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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 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 FY2022)

	Eligible sites	Certified sites	Rate of acquisition
Meiden Group (Japan)	22	22	100.0%
Meiden Group (International)	12	12	100.0%
Whole Meiden Group	32	32	100.0%

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.

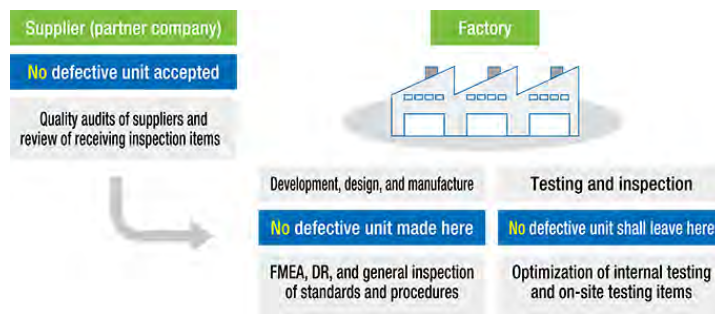
- (1) Reducing defects in outsourced and purchased products
 - Analyze any defects that surface in order to reconsider inspection standards and systems, thereby preventing defects from getting in.
 - Support efforts to enhance management by auditing and providing instruction to subcontractors based on 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

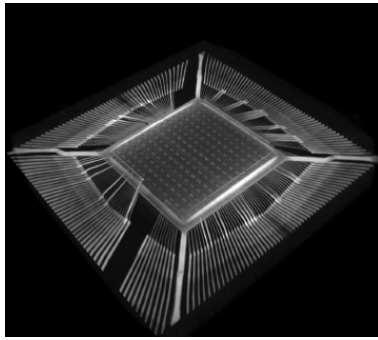
We must not allow any defects to leave the Company. In order to achieve this, it is important to conduct thorough testing. There are many products for which it is not possible to conduct all tests in-house. Therefore, we clearly differentiate tests that should be conducted in-house and tests that should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

Analysis Technology to Prevent Defects for Parts and Materials

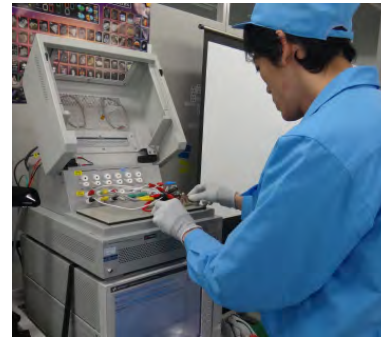
At the Materials & Semiconductor Device Analysis Center, we promote activities to improve product quality and prevent defects through analysis and reliability evaluation of semiconductor devices and materials that are used in our products, adopting “improving product quality,” “creating new products,” 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, humidity, and corrosive gasses.

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

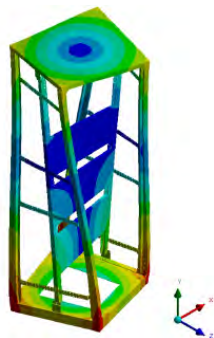


Evaluation of electrical characteristics of semiconductor devices (power device analyzer)

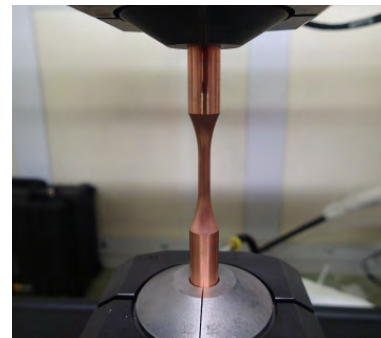
Coexistence of Limit State Design and Product Quality

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-shipping product inspections by customers visiting our factories, as before, so we started remote pre-shipping inspections. At these remote pre-shipping 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.

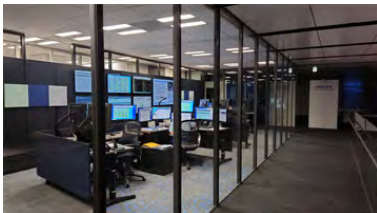
Initiatives

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

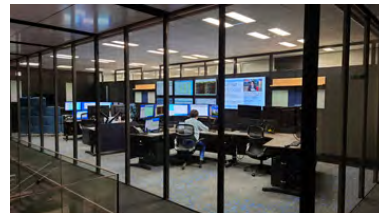
Meiden Customer Center

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

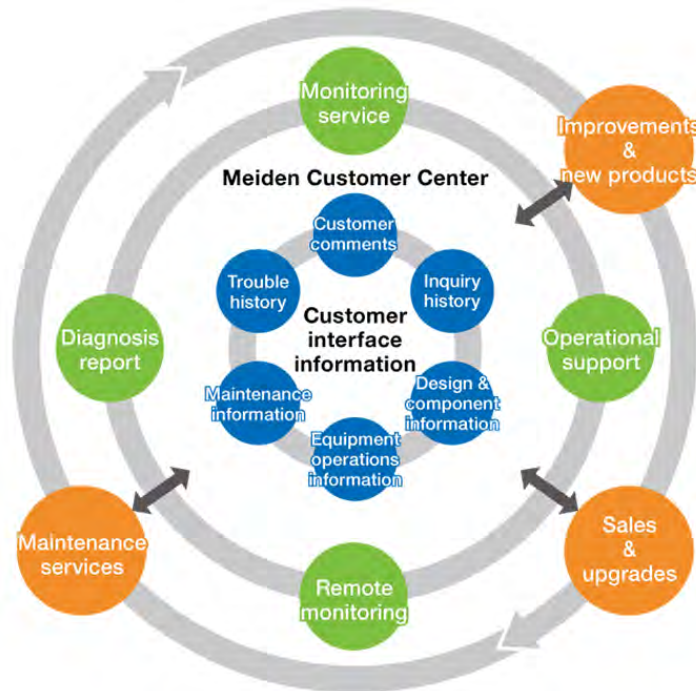




ISMS (Information Security Management System) Certification

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.



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.

As one of our 120th anniversary projects, we have granted internships to two Thai university students each year since fiscal 2017, and we have conducted technical education for these two university students in fiscal 2019 as before.

At Manabi-ya, which is the new technical training center established at Numazu Works in October 2020, we have constructed an educational system utilizing 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 development young workers and improve technical capabilities.



Thai university student internships (product observation)



Technical training (creating sequencing circuits for rotating machinery)

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 FY2022)

	FY2020	FY2021	FY2022
Meiden Group (consolidated)	0	0	0

Quality Management Education and Training Results (FY2022 Results)

	Times conducted	Participants	Outline
Group leader training	1	18	Training to learn the quality control and workplace improvement techniques required of technical group leaders
ISO 9001 Internal Auditor Development Course	5	151	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

Co-creation with Sustainability Partnerships

We defined the term “Sustainability partnerships” to specifically articulate the Meiden Group’s ideal form. Sustainability partnerships fulfil the role of achieving the Meiden Group’s goals of creating personal happiness and a sustainable global environment. Fulfilling the role of sustainability partnerships through business activities will lead to the realization of our ideal society.

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.

To help them understand our approach to supply chain management, we have distributed the 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).

Dissemination and Explanation of the Procurement Policy to Business Partners

“We give a copy of the Meiden Group Sustainable Procurement Guidelines to every new supplier at the start of business.” We ask each new supplier to become thoroughly familiar with the guidelines and put them into practice.

We directly request for our Business Partners to comply with both the Meiden Group Basic Procurement Policy and the Meiden Group Sustainable Procurement Guidelines at the production plan explanatory meetings held at each of our production site.

The Meiden Group Sustainable Procurement Guidelines are 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 FY2021*, our year and received acceptable responses from 360 companies (94%). 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 (100%) 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. (FY2022 survey record: 1,711 companies)

Furthermore, we evaluate suppliers through "our business partners' evaluation system" and issue a score card each year based on the results. (500 companies evaluated in FY2022)



Survey relating to sustainability activities and environmental conservation activities

2022年度 資材調達スコアカード

評価項目	目的	評価項目	得点	配点
企業評価	企業の経営理念を評価	財務、一般情報、認証、CSR	16.5	/30点
企業業績評価	企業の実行力を評価	品質、コスト、納期、サービス	24.0	/30点
技術力評価	企業の管理技術力(改善)と開発技術力(品質)を評価	品質、コスト、納期、技術開発、生産力、生産効率	13.4	/20点
協力度評価	当社に対する協力度を評価	方針策定、協力・連携、情報提供	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. During FY2022, some audits were done remotely because of the COVID-19, while others were done on-site. Suppliers who did not pass the audit were asked to take corrective measures and given a follow-up audit (seven companies). If suppliers do not yet have an environmental management system (EMS), we have them take part in an EcoAction 21 study session.

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 FY2022, the eighth year of the program, a total of 134 suppliers have earned EcoAction 21 certification.

We also discuss our environmental policies and carbon neutrality initiatives with our suppliers at yearly production plan briefings and ask that they take action themselves. And working with the Organization for Small & Medium Enterprises and Regional Innovation, JAPAN, we are working to visualize 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 at regional production plan briefing



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



Individual support by the Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (Numazu area)

Sharing Excellent Examples with Suppliers

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

At this year's case study presentations, participants showed how they were able not only to make environmental improvements using EcoAction 21, but also establish a committee to examine management issues using this system. By entrusting operations to employees, they were able to build a system where employees can examine and solve management issues on their own. Good examples are shared, which helps to motivate our suppliers.

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 System

Meidensha has established the Public Whistleblower System: 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 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. In

light of the COVID-19 pandemic, the President visited the award-winning business partners last fiscal year to present the awards.



President's message at the Partners Meeting



Commendation of superior and excellent examples at Partners Meeting



Visit to business partner and commendation (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 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. There are limitations within the COVID-19 pandemic; however, we are promoting ongoing support to the extent possible.

In FY2022, we have decided not to conduct some face-to-face activities in order to prevent the spread of COVID-19.



Product exchange meeting



Information security instruction



Project to Support Safety & Health

Record of Seminars Held (FY2022)

Theme	Number of seminars held	Number of participating companies	Number of participants
Production plan explanatory meetings (Ota, Numazu, Nagoya)	6 seminars	176 companies	212 participants
Hands-on safety experience truck education	12 seminars	18 companies	75 participants
Safety support diagnostics and education	11 seminars	11 companies	Approx. 70 participants

Record of Monitoring Suppliers (FY2022)

Theme	Content	Times conducted (number of companies)	Outline
Environment	Environmental audits	10 companies	Participation in FY2023 EA21 (EMS) by 7 companies that required correction
Health and safety	Checking suppliers' sites using the health and safety support business	9 companies	Numazu area: 4 companies Ota area: 2 companies 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.	3 times (the number of companies investigate depends on the scope of the investigation)	Concentrated heavy rain, COVID-19, etc.

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 FY2022)

Certified Procurement Professional qualification system	Attainment: 61%
Eco Test	Attainment: 87%
Education for new staff and reassigned personnel, etc. (FY2022)	100% attendance

Human Rights

Policy

The Meiden Group Human Rights Policy

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.

We will also identify, prevent, and mitigate risks and impacts relating to human rights throughout our activities, including in the supply chain, and endeavor to disclose our responses on an ongoing basis.

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

Meidensha has signed a statement of support for the United Nations Global Compact and is registered as a participating company.

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

[Meiden Group Sustainable Procurement Guidelines \(536KB\)](#)  >

Relief and Remedy

Establishment of a Compliance Hotline

If a human rights violation occurs due to Meidensha’s businesses, employees are able to report to the Compliance Hotline, the Harassment Consultation Hotline, and the external Public Whistleblower System. All stakeholders (including individuals, local residents, etc.) can make inquiries from outside the company using our external helpline. The Compliance Committee investigates information that is brought to the above points of contact, and, having confirmed the content, consults lawyers before resolving issues if necessary.

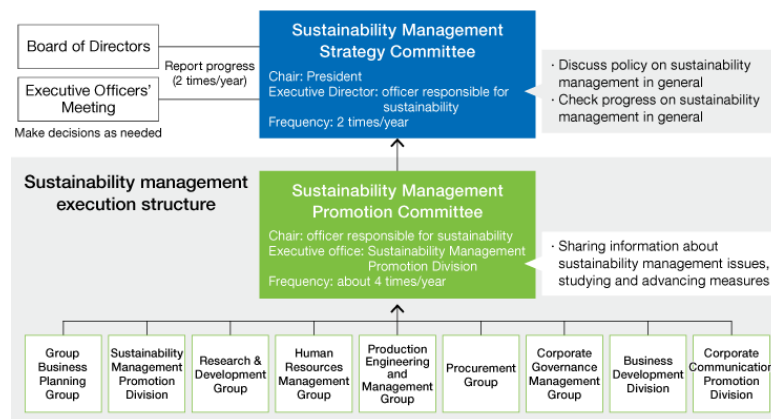
Furthermore, our system effectively manages information concerning whistleblowers' names, etc., protects whistleblowers, and enables anonymous consultation, in accordance with national guidelines. We work to ensure that whistleblowers experience no disadvantage and improve the dependability of our whistleblower system.

Compliance Whistleblower System >

Organization

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.



Initiatives

Initiatives for Identifying Prominent Human Rights Issues

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.

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

Step	FY2021 and earlier	FY2022	FY2023
Initiative			1st half 2nd half
Initiatives to promote and train	Workplace discussions (Human Rights Week)	Training for officers Workplace discussions (Human Rights Week)	Workplace discussions (Human Rights Week)
Establish policy		Revise Human Rights Policy Revise Corporate Code of Conduct Establish Sustainable Procurement Guidelines	
Human rights due diligence	Conflict minerals	3TG* survey Cobalt survey	Survey 380 business partners with CMRT (Conflict Minerals Reporting Template) EMRT (Extended Minerals Reporting Template)
			FY2023 survey FY2023 survey (cobalt & mica survey)
	Self-assessment		Survey scope Risk inventory Study of impacts and countermeasures
	Risk assessment		Create list of issues Interview relevant departments Identify conspicuous human rights issues Consider countermeasures
	Impact assessment		Sort out discussion points Assessment sheet

* 3TG: Tin, Tantalum, Tungsten, Gold

Initiatives

Promoting Respect for Human Rights through Our Business Activities

Human Rights Education for Officers and Employees

The entire Meiden Group understands international norms (Universal Declaration of Human Rights and International Bill of Human Rights) and is working to conduct education activities focused on human rights with the aim of ensuring “respect for human rights,” which is listed in the Corporate Code of Conduct. We also comply with all relevant laws concerning the prohibition of forced labor and abolition of child labor. The Meiden Group Human Rights Policy is available in three languages (Japanese, English, and Chinese) to ensure that it becomes ingrained in all employees, and we conduct various types of training as educational activities to raise awareness of fundamental 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.

To strengthen our efforts in mental health, we conduct self-care training in each region for each year of joining the company and each age bracket, as well as line-care training for managers and supervisors.

In fiscal 2022, we invited external instructors to conduct training concerning “business and human rights” required by companies for all officers of executive officer level or above and presidents of Japanese subsidiaries.

Content of Human Rights Training (FY2022)

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	5,987
Harassment education	All Group employees	Prevention of various types of harassment	4,336
Compliance manager training	Compliance managers	Responses to consultations regarding harassment, etc.	178
Anger management training	All Group employees	Understanding and controlling anger, which can lead to harassment	2,350
Mental health training	Conducted in each region	Correct understanding and prevention of mental illness, and prohibition of discrimination	367

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 >](#)

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.

Personnel Data >

Prevention of Child Labor

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

Prevention of Forced Labor

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

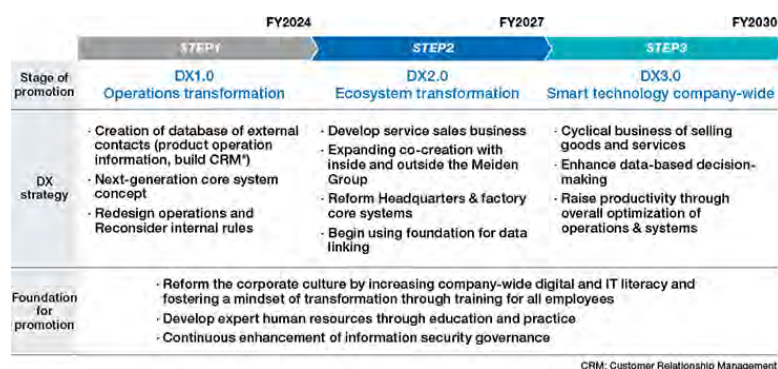
Compliance Data >

D X

DX at the Meiden Group

The Meiden Group defines DX as an effort to use digital technology and data to change the world's expectations in terms of existing business models (businesses and products); systems associated with operations in general; and the knowledge, skills, mindsets, organizations, and corporate cultures of the employees responsible for these, and thereby realize the enterprise's desired state and vision. The Group has previously used digital technology to transform its business, such as IoT to visualize manufacturing lines and implementing Robotic Process Automation (RPA). Each of these efforts, however, was limited to individual or partial optimization. Going forward, we will promote DX with a company-wide approach. This will make our business more competitive and bring a greater impact to society. Within the DX Promotion Committee, headed by the Executive Vice President and Executive Officer, there are four subcommittees, each conducting specific initiatives with a different theme. Committee meeting discussions are regularly reported to the Executive Officers' Meeting and the Board of Directors for follow-up and supervision of progress.

DX Promotion Road Map

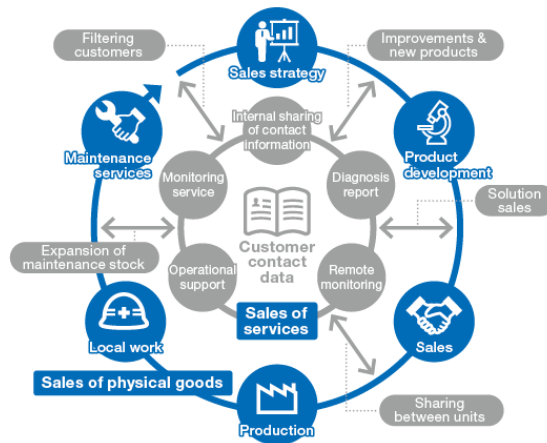


Our Ideal

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.

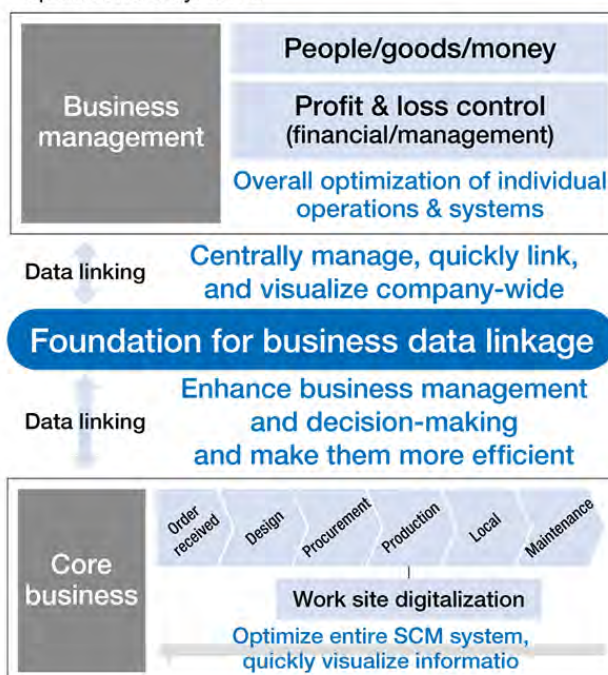


Defensive DX: "Transformation of Core Business and Business Management"

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



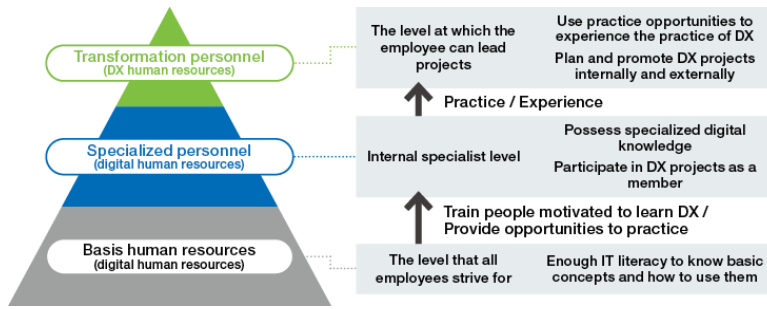
Theme-Specific Subcommittees

① Equipment and Systems Operations Transformation	<ul style="list-style-type: none"> • Use of project management systems to centralize progress and cost information management in production processes and make efficiency improvements • Creation of database of customer contacts company-wide
② Mass Production Operations Transformation	<ul style="list-style-type: none"> • Establishment of inventory and cost management standards for mass-produced products • Establishment of maintenance and management standards for mass production lines
③ Business Model Transformation	<ul style="list-style-type: none"> • Identification of product operation information especially in the Meiden Customer Center and deployment to the service sales business
④ Corporate Transformation	<ul style="list-style-type: none"> • Review of business management methods to reform Headquarters and factory core systems • Organization of corporate operations, and digital labor savings

Establishment of DX Promotion Infrastructure

Development of Digital Human Resources

A prerequisite to advancing DX is to build a foundation so that every employee takes DX personally and works accordingly. To do so, we are developing an environment that supports the training and awareness of employees, who will take the lead in advancing DX. Our aim is to foster a corporate culture for the digital age. Specific training measures include continuing our existing ICT Primer and Basic Education for new employees and in addition continuous IT skills e-learning designed for self-development. In addition, we created new DX training for all employees starting in FY2023, providing opportunities for people to understand what DX is and why it is needed now. All Meidensha employees will receive DX training by FY2024, and training will gradually expand to cover the entire Meiden Group.



TOPICS

Digital Lab for Co-Creation with an Agile Approach

The Digital Lab, an agile, co-creation center for creating new value, started up at Numazu Works in October 2022. Unlike the historical approach with its emphasis on certainty and stability with little change, we have been working since FY2020 on an agile approach that puts greater emphasis on responding to change and on speed and value.

The agile approach seeks to create new value by practicing close communication with customers and stakeholders. We will accelerate the search for new value-based businesses by promoting agile development with pilot projects, exchanging personnel and information with nearby enterprises and partners, and using a wide range of seminars and events for internal human resources development.



The Open Space at the Digital Lab

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 of the Meiden Group, including those working at each site and construction, maintenance, and upkeep management business units of Meidensha and its subsidiaries as well as personnel 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"

"Nothing is more valuable than good health"

1. Basic Policy

At the Meiden Group, employee health and safety is a core management value. 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 our Corporate Code of Conduct, and aim to be a leading health and safety company.

2. Action Guidelines

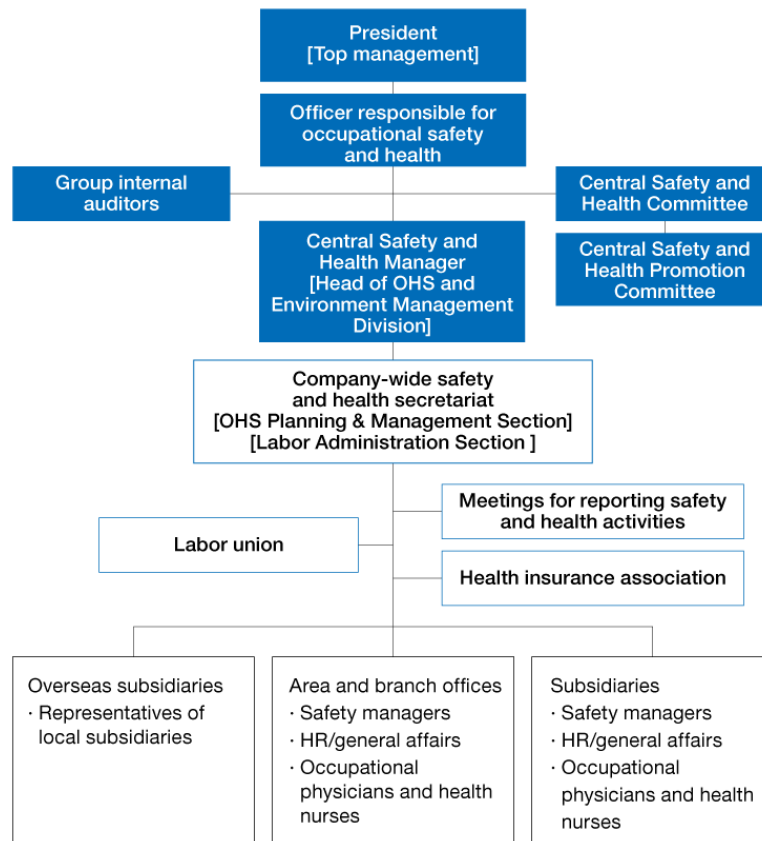
- (1) Based on the awareness that ensuring safety and health is reliant on good communication, prevent occupational accidents and occupational diseases by conducting appropriately managed workplace environment reforms with participation by all employees.
- (2) Comply with relevant laws including the Industrial Safety and Health Act, as well as business unit and workplace rules relating to safety and health.
- (3) Make 4M improvements to improve health and safety performance and conduct ongoing health and safety initiatives through the Safety and Health Management System.

* 4M: Management, machine, media, man

- (4) Identify health and safety risks in all workplaces, including near-miss incidents, and practice thorough risk assessments to eliminate or reduce risks.
- (5) Use health and safety training to increase opportunities to develop a sensitivity to danger and raise everyone's health and safety awareness.
- (6) Promote work-life balance and work style reforms.
- (7) Work to improve the health awareness and health literacy of each employee.
- (8) Enhance mental health promotion systems and promotion of workplaces that do not result in mental illness.
- (9) Prevent impairment of health due to smoking.
- (10) Support prevention and response to ensure that employees can participate in a healthy manner for a long time.

Organization

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.

Results, Plan, and Targets

FY2022 Results

• Results of Occupational Safety and Health Initiatives

Certification status of the occupational safety and health management system

1) 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 / MEIDEN SHOJI CO., LTD., Headquarters / MEIDEN SYSTEM SOLUTIONS CORPORATION, Tokyo Branch / MEIDEN UNIVERSAL SERVICE LTD., Tokyo Branch / MEIDEN TECHNO SYSTEMS CO., LTD., Tokyo Sales Office / MEIDEN AQUA BUSINESS COMPANY / M WINDS CO., LTD. / MEIDEN MASTER PARTNERS CORPORATION / MEIDEN NANOPROCESS INNOVATIONS, INC.</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 / MEIDEN KOHSAN CO., LTD., Numazu Branch / MEIDEN SHOJI 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 / MEIDEN CHEMICAL CO., LTD., Headquarters</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. / MEIDEN KOHSAN CO., LTD., Ota Branch / MEIDEN FACILITY SERVICE CORPORATION / 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</p>
Kofu area	<p>KOFU MEIDENSHA ELECTRIC MFG. CO., LTD. / MEIDENSHA CORPORATION (EV Business Planning Headquarters and EV Sales & Engineering Headquarters in Kofu, Motor Drive Solutions Business Sales & Engineering Headquarters)</p>
Branches (including sales offices in jurisdiction)	<p>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</p>
Plant Construction & Engineering Business Group	<p>Planning & Administration Division, Construction Management Dept. No. 1, Construction Management Dept. No. 2</p>
Domestic subsidiaries	<p>MEIDEN PLANT SYSTEMS CORPORATION, Headquarters and Western Japan Branch</p>
Overseas subsidiaries	<p>SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD. / MEIDEN ZHENGZHOU ELECTRIC CO., LTD. / MEIDEN SINGAPORE PTE. LTD. / PT. MEIDEN ENGINEERING INDONESIA / MEIDEN T&D (INDIA) LIMITED</p>

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, 2023)

Japan

	Total number of sites	Number of sites that have acquired certification	Proportion (%)
OHS Management ISO45001 acquisition	100 sites	95 sites	95%

Overseas

	Total number of sites	Number of sites that have acquired certification	Proportion (%)
OHS Management ISO45001 acquisition	10 sites	5 sites	50%

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)

Meiden Group	Occupational accidents (cases)		Traffic accidents (cases)	Occupational diseases (cases)	People with absences due to illness of at least one month (rate of absence)* 2	
	4 or more days of lost time	1-3 days of lost time*1	Accident during work		Total	Mental
FY2022 (target values)	0	0	0	0	117 people (1.58%) (down 10% YoY)	93 people (1.26%) (down 10% YoY)
FY2022 (established values)	6	1	50	0	139	102
FY2023 (target values)	0	0	0	0	125 people (down 10% YoY)	92 people (down 10% YoY)

*1 Published figures based on the counting method in Meidensha's internal regulations (cases with at least one day of absence from work are counted)

*2 Proportion of employees who were absent for a month or more

Occupational Safety and Health Data (only Meidensha)

Item	2018	2019	2020	2021	2022
Lost time accidents frequency rate*1	0.99	0.15	0.15	0.00	0.38
Severity rate of lost time accidents*2	1.28	0.00	0.00	0.00	0.01
Number of fatalities*3	1	0	0	0	0
Number of lost time accidents (4 or more days)*4	4	2	1	0	4
Number of lost time accidents (1-3 days)	2	0	0	0	1

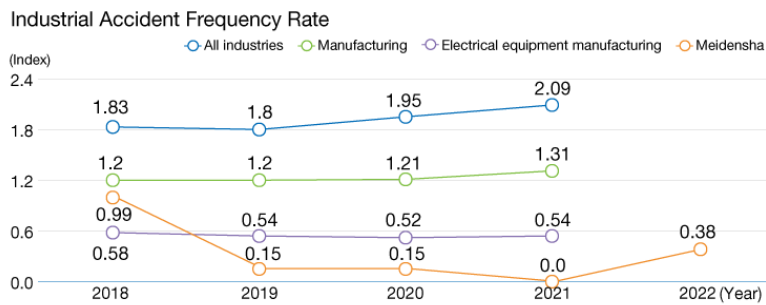
*1 "Frequency rate" indicates the frequency of casualties due to industrial accidents per 1 million gross hours of actual work.
 "Severity rate" indicates the seriousness of accidents based on the number of days of lost work due to industrial accidents per thousand gross hours of actual work.
 Individuals who suffer casualties on multiple occasions are counted on each occasion.

*2 Includes temporary employees and contractors.

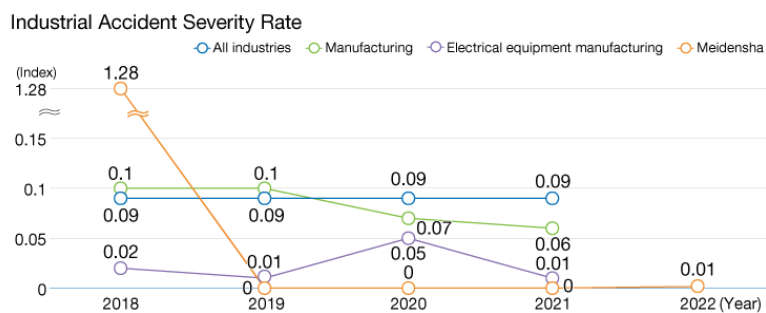
*3 The number of injuries leading to lost time is defined as injuries with one or more days of lost time as based on Meidensha's calculating regulations.

*4 "Accidents accompanied by lost worktime" refers to accidents that require at least one day off work according to Meidensha's own calculation standards.

Safety Record (only Meidensha)



* Supplementary information
 "Frequency rate" indicates the frequency of casualties due to industrial accidents.
 In contrast to the severity rate, which indicates the degree of industrial accidents that have occurred, the frequency rate uses the number of casualties per million gross hours of actual work.
 Frequency rate = (number of casualties / gross hours of actual work) × 1,000,000



* Supplementary information
 "Severity rate" indicates the degree of an industrial accident that has occurred.
 In contrast to the frequency rate, which indicates how often casualties happen, the severity rate indicates the seriousness of industrial accidents, based on the number of days of lost work per thousand gross hours of work.
 Severity rate = (number of casualties / gross hours of actual work) × 1,000

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

Item	FY2021	FY2022
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)

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, we launched Safety and Health Initiatives Reporting Meetings in FY2022 as a new effort 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 the VR hands-on safety training contents 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.



Safety Information Portal

The Meiden Group started operating the Safety Information Portal 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). Currently, the system can manage industrial accident reports, traffic accident reports, near-misses, safety patrols, risk assessments, number of days with zero accidents, safety training, e-learning, 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.



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 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.



Occupational Safety and Health Training Attendees (Only Meidensha)

Occupational Health and Safety Training Record (FY2022)

	Training outline	Number of times conducted	Number of participants
Safety experience education	Training for the purpose of increasing sensitivity to danger	As required	1,009
General safety and health education	Foreman education, ability development education, etc.	58	597
Traffic safety education	In principle, held twice each fiscal year. Held at each site	21	2,680
Danger Experience Seminars through collaboration with the Japan Industrial Safety & Health Association	Training for the purpose of increasing sensitivity to danger	14	413

Health & Productivity Management

Policy

Health promotion: Aiming to maintain and improve the health of employees

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 in order 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 them, the Meiden Group is working to remain a leader in health & productivity management.

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.

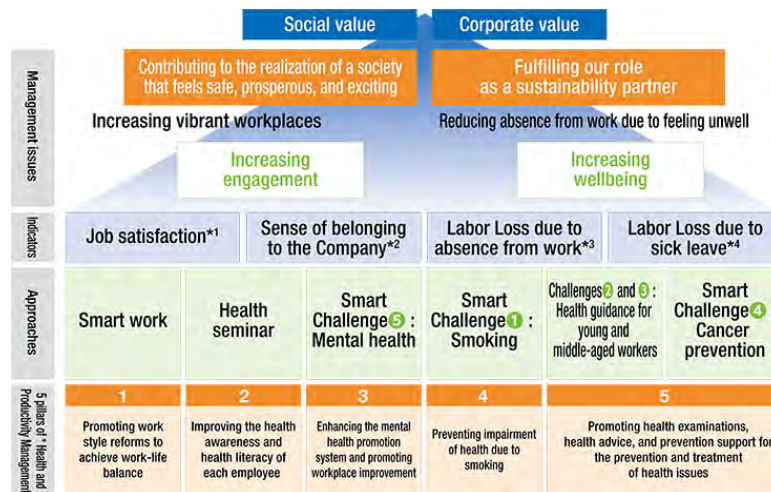
- (1) Promoting work style reforms to achieve work-life balance
- (2) Improving the health awareness and health literacy of each employee
- (3) Enhancing the mental health promotion system and promotion of workplaces that do not cause mental illness
- (4) Preventing impairment of health due to smoking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

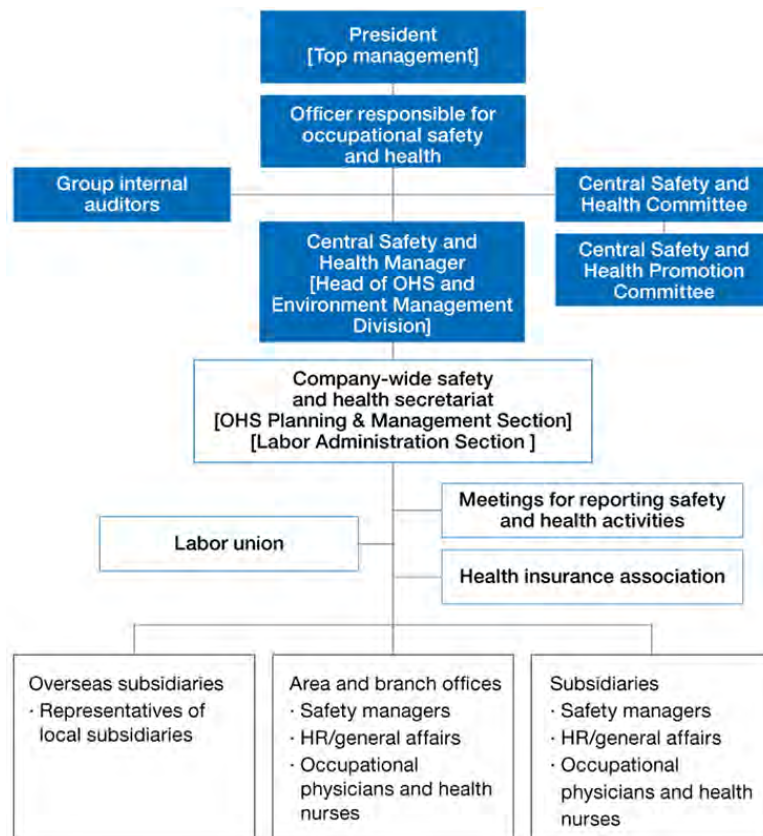
*2 Indicator of sense of community, agreement with Meidensha's philosophy and vision, and willingness to contribute, etc. (employee engagement)

*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



FY2022 Results

Results of Occupational Safety and Health Initiatives

(1) Received 2023 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 2023 Certified Health and Productivity Management Outstanding Organization in the White 500 list. This is our third 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. Although the number of participants declined to 35 (down 21 from the previous year), 35 people successfully quit smoking (up three from the previous year). 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

We continued to provide pre-obese under-40s with ICT health guidance programs. We provided a framework that allows a choice between a service to improve exercise habits using activity trackers and a service to improve diet, according to the interests and needs of young staff. The number of participants declined to 117 (down 41 from the previous year), and the program completion rate fell to 58.1% (down 25.9%).

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.

Results of measures to combat lifestyle-related diseases	FY2021		FY2022	
	UNDER-39	OVER-40	UNDER-39	OVER-40
Participants	158	200	117	270
Program completion rate (%)	84	72	58.1	95.6
Quantitative improvements				
Weight loss (kg)	-1.1	-1.2	-0.5	1.3
Waist-line shrinkage (cm)	-1.2	-1.7	-0.1	1.3
Behavioral changes				
Improved dietary habits (%)	69.7	81.1	82.4	91.2
Improved exercise habits (%)	53.8	64.3	76.5	85
Subjective wellness changes				
Average score at commencement	5.2	5.6	4.3	5.3
Average score at completion	5.0	5.3	4.7	5.4
Improvement in subjective wellness (%)	-0.2	-0.3	0.4	0.1
Presenteeism (first University of Tokyo scale)				
Average at commencement	85.1	82.2	79.2	81.7
Average at completion	84.8	81.2	78.6	84.2
Presenteeism improvement rate (%)	-0.3	-1.0	-0.6	2.5

- *1 Evaluation is conducted based on a score out of 10 for answering 10 questions relating to wellness.
- *2 This is an indicator of absence from work due to feeling unwell. Employees evaluate their own work in the previous four weeks, with performance when well and uninjured acting as a baseline of 100%.

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.

⑤ Challenge 5: Promoting maintain mental health

We conduct interviews at workplaces with high health risks, encourage consultation with doctors for stressed individuals, etc., according to mental health plans. We conduct surveys of stressed individuals regarding mental health care awareness, ensuring anonymity. 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. In conjunction, we provide our workers with information and loan out textbooks to help them obtain the Mental Health Management® certification for the purpose of self-care, and eight employees took the exam in FY2022.

* Mental Health Management is a registered trademark of the Osaka Chamber of Commerce and Industry.

Health & Productivity Management Indicators (only Meidensha)

Item		FY2020	FY2021	FY2022	
Participants in the program for smokers to quit smoking		108	56	35	
Participants in Meiden Smart Walking		-	582	1,019	
Number of Health Web Kencom members		1,700	1,764	1,798	
Rate of regular health examinations		98.3	100	100	
Rate of thorough examination, second examination, or treatment (%) ^{*1}		63	58	76	
Rate of stress checks (%)		96.6	97.8	97.5	
Rate of high stress		13.4	13.9	13.8	
Rate of consultations with highly-stressed workers (%) ^{*2}		5	5	7	
Work engagement ^{*3}		2.47	2.44	2.43	
Average rate of utilization of leave		Listed in Smart Work 2024 labor practice targets >			
Average hours of overtime					
Number of workers exceeding 80 hours of out of hours work (work outside of legally stipulated hours) per month					
Rate of smoking (%)		21.8	20.0	20.7	
Regular health examination results (rate of conditions discovered (%))	Obesity (BMI of 25 or over)	Male	35.0	37.0	36.7
		Female	20.7	20.6	18.6

Item		FY2020	FY2021	FY2022
	Total	32.8	34.6	33.9
	Rate of blood pressure risks*4	0.8	0.7	1.2
	Proportion of workers at risk of diabetes*5	0.2	0.5	0.4
Medical expenses per person (yen)		137,297	155,251	162,972
Insurance expenses per person (yen)		13,660	19,120	17,041
Absenteeism (proportion of workers taking mental health leave or other leave (%))*6		1.35	1.45	1.58
Loss of absolute presenteeism (first University of Tokyo scale) (%)*7		17	27	29
above response rate (Percentage of total employees)		74.6	70.9	61.1
Job turnover rate (%)		Listed in labor practices results data >		

*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."

*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 (FY2022)

Training outline		Number of times conducted	Number of attendees
Online health seminar	Session 1: Managing Your Well-being: Working at a High Level of Productivity and Creativity Session 2: Drinking Responsibly: How to Avoid Regrets Session 3: The Key Facts on Cancer in Women	3	906
New employees training	Stress Management and Health Management	2	210

Holding a Health Seminar

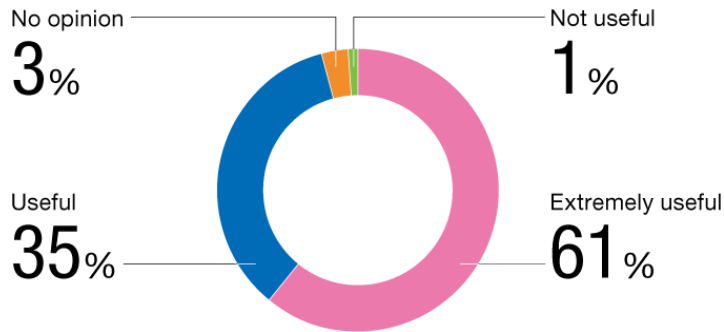
We held joint health seminars with a health insurance association to increase the health literacy of our employees.

These seminars were provided online during work hours so that employees could attend more easily.

In the first half of FY2022, Takashi Maeno, a professor at the Keio University Graduate School of System Design Management, gave a talk on "Managing Your Well-being" and in the second half of FY2022, Junzo Uchiyama, Hospital Director of the Nanmouri Medical Clinic, discussed "Drinking Responsibly."

We also held a women's health seminar titled "Key Facts on Cancer in Women" (Speaker: Saori Kakurai, CEO & Representative Director of the Wellness Life Support Research Center), which was open to male employees as well. Survey respondents expressed appreciation for the session, with participants saying, "It was a great opportunity as I didn't have many chances to learn about cancer in women" or "I'm going to recommend that my family members go in for a checkup."

Results of post-seminar questionnaire



Initiatives

Health Promotion Measures

In FY2023, we were recognized as one of the 2023 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.

1. Enhancement of mental health promotion systems and promotion of workplaces that do not result in mental illness
2. Prevention of impairment of health due to smoking
3. 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.

We will work to improve the well-being of employees, with the belief that “nothing is more valuable than good health,” in order to fulfill the role of a sustainability partner that contributes to the happiness of people and a sustainable society.

Health measures by age group

		Challenge 4	Challenge 3	Challenge 5		Challenge 2	Challenge 1
Age 60-69							
Age 50-59							
Age 40-49							
Age 30-39							
Age 20-29							
Age 10-19							
	Medical examinations	Health guidance	All employees	Self Training	Line Training	Women	Training By age group
	Medical examinations		Mental health				Health literacy

Handling of International Travelers

Based on our health & productivity management policy, if an employee becomes infected with influenza, said employee or a representative of said employee shall promptly lodge a report through the Influenza Notification System and the Company shall take steps to prevent the infection from spreading such as ensuring the infected employee will stay at home for a set period and notifying relevant divisions.

Furthermore, we provide pre-departure explanations of overseas lifestyle, medical treatment, safety, etc., as well as education concerning infectious diseases that are global health issues, including malaria, tuberculosis, and HIV/AIDS, by industrial physicians for international transferees. We are conducting initiatives such as promoting vaccinations as appropriate for the country visited, and otherwise working to maintain health.

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

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.

We are working to conduct positive communication with people in the local community and our stakeholders that support us on a day-to-day basis, through contributions to society according to the Meiden Group Social Contribution Policies.

In 1918, Take Shigemune, the second President of the Company and wife of the Founder, Hosui Shigemune, used her own funds to establish Hosui Elementary School in Osaki (Shinagawa City, Tokyo), an area where the Company had a factory. Following in her footsteps, the Meiden Group will make a wide variety of social contributions through our active involvement with local communities and with society.

The Meiden Group's Aims: Solving Social Issues Through Our Business

The Meiden Group aims to be a company that accepts the challenge of solving social issues by providing new value created through its business activities, in order to achieve our ideal state of being “work to build a new society through integrity to the earth, society, and people, and through the power of co-creation”. Solving social issues through our core business leads to growth, and this aligns with the Meiden Group Social Contribution Policy.

In terms of our social contribution activities, by conducting social contribution activities that are suited to the Meiden Group, with features that leverage the skills and knowledge of employees, such as manufacturing classes and visiting science lectures that leverage the technology and products developed through our business, we contribute to the solution of social issues, such as lack of engineers and STEM personnel due to children drifting away from science, and the development of local communities. We believe that these activities will eventually lead to the building of a relationship of trust with our stakeholders, which in the long run will lead to the enhancement of corporate value and the securing of excellent human resources.

Initiatives

Contributions to Local Economies

Expansion of Comprehensive Water Supply Operations in Eastern Gunma Prefecture

In order to tackle a range of issues arising from aging water service personnel employed by local governments, such as labor shortages, skills transfer, and risk management, the Meiden Group not only designs and manufactures electrical equipment, but also offers comprehensive consignment services that include facility maintenance, management, and operations. In April 2017, a private sector group, for which Meidensha is the representative company, established East Gunma Water Supply Service Co., Ltd. along with the East Gunma Water Supply Industry Association through joint financing, and commenced water supply operations and comprehensive projects including extension works in three cities and five towns in the East Gunma region. Through this venture, we were able to achieve efficient business administration and transmission of skills to personnel, achieve public benefit, create new employment opportunities, and reduce maintenance costs, by leveraging the skills and knowhow of private enterprise.

Community Investment

In Support of Local Community and Government Initiatives: Donation of Facilities to Schools in Thailand

In the Kingdom of Thailand, we donated facilities for two schools in the mountainous regions of the north of Thailand, which are populated by ethnic minorities, in FY2017, to celebrate Meidensha's 120th anniversary and the 50th anniversary of THAI MEIDENSHA CO., LTD. We donated a library and a water tank to Kalayaniwattana Secondary School, which was one of those schools. As these regions are surrounded by mountains, it takes a long time to travel to school and many students choose to live in dormitories. With this water tank to store the water that is necessary for life and this library to help students learn, Meidensha was able to support children's rights and business principles, improve the learning environment for children in accordance with these principles, and contribute to the provision of opportunities for children to receive reliable and high-quality education. Employees of THAI MEIDENSHA CO., LTD. visit the two schools to which facilities were donated on an ongoing basis, conduct learning activities, etc., and maintain connections with teachers and the local community through activities with students.



Social Contribution Activities (Examples and Results of FY2022 initiatives)

Meidensha Manufacturing Classes: Teaching Children about the Joy of Manufacturing

Since FY2007, which was our 110th anniversary, we have held Meidensha Manufacturing Classes at elementary schools located nearby each of our sites, including Hosui Elementary School. Through these Manufacturing Classes, we will enable children to experience the joy of manufacturing by having them assemble and operate toys that incorporate motors by themselves. More than 10,000 children have participated the activity so far. Since FY2018, we have held Manufacturing Classes at Iwakuni Elementary School, which was attended by our founder, Shigemune Hosui.



In FY2022, we held these classes at Iwakuni Elementary School, Shinagawa Municipal Hosui Elementary School, and Ota Municipal Ikushina Elementary School, with a total of 51 Meiden Group employees and 326 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 second-year junior high school students in the areas around our sites, through which children can learn about the importance of electricity through experience.

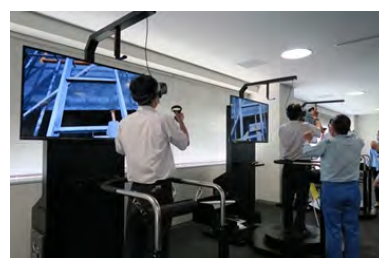


In FY2022, we conducted visiting lectures for 305 second-year students at Shinagawa Gakuen, Shinagawa Municipal Osaki Junior High School, Shinagawa Joshi Gakuin, and Ota Municipal Junior High School. A total of 20 Meiden Group employees served as instructors and assistants.

Observation at the New Skills Training Center, Manabi-ya, by local technical high school students

In December 2022, 20 local technical high school students visited Manabi-ya, the new skills training center at Numazu Works, for an observation designed to provide students from local technical high schools with hands-on safety experience. The students visited the Manabi-ya Digital Zone, the practical training area, and the study area.

Going forward, we will hold more observations for local schools and continue to provide learning experiences for even more students.



Global Wind Day in Mitane Town, Akita

Meidensha and M WINDS Co., Ltd., which operates and maintains wind farms, hosted Global Wind Day, an event both to thank local residents and to provide more information on wind power generation. Global Wind Day coincided with Mitane City's Sand Craft 2022 in Mitane on July 30 of that year.

Held for the first time in three years, the event featured a booth at Kamayahama Beach, a place for visitors to stand directly underneath the 18 wind turbines of the Hachiryu Wind Farm, video tours of the inside of a turbine, pinwheel making, and a decorative arch of multi-colored pinwheels between turbines for photographs. A large number of people came to the event, including local residents.



Development of Wind Generator Maintenance Personnel Through Visiting Lectures at High Schools in Akita

M WINDS Co., Ltd., a wind farm operation and maintenance service company, conducted visiting lectures on maintenance for wind power generation systems and the job of a chief electrical engineer at two high schools in Akita Prefecture in February 2023. These lectures were provided to high school students as part of the Akita Prefecture Wind Generator Maintenance Personnel Education Project, which aims to train technicians and retain young people in the prefecture.



During the lecture, an instructor conveyed the allure of the job to the high school students, saying, "I'm responsible for the safety of both the on-site technicians and the electrical equipment. It's hard work, but very rewarding," and encouraged them to "start studying while you are in high school and work to obtain certification as a chief electrical engineer." As momentum builds for the introduction of renewable energy to create a carbon-free society, the world will expect even more from the wind power sector, so securing and training maintenance personnel in the future will be essential.

The M WINDS Akita Sales Office maintains its own 18 wind turbines at Hachiryu Wind Farm, as well as 8 other regional wind turbines owned by other companies. We are strengthening efforts to hire employees from within Akita Prefecture and focusing on training technicians. Going forward, we will continue to contribute to the growth and steady supply of renewable energy with local roots by focusing on coexistence and co-creation with regional communities to expand business.

Presentation of Exploratory Research at Shizuoka Prefectural Mishimakita Senior High School

Since 2019, Meidensha has been endorsing initiatives of Shizuoka Prefectural Mishimakita Senior High School whereby students focus on global issues and work together to try solutions, as well as supporting their overseas training programs. Nine first-year students were scheduled to travel to Vietnam for on-site research in FY2022, but the travel plans had to be canceled because of the continued threat of COVID-19, so an alternative curriculum was devised where they presented the results of their research at Meidensha's headquarters.



The presentation

Three groups of students gave presentations on their research and findings to Representative Director President and Executive Officer (at that time) Takeshi Miida, Managing Executive Officer Akio Ikemori,

and members of VIETSTAR MEIDEN CORPORATION, our local Vietnam company, who joined the presentation remotely.

The presentations covered topics such as power generation methods that combine the issues of power in Vietnam with food loss, menu planning apps to address issues in nutrition and health, and alternative containers to help address the issue of microplastics, with each team proposing innovative solutions to their social issue.

Following the presentations, the Director and other employees offered feedback and everyone participated in an exchange of meaningful ideas for use in future research.

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.



Ota Works Tending grass in Kanayama and Akamatsu



Numazu Works Outdoor cleaning

Results Data

Social Contribution expenditure

	FY2018	FY2019	FY2020	FY2021	FY2022
Social Contribution Expenditure (yen)	38,000,000	60,000,000	35,000,000	27,000,000	28,000,000

* Social Contribution expenditure includes donations and sponsorship costs.