

## Evaluations from External Bodies

### Status of incorporation of the ESG Index\* (as of September 2023)

\* ESG is an acronym for “Environment,” “Social,” and “Governance.” It is a set of investment principles that include management’s concern for society and the environment as important criteria for determining investment in addition to the company’s financial factors.

#### S&P/JPX Carbon Efficient Index

The S&P/JPX Carbon Efficient Index is an environmental index that was developed by S&P Dow Jones Indices LLC. It gives weight to companies with high carbon efficiency and that fully disclose carbon emissions. The S&P/JPX Carbon Efficient Index also serves as an ESG index for Japanese companies that are GPIF investment targets. Meidensha was added to the index in 2018.



#### Sompo Sustainability Index

Meidensha has been selected for the Sompo Sustainability Index, which was instituted by Sompo Asset Management Co., Ltd. in August 2012. Sompo Sustainable Investment is a responsible investment product for pension funds and institutional investors that invests broadly in companies with a high ESG (environment/social/ governance) rating.

Each year, revision of companies listed in the index is conducted based on the results of a survey conducted by Sompo Risk Management Inc. Meidensha’s ESG initiatives have been highly rated by investigation, leading us to be continuously selected by index since FY2016.



### FTSE Blossom Japan Index

The FTSE Blossom Japan Index is designed to measure the performance of companies that have taken exceptional action on environmental, social and governance (ESG) issues, and is selected by FTSE Russell, a global developer and manager of equity bond and other indices. The index consists of stocks that meet various evaluation criteria related to ESG. These criteria are used to select investments by investors who place importance on corporate social responsibility and sustainability, and are reviewed based on the results of annual evaluations.



### FTSE Blossom Japan

### FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Sector Relative Index is an index that reflects the performance of Japanese companies with relatively higher environmental, social and governance (ESG) responses in each sector and is designed to be sector-neutral. This index has been highly rated for its stance relating to business risks and opportunities relating to climate change focusing on ESG evaluation, and its ESG metrics are employed by the Government Pension Investment Fund (GPIF). Meidensha has been part of this index since March 2022.

### Morningstar Japan ex-REIT Gender Diversity Tilt Index

This Morningstar index is focused on companies where gender diversity policy has taken root in their corporate culture and companies who have made a commitment to equal opportunity for employees regardless of gender. The index uses Equileap's Gender Equality Score. Companies are sorted into five groups based on score; Meidensha is in Group 3. The same index is also used as an ESG indicator of the Government Pension Investment Fund (GPIF).

## Other Major Evaluations from Outside the Company

### CDP (Climate Change and Water Security)

CDP is an international NGO that operates a global information disclosure system to manage the environmental impact of investors, companies, cities, countries, and regions. It investigates, evaluates, and discloses information about environmental initiatives on behalf of institutional investors. Meidensha received a rating of C for climate change and B- for water security from CDP in 2022.



## MSCI ESG Ratings

The MSCI ESG Ratings are ESG ratings by the US-based MSCI. MSCI analyzes companies' ESG risk management capabilities and gives one of 7 ratings from AAA to CCC. In 2022, Meidensha received a rating of A in the MSCI ESG Ratings.



## Science Based Targets Initiative (SBTi)

In 2021, Meidensha upwardly revised its 2030 greenhouse gas emissions reduction target. This target received SBT certification as it was recognized by the Science Based Targets (SBT) initiative as being consistent with the Paris Agreement.



Establishment of the Second Meiden Environmental Vision as a medium-to-long-term environmental goal >

## Meidensha receives highest rating for a syndicated commitment line loan based on ESG/SDGs evaluation

Meidensha received the highest rating for a syndicated commitment line loan based on an ESG/SDGs evaluation concluded in September 2023 with Sumitomo Mitsui Banking Corporation (SMBC).

This syndicated commitment line loan is offered by financial institutions that endorse the criteria developed by SMBC and The Japan Research Institute, Limited and use them to evaluate the ESG initiatives, information disclosure, and contributions toward achieving the SDGs of the borrowing companies (their clients). The following are the key points of the evaluation of our efforts.

Environment (E)	The company's climate change measures include expanding renewable energy procurement and introducing an internal carbon pricing system to promote capital investment that contributes to decarbonization. In addition to promoting the EV components business and expanding its renewable energy-related business, the company has recently focused on expanding sales of extra-high-voltage products for green transformation packaged with environmentally friendly products. Having set medium- and long-term goals for reducing GHGs in Scope 3 Category 11 (Use of Sold Products), the company is commended for accelerating its response to climate change.
Social (S)	The company is commended for creating a system for proposing specific measures from the bottom up after establishing committees and working groups for diversity, equity, and inclusion (DEI) to clarify organizational policies that respect diversity with the aim of creating an organization in which all employees can play an active role.
Governance (G)	The company's top executives have demonstrated their commitment to promoting ESG-based management, setting non-financial KPIs for achieving carbon neutrality, improving diversity and employee engagement, and more in their

	medium-term management plan. The company is also commended for identifying ESG-related issues, conducting risk analysis, and clarifying material issues.
Sustainable Development Goals (SDGs)	The company has identified areas in its business strategy that contribute to solving societal issues and narrowed its focus on particular targets of SDGs. Specific efforts to achieve the SDGs through its core businesses include developing (input) and institutionalizing (output) services and businesses that contribute to solving societal issues—for example, energy solution services and infrastructure business—to reduce its customers' environmental impact (outcome) and contribute to the achievement of the SDGs, namely Goal 7 (Affordable and Clean Energy), Goal 11 (Sustainable Cities and Communities), and Goal 13 (Climate Action).

## 2023 CSR Company Ranking (Toyo Keizai Inc.)

Released by Toyo Keizai Inc., the CSR Company Ranking generally evaluates and ranks CSR (corporate social responsibility) and Finance by evaluating utilization of human resources, environment, corporate governance, social responsibility, profitability, safety, and scale, based on responses to an annual survey given to companies. Meidensha was ranked 46th out of 111 companies in the electrical machinery industry in the 17th CSR Company Ranking (in 2023).

## The 6th Nikkei Smart Work Management Survey

The Smart Work Management Survey, conducted by Nikkei Inc. from 2017, selects leading companies who are challenging the productivity revolution through work style reform. The survey was conducted on listed companies nationwide and leading unlisted companies, and consists of three elements: the realization of diverse and flexible working systems, a system for new businesses, and the ability to develop markets. They define efforts to maximize organizational performance as "smart work management" and evaluate them in five stages, taking into account management foundations such as corporate governance. In the 6th survey, Meidensha was recognized as a 3.5-star company.



## The 4th Nikkei SDGs Management Survey

The SDGs Management Survey comprises questions relating to the four categories of "SDGs strategy and economic value," "social value," "environmental value," and "governance." In the 4th survey, Meidensha was recognized as a 3.5-star company.



## Eruboshi

In 2017, Meidensha received the highest level of Eruboshi mark (grade 3).

Eruboshi is a system under which certification is granted by the Minister of Health, Labour and Welfare to companies that have formulated and submitted action plans under the Act for the Promotion of Women's Participation in Working Life (Act for the Promotion of Women's Participation), that meet certain standards, and that have been exceptional in their implementation of initiatives. There are three levels of certification, and Meidensha has received grade 3, which is the highest level as it is recognized as having met the required standards in all five evaluation categories. Receiving Eruboshi certification also increases our rating for comprehensive evaluation bidding systems, etc., of public enterprise.



## Kurumin and Platinum Kurumin

In 2021, Meidensha was granted Kurumin and Platinum Kurumin certification by the Minister of Health, Labour and Welfare (MHLW). The Kurumin certification is a system in which the Minister of MHLW certifies companies that have formulated the Plan of Action for General Employers based on the Act to Advance Measures to Support Next-Generation Child-Rearing and that meet certain standards, such as achieving the goals set in the action plan, as companies that support child-rearing. Platinum Kurumin certification is a special certification system for companies that have been certified as Kurumin certification and have made efforts at a higher level to become exceptional child-rearing support companies.



## PRIDE Index 2022

In November 2022, Meidensha obtained gold status – the highest evaluation – in the PRIDE Index 2022. This initiative was started by the nonprofit organization “work with Pride,” an organization that strives to increase understanding of sexual minorities such as the LGBTQ+ community. The PRIDE Index contains 5 pillars for evaluations and aims to “create LGBTQ+ inclusive workplaces in Japan through efforts that transcend the boundaries of companies and organizations.” In addition to establishing basic policies toward promoting understanding of sexual minorities (LGBTQ), the Meiden Group has published the

Meiden Group human rights policies, eliminated questions about gender from job applications, begun providing basic education on LGBTQ topics, set up an LGBTQ consultation line, and recently created the Meiden Partnership System. The Meiden Group also works to promote understanding of LGBTQ individuals by treating common-law marriages (including same-sex marriages) the same as legal marriages, allowing employees to specify a different gender than the one listed on their family register, and more.



### Health and Productivity Management Organization (White 500)

Meidensha has been certified as a "Health and Productivity Management Organization - White 500" by the Ministry of Economy, Trade and Industry (METI) for its excellent health management practices. The "Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)" is a joint effort by METI and Nippon Kenko Kaigi (Japan Health Council) to recognize large corporations, including unlisted companies, that practice good health management in cooperation with insurers. Meidensha has been certified since 2021.

In April 2023, our subsidiary Meiden System Solutions Corporation was certified in the Large Enterprise Category and our subsidiary Meiden Techno Systems, Co., Ltd. was certified in the Small and Medium-sized Enterprise Category, a first for both companies.



### Received the 2022 "Minister of the Environment Awards for Climate Action" Award

In December 2022, Meidensha and one of its subsidiaries, Meiden Kohsan Co., Ltd., received the 2022 Minister of the Environment Awards for Climate Action Award in the Advanced Introduction / Active Implementation Category for introducing ABW and Meidensha's multi-functional PCS at Meiden Kohsan's new office building. Meidensha concurrently applied separately for its initiative "Contributing to a decarbonized society: The World's First Ecotank Type Vacuum Circuit Breaker that does not use SF<sub>6</sub> gas," which received the Minister of the Environment Awards for Climate Action Award in the Product Development and Commercialization Category.

The Minister of the Environment Awards for Climate Action Award is presented by the Ministry of the Environment to individuals and organizations that make outstanding achievements toward mitigating and combating climate change.



The Meiden Group was the only company to receive two awards in 2022.



### Recipient of the 19th LCA Japan Forum Incentive Award

Meidensha was awarded the 19th LCA Forum Incentive Award in February 2023. This award aims to support corporations, organizations, and researchers working to reduce the environmental impact of products throughout their life cycle and honors those who produce exceptional work with LCA. Meidensha received the award for their “Working to promote and improve products by calculating and assessing life-cycle CO<sub>2</sub> emissions – SF<sub>6</sub> gas-free Ecotank Type VCB.” The SF<sub>6</sub> gas-free Ecotank Type VCB (Vacuum Circuit Breaker) helps Meidensha not only meet GHG emission targets, but also contributes significantly to reduced GHG emissions throughout the supply chain. The award recognized how clearly transitioning to products that do not rely on SF<sub>6</sub> gas reduced the impact on global warming in LCA.



At the Award Ceremony  
(right) Chairman Atsushi Inaba of LCA Japan Forum  
(left) Meidensha Senior Managing Executive Officer  
Nobuaki Tamaki

### Excellence Prize at Zero Carbon Challenge Cup 2023

In March 2023, Meidensha won the Excellence Prize at the Zero Carbon Challenge Cup 2023. The Zero Carbon Challenge Cup is a national competition in which schools, organizations, companies, and municipal governments make presentations and submit written documentation describing their local decarbonization activities aimed at stopping global warming. These are then judged and the groups that made outstanding efforts receive awards. By recognizing the decarbonization efforts of a wide array of groups from across Japan, this system both encourages the sharing of information and know-how on exceptional work being done domestically and helps foster the desire and connections for further activities. Meidensha's presentation covered company initiatives using the concept of “contributions that make Meiden Group's total value chain carbon neutral” and focused on creating state-of-the-art offices that can contribute to the company's environmental impact, workplace reforms, disaster prevention, and connecting with the local community during Meidensha's reconstruction of the Meiko Building, the shared headquarters of Group companies Meiden Kohsan Co., Ltd. and Meiden Engineering Corporation.



Group photograph at the Zero Carbon Challenge Cup

## Winner of the YouTube Works Awards Japan 2023 Grand Prize

In June 2023, Meidensha won both the Grand Prize and the Breakthrough Advertiser category at the YouTube Works Awards Japan 2023 (hosted by Google) for their pixel-art edition of the social media ad campaign “Electricity: Taking action” (hereinafter called “this work”).

YouTube Works Awards Japan recognizes eight categories of video advertisements that have made significant strides on YouTube. This work drove engagement and succeeded even with little advertising history and won the Breakthrough Advertiser category, which targets campaigns that have recently begun advertising on YouTube. Meidensha’s campaign was also selected as the Grand Prize finalist from among 49 other entries.

This work is aimed at younger generations and uses pixel art to demonstrate how electricity is an essential component of daily life and events. It was created to convey the core values of Meiden Group and its goal of creating a safe, prosperous, and exciting society by 2030, while the catchphrase “Electricity: Taking action” is meant to communicate Meidensha’s desire to create such a society.



Pixel art edition of “Electricity: Taking action” [🔗](#)