0.40	0.71	1.31
	Total accident frequency rate*4	0.73	0.75	0.74	0.86	0.78	0.80	1.30
	Casualties*5 (persons)	14	15	14	16	15	15	24
	Of which, number resulting in four or more days of absence	3	7	7	6	4	7	13
	Of which, number resulting in one-three days of absence	2	3	2	2	0	1	2
	Of which, number resulting in no absence	9	5	5	8	11	7	9
Number of traffic accidents on the job, Meidensha and affiliates in Japan		-	44	38	32	45	53	37

*1 "Accident frequency rate" is the number of casualties with at least one day of absence per million actual working hours caused by industrial accidents; it is an indicator of the frequency of accidents.

*2 "Accident severity rate" is the number of workdays lost for every 1,000 work hours; it is an indicator of the seriousness of accidents.

*3 "Number of accidents per 1,000 persons each year" is the ratio of the number of casualties resulting in four or more days of absence occurring per 1,000 workers in a year.

*4 "Total accident frequency rate" is the total number of casualties caused by industrial accidents, including both those resulting in no absence and those resulting in a day or more of absence, for every 1,000,000 work hours.

*5 Includes temporary workers and contractors.

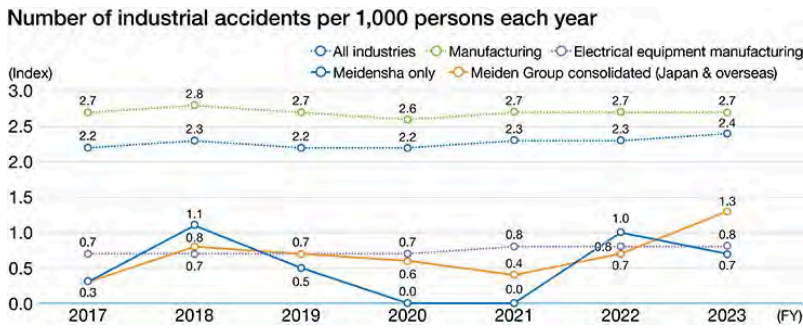
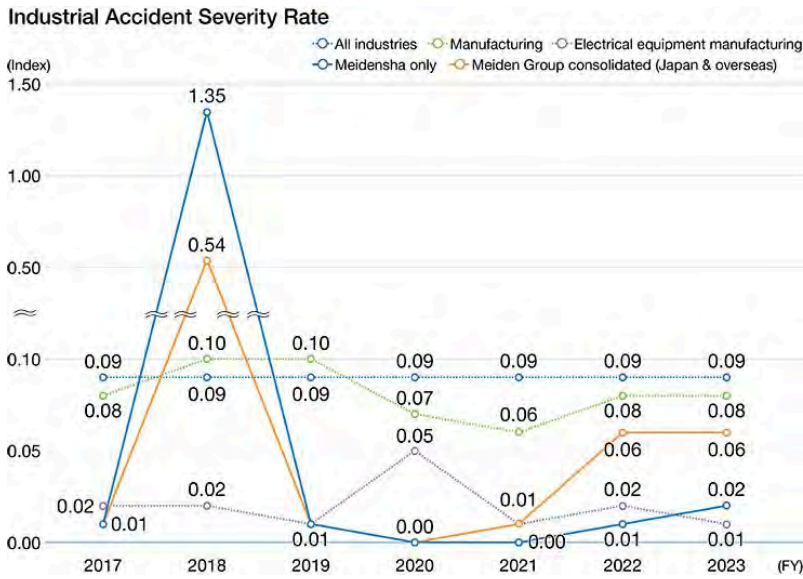
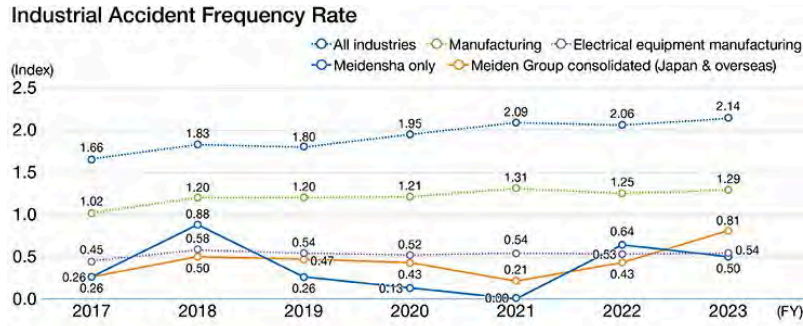
*6 Overseas working population and hours do not include on-site workers, which differs slightly from the calculation method used for Japan.

Occupational Health and Safety Indicators (Entire Meiden Group in Japan)

Meiden Group	People with absences due to illness of at least one month (rate of absence)*1	
	Total	Mental
FY2023 (target values)	1.58%	1.26%
FY2023 (established values)	1.73%	1.25%
FY2024 (target values)	1.56%	1.12%

*1 Percentage of employees with absences or sick leave of at least one month

Safety Record (only Meidensha)



Number of official participants in the Combined Labor and Management Safety and Health Committee as labor delegates

Item	FY2021	FY2022	FY2023
Proportion of total workers (those whose operation or workplace is under organizational control) that send delegates to the Combined Labor and Management Safety and Health Committee	0.60% (26 delegates/4,027 people)	0.59% (24 delegates/4,039 people)	0.58% (24 delegates/4,123 people)

Safety and Health Initiatives

Initiatives

The Meiden Group has experienced industrial accidents throughout its long history and takes various measures to eliminate them. Measures include safety training, KYK (hazard prediction), risk assessment,

safety patrols, a health and safety management system, and hands-on safety training.

Safety Patrols to Identify Risks

The Meiden Group continues to actively conduct safety patrols, which is a long-standing practice. For these, we depend on not only our own eyes, but also bring in health and safety consultants to provide an outside perspective and offer their knowledge.

Since FY2021, we have been using digital equipment to conduct remote patrols from all over Japan.

Remote communication tools connect a single site (the subject of the patrol) with multiple sites and subsidiaries. The system enhances workplace safety and health by allowing many remote observers to offer new insights and give advice. In addition, since the Japanese government has downgraded COVID-19 to a Class 5 Infectious Disease and public travel has resumed, we are actively resuming on-site safety patrols in each region at each Group company in Japan.



In addition, we launched Safety and Health Initiatives Reporting Meetings in FY2022 to enhance safety and health in the Meiden Group. This event seeks to share information on the best safety and health initiatives in the Meiden Group with sites and subsidiaries to create an improvement spiral in the Group.

Each meeting includes a Group discussion, with a different theme each time. Each group shares its opinions with all the rest to increase their motivation.



Enhancing sensitivity to danger through hands-on safety training

In November 2019, we built hands-on safety experience truck No. 2 for employees' hands-on safety training, which we give at production sites (Numazu, Ota, Nagoya, and Kofu). Hands-on safety experience trucks are fitted with a VR system combined with a three-axis simulator to enable a more realistic experience of simulated industrial accidents.

We aim to eliminate industrial accidents by enhancing employees' sensitivity to danger through this hands-on safety training.

We also offer VR safety experience training to parties outside the Company by subscription.

Following the March 2021 development of Metaverse Hands-On Safety Training, in October 2022 we opened the new Metaverse Safety Promotion Center. Even trainees in remote locations can participate, represented by an avatar. The format brings past cases of occupational injuries back to life and raises employee safety awareness.



In 2023, we established the VR Safety Experience Training Evaluation System because we had been receiving many inquiries on the educational benefits of introducing VR safety experience training. The system features a storyline in VR that describes how accidents can be avoided by safe behavior. It also includes education to enhance understanding by providing feedback on behavior. Another characteristic of the system is that it visualizes the effectiveness of training by comparing against the results of previous training sessions.



VR Safety Experience Training Evaluation System



Using feedback to enhance understanding

Safety Information Management System

The Meiden Group started operating the Safety Information Management System in 2020. This tool effectively gathers and analyzes safety and health management information as it accumulates in the Group and uses it to improve health and safety management (with the PDCA cycle). The system can manage industrial accident reports, traffic accident reports, near-misses, safety patrols, risk assessments, number of days with zero accidents, safety training, safety indicators (accident frequency and severity rates, number of accidents per thousand persons each year), and more.

Using the system allows Group employees to easily access safety information and encourages their safety awareness and activities.



Safety Promotion Center Preserves Lessons from Industrial Accidents

Immediately following an industrial accident, the entire company comes together and vows never to repeat the same mistake; this resolve, however, fades as time passes. In particular, when there is a change of managers in workplaces where an industrial accident has occurred, the lessons learned from the accident fade even more quickly.

In February 2020, we established the Safety Promotion Center as a place to encourage story-telling and thinking about industrial accidents that have occurred.

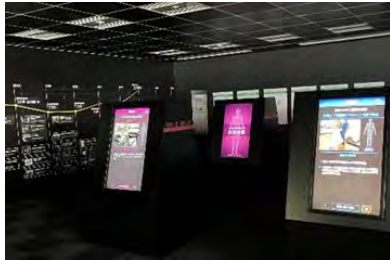
We believe it is our mission to never turn our eyes away from the sad facts and to keep telling our stories so that our employees and their families will never have to suffer tragedy again.

The Meiden Group strives to raise safety awareness and eliminate industrial accidents by training the body (with our hands-on safety experience trucks) and the mind (through the Safety Promotion Center).

In October 2022, we developed the Metaverse Safety Promotion Center, using virtual space to further increase employee safety awareness.

The original Safety Promotion Center has struggled to bring in more visitors and trainees in recent years, in part because its location at the Numazu Works is too far for employees working at distant locations to travel for the training and also because of the COVID-19 pandemic. The Metaverse Safety Promotion Center was opened to solve the problem.

To access the Metaverse version of the Safety Promotion Center, participants just need a VR head-mounted display. Multiple employees, regardless of location, can gather on the Metaverse and exchange ideas with each other. The aim is to enable all employees to participate, both at Japanese manufacturing sites and overseas subsidiaries.



Safety Promotion Center



Metaverse Safety Promotion Center

Safety AI Camera System

Finding unsafe behavior by on-site patrol is an important way to prevent industrial accidents, but in terms of resources, it is difficult to constantly check worker movements and images sent by cameras. To address this issue, in FY2023, we began using our Safety AI Camera System to check for all unsafe behaviors.

AI detects speed violations or driving in the opposite direction when operating a vehicle on premises, walking outside the green belt, not wearing a helmet in the factory, dangerous forklift operation, working at heights, presence of persons at night, and so on. It then provides guidance to those who are acting in an unsafe manner.



Health & Productivity Management

Policy

The Meiden Group Health & Productivity Management Policy Statement

In order to realize the Meiden Group's corporate philosophy of "Illuminating a more affluent tomorrow," it is important for employees to maintain their physical and mental health, and work with vigor and purpose.

We are promoting initiatives as an organization to support the health of each individual such as sharing the belief that "nothing is more valuable than good health" with all employees and supporting employees' own health activities.

Through these initiatives, the Meiden Group is working to be a company that enables employees and their families to live vigorous and healthy lifestyles.

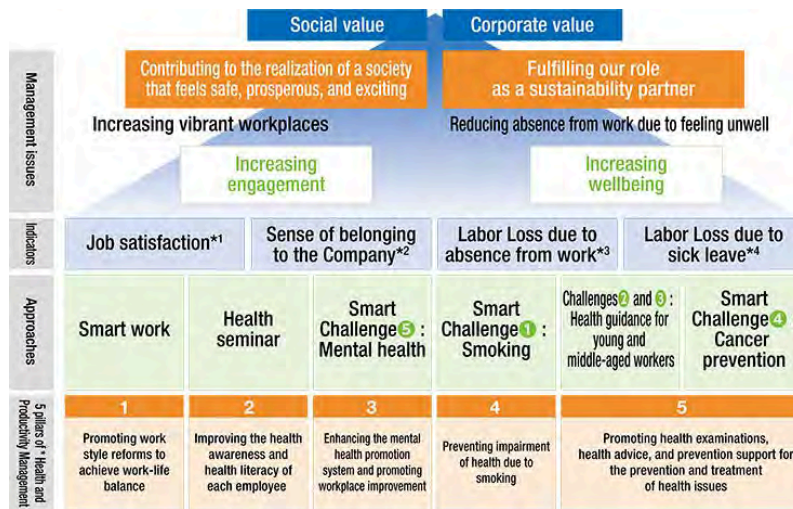
- (1) Promoting work style reforms to achieve work-life balance
- (2) Improving the health awareness and health literacy of each employee
- (3) Enhancing the mental health promotion system and promotion of workplaces that do not cause mental illness
- (4) Preventing impairment of health due to smoking
- (5) Promoting health examinations, health advice, and prevention support for the prevention and treatment of health issues

With the above five pillars of health & productivity management, we pledge to work towards becoming a company that provides a healthy and vibrant social life.

Representative
Director
President and
Executive Officer



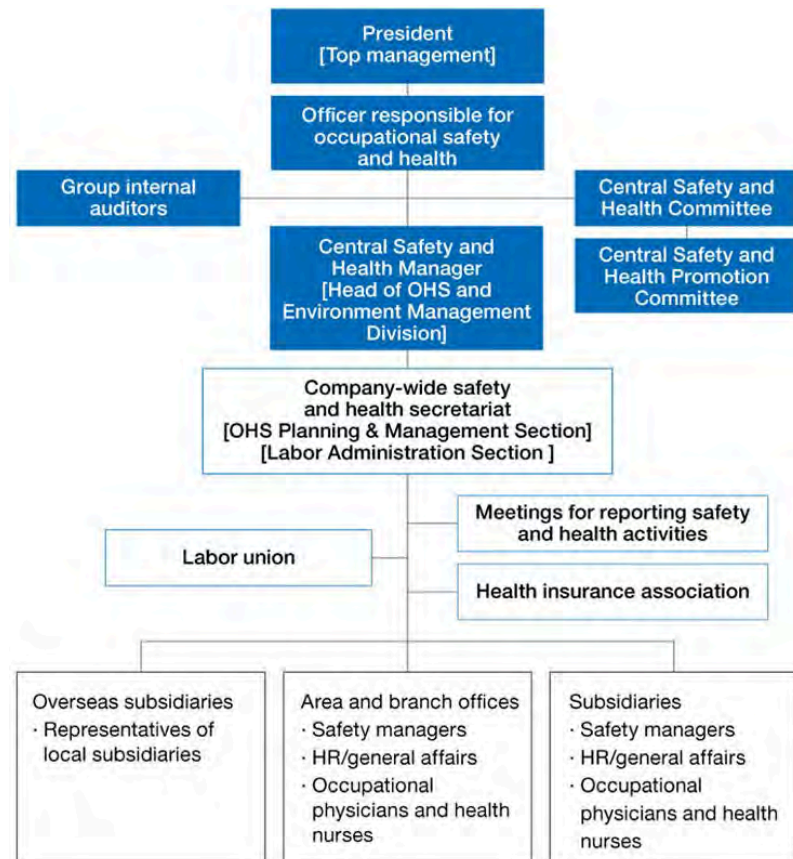
Meiden Group Health & Productivity Management Strategy Map



- *1 Indicator of a positive state of mind in relation to work (work engagement)
- *2 Indicator of sense of community, agreement with Meidensha's philosophy and vision, and willingness to contribute, etc. (employee engagement)
- *3 Proportion of employees who took sick leave or were absent for a month or more for mental health reasons (absenteeism)
- *4 Employees evaluate their own work in the previous four weeks, with performance when well and uninjured acting as a baseline of 100% (presenteeism)

Organization

The Meiden Group Organization System for Occupational Safety and Health and health & productivity management



Results of Occupational Safety and Health Initiatives (FY2023)

(1) Received 2024 Health and Productivity Management Outstanding Organization (White 500) Certification

Meidensha was certified as part of the Certified Health and Productivity Management Outstanding Organization Recognition Program that is jointly recognized by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi, and a 2024 Certified Health and Productivity Management Outstanding Organization in the White 500 list. This is our fourth consecutive year on the Certified Health and Productivity Management Outstanding Organization White 500 list.



(2) Smart Challenge Meiden Five



Meidensha has determined five health activities that we should engage in. Labelling them the Smart Challenge Meiden Five, we are continuing initiatives accordingly.

① Challenge 1: Taking action for passive smoking and promoting the quitting smoking program

We are continuously offering a program for quitting smoking, that can be taken online on an ongoing basis. Meetings were held with the staff in charge of quitting smoking promotion at each business site to share information on the status of non-smoking and the program, as well as information from the health insurance and the union, and to promote awareness and educational activities. After much consideration and many discussions about prohibiting smoking during working hours and on Company property, we decided to ban smoking during working hours at all Meiden Group locations starting in April 2022.

② Challenge 2: Measures to combat lifestyle diseases – under 39

To date, we have provided pre-obese under-40s with individual health guidance programs. In addition to this, in order to reduce the number who may suffer from lifestyle diseases in the future, we held health seminars for all staff in their 30s to encourage them to take an interest in their own health and be cognizant of health as part of their daily lives. So that people in their 30s would take an interest in their own health while still young and change their behavior, the seminars incorporated the results of an advance survey and covered a broad range of information.

We continued to offer individual health guidance, and provided such guidance to all employees 33 years of age.

③ Challenge 3: Measures to combat lifestyle diseases – over 40

For people aged 40 and over, we conduct health guidance programs using ICT with the slogan “health guidance for the joy of achievement.” We have also introduced a new program aiming to help employees regulate their body clocks. We provided participants with exercise guidance and diet and lifestyle improvement programs according to their preferences.

④ Challenge 4: Measures to combat cancer

To encourage women to undergo cancer screenings, we provide full subsidies for out-of-pocket expenses for gynecological cancer screenings (cervical cancer screenings and breast cancer screenings). We have enhanced our gynecological cancer screening system so that employees can be screened in the health examinations conducted by the Company. The Company, health insurers, and unions are actively promoting awareness activities, such as issuing reminders and information concerning early detection of cancer.

In addition, we conducted an intensive educational campaign on colorectal cancer, for which the thorough examination uptake rate was low.

⑤ Challenge 5: Promoting mental maintenance

We conduct interviews at workplaces with high health risks, encourage consultation with doctors for stressed individuals, etc., according to mental health plans.

Additionally, to make the most of the results of the stress checks, we held another educational campaign to remind all employees how to read the results, and gave training to general managers on how to read and use the results.

Smart Challenge Meiden Five Figures in parentheses are for Meidensha only

	At Challenge start (FY2018 results)	FY2020	FY2021	FY2022	FY2023	5-year target (FY2024)
① Taking action for passive smoking and promoting the quitting smoking program	Rate of smoking 28.2%	25.6% (21.8%)	24.1% (20.0%)	23.3% (20.7%)	22.5% (19.9%)	20% or less
② Measures to combat lifestyle diseases – under 39	Obesity rate of people in their 30s 32.7%	35.4% (32.0%)	33.8% (30.7%)	33.5% (31.3%)	33.9% (30.8%)	30% or less
③ Measures to combat lifestyle diseases – over 40	Rate of people 40 and over who received specific health guidance 23.8%	26.7% (26.7%)	24.2% (23.8%)	24.0% (23.4%)	22.5% (22.5%)	24% or less
④ Measures to combat cancer	Regular checkups for women's cancers 0%	Cervical cancer 16.7% (19.0%) Breast cancer 24.6% (32.0%)	Cervical cancer 23.2% (24.0%) Breast cancer 37.2% (40.0%)	Cervical cancer 25.3% (27.0%) Breast cancer 40.3% (47.0%)	Cervical cancer 26% (26.0%) Breast cancer 42.0% (42.0%)	Regular checkups for women's cancers (Cervical cancer/ Breast cancer) 60% or more
	Colorectal cancer thorough examination rate 31.0%	33.6% (23.5%)	44.8% (42.9%)	34.3% (37.0%)	49.3% (57.9%)	100%
	Stress check rate 95% or more	97.2% (96.6%)	98.1% (97.8%)	97.8% (97.5%)	97.4% (97.6%)	95% or more

Health & Productivity Management Indicators (only Meidensha)

Item			FY2021	FY2022	FY2023
Participants in the program for smokers to quit smoking			56	14	12
Participants in Meiden Smart Walking			582	1,019	1,179
Number of Health Web Kencom members			1,764	1,798	1,872
Rate of regular health examinations (%)			100	100	100
Rate of thorough examination, second examination, or treatment (%) ^{*1}			58	76	72
Rate of stress checks (%)			97.8	97.5	97.6
Rate of high stress (%)			13.9	13.8	15.0
Rate of consultations with highly-stressed workers (%) ^{*2}			5	7	8
Work engagement ^{*3}			2.44	2.43	2.40
Rate of smoking (%)			20.0	20.7	19.9
Regular health examination results (rate of conditions discovered (%))	Obesity (BMI of 25 or over)	Male	37.0	36.7	35.9
		Female	20.6	18.6	18.6
		Total	34.6	33.9	33.0
	Rate of blood pressure risks ^{*4}		0.7	1.2	0.9
	Proportion of workers at risk of diabetes ^{*5}		0.5	0.4	0.4
Medical expenses per person (yen)			155,251	162,972	170,672
Insurance expenses per person (yen)			19,120	17,041	18,521
Absenteeism (proportion of workers taking mental health leave or other leave (%)) ^{*6}			1.45	1.58	1.71
Loss of absolute presenteeism (first University of Tokyo scale) (%) ^{*7}			27	29	30
above response rate (Percentage of total employees)			70.9	61.1	79.3

*1 Percentage of people who required thorough examinations or second examinations that actually received them

*2 Proportion of highly-stressed workers for whom a voluntary interview with a physician was conducted

*3 Indicator of a positive state of mind in relation to work. Work engagement is quantified by halving the sum of the values assigned to responses to two of the 80 items on the new job stress survey ("I feel energized at work" and "I feel proud of my work") on a scale of 1 to 4 points, with 1 point for "Not at all" and 4 points for "Very much." The response rate to the Work engagement survey is the same as the "Rate of stress checks" shown in the table above.

*4 Proportion of workers with systolic blood pressure of 180 mmHg or more or diastolic blood pressure of 110 mmHg or more

*5 Proportion of workers with fasting blood sugar of 200 mg/dl or more

*6 Proportion of employees who took sick leave or were absent for a month or more for mental health reasons. Totaled for all employees.

*7 Employees evaluate their own work in the previous four weeks, with performance when well and uninjured acting as a baseline of 100%

Health Training Attendees (Whole Group)

Health Education Results (FY2023)

Training outline		Number of times conducted	Number of attendees
Online health seminar	Session 1: Let's Do It! Well-Being in the Workplace Session 2: Methods for Good Sleep Perfect for Busy People Session 3: Women's Health Issues by Age	3	2,791 (Including recorded online streaming)
New employees training	Stress Management and Health Management	2	197

Holding Health Seminars

We held joint health seminars with a health insurance association to increase the health literacy of our employees.

In the first half of FY2023 we focused on well-being management, an important keyword in health and productivity management, and in the second half of FY2023 on methods for good sleep, a topic of great interest to employees.

We also held a women's health seminar titled "Women's Health Issues by Age," which was mandatory for managerial positions and open to male employees as well. In a post-participation survey, female employees commented that "the participation of my male supervisor has made it easier to discuss health issues with him," and managers commented that "knowing the causes of women's health problems is useful for management."

Results of post-seminar questionnaire



Initiatives

Initiatives Aimed at Health and Productivity Management Going Forward

In FY2024, we were recognized as one of the 2024 Certified Health & Productivity Management Outstanding Organizations (White 500), we will continue to strive for the certifications and implement measures in a timely manner while keeping an eye on the changing demands for Health & Productivity Management.

Of the 5 pillars of health & productivity management - namely mental health measures, anti-smoking measures, measures to prevent lifestyle diseases, including for young people, and measures to prevent cancer – we are conducting activities that prioritize health issues that require urgent measures, which are as follows.

- Enhancement of mental health promotion systems and promotion of workplaces that do not result in mental illness
- Prevention of impairment of health due to smoking
- Promotion of health examinations, health advice, and prevention support for the prevention and treatment of health issues

We will roll out initiatives based on successes and points for improvement of Smart Challenge Meiden 5, which we conducted last fiscal year.

Community

Policy

Policy on Local Employment and Procurement

The Meiden Group gains awareness of issues and forms positive relationships with communities through lively two-way communication in countries and regions in which we conduct business.

Furthermore, the Meiden Group is aware of the importance of local hiring and local procurement to contribute to sustainable development in these countries and regions.

The Meiden Group is working to contribute to the economic development of countries and regions in which we conduct business through a range of initiatives.

Social Contribution Policies






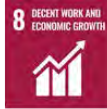


Meiden Group Social Contribution Policies

The Meiden Group aspires to work to build a new society through integrity to the earth, society, and people, and through the power of co-creation. We wish to be an attractive company that seeks to resolve social issues by providing new value created through our business activities. As such, we established the following policy for our social contribution activities.

1. We shall contribute to the sustainable development of society through our main business of manufacturer and supplier of electromechanical products.
2. We appreciate the local communities that support our business activities and we shall execute social contribution that helps the progress of community development.
3. The Group's executive officers and employees shall voluntarily support our social contribution initiatives.

Relationship between Priority Areas of Social Contribution Activities and Our Business

The Meiden Group pursues social contribution activities that are uniquely suited to the Meiden Group, leveraging the technology and products developed through our business and the skills and knowledge of our employees. Furthermore, we believe that solving social issues through social contribution activities is directly linked to business growth. For that reason, we pursue social contribution activities in the following priority areas.

Priority areas of social contribution activities	Relationship to our business	Examples	Relevant SDGs
Environmental protection	To realize our goal of “a resilient society where human society and nature are in harmony,” we recognize the importance of environmental conservation for the continuation of our business.	<ul style="list-style-type: none"> • Tree planting in Indonesia • Bottle-to-bottle recycling of PET bottles • Recycling work clothing • Preventing marine plastic waste 	   
Developing the next generation	To realize our goal of “a safe, prosperous, and exciting society,” we recognize the importance of supporting the development of the next generation, particularly in each of our business regions, for the continuation of our business.	<ul style="list-style-type: none"> • Meidensha Monodukuri Kyoshitsu (Meidensha Workshop on Manufacturing) • Visiting Science Lectures • ICT support for GIGA School Program • Courses teaching the wonder of hydroelectric power 	 
Community contributions	To realize our goal of “a society where diverse communities and people can coexist in harmony,” we recognize the importance of maintaining good communication and building strong trusting relationships with stakeholders in each of our business regions for the continuation of our business.	<ul style="list-style-type: none"> • Volunteering in public-private clean-ups • Initiative to donate picture books for children • Initiatives to beautify the environment in various parts of Japan 	 

Initiatives

Environmental Protection

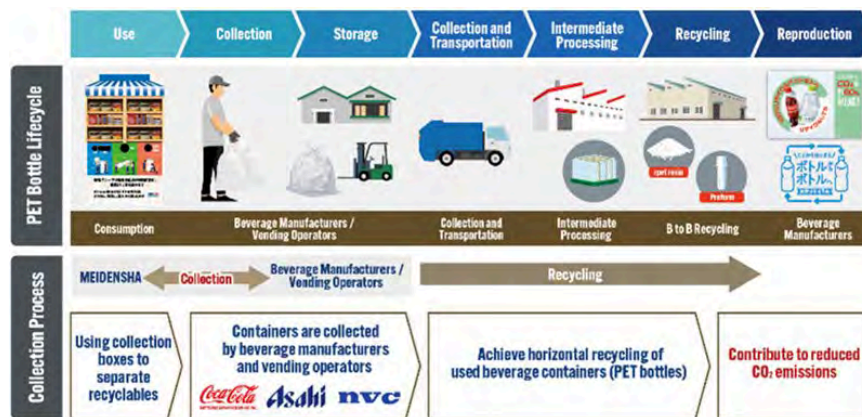
Indonesian Affiliate Joins Mangrove Tree Planting

PT. MEIDEN ENGINEERING INDONESIA, a Group affiliate that sells and installs electric power equipment and builds and maintains electrical facilities in Indonesia, helped to plant 1,000 mangrove saplings at Bahagia Beach in Kampung Betting, Bekasi, Indonesia in November 2023. It partnered with a foundation dedicated to mangrove rehabilitation. Mangrove forests protect coastlines from erosion and reduce the force of tsunamis and other large waves. In addition, they absorb and store large amounts of carbon, so they could reduce the concentration of greenhouse gases in the atmosphere and mitigate climate change. Mangrove fruits can also be processed into various food products and provide an additional source of income for local communities. Our hope is that the 1,000 small trees planted this time will grow into large trees and help preserve the environment in future.



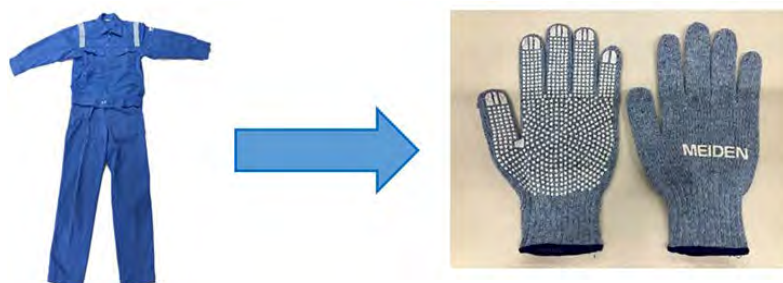
Launch “Bottle-to-Bottle” initiative—a horizontal recycling of PET bottles—in 4-company collaboration

Meidensha and partners Coca-Cola Bottlers Japan Inc., Asahi Soft Drinks Co., Ltd. and National Vending Co., Ltd. launched a “bottle to bottle” initiative in October 2023. The effort recycles PET bottles discarded from Meidensha’s headquarters and R&D Center into new PET bottles. “Bottle to bottle” helps recycle resources by repeatedly collecting and recycling used PET bottles into new ones. The new scheme recycles 100% of the discarded bottles into new beverage containers. The scheme could enable recycling of more than three tons of discarded PET bottles annually, reducing CO2 emissions by about 60% compared to PET bottles made from virgin fossil-derived materials. The Meiden Group will promote collaborative and co-creation projects with companies, including those in different industrial sectors, to further contribute to society as a sustainability partner.



Making Gloves from Recycled Work Clothing

In FY2022, the Meidensha Plant Construction & Engineering Business (PCEB) Group began collecting work clothes that were discarded because they no longer fit or are too old. The division has been recycling them into gloves under the guidance of Nakano Co., Ltd. A major feature of the gloves is that they can be used not just once but washed and used repeatedly, because their durability far exceeds JIS standards. Because they are made with reused materials, the gloves are eco-friendly. They require fewer resources to make than comparable gloves of pure cotton and help reduce clothing waste.



Participation in Drive to Collect Empty Disposable Contact Lens Cases

Meidensha's Numazu Works joined a drive to collect empty disposable contact lens cases to reduce marine plastic waste. Seven collection boxes went up within the works, bringing in 3.15 kg of cases in about two and a half months. The empty cases collected there were sold as raw material for polypropylene, with the proceeds donated to the Japan Eye Bank Association for their efforts to provide doctors to remove corneas.



Developing the Next Generation

Meidensha Monodukuri Kyoshitsu (Meidensha Workshop on Manufacturing): Teaching Children about the Joy of Manufacturing

Since FY2007, the 110th anniversary of Meidensha founding, we have held Meidensha Manufacturing Classes at elementary schools located nearby each of our sites, including Hosui Elementary School. Children get to assemble and operate a motorized toy for themselves and experience the joy of making things. More than 10,000 children have participated so far. Since FY2018, we have also held the event at Iwakuni Elementary School, which was attended by our founder, Shigemune Hosui.



In FY2023, we held these classes at Iwakuni Elementary School, Shinagawa Municipal Hosui Elementary School, Shinagawa Municipal Gotenyama Elementary School, Shinagawa Municipal Mitsugi Elementary School, Ota Municipal Kyuhaku Elementary School, Ota Municipal Chuo Elementary School, and Kiyosu Municipal Nishibiwajima Elementary School, with a total of 154 Meiden Group employees and 945 children participating in them.

Visiting Science Lectures for Junior High Schools Nearby Meidensha Sites

Since FY2017 we have held visiting lectures entitled "How does electricity reach us?" for junior high school students in the areas around our sites, through which students can learn about the importance of electricity through experience.

In FY2023, we conducted visiting lectures for 388 junior high school students Shinagawa Municipal Shinagawa Gakuen, Shinagawa Municipal Osaki Junior High School, Ota Municipal Ota Junior High



School, and Gunma Kokusai Academy. A total of 56 Meiden Group employees served as instructors and assistants.

ICT Support for GIGA School Program at Elementary Schools in Numazu City

Initiatives based on the GIGA (Global and Innovation Gateway for All) School Program are being developed in elementary and junior high schools in Numazu City. Information and communication technologies (ICT) are finding greater use, with each student having one terminal to use in class. Since FY2021, Meidensha employees at the Numazu Works have played a central role in providing instructional and operational assistance using laptop computers and supporting environmental education presentations at four elementary schools and one junior high school in Numazu City. In addition, employees lead programming classes using drones and classes on disaster prevention and other topics in partnership with local communities.



Courses for Elementary School Students on the Wonder of Hydroelectric Power

In February 2024, employees of Group company EAML Engineering CO., LTD. taught a course for Higashihiroshima City elementary school students entitled “Let’s Look at the Power of Water.” The lesson included hands-on learning using models of hydroelectric power generation equipment. As a manufacturer of such equipment for more than 70 years since its establishment in 1947, EAML Engineering showed the appeal of hydroelectric power generation to children, who are our future.



Community Contributions

Public-Private Volunteer River Cleanups and River Friendship Agreement

In 2022, we launched a volunteer project to clean up the Shin-Nakagawa River, which flows on the east side of the Numazu Works. Meidensha’s Procurement Group and Sales Planning & Administration Group, together with MEIDEN PLANT SYSTEMS CORPORATION, oversee the project. Since November of that year, the Meiden Group and its suppliers, along with Shizuoka Prefecture and Numazu City, have been collaborating in a public-private volunteer cleanup program. Five cleanups occurred in FY2023 (April, July, September, October, and March) and one in FY2024 (May), with a total of 327,247 participants.

In addition, Shizuoka Prefecture, Numazu City, and Meidensha entered a “River Friendship” agreement in June 2023. Local citizens and users are invited to become “river friends” and join in river beautification

efforts. The agreement aims to raise awareness of environmental protection throughout the region. We will continue to run these cleanup events as a local public-private initiative, always putting safety first.



Volunteers at a cleanup



Before



After

Support for Redeeming Pull-Tabs, Donating Picture Books

The Meidensha Numazu Works supports an initiative of the Numazu Chamber of Commerce and Industry's women's association to redeem pull-tabs provided by companies in the city and send picture books to nursery schools and kindergartens there, and works employees help to collect the pull-tabs. In FY2023, it presented 15.5 kg of pull-tabs, which the women's association used to donate 20 picture books to Ohira Nursery School in Numazu City. Numazu Works looks forward to continuing this activity and donating as many picture books as possible for children to use.



Environmental Beautification Activities at Sites around Japan

The Meiden Group engages in daily environmental beautification activities such as picking up litter and maintaining grassy areas to stay true to our mission of existing harmoniously with local communities. Residents appreciate these long-standing beautification activities that improve awareness of employees contributing to society and help foster a sense of unity with the community.



Tokyo area: "Ohana Ippai" Osaki cleanup event



Chubu Branch: Cleanup event

Social Contribution expenditure

	unit	FY2021	FY2022	FY2023
Social Contribution Expenditure	yen	27,000,000	28,000,000	58,000,000

* Social Contribution expenditure includes donations and sponsorship costs.

Social Contribution Activities Results

	Unit: persons	FY2021	FY2022	FY2023
① Manufacturing Classes / Visiting Science Lectures	Participants (children/students)	393	326	1,333
	Employees involved	75	77	210
② ICT support for GIGA School Program	Participants (children/students)	930	990	1,158
	Employees involved	45	140	168
③ Programming classes (using drones)	Participants (students)	—	—	516
	Employees involved	—	—	50
④ Classes in partnership with local communities (disaster prevention, etc.)	Participants (students)	—	—	339
	Employees involved	—	—	38

* Participant numbers in ② for FY2021 and FY2022 are estimates.

* Activities in ③ and ④ started in FY2023.

Promoting Social Contribution Activities Internally

Meidensha encourages employees to actively participate in social contribution activities that we sponsor, such as the Manufacturing Classes and Visiting Science Lectures that we offer in partnership with non-profits. We recruit employee instructors internally and encourage participation from every department. We also cover these activities in our in-house newsletters and other media to raise interest within the company.

DX Strategy

DX at the Meiden Group (Company-Wide Policy)

The Meiden Group has established its vision of an ideal state of being, to create sustainability partnerships that “work to build a new society through integrity to the earth, society, and people, and through the power of co-creation.” Reaching this state requires flexibility in order to operate alongside our stakeholders, including customers and a sharpening of our competitive edge so that we are selected as a partner.

Digital transformation is a key component to achieving that state, by “utilizing digital technologies and data to establish a competitive advantage through transformations of each product, service, organizations, HR, and system offered by the Meiden Group” and then deploying those actions laterally throughout all companies.

Operations Transformations and Business Model Transformations are provided as core specific transformations in the Medium-term Management Plan 2024, with numerous members from related divisions participating in those activities.

Advancing digital transformations is intimately linked with our business strategy and it is vital that we enact measures such as creating core systems using new digital technologies and data utilization techniques, strengthening information security and governance, and training digital and transformative human resources. In particular, generative AI and sensors represent indispensable cutting-edge digital technologies that we are proactively incorporating. 2024 marks the final year of the Medium-term Management Plan 2024 and the targeted completion of each transformation and initiative.



Progress and Future Deployment

Subject	Key Achievements of Step 1	Developments from Step 2 Onwards
DX Strategy Operations Transformation	<ul style="list-style-type: none"> Created the foundation of the project management system Reconsidered business processes (reconsidered internal rules) Created a database of customer contacts across all companies (built a base CRM^{*1}) 	<ul style="list-style-type: none"> Introduce the project management system internally and externally and strengthen functions Increase productivity by improving business processes Create a company-wide customer database by linking SFA^{*2} and CRM data

Subject		Key Achievements of Step 1	Developments from Step 2 Onwards
	Business Model Transformation	<ul style="list-style-type: none"> Deployed a services sales business (launched a cloud analysis business for railway overhead contact line inspection systems) Launched a smart maintenance business (ultra-high quality GX products) Created the foundation of the customer center (photovoltaic O&M) 	<ul style="list-style-type: none"> Expand the service sales business Expand the smart maintenance business Centralize operation and maintenance information at the customer center and expand O&M business
	Promotion Platform	<ul style="list-style-type: none"> Improve basic digital and IT literacy for all employees and transform the culture by nurturing transformation mindsets Fortify information security and governance Design and implement a company-wide system (including future core systems) Create a data-linking platform (for use in management and to improve decision making) 	

*1 CRM: Customer Relationship Management

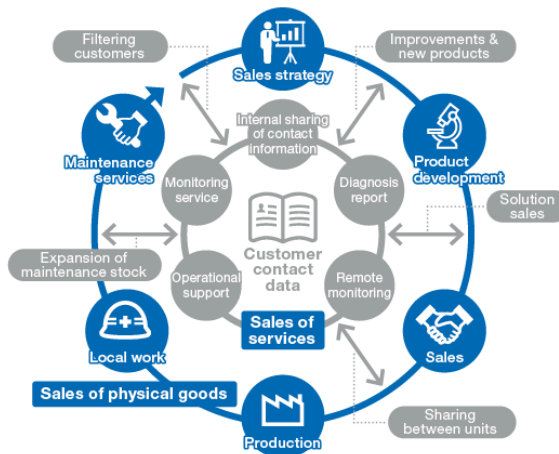
*2 SFA: Sales Force Automation

Our Ideal

Aggressive DX: “Transformation of Business Models”

The desire to “enrich society through the power of electricity” has been at the heart of the Meiden Group since its founding. This led us to an attitude of thinking about the rich lives and exciting societies to be enjoyed by people on the other end of our products and services. It has been the driving force behind the creation of new value for our customers in every era.

This desire is unchanged today, even as society rapidly changes and people’s ways of thinking are growing more diverse. The important thing is to explore and pursue added value from the customer’s point of view, such as “Why do they buy our company products and how do they need us?”, to move from the phase of “What can we get the customer to buy?”. Getting there will require aggressive DX. For example, we will take previously scattered customer contact information, make it into a database, and share it. This will not only enhance our sales of physical goods, but also expand sales of services. By combining the two, we will develop a system to create a virtuous cycle of business.

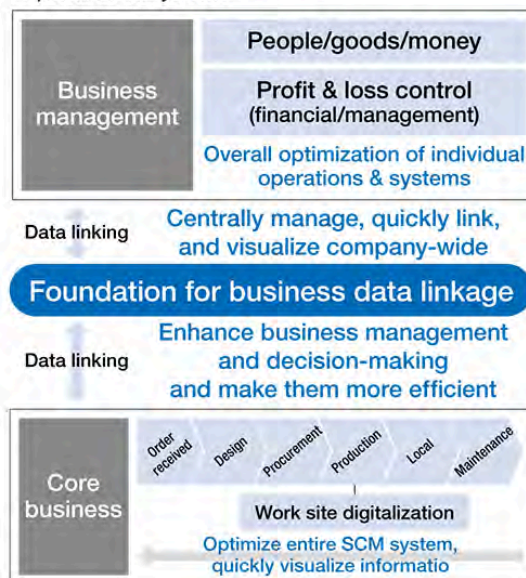


Corporate Transformation

In today's world, an enterprise's competitive advantage depends directly on how fast it can make business decisions. To survive, enterprises need a system to quickly and centrally view all sorts of information that can support decision-making, such as business resources (people, goods, and money), project progress, and operating status of products already delivered. We recognize that there is still room for improvement in the mechanisms for absorbing information right away and speeding up decision-making. To practice defensive DX, we will elevate our business by centrally managing, quickly linking, and visualizing company-wide business information. At the same time, by bringing digital innovation to our work sites and linking data in our core businesses, we will work for the overall optimization of supply chain management for higher productivity.

Our Ideal

- Enhance decision-making by centralizing and quickly visualizing information
- Raise productivity through overall optimization of operations & systems



Development of Digital Human Resources

The advancement of digital transformation is rooted in digital and transformation personnel. For that reason, we develop such personnel as part of creating our digital transformation advancement platform. Our human resources training includes opportunities to participate in transformation team activities as they develop, cooperation with cross-functional teams, and lifelong learning and skill advancement. We separate lifelong learning into three categories: basis personnel, specialized personnel, and transformation personnel. Each category is provided its own program. Specifically, the basis personnel training program aims to increase base digital skills and occupational knowledge for all employees through outside lecturers introducing the latest case studies and technologies, courses on generative AI and data utilization, and SCM (supply chain management) training. We launched a new training program in FY2024 for incoming technical hires to help them learn customer-centric value creation through design mindsets and marketing techniques.

Personnel We Seek



TOPICS

Business Transformation Projects that Advance ONE MEIDEN

In FY2021, we deployed the Meiden Business Transformation Projects concept across all companies.

Under the banner of “connectivity and increased productivity,” this initiative centralized all information and optimized the supply chain across sales and engineering units, plants, construction units, and maintenance service units.

Previously, each business unit and process employed its own system. This made simultaneous management of all processes impossible, so information could not be promptly and accurately conveyed between units, and the productivity of all businesses suffered. It also negatively impacted customer satisfaction and manufacturing, so the issue required an urgent solution from a business standpoint.

The business transformation advanced under this situation, DX1.0 Operation Transformation, aimed to create a project management system platform shared by all companies within FY2024. Productivity increased (FY2023 performance: 30,000 reduced labor hours) because, beginning in FY2023, companies stopped creating paper records of monthly production meetings and could verify project information and progress on the system.

From FY2024 onwards, we expect to improve productivity with the business process transformation, expand group company activities in Japan and overseas, and continue to enact operation transformations through the combined force of ONE MEIDEN.