MEIDEN
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Meiden Group Sustainability 2024

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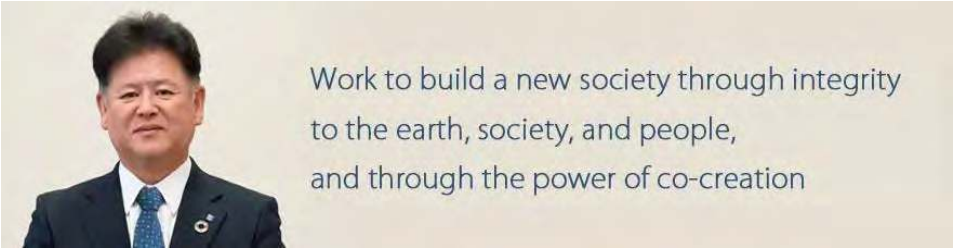
The President's Commitment



To adapt to a continually changing world, Meidensha is committed to never losing sight of the values that make up our core identity. As with global environmental problems, there is an increasing number of medium to long-term issues that must be dealt with without delay. With that in mind, we have conducted various internal discussions concerning how we should develop our businesses as the Meiden Group.

Firstly, we aim to realize a world where people live in harmony with nature and can pursue their own happiness. Against that backdrop, we described our ideal society using the following three points.

- A Resilient Society Where Humans Live in Harmony with Nature
- A Society that Feels Safe, Prosperous, and Exciting
- A Society Where Different Communities and People Can Coexist

In order to realize this ideal society, the Meiden Group held multiple discussions about creating long-term value, to establish "work to build a new society through integrity to the earth, society, and people, and through the power of co-creation" as our 2030 Ideal State of Being/Vision, with an eye to the worldview of 2050.

It is essential for us to undergo a number of changes in order to achieve our Ideal State of Being/Vision. We are now facing the issue that society is undergoing structural changes and we must respond to social issues as they become apparent. It is extremely important to be proactive and work together with like-minded compatriots. Therefore, I believe we should remember the DNA of social contribution and spirit of innovation that Hosui Shigemune had when he founded Meidensha, as well as the honesty and responsibility to customers that has supported social infrastructure for more than 120 years since then, and take on the challenge of creating a new society by expanding and strengthening our position, in order to be an attractive company and organization.

In order to achieve our Ideal State of Being/Vision, we have articulated our specific form and role as a "sustainability partner" for the achievement of people's happiness and a sustainable global environment.

This label of “sustainability partner” has two meanings. The first is a partner as a member of society to achieve a sustainable global environment, while the other is our role as a partner to support various stakeholders such as employees, shareholders, investors, and customers, to achieve sustainability.

We will contribute to the solution of our customers’ issues, support the realization of a sustainable society, and fulfil our responsibility as a company that is a member of a sustainable society. This is what we define as the role of a “sustainability partner.”
I am proud that each and every Meiden Group employee sincerely tackles the issues of our customers and works with the pride that they are supporting social infrastructure and benefiting society.

In order to realize an affluent and comfortable future society, I sincerely hope that the Meiden Group continues to support public infrastructure in 100 or 200 years from now and daringly accepts the challenge of creating new value, while continuing the social contribution and sincere attitude that are our corporate DNA.

Representative
Director
President and
Executive Officer
Akio Inoue

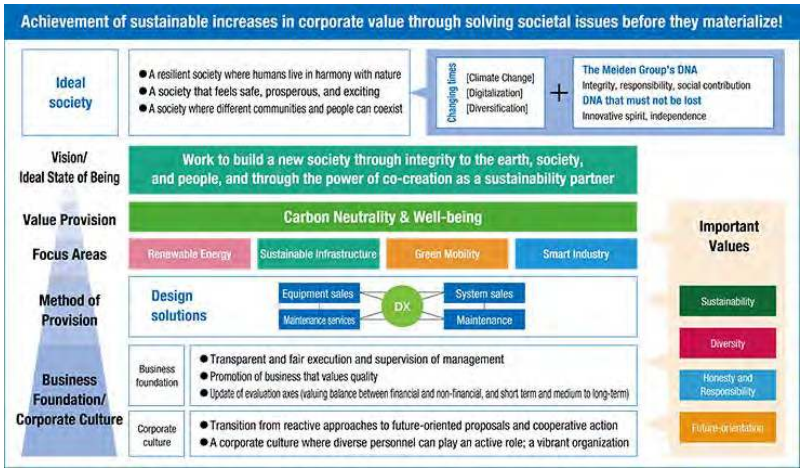
Sustainability Management

The Meiden Group's Sustainability Management

Currently, the social environment in which the Meiden Group operates, continues to undergo drastic changes, such as the impact of accelerating climate change since the industrial revolution, digitalization through technological innovation, and diversification of values and lifestyles of people.

Amid such profound social changes, we have depicted the Meiden Group's ideal society of 2030 with an eye to the worldview of 2050, by combining Meiden's DNA of "integrity," "responsibility," and "social contribution," which are our strengths since the establishment of the Group, with the DNA that we must not lose of "innovative spirit" and "taking-initiative mind." This ideal society is "a resilient society where humans live in harmony with nature," "a society that feels safe, prosperous, and exciting," and "a society where different communities and people can coexist." With such a mindset, the Meiden Group has set its vision of an ideal state of being, which is sustainability partnerships that "work to build a new society through integrity to the earth, society, and people, and through the power of co-creation."

In order to contribute to the creation of a new society through business activities, we will focus on the four areas of "renewable energy," "sustainable infrastructure," "green mobility," and "smart industry," based on the infrastructure-related technology and know-how that we have developed over many years, and the trust and results of our customers. The values that must be held by everyone who works in the Meiden Group are "sustainability," "diversity," "integrity and sense of responsibility," and "future orientation" to achieve this society. We will apply these four values to our day-to-day activities, and under Medium-term Management Plan 2024, which commenced in FY2021, the Meiden Group aims to take a "Big Jump" in our growth and achieve sustainable corporate growth, by promoting management focused on ESG and sustainability.



Sustainability Partnerships

We defined the term “Sustainability Partnerships” to specifically articulate the Meiden Group’s ideal form.

“Sustainability Partnerships” fulfil dual roles to realize the Meiden Group’s goals of achieving people’s happiness and a sustainable global environment.

The first is that we partner with society as a member of society to achieve a sustainable global environment. The other indicates our role as a partner to work with various stakeholders such as employees, shareholders, investors, and customers, to achieve sustainability.

Our main contributions include contributing to carbon neutrality, which enables environmentally considerate lifestyles of people and industry and another is wellbeing, the idea that focuses on building a society based on people’s happiness.

Firstly, contributing to “carbon neutrality” requires supporting a carbon-free society based on environmentally considerate products, as well as, making the Meiden Group shift toward becoming carbon-free.

Secondly, wellbeing requires the provision of infrastructure and services for safe and secure lifestyles, the creation of a society with a feeling of connection and diversity, and the provision of excitement to society by the Meiden Group taking the lead in depicting a new world.

The role of “Sustainability Partnerships” combine these two aspects, and fulfilling this role through our business activities will lead to the realization of our ideal society.

Promoting Sustainability Management

(1) Governance

To enhance its corporate value in terms of sustainability, the Meiden Group is strengthening its sustainability promotion structure. The Representative Director, President and Executive Officer has ultimate responsibility for management decisions related to sustainability.

Since FY2022, the ESG Management Promotion Committee, which had been in place until the previous year, has been reorganized into a two-tiered structure consisting of the Sustainability Management Strategy Committee and the Sustainability Management Promotion Committee. The aim is to separate management decisions from the monitoring of progress. Matters discussed by these bodies are regularly reported to the Executive Officers’ Meeting and the Board of Directors twice a year.

Relevant divisions are currently discussing the selection of target indicators and evaluation ratios to tie executive compensation to sustainability.

Topics of Discussion by the Two Committees (FY2023)

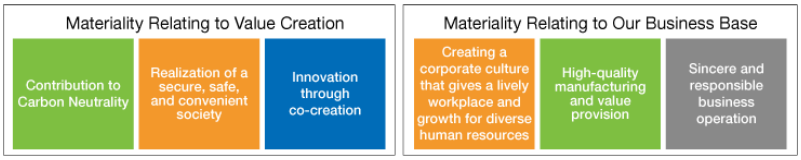
	When	Topic
Sustainability Management Strategy Committee	Session 1	Review of medium-term environmental targets Progress of human capital management
	Session 2	Review of medium-term environmental targets
Sustainability Management Promotion Committee	Session 1	Lookback on FY2022 + FY2023 action plans
	Session 2	Progress of human capital management, corporate culture reform, and human rights
	Session 3	Progress of environment, human capital, and corporate culture reform

(2) Risk Management

The Risk Management Committee manages risk for the entire Meiden Group. Working with related divisions, the Sustainability Management Promotion Division, which promotes sustainability management, plays a central role in identifying risks related to sustainability in general. These risks are incorporated into company-wide risks and managed together with them.

(3) Strategy

The Meiden Group strives to realize a sustainable society and sustainable growth. Our 2030 Ideal State of Being/Vision is “Work to build a new society through integrity to the earth, society, and people, and through the power of co-creation - Sustainability partnerships -.” To achieve our three societal goals and sustainable growth for the Group, we have established four business domains that can leverage Meidensha’s unique characteristics. We have furthermore defined our value creation process and identified six material issues to address in particular. The Corporate Policy Planning Group takes the lead in identifying materiality. To do so, it exchanges opinions with each business group and cross-functional divisions, then holds discussions at the Sustainability Management Strategy Committee, Executive Officers’ Meeting, and Board of Directors.



Identification of Materiality >

(4) Indicators and Targets

In light of the above, the Group has set non-financial indicator targets in Medium-term Management Plan 2024.

	Targets	FY2023results
GHG emissions from business activities (Scope 1 and 2, compared with FY2019)	FY2024: Reduce by 6% FY2030: Reduce by 30%	Scope 1 and 2 reduced by 8%
GHG emissions during product use (Scope 3, compared with FY2019)	FY2024: Reduce by 6% FY2030: Reduce by 15%	Scope 3, Category 11 reduced by 13%
Achieve RE100 by 2040 and carbon neutrality by 2050		
Female officer class (inside officers)	FY2024: At least 1 FY2030: At least 3 (of which, at least 1 executive officer)	1
Non-Japanese presidents of local subsidiaries	FY2024: At least 3 FY2030: At least 5 (of which, at least 1 executive officer)	1
eNPS (NPS® for employees) *(compared with FY2021)	FY2024: 10% improvement (-63.6%→-53.6%)	2.6% poorer
New businesses net sales	Fiscal 2024 net sales: ¥5 billion	¥600 million

* eNPS (NPS® for employees): Abbreviation of Employee Net Promoter Score, an indicator that measures employee loyalty (i.e., employees' level of trust in and attachment to their workplace)

* NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems.

Spreading the Sustainability Vision

Meiden Mirai Meeting: A Conversation between Employees and Management

Meidensha has long provided opportunities for dialogue between management and employees, but we believe that creating more settings for two-way dialogue is crucial for firmly establishing sustainability management internally. Therefore, we started the Meiden Mirai Meeting in FY2022 and President's Town Hall Meeting in FY2023, respectively. At the President's Town Hall Meeting, the President spoke about his own "MY Vision" of exemplifying change in terms of people and organizations to create a new society and ensure that Meidensha as a company provides value suited to the times. He also engaged in dialogue with employees. At Meiden Mirai Meetings, division officers spoke about their own "My Vision" and talked with employees of their divisions. These exchanges foster a culture where it is standard practice to take on challenges by our own choice.

Meiden Mirai Meeting (Numazu Works)

President's Town Hall Meeting

My Vision/ My Challenge

Meidensha strives to respect individual diversity and draw out each employee's taking-initiative mind and motivation. To that end, we launched "My Vision/My Challenge," an initiative for employees to reflect on their own life vision, compare it with the company's vision, and put into words what challenges they will take on in the Meiden Group. We believe that employees take true sustainability management personally when the vision and mission of the company and each division overlap with the individual's vision. We furthermore believe that increasing the overlap and our efforts to support employees who take these challenges will lead to greater individual satisfaction and growth as well as to the achievement of the vision and mission of the company and each division at the same time. In FY2022, members of upper management put their "My Vision/My Challenge" into words. We plan to expand this to executive officers and employees with management responsibilities in FY2023.

Meiden Group Initiatives for Sustainable Development Goals (SDGs)

At the UN Sustainable Development Summit in 2015, the world adopted common goals known as the Sustainable Development Goals (SDGs)*. The SDGs are challenges the international community is addressing over the 15 years from 2016 to 2030.

The targets of the SDGs are very compatible with the ESG Vision and business activities of the Meiden Group. They include many areas where we can contribute to a solution with technologies and expertise we have cultivated over the years. Thus, to really learn and take advantage of the opportunities and challenges presented by the SDGs, we laid out the effects that our business activities have on the environment and society. This process considered the entire value chain and issues specific to the countries where we do business. It even included any negative impacts of our business activities.

The Meiden Group will continue to pursue manufacturing that contributes to society, achieve sustainable value creation and contribute to the solution of social issues, including those posed by the SDGs.

* * Sustainable Development Goals (SDGs): Seventeen goals incorporated into the 2030 Agenda for Sustainable Development adopted by world leaders at the United Nations Sustainable Development Summit in September 2015. Based on these new goals—universally applied to all nations–each nation will end all forms of poverty, combat inequality, and take steps to address climate change while ensuring that no one is left behind over the next 15 years.

The Meiden Group's Approach to SDGs

As a heavy electric equipment manufacturer supporting the future of social infrastructure, the evolution of industry, and achieving sustainable growth and development, the Meiden Group contributes to the Seventeen goals of the SDGs through all business activities. Furthermore, in order to continue contributing to the SDGs in the future, it is necessary to seriously address the expectations of society and accurately grasp key social issues as important issues for the Company. To do this, we have established areas that contribute to solving social issues through business strategies.

The Meiden Group will continue to actively challenge itself to create new technologies and new value, in order to contribute to the realization of a vibrant and comfortable future society.

Education for Application of SDGs in Business Strategy and Activities

At selective training that commenced in FY2019 for the purpose of developing young employees into the next generation of managers, we consider social issues such as SDGs, establish programs to create business strategies, and approach contribution to the solution of social issues and share ideas to incorporate SDGs in management and individual duties, through business strategies that are not swayed by past business.

External Support Initiatives

Initiative	Outline	Date of agreement/participation
Carbon Disclosure Project (CDP)	An initiative begun by a coalition of major institutional investors around the world. It calls on the world's enterprises to disclose their climate change strategies (risks and opportunities) and their GHG emissions, among other information.	March 2017
Task Force on Climate-related Financial Disclosures (TCFD)	An initiative established by the Financial Stability Board to encourage disclosure of information about climate-related risks and opportunities.	June 2019
Japan Climate Initiative (JCI)	A network of diverse non-state actors such as corporations, municipal governments, groups, and NGOs, that actively work to combat climate change.	December 2020

Initiative	Outline	Date of agreement/participation
WIPO GREEN	An online platform established by the United Nations World Intellectual Property Organization (WIPO) to promote the transfer of environmental technologies by connecting providers of such technologies with those who wish to use them.	March 2022
United Nations Global Compact (UNGC)	A global framework that sets 10 principles implementation relating to protecting human rights, eliminating inappropriate labor, attending to the environment, and preventing corruption, in order to achieve sustainable growth.	September 2022
GX League	A forum for companies that aim to achieve sustainable growth in the present and future society by taking on the challenge of GX (Green Transformation) to achieve carbon neutrality and social transformation by 2050. Here, they can collaborate with other companies making similar efforts and with government and academia.	May 2023 (became a participating company)

Group Membership Credentials

- KEIDANREN (Japan Business Federation)
- The Japan Electrical Manufacturers' Association (JEMA)
- The Institute of Electrical Engineers of Japan (IEEJ)
- Electric Technology Research Association
- The Japan Electric Association
- The Japan Society of Mechanical Engineers

Active Participation in Industry Groups

The Meiden Group actively participates in the following industry groups and has declared our intention to decarbonize. The Meiden Group sees no disagreement or contradiction between its policies and directions on environmental issues and the policies and directions of these industry groups, and we are committed to furthering the initiatives of each.

- Ministry of the Environment Network for Promotion of Decarbonization Management
- JEMA Environmental Business Policy Committee
- JEMA Environmental Business Policy Steering Committee
- JEMA Environmental Technology Expert Committee
- Coalition of four electrical and electronic equipment groups, Environmental Strategy Liaison Committee
- Coalition of four electrical and electronic equipment groups, Product Chemical Substances Expert Committee
- Coalition of four electrical and electronic equipment groups, Expert Committee on Measures for Chemical Substances Related to Business Establishments

- Coalition of four electrical and electronic equipment groups, Expert Committee on Waste and Recycling Measures Related to Business Establishments
- Coalition of four electrical and electronic equipment groups, Liaison Committee on Global Warming Countermeasures for Electrical and Electronic Equipment

Identification of Materiality

Background of identification

We are currently surrounded by drastic changes in the social environment in which we operate, such as the impact of accelerating climate change since the industrial revolution, digitalization through technological innovation, and diversification of values and lifestyles of people.

In the midst of such social upheaval, we have depicted our ideal society of 2030 as “a resilient society where humans live in harmony with nature,” “a society that feels safe, prosperous, and exciting,” and “a society where different communities and people can coexist,” by combining Meidensha’s initial DNA of “integrity,” “responsibility,” and “social contribution,” which are our strengths, with the DNA that we must not lose of “innovative spirit” and “taking-initiative mind.” With such a mindset, the Meiden Group has set its ideal state of being for 2030, which is “sustainability partnerships that work to build a new society through integrity to the earth, society, and people, and through the power of co-creation.”

In these circumstances, in FY2021, we developed Medium-term Management Plan 2024, and identified major issues (materiality) in the plan by backcasting from our 2030 ideal state of being.

The Meiden Group will embrace the challenge of creating a new society and work toward the realization of a sustainable global environment and happiness for all people by solving materiality that has been identified.

Major Issue (Materiality) Identification Process

STEP1

Management of Major Opportunities and Risks for the Meiden Group

- We arranged societal changes by 2030 and impact on business management and identified constituent factors through PEST analysis.
- We drafted a longlist (369 societal changes and issues in total), including the aforementioned constituent factors using metrics of international standard-setting organizations and items set by ESG evaluation institutions, to avoid omissions.
- We listed 369 societal changes and issues in total, and arranged them according to opportunities and risks from the perspective of the Meiden Group’s ideal state of being.

Referenced Frameworks and Guidelines, etc.

- SDGs
- GRI standards
- SASB standards
- ISO26000
- ESG evaluation items required by ESG evaluation organizations
- The Ten Principles of the UN Global Compact

STEP2

Evaluation of Importance

- We conducted an overall evaluation of the importance of major risks and opportunities according to the two axes of the Meiden Group and Stakeholders.

	Evaluating department	Evaluation items
Meiden Group	Corporate Policy Planning Group, etc.	FY2030 impact on operating income, likelihood of occurrence, and level of response
Stakeholders	Business units that deal with stakeholders	To what extent do stakeholders consider the issue to be important

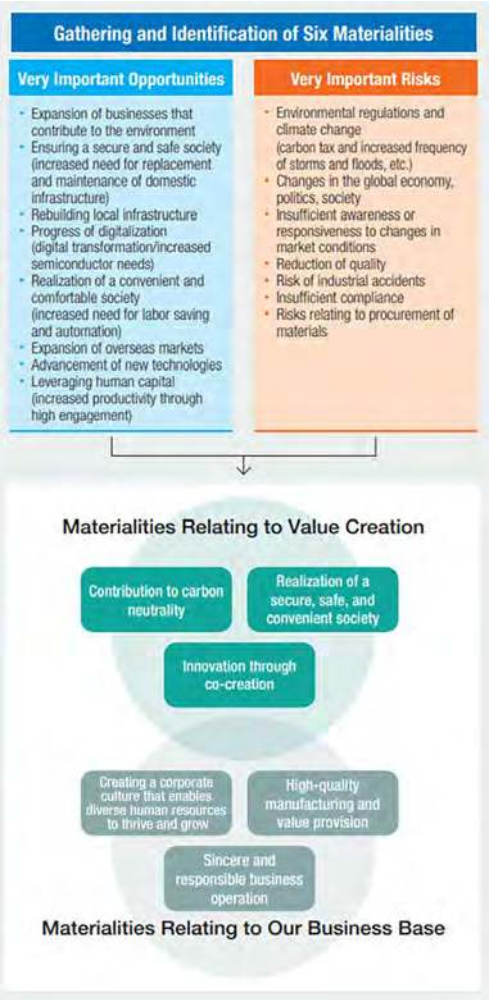
Evaluation of Importance to the Meiden Group and Stakeholders

STEP3

Identification and Determination of Materiality

- We have gathered and designated items that we have deemed are very important opportunities or risks as six material issues.
- ・Designated materiality are discussed and determined by the Sustainability Management Strategy Committee, the Executive Officers' Meeting, and the Board of Directors.

Gathering and Identification of Six Material Issues



Materiality Relating to Value Creation

Materiality that has been identified	Reasons for Identification as a Materiality	Outlook	Related SDGs
Contribution to carbon neutrality	The Meiden Group operates many decarbonization businesses, but there is also an environmental impact from manufacturing. It is essential to launch a response to the significant impact on operations.	• Climate change is accelerating, and the movement to reach the Paris agreement target (1.5°C) is gaining momentum. • Markets relating to decarbonization are expanding, and it is essential to respond to legal restrictions relating to carbon taxes, etc., and prepare for increasing large-scale disasters.	7 Affordable and Clean Energy 9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action 17 Partnerships for the Goals
Realization of a safe, secure, and convenient society	The Meiden Group operates many relevant businesses. On another front, it is essential to respond as business continuity risks may arise.	• Review of the state of local infrastructure will proceed due to the declining birthrate and aging population, difficulties with local government finances, and aging facilities in Japan. • Digitalization is expected to proceed, leading to increased semiconductor-related demand and increased demand for reduced manpower and automation in the industrial sector.	6 Clean Water and Sanitation 7 Affordable and Clean Energy 9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 17 Partnerships for the Goals

Materiality that has been identified	Reasons for Identification as a Materiality	Outlook	Related SDGs
Innovation through co-creation	It is extremely important to embrace the challenge of developing next-generation technology, and create and furnish social value along with partners that share the same conviction.	• Existing social systems have reached the end of their usefulness, and global-scale social issues have arisen, including climate change issues. • These issues cannot be solved by any individual organization, so it is necessary to enter partnerships to embrace the challenge of solving them.	7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 14 LIFE BELOW WATER, 17 PARTNERSHIPS FOR THE GOALS

Materiality Relating to Our Business Base

Materiality that has been identified	Reasons for Identification as a Materiality	Outlook	Related SDGs
Creating a corporate culture that enables diverse human resources to thrive and grow	Human resources are the source of the Meiden Group's strength. Drawing out and combining the abilities of each individual is essential for value creation.	• Values will diversify and work-styles will change. There is a demand for a corporate atmosphere that allows individuals to display their abilities and work with enthusiasm • As a precursor to this, it is essential for the workplace environment to allow employees to be physically and psychologically healthy.	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
High-quality Manufacturing and Value provision	The Meiden Group's strength of insistence on quality is essential not only to deliver products and systems, but also provide subsequent services.	• The Meiden Group's business fields relate to infrastructure and industrial underpinnings, and it is essential that we deliver high-quality products and systems without defects. • As society changes, the value of infrastructure and equipment that "will not shut down" under any circumstances will remain constant.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 17 PARTNERSHIPS FOR THE GOALS
Sincere and responsible business operation	It is important to respond to the changing requirements of society and promote management that we can be proud of, with the core of the Meiden Group's strengths of sincerity and responsibility.	• We have an obligation to society to always conduct corporate management with sincerity, as we receive capital from society, provide value to society in conjunction with our stakeholders.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

STEP4

Establishment of Targets and KPIs

- Based on our materiality, we are developing strategies and implementing measures under Medium-term Management Plan 2024.*1
- With regard to implementation of measures, we establish KPIs to the extent possible and conduct internal progress management.
- We will regularly review materiality and KPIs.

★★★ Result surpassed FY2024 target

★★ Good progress toward FY2024 target*[*]

★ Progress toward FY2024 target needs more effort

* Means that score on progress since March 31, 2021, was at least 75%

Materiality	Major opportunities and risks	Medium-term Management Plan 2024	Major KPIs[*1] and targets ( ) are externally disclosed targets for FY2024	Externally disclosed targets for FY2025 onwards	Progress in FY2023	Assessment[*3]
Contribution to carbon neutrality	[Opportunities] • Expansion of markets for businesses that contribute to the environment [Risks] • Increased costs due to carbon taxes, etc. • Risks from frequent storms and floods • Decline in competitiveness due to late response	[Basic Policy 1] Realization of high-quality growth 1. Expansion of growth businesses • Expansion of EV-related, renewable energy business, and environmentally friendly products, and high profitability	• EV business net sales (47.0 billion yen) • Renewable energy business net sales • GHG reduction contribution by Environment Contributing Businesses [*2](10.00 million tons) • Scope 3 reduction rate (6% reduction compared to FY2019) • Proportion of green products • Number of super green products	• EV business net sales (100.0 billion yen in FY2028) • Scope 3, Category 11 reduction rate (15% reduction compared to FY2019 in FY2030)	• EV business net sales (43.5billion yen) • GHG reduction contribution (9.37 million t-CO_2) • Scope 3, Category 11 reduction rate (13% reduction)	★★ ★★ ★★★
		[Basic Policy 2] Promotion of sustainability management • Promotion of decarbonization within the Company	• Scope 1,2 reduction rate (6% reduction compared to FY2019)	• Scope 1 and 2 reduction rate (30% reduction compared to FY2019 in FY2030) • Achievement of RE100 (FY2040) • Achievement of carbon neutrality (FY2050)	• Scope 1 and 2 reduction rate (8% reduction)	★★★
Realization of a secure, safe, and convenient society	[Opportunities] • Growing need for replacement and maintenance of infrastructure • Rebuilding local infrastructure • Growing need for semiconductors due to digitalization	[Basic Policy 1] Realization of high-quality growth 1. Expansion of growth businesses • Expansion of motor drive and semiconductor-related businesses 2. Enhancement of competitiveness of earnings-based businesses	• Motor Drive business net sales • Semiconductor-related businesses net sales • Maintenance business net sales (\41.6 billion) • Overseas net sales (\73.0 billion)	—	• Field Service Engineering Business Group net sales (42.3 billion yen) • ・Overseas net sales (80.2 billion yen)	★★★ ★★★

Materiality	Major opportunities and risks	Medium-term Management Plan 2024	Major KPIs*1and targets ( ) are externally disclosed targets for FY2024	Externally disclosed targets for FY2025 onwards	Progress in FY2023	Assessment*3
	• Expansion of overseas markets • Creation of added value through digital transformation (DX) • Growing need for labor reduction and automation [Risks] • Decline in competitiveness due to late response	• Expansion of the maintenance business • Promotion of public private partnerships and provision of design solutions 3. Improvement of profitability of overseas businesses • Rebuilding and improving profitability of overseas businesses				
Innovation through co-creation	[Opportunities] • Growing new needs due to sustainability and ESG trends • Advancement of new technologies [Risks] • Decline in competitiveness due to late response	[Basic Policy 3] Promotion of Ambidextrous Management • Creation of new business themes and promotion of commercialization through co-creation • Development of and furnishing society with next-generation technology	• New businesses net sales (\5.0 billion) • Number of innovation themes • Number of innovation personnel	—	• New businesses net sales (600 million yen)	★
Creating a corporate culture that enables diverse human resources to thrive and grow	[Opportunities] Improvement of productivity through high engagement of employees • Generation of innovation by leveraging diversity [Risks] • Outflow of personnel or insufficient personnel due to low engagement • Worse employee health due to factors including occurrence of industrial accidents and pandemics	[Basic Policy 2] Promotion of sustainability management • Implementation of measures to improve engagement • Expansion of diversity and inclusion measures • Expansion and fulfillment of professional development programs • Enhancement of occupational health and safety • Promotion of health management	• Improvement rate of employee engagement metrics (10% improvement compared to FY2021 -63.6%→-53.6%) • Female officer class: number of inside officers (at least 1) • Number of non-Japanese presidents of local subsidiaries (at least 3) • Total education and training expenses	• Female officer class: number of inside officers (at least 3, of which 1 is an executive officer, in FY2030) • Number of non-Japanese presidents of local subsidiaries (at least 5, of which 1 is an executive officer, in FY2030)	• Improvement rate of employee engagement metrics (2.6% worse) • Female officer class (number of inside officers) (0) • Number of non-Japanese presidents of local subsidiaries (1)	★ ★★★ ★★

Materiality	Major opportunities and risks	Medium-term Management Plan 2024	Major KPIs*1and targets ( ) are externally disclosed targets for FY2024	Externally disclosed targets for FY2025 onwards	Progress in FY2023	Assessment*3
			• Number of industrial accidents			
High-quality manufacturing and value Provision	[Opportunities] Creating safe and secure infrastructure and industrial underpinnings [Risks] • Loss of customer trust or orders by reason of lower quality	[Basic Policy 2] Promotion of sustainability management • Establishment of the Meiden Monozukuri(Manufacturing) Standards to improve QCDSE • Enhancement of quality assurance (QR map, reconstruction of the Meiden Customer Center, etc.)	• Manufacturing process metrics (product production time, production time per unit, units produced per person, production/manufacturing lead time) • Number of defects and cost of dealing with defects (reduced by half compared to FY2020)	—	• Number of defects and cost of dealing with defects (reduced by 36%)	★★
Sincere and responsible business operation	[Risks] • Infringement of human rights by the Meiden Group or suppliers • Information security risks • Insufficient compliance measures	[Basic Policy 2] Promotion of sustainability management • Enhancement of stakeholder engagement • Introduction of respect for human rights and human rights due diligence • Enhancement of information security and internal training • Enhancement of compliance • Enhancement of corporate governance	• Stakeholder engagement improvement rate • Human rights training attendance rate • Information security training attendance rate • Compliance training attendance rate	—	—	—

*1 KPIs include some items that are still not set or are not disclosed. We will continue to consider and scrutinize the selection of measures and specific KPI figures going forward.

*2 We replaced the "environmental contribution" with "GHG reduction contribution" starting with FY2022.

*3 For details on the latest efforts and future development on each major KPI and target, please see Meidensha Report 2024.

Meidensha Report 2024 >

Environment

Vision,Environmental Management

Promotion of Strategic Environmental Management >

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Promotion of Strategic Environmental Management

Policy

The Meiden Group ensures that each employee contributes to the protection of the global environment and the creation of a prosperous society through their day-to-day work according to the President's Environmental Policy, and promotes sustainability management to achieve sustainable growth of society and improved corporate value.

Basic Policy

The Meiden Group aims to engage in sustainability management and achieve corporate growth based on the corporate philosophies of "Illuminating a more affluent tomorrow" and "For customer peace of mind and satisfaction" by tackling the issues of adapting to and mitigating climate change, recycling resources, and preserving biodiversity, in order to realize a sustainable society.

Action Guidelines

1. We promote the development of new products and innovative technologies that contribute to the global environment and strive to develop, design, and manufacture environmentally conscious products by conducting environmental impact evaluation for the entire lifecycle of our products, from initial material procurement to final disposal.

2. We strive:
   To reduce the environmental impacts from our business activities at home and abroad
   To reduce greenhouse gas emissions with the aim of becoming carbon neutral
   To implement renewable energy and promote energy conservation
   To reduce and properly manage hazardous substances
   To promote the resource recycling of waste
   To conserve water resources

3. We strive to comply with the related environmental laws, regulations, rules and other required matters and establish our internal guidelines. We strive to prevent the pollutions from our operations at home and abroad and make efforts to protect the environment.

4. While promoting sustainability management, we strive to maintain and improve it through the PDCA (Plan-Do-Check-Act) Cycle and we aim to improve our environmental performance.

5. We strive to improve all our employees' understanding of sustainability management and invigorate and promote active participation in environmental contribution activities through environmental education.

Revised April 1, 2024

Environmental Vision

The Meiden Group is working to reduce the environmental impact of its business activities in four areas: Power Infrastructures, Public, Industrial & Commercial Sector Business, Mobility & Electrical Components Business, and Field Service Engineering.

Specifically, we provide value in the form of "realizing green, safe, and stable electricity provision" in the field of Power Infrastructures; "contributing to building sustainable infrastructure" in the area of Public, Industrial & Commercial Sector Business; "contributing to the realization of cutting-edge technology and technological innovation for mobility" in the area of Mobility & Electrical Components Business; and "realizing a secure and safe society through maintenance services" in the area of Field Service Engineering Business.

The Environmental Vision identifies realization of "a carbon-free society," "a circulating society," and "a society in harmony with nature" as the missions of a 21st-century company, and lists them as goals. We are working to conduct sustainability management with "human resources and communication"at its core.

Activities to Realize Our Environmental Vision

A. Working Toward the Realization of a Carbon-free Society

<Reducing greenhouse gas emissions>

- Reduce greenhouse gas emissions from business activities

- Contribute to customers' efforts to become carbon-free through our products and services

B. Working Toward the Realization of a Recycling Society

<Promoting the 3Rs>

- Promote re-use of resources and water in business activities
- Contribute to construction of sustainable infrastructure through business

C. Working Toward the Realization of a Society in Harmony with Nature

<Conservation of natural resources>

- Use land in an environmentally considerate manner, minimize impact on ecosystems, and preserve biodiversity
- Prevent contamination by harmful chemicals and ensure water safety

D. HR and Communication

<Professional development and communication>

- Improve environmental literacy to promote research, development, and manufacturing
- Promote two-way communication and collaboration with stakeholders

Strategy

The Meiden Group's Medium to Long-term Environmental Targets

FY2030 Greenhouse Gas Emissions Reduction Targets (Second Meiden Environmental Vision)

The Meiden Group aims for Carbon Neutrality by 2050. As an interim step, we upwardly revised our FY2030 greenhouse gas emission reduction targets. As the Second Meiden Environmental Vision, we aim for a 30% reduction of emissions from business activities (scope 1+2), and a 15% reduction of emissions from product use (scope 3, category 11) by FY2030 compared to FY2019 levels. These targets received SBT certification as they were recognized by the Science Based Targets (SBT) initiative[*1] as being consistent with the Paris Agreement[*2].

FY2030 greenhouse gas emissions reduction targets	First Meiden Environmental Vision (Released in May 2018)	Second Meiden Environmental Vision (From April 2021)
Emissions from business activities (scope 1+2)	30% reduction (compared to FY2017)	30% reduction (compared to FY2019)
Emissions from product use (scope 3, category 11)	NA	15% reduction (compared to FY2019)

*1 SBT Initiative: An international initiative by the United Nations Global Compact (UNGC), the Worldwide Fund for Nature (WWF), the CDP, and the World Resources Institute (WRI).

*2 Paris Agreement: An international framework "to limit average global temperature rise to well below 2°C compared to pre-industrial levels and to strive to limit it to 1.5°C," which was adopted at COP21 in 2015.

SBT certification（PDF:132KB）

Currently, we are considering setting even higher targets.

Major Initiatives to Achieve Greenhouse Gas Emission Reduction Targets

◆Main Measures to Cut Greenhouse Gas Emissions

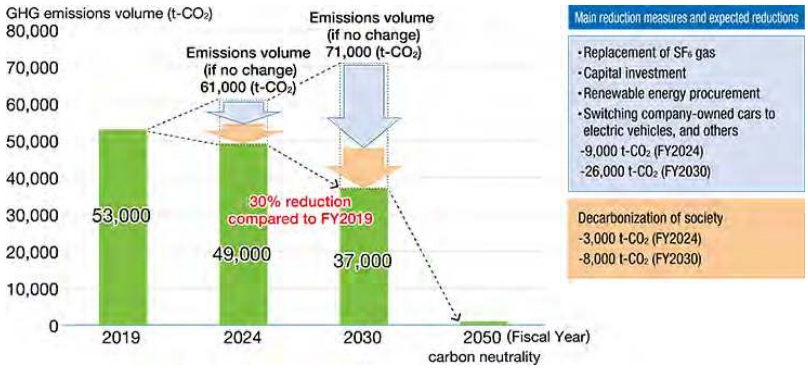
FY2030greenhouse gas emissions reduction targets	Reduction measures (extract)
Emissions from business activities (scope 1+2) 30% reduction (compared to FY2019)	• Replacing SF_6 gas (replacing with dry air, etc.) • Capital investment (replacing aging equipment, introducing high-efficiency equipment, replacing gas with electricity, etc.) • Procurement of renewable energy power (non-fossil fuel certificate, power menus, etc.) • Switching company-owned cars to electric vehicles
Emissions from product use (scope 3, category 11) 15% reduction (compared to FY2019)	• Eco-friendly product design (eliminating use of SF_6 gas, and downsizing products and making them more efficient) • Revising business portfolio (increasing ratio of low carbon emissions per unit of sales such as EV, maintenance services, and small- and medium-sized hydropower generation, etc.)
Overall	• Generating innovation • Introducing internal carbon pricing

In particular, with regard to reducing GHG emissions at the product use stage (Scope 3 Category 11), we will increase the ratio of low-carbon businesses with low emissions per unit of sales, including EV-related products and maintenance services, for which demand is expected to grow. By making our business portfolio low-carbon through these measures, we pursue both increased sales and reduced emissions.

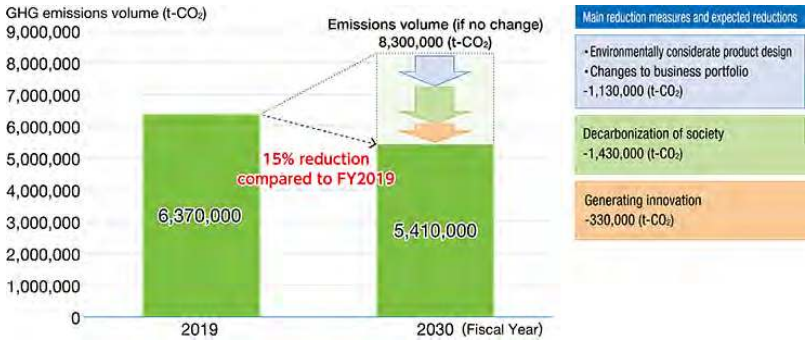
◆Transition plan for becoming carbon neutral

Emissions category	Greenhouse gas reduction measures	FY2021	FY2022	FY2023	FY2024	FY2025 - FY2030
Emissions from business activities (Scope 1 + 2)	Replacing SF_6 gas (replacement with dry air, etc.)	Electrical testing Evaluate replacement gases for SF_6			Replace SF_6 gas	
	Capital investment	Update older equipment Use LED lighting, update air conditioning & production equipment				
		Implement high-efficiency equipment Use leading transformers				
						Replace gas with electricity
	Renewable energy procurement (non-fossil fuel certificate, power menu, etc.)	Procure renewable energy at R&D Center/Osaki Kaikan Hall, Ota Works				
			Procure renewable energy at Kofu			
				Procure renewable energy at Numazu, Head Office		
						Nagoya
		Procure renewable energy in Germany, use solar in India, partially use solar in USA, Vietnam, Thailand				
						Overseas
	Switching company-owned cars to electric vehicles	Gradually acquire EVs/hybrids (as fleet is updated)				Entire fleet EVs/hybrid
Emissions from product use (Scope 3, Category 11)	Environmentally friendly product design	Compact, high-efficiency				
		SF_6 gas-free				
			Three elements of green products (reduce GHGs, promote the 3Rs, and eliminate hazardous substances)			
	Revising business portfolio	Increase percentage of EV-related, maintenance services, small to medium hydroelectric systems, etc.				

◆Scope 1 and 2 reduction measures and results



◆Scope 3, category 11 reduction measures and results



Promotion of Ongoing Activities

We have developed an action plan for each Medium-term Management Plan and we are continuously working to conduct reforms in order to realize the environmental vision.

Deployment to the Action Plans

Medium-term Management Pl an, an Action Plan for FY2021-FY2024

Strategic Target	Actions	Corresponding Environmental Vision
1. Contribute to environment through products and services	1) Expand businesses that contribute to the environment	A. A Carbon-free Society
	2) Promote environmentally conscious design	A. A Carbon-free Society B. A Circulating Society C. A Society in Harmony with Nature
	3) Manage chemicals in products	C. A Society in Harmony with Nature
	4) Promote the 3Rs of product components	B. A Circulating Society
2. Reduce the environment impact of business operation	1) Reduce greenhouse gas emissions	A. A Carbon-free Society
	2) Manage chemicals properly	C. A Society in Harmony with Nature
	3) Promote the 3Rs (reduce, reuse, recycle)	B. A Circulating Society
	4) Maintain water resources	B. A Circulating Society C. A Society in Harmony with Nature
	5) Conserving biodiversity	C. A Society in Harmony with Nature
3. Promote environmental communication	1) Disclose information, conduct PR	A. A Carbon-free Society B. A Circulating Society C. A Society in Harmony with Nature D. Human Resources and Communication
	2) Contribute to sustainable society	A. A Carbon-free Society B. A Circulating Society C. A Society in Harmony with Nature D. Human Resources and Communication
4. Promote environmental management	1) Strengthen management of Meiden Group companies	D. Human Resources and Communication
	2) Strengthen value chain management	D. Human Resources and Communication
5. Reform environmental awareness	1) Develop environmental management personnel	D. Human Resources and Communication
	2) Strengthen environmental training and awareness-raising activities	D. Human Resources and Communication

Results Data

FY2023 Environmental Targets and Results

Targets and level of achievement for FY2023, which is the second year of Medium-term Management Plan 2024, are as follows.

Please refer to the corresponding page for details of each item.

Achievement of FY2023 Environmental Targets

Rating: ☆☆☆ = target achieved, ☆☆ = improvement over previous year, ☆ = work in progress

Strategic Targets	Actions	FY2023 Environmental Targets (Japan)	FY2023 Results	Rating
Contribute to environment through products and services	Promote environmentally conscious design	GHG reduction contribution by ECBs: 9,000,000 tons	9,370,000 tons	☆☆☆
		Promote scope 3, category 11 reductions (transition to low-carbon business)	Revised product environmental assessments, extended LCAs of existing products	☆☆☆
Reduce the environmental impact of business operations	Reduce greenhouse gas emissions	Japan: Total emissions (Scope 1+2): -8% (compared to FY2019)	17%(compared to FY2019)	☆☆☆
		Overseas*1: Total emissions (scope 1+2): -3% (compared to FY2019)	+8% (compared to FY2019)	☆
	Manage chemicals properly	VOC emissions: 75 tons or less	66 tons	☆☆☆
	Promote the 3Rs	Total waste: -6% (compared to FY2017) All sites in Japan (excludes Construction Service Business Units)	+10% (compared to FY2017)	☆
		Zero waste emissions*2 at 10 sites*3: Maintain recycling rate at about 90% : 1% or less final waste emissions	Recycling rate: 91.5% Final disposal rate: 1.9%	☆☆
	Conserve water resources	Promotion of efficient water use: : 4 main manufacturing sites*4	Considered redevelopment of wastewater facilities	☆
	Conserve biodiversity	Conservation of ecosystems in green spaces: 4 main manufacturing sites*4	Removed introduced species, conducted red pine conservation activities, tree-planting activities, and river and beach cleanup	☆☆☆
Promote environmental management	Strengthen value chain management	Green procurement rate (own standards): 90% or greater	91%	☆☆☆

*1 Main overseas production sites

*2 The Meiden Group's definition of zero waste emissions: Recycle at least 99% of total output (excluding construction sludge) of waste, etc. (industrial waste, ordinary waste, and valuables).

*3 Scope of zero waste emissions initiatives: manufacturing sites in Japan [Numazu Works, Ota Works, Nagoya Works, KOFU MEIDENSHA ELECTRIC MFG. CO., LTD., MEIDEN CHEMICAL CO., LTD. (Sagami Works), MEIDEN HOKUTO CORPORATION (Atsugi Works)], EAML Engineering CO., LTD., Engineering Service Business Units and two Construction Service Business Units

*4 Four main sites: Numazu Works, Ota Works Development and Laboratory, Nagoya Works, and KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.

Targets

FY2024 Environmental Targets

At the Meiden Group, we formulated Medium-term Management Plan 2024 to cover the four years from fiscal 2021 and we are working to implement sustainability management.

In particular, we have developed greenhouse gas emissions reduction targets for the next four years by back-casting based on the fiscal 2030 greenhouse gas emissions reduction targets in the Second Meiden Environmental Vision.

The environmental targets for FY2024 are as follows. For the target of zero waste emissions, we are changing the standard to a final disposal rate of 1.0% or less.

FY2024 Environmental Targets

Strategic Targets	Actions	FY2024 Environmental Targets (Japan)
Contribute to environment through products and services	Promote environmentally conscious design	10.0 million-ton reduction in GHG emissions by Environment-Contributing Businesses*1
		Total scope 3, category 11: -6% (compared to FY2019)
Reduce the environmental impact of business operations	Reduce greenhouse gas emissions	Japan: Total emissions (scope 1+2): -10% (compared to FY2019)
		Overseas: Total emissions (scope 1+2): -4% (compared to FY2019)
	Manage chemicals properly	VOC emissions: 70 tons or less
	Promote the 3Rs	Total waste: -1% (compared to previous fiscal year): All sites in Japan (excluding Construction Business Unit)
		Recycling rate: Maintain at about 90% Final disposal rate 1.0% or less: Main sites in Japan *2 Main manufacturing sites (Japan) *2
	Conserve water resources	Reduce water withdrawals 1% (compared to previous FY)
	Conserve biodiversity	Conservation of ecosystems in green spaces (reduced agricultural chemicals, elimination of introduced species, certification of sites as coexisting with nature, etc.): 4 main manufacturing sites*3
Promote environmental management	Strengthen value chain management	Green procurement rate (own standards): 90% or greater

*1 Direct or indirect GHG reductions (estimated) from replacing standard products and services with the Meiden Group's products and services (revised calculation method from FY2022)

*2 Main manufacturing sites (Japan): Numazu Works, Ota Works, Nagoya Works, Plant Construction & Engineering Business Group, KOFU MEIDENSHA ELECTRIC MFG. CO., LTD., MEIDEN CHEMICAL CO., LTD., MEIDEN HOKUTO CORPORATION, MEIDEN ENGINEERING CORPORATION, MEIDEN PLANT SYSTEMS CORPORATION, EAML Engineering CO., LTD.

*3 Four main manufacturing sites: Numazu Works, Ota Works, Nagoya Works, and KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.

Environmental Management

Policy

The Meiden Group is promoting environmental management that brings together business strategy and environmental activities.

We continually improve our environmental management system as we evaluate its adaptability and effectiveness.

Organization

Environmental Management Promotion Organization

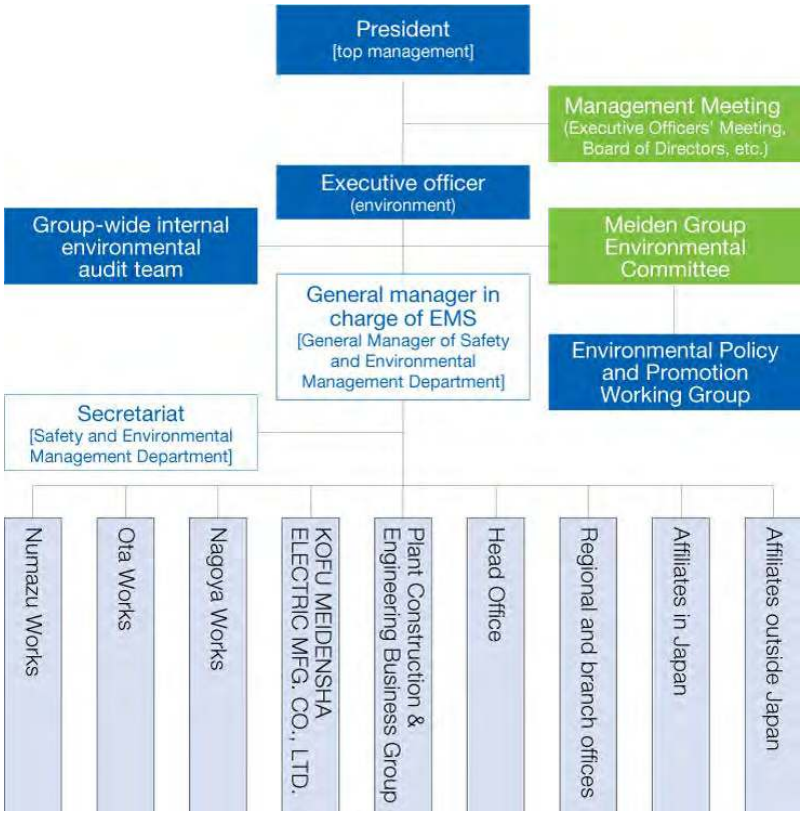
Under the leadership of the President, who is our chief executive officer, the executive officer (environment) oversees the environment management of the Meiden Group overall, while the general manager (GM) in charge of EMS works to maintain and improve the environmental management system (EMS).

In addition, our Group-Wide internal environmental audit team, an independent organization, audits environmental management initiatives, legal compliance, EMS effectiveness, and more, and offers ideas for improvement.

The executive officer (environment) chairs the Meiden Group Environmental Committee (MGEC), our highest decision-making body for environmental initiatives. The MGEC identifies issues to address, including risks relating to climate change and the like, sets environmental targets and formulates action plans, conducts management reviews, responds to emergency situations, reviews and reports on environmental measures and working groups (WGs), and sets environmental management policy directions.

For the most important issues, the executive officer (environment) and GM in charge of EMS consult with the Executive Officers' Meeting, Board of Directors, and the like as needed and then act as decided by top management.

Meiden Group Environmental Management Promotion Organization



Council	Objective/overview
Management Meeting	Taking account of internal and external issues, it sets the business direction and strategy of the Meiden Group as a medium-term management plan and annual profit plan.
Meiden Group Environmental Committee	Its objective is to set a unified environmental management policy for the Meiden Group overall and smoothly operate an environmental management system, following the Meiden Group Environmental Health and Safety Management System Manual.
Environmental Policy and Promotion Working Group	It establishes working groups to conduct a detailed review of individual environmental issues.

Responding to Environmental Risks and Opportunities

Phenomena (issues) related to environment		Risks	Opportunities	Carrying out initiatives
Government (political) Laws and Regulations	• Carbon neutrality and mitigation and adaptability to climate change • GX growth strategy • Maintaining energy supply • Support for prior investment by Japanese government, and carbon pricing • Strengthening partnerships with municipal governments, etc.	• Bearing the cost of emissions trading • Sudden jumps in fuel and material prices • Energy supply and demand failure • Emergence of competitors • Effects of cooperation throughout the value chain	• Increased demand for eco-friendly products • Increased competitiveness in GX-related products and businesses • New energy, renewable energy, and VPP market expansion • Proposals for urban development and business expansion	• Increasing contribution of products and services to the environment • Reducing the environmental impact of business activities • Promoting environmental management
Economy	• Automobile electrification and digitalization • Fluctuating energy prices	• Sudden jumps in fuel and material prices • Decrease in profit due to inflation	• Expanded EV motor/inverter market • Trust and recognition from stakeholders	• Expanding products' contribution to the environment • Countermeasures to procurement risks

Phenomena (issues) related to environment		Risks	Opportunities	Carrying out initiatives
	• Weakening of Japanese yen • Compliance with CDP, SBT, EU taxonomy, etc. • Medium- to long-term economic growth of developing countries	• Withdrawal of investment if perceived as reluctant to decarbonize • Reduced investment in environmental management • Compliance at overseas locations • Zero value chain CO_2 emissions in the future	• Investment in growth (overseas markets) • Increased international competitiveness • Increased corporate value through information disclosure • Capital investment to conserve energy • Accelerating improvement of operational efficiency	• Coordination of environmental initiatives at overseas production sites • Promoting environmental communication • Promoting environmental management • Reducing the environmental impact of business activities
Society	• Adoption of Sustainable Development Goals (SDGs) • Responding to resource circulation • Environmental initiatives directed at value chain • Disclosure of information on water risk countermeasures • Lifestyle changes (ecology-oriented)	• Decline of corporate value • Decline of employee awareness • Increasing reputation risk, risk of lawsuits • Value chain risk (legal violations, use of prohibited chemicals, etc.) • Increased costs due to utilization of recycled materials • Increased flooding, water shortages, water pollution	• Increased corporate sustainability • Increased employee awareness, employees facing the same direction • Trust and recognition from stakeholders • Reduced costs due to decreased reliance on scarce resources, and reduced emissions	• Building an appealing company image • Transforming environmental awareness • Promoting environmentally considerate design • Promoting environmental communication • Strengthening value chain management • Conservation of water resources • Diversification of recruitment methods • Responding to compact cities
Technology	• Making eco-friendly products more compact and efficient • Advancement of ICT and IoT technologies, acceleration of DX • High-efficiency power transformer technology	• Increased new players (IT companies)	• Increased demand for eco-friendly products • Utilizing ICT and IoT and strengthening system technologies and product capabilities • Enhanced rollout of one-stop services	• Expanding products' contribution to the environment
Legal Restrictions	• Failure to comply with overseas laws • Tightened overseas environmental regulations • Chemical regulations based on autonomous management • Promoting 3Rs with products • Fourth basic recycling plan	• Penalties and loss of reputation due to non-compliance with overseas laws • Work environment deterioration and occupational illnesses due to incomplete risk management • Increased cost of virgin materials	• Utilization of recycled materials • Thorough chemical risk assessment • Utilization of recycled materials	• Promoting environmental management • Coordination of environmental initiatives with overseas locations • Stronger management of chemicals in products • Proper management of chemicals • Communicating information on hazards and toxicity, conducting risk assessments, managing concentration standards, using protective eyewear, protective gloves, etc. • Promoting environmentally considerate design
Natural Environment	• Large-scale disasters • Ecosystem abnormalities	• Business continuity • Increasing reputation risk, risk of lawsuits	• Expanding sales of products as countermeasures for locally heavy rainfall	• Promoting environmental communication • Promoting environmentally considerate design

Phenomena (issues) related to environment		Risks	Opportunities	Carrying out initiatives
	• Temperature and precipitation volume changes, abnormal weather • Depletion of resources • Microplastics issues • Occurrence of disasters • Promoting 3Rs with products	• Utilization of biodegradable plastics • Disrupted value chain due to flood, etc.	• Conducting community contribution initiatives, enhancing corporate value • Increasing demand in water business due to water risks • Utilization of recycled materials and promotion of the 3Rs for products	• Contributing to environment through products and services

ISO 14001 Certification Status (as of March 31, 2024)

We are expanding the scope of bodies certified under ISO 14001, the international standard for environmental management systems. All 22 manufacturing sites in Japan and overseas have finished earning certification.

Certification Status in Japan (numbers in parentheses indicate the number of manufacturing sites)

Company Name		Date of Certification Acquisition
1	MEIDENSHA CORPORATION* (3)	February 24, 1998
2	MEIDEN SHOJI CO., LTD.	
3	KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.* (1)	
4	MEIDEN SYSTEM MANUFACTURING CORPORATION* (1)	
5	MEIDEN KIDEN KOGYO CO., LTD.* (1)	
6	MEIDEN KOHSAN CO., LTD.	
7	MEIDEN SYSTEM SOLUTIONS CORPORATION	
8	MEIDEN PLANT SYSTEMS CORPORATION* (1)	
9	M WINDS CO., LTD.	
10	MEIDEN UNIVERSAL SERVICE LTD.	
11	MEIDEN AQUA BUSINESS COMPANY	
12	MEIDEN TECHNO SYSTEMS CO., LTD.* (1)	
13	MEIDEN MASTER PARTNERS CORPORATION	
14	MEIDEN ENGINEERING CORPORATION	July 31, 2003
15	MEIDEN CHEMICAL CO., LTD.* (2)	November 20, 2012
16	MEIDEN FACILITY SERVICE CORPORATION	November 18, 2015
17	MEIDEN HOKUTO CORPORATION* (1)	October 3, 2013
18	EAML Engineering CO., LTD.* (1)	March 5, 2004
19	MEIDEN NANOPROCESS INNOVATIONS, INC.* (1)	January 12, 2022

* Companies with manufacturing plants

Certification Status Overseas (nine manufacturing sites only)

Company Name		Area	Date of Certification Acquisition
1	MEIDEN ZHENGZHOU ELECTRIC CO., LTD.*	Zhengzhou, China	October 9, 2013
2	MEIDEN HANGZHOU DRIVE SYSTEMS CO., LTD.*	Hangzhou, China	April 7, 2008
3	MEIDEN (HANGZHOU) DRIVE TECHNOLOGY CO., LTD.*	Hangzhou, China	November 14, 2023
4	MEIDEN T&D(INDIA) LIMITED*	India	January 26, 2015
5	MEIDEN METAL ENGINEERING SDN. BHD.*	Malaysia	October 9, 2014
6	MEIDEN SINGAPORE PTE. LTD.*	Singapore	February 8, 2010
7	VIETSTAR MEIDEN CORPORATION*	Vietnam	February 4, 2023
8	TRIDELTA MEIDENSHA GmbH*	Germany	July 13, 2015
9	MEIDEN AMERICA SWICHGEAR, INC.*	USA	September 29, 2021

* Company with manufacturing plants

Subject locations within Group and percentage of those certified

Number of certified companies in Japan

Number of certified companies overseas

Initiatives

Internal Environmental Audits

We conduct internal environmental audits separate from the external audits we get from ISO 14001 registrars. Internal audits confirm the state of improvement on concerns pointed out in external audits and check up on audit items that are marked as priorities for that fiscal year.

In FY2023, our audits prioritized “environmental factors and evaluating environmental impact,” “matters related to the establishment, analysis, and evaluation of environmental targets,” “checks of compliance obligation initiatives,” “improving human resources,” and “legal requirements (laws on waste disposal and public cleansing and laws on curbing fluorocarbon emissions).” We determined that the Group was conforming to ISO 14001:2015 requirements overall and functioning effectively.

Additionally, we are planning a survey to examine environmental improvement measures at our overseas manufacturing sites.

If any concerns are pointed out during internal environmental audits, we take them as an opportunity for improvement and incorporate them into further improvement initiatives.

Environmental Information Management System

The Meiden Group uses an “environmental information management system” that we put in place to manage and analyze environmental impact in our business activities.

The system collects and centrally manages information on environmental impact of business activities (such as automotive fuel, energy, waste, chemical substances, and water use) at Meiden Group manufacturing sites and offices, even those outside Japan.

The information so collected is used as basic data for efforts to lower environmental impact. It is also useful to ensure proper filings of information as required by the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy, Act on Promotion of Global Warming Countermeasures, the electrical and electronic equipment industry’s “Carbon Neutrality Action Plan,” and Japanese PRTR system for reporting chemical releases and transfers.

Analysis of environmental impact with environmental information management system

Compliance with Environmental Regulations

Each Meiden Group work site and affiliated company sets and follows voluntary standards stricter than applicable laws and regulations. This ensures we remain in legal compliance. If a legal violation or incident does occur, our rules state that management shall be notified.

In FY2023, there were two incidents involving standards being exceeded, one incident involving oil leaking to a river, and one incident where there was a failure to submit documents. There were no serious violations of environmental laws or regulations (including water intake, wastewater, other waste, and harmful chemicals). We did not receive any complaints regarding noise or odor.

Incidents relating to voluntary standards cases

	Date	Location	Content	Response measures, etc.
1	June 2023	Head Office area	At the Meiden R&D Center, wastewater analysis results in June showed that lead concentrations exceeded our voluntary standard and zinc concentrations exceeded the national standard.	We removed sludge and did cleaning, disposed of the removed sludge, confirmed that wastewater was within our voluntary standard, and reported the results to the relevant agencies. We continue to conduct periodic inspections and will remove and clean sludge if the voluntary standard is exceeded.
2	July 2023	Numazu Works	The works had installed a scrubber to remove dust and contaminants from the manufacturing process exhaust gas, but an analysis of the circulating water effluent inside the scrubber showed that the concentration of fluorine ions exceeded our voluntary control standard. The agreed value was also exceeded for the works' combined outflows.	After an abnormality in wastewater concentration is confirmed, we manually stop the discharge to prevent external outflow. All process water (including circulating water in the scrubber) is processed as waste. Since then, we have confirmed that the wastewater discharged from the factory outlet and the combined outflow from the plant are within the voluntary control standard and agreed value and have reported the results to the relevant agencies.
3	February 2024	Nagoya Works	The works handled more than one ton/year of PRTR substances starting in 2021, but had not reported this for either 2021 or 2022.	We reported our failure to file PRTR reports to the relevant agencies. It was confirmed that it would be acceptable to report on our past years' report response during the next reporting period (April-June 2024), when we would report FY2023 results. Following this guidance, we reported the data that was previously unreported (for FY2021-2022) at the time of our next report. We also checked the amount of other PRTR substances and confirmed that the amount did not exceed one ton/year, including in past years.
4	March 2024	KOFU MEIDENSHA	An adjacent company reported that there was an oil-like substance floating near the confluence of wastewater streams. They asked us to check if it was a spill from a waste storage area.	Based on the location of the oil found, KOFU MEIDENSHA decided to take action, since it appeared likely that the oil leaked from cars going in and out of the company's site. ① Oil-absorbing sheets were used to remove oil from the wastewater drain ② An outside contractor analyzed the water quality and confirmed that it was not hazardous (results were within prefectural standards) ③ We notified the relevant agencies of the spill We also reported this information to the adjacent company that brought the spill to our attention.

Breaches of Environmental Laws (Record)

FY2021	FY2022	FY2023
0	0	1

Environmental Fines (Record)

FY2021	FY2022	FY2023
0	0	0

Environmental Accounting (FY2023)

We quantify costs, etc., relating to environmental activities, with reference to the Ministry of the Environment's "Environmental Accounting Guidelines 2005."

Environmental Protection Costs

		Investment (million yen)
Business area costs	Implementation of new energy-saving devices, etc.	1,072
R&D costs	R&D costs for environmentally conscious products, etc.	9,667

* Scope of calculation: Meidensha (non-consolidated); period covered: April 2023–March 2024

Environmental Liabilities

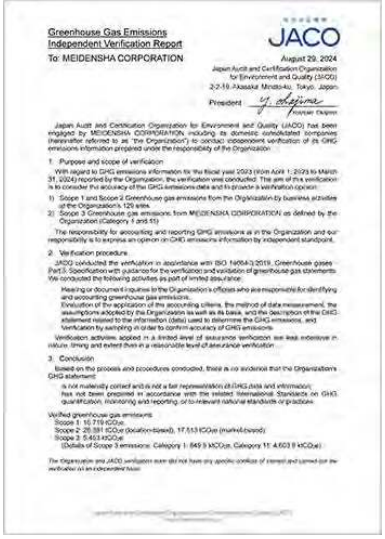
		Liabilities (millions of yen)
PCB waste processing costs	Costs associated with processing PCB waste held by Meidensha	250

* Scope: Meidensha (non-consolidated); period: April 2023–March 2024

* We have established a reserve fund for anticipated future environmental liabilities in an amount that can be reasonably estimated as of March 31, 2024.

Third-Party Verification

In order to ensure the release of more accurate and reliable environmental performance data for FY2023, we have been examined by the Japan Audit and Certification Organization for Environment and Quality.



Greenhouse Gas Emissions
Independent Verification Report
To: MEIDENSHA CORPORATION

JACO

August 29, 2024
Japan Audit and Certification Organization for Environment and Quality (JACO)
2-2-18 Akasaka Minato-ku, Tokyo, Japan
President

Japan Audit and Certification Organization for Environment and Quality (JACO) has been engaged by MEIDENSHA CORPORATION, including its domestic consolidated companies (hereinafter referred to as "the Organization") to conduct independent verification of its GHG emissions information prepared under the responsibility of the Organization.

1. Purpose and scope of verification

With regard to GHG emissions information for the fiscal year 2023 (from April 1, 2023 to March 31, 2024) reported by the Organization, the verification was conducted. The aim of this verification is to consider the accuracy of the GHG emissions data and to provide a verification opinion.

1) Scope 1 and Scope 2 Greenhouse gas emissions from the Organization's business activities at the Organization's 129 sites.
2) Scope 3 Greenhouse gas emissions from MEIDENSHA CORPORATION as defined by the Organization (Category 1 and 11)

The responsibility for accounting and reporting GHG emissions as in the Organization and our responsibility is to express an opinion on GHG emissions information by independent standpoint.

2. Verification procedure

JACO conducted the verification in accordance with ISO 14064-3:2019, Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements. We conducted the following activities as part of limited assurance:

Hearing or document inquiries to the Organization's offices who are responsible for identifying and accounting greenhouse gas emissions.
Evaluation of the application of the accounting criteria, the method of data measurement, the assumptions adopted by the Organization as well as its basis, and the description of the GHG statement related to the information (data) used to determine the GHG emissions, and
Verification by sampling in order to confirm accuracy of GHG emissions.

Verification activities, applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

3. Conclusion

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Organization's GHG statement:

is not materially correct and is not a fair representation of GHG data and information;
has not been prepared in accordance with the related International Standards on GHG quantification, monitoring and reporting, or to relevant national standards or practices.

Verified greenhouse gas emissions:
Scope 1: 16,719 tCO2e
Scope 2: 26,381 tCO2e (location-based), 17,513 tCO2e (market-based)
Scope 3: 5,453 tCO2e
(Details of Scope 3 emissions: Category 1: 849.5 kCO2e, Category 11: 4,603.8 kCO2e)

The Organization and JACO verification team did not have any specific conflict of interest and carried out the verification in an independent basis.

Environmental Performance Data
Independent Verification Report
To: MEIDENSHA CORPORATION

JACO

August 29, 2024
Japan Audit and Certification Organization for Environment and Quality (JACO)
2-2-18 Akasaka Minato-ku, Tokyo, Japan
President

Japan Audit and Certification Organization for Environment and Quality (JACO) has been engaged by MEIDENSHA CORPORATION including its domestic consolidated companies (hereinafter referred to as "the Organization") to conduct independent verification of its environmental data prepared under the responsibility of the Organization. The aim of this verification is to consider the accuracy of environmental data and to provide a verification opinion.
Verification was conducted as limited assurance according to the procedure agreed with the Organization based on JACO verification standards in accordance with International Assurance Business Standard (ISAE) 3000. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Summary of verification

With regard to the following Environmental Performance Data for the fiscal year 2023 (from April 1, 2023 to March 31, 2024), verification was conducted:

Verification scope	Sampling sites
The Environmental Performance Data of business activities in the Organization's 129 sites (26 labs in case of production sites) as of March 31, 2024 Water (purchase and groundwater intake amount) Water (discharged amount)	Sites visited: 2 sites Verification was conducted based on confirmation of related documents formulated, interview with or inquiries to the responsible persons and persons in charge, confirmation of the method of obtaining data, and comparison between the reported data and its supporting documented information (evidence) Data sampling sites: 23 sites Verification was conducted based on comparison between the reported data and its supporting documented information (evidence)

Conclusion

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Organization's Environmental Performance Data is not prepared, in all material respects, in accordance with the methodology implemented by the Organization:
Verified Environmental Performance Data:
Water (purchase and groundwater intake amount): 1,692.8 thousand m³
Water (discharged amount): 1,558.7 thousand m³

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. JACO applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable regulatory requirements.

The Organization and JACO verification team did not have any specific conflict of interest and carried out the verification in an independent basis.

Click pics to enlarge.

Target Items

Amount of greenhouse gas emissions			Scope of calculation
Scope 1		16,719 t-CO_2e	Scope 1 and 2 greenhouse gas emissions from the business activities of Meidensha and domestic Group companies during the period from April 1, 2023 to March 31, 2024.
Scope 2		26,381 t-CO_2e (location basis)	
		17,513 t-CO_2e (market basis)	
Scope 3	(Category 1)	849.5 kt-CO_2e	Category 1 emissions (scope of calculation is based on Meidensha's determination) from the business activities of Meidensha during the period from April 1, 2023 to March 31, 2024.
	(Category 11)	4,603.8 kt-CO_2e	Category 11 emissions (scope of calculation is based on Meidensha's determination) from the products and services of Meidensha during the period from April 1, 2023 to March 31, 2024.
Water	Usage volume (Amount of water purchased and water intake)	1.6928 million m^3	Water usage volume (amount purchased and amount collected) from the business activities of Meidensha and domestic Group companies during the period from April 1, 2023 to March 31, 2024.
	Discharged water volume	1.5587 million m^3	Discharged water volume from the business activities of Meidensha and domestic Group companies during the period from April 1, 2023 to March 31, 2024.

Assessment Standards

JACO certification standards based on ISO 14064-3 and ISAE 3000

ISAE3000: International Standard on Assurance Engagements (ISAE) 3000

ISO14064-3: Specification with guidance for the validation and verification of greenhouse gas assertions

Product and Service Initiatives (Expand businesses that contribute to the environment)

Policy

We are actively promoting initiatives that contribute to the environment in order to “realize a more affluent future” by leveraging our technology and experience honed over many years.

Performance Data

Contributions to the Mitigation of Climate Change by Reducing Product and Service GHG Emissions

The Meiden Group aims to contribute the environment through its products and services by utilizing renewable energy sources such as solar, wind and hydroelectric power, by improving the efficiency of its products to save energy, and by optimizing customers’ equipment through maintenance and servicing.

We set a GHG reduction contribution target of 9 million tons/year in FY2023. We achieved the target, having reduced emissions by 9,370,000 tons/year thanks to robust orders and a stronger production management system. Applicable products and services include the wind power sales business, photovoltaic power generating systems, hydroelectric power generation equipment, and electrical vehicle drive systems.

Choshi Shiosai　Wind Farm

Photovoltaic PCS

Integrated motor/inverter/gear box drive unit

GHG Reduction Contribution Volume (Former Environmental Contribution Volume)

Subject products / businesses	GHG reduction contribution in FY2023 (10,000 t-CO_2)	Approach to calculating GHG reduction contribution
Wind power sales business*	3.5	Emissions curbed if grid power replaced by renewable energy generation
Photovoltaic generation systems	13.5	
Hydro turbine generators (Meidensha)	570.3	
Hydro turbine generators (EAML Engineering)	3.8	
Electric vehicle drive unit	141.0	Emissions curbed if replacing gasoline vehicle of same grade

Subject products / businesses	GHG reduction contribution in FY2023 (10,000 t-CO_2)	Approach to calculating GHG reduction contribution
Control equipment and motors for electric forklifts	201.8	
Cubicle-type dry air insulated switchgear (Eco C-GIS)	0.1	Emissions curbed by not using SF_6 gas
Ecotank type vacuum circuit breakers	3.0	
Total	937.0	

* Calculated by multiplying the difference in volume of GHG emissions at the point of use, by the expected life and annual sales volume. However, wind power generation is calculated based on annual power generation performance.

Initiatives

Wind Power Sales Business

M WINDS Co., Ltd. and its affiliates operate a wind power sales business and supply renewable energy from three locations* in Japan (30 wind turbines with a generating capacity of 51,000 kW).
They conduct environmental assessments when constructing and installing wind power generators, investigating, predicting, and evaluating impacts from various perspectives, such as that on ecosystems, and implement environmental protection measures as appropriate while considering the opinions of local governments and residents.

* Hachiryu Wind Farm (Akita Prefecture): 18 wind turbines with a generating capacity of 28,000 kW
  Wajima Community Wind Farm (Ishikawa Prefecture): 10 wind turbines with a generating capacity of 20,000 kW
  Choshi Shiosai Wind Farm (Chiba Prefecture): 2 wind turbines with a generating capacity of 3,000kW

Hachiryu Wind Farm

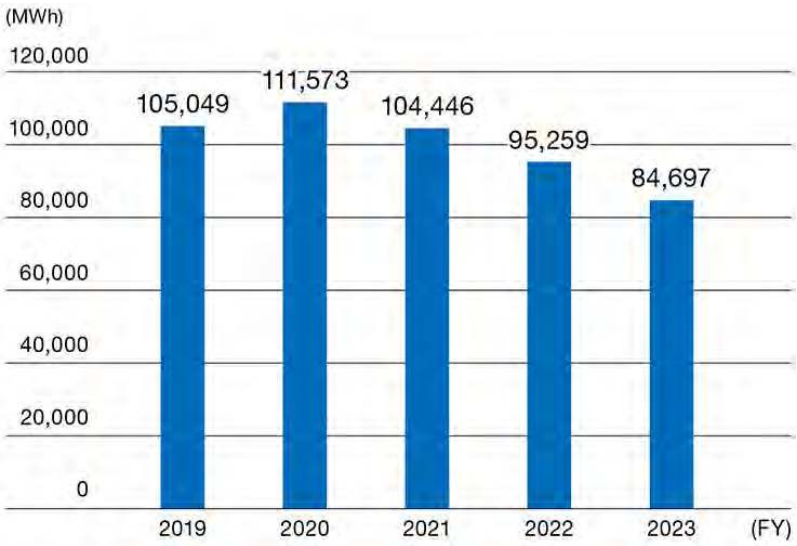
Wajima Community Wind Farm

Choshi Shiosai Wind Farm

Aiming for increased utilization of wind power

In FY2023, the amount of electricity generated was 84,697 MWh, partly due to wind conditions and the Noto earthquake. We aim to further improve the operating rate in order to increase the GHG reduction contribution in future.

Transition of Total Power Generation Performance



Power Conditioner System for Photovoltaic Generation

Power conditioners system (PCS) is the most essential part of photovoltaic generation systems. We have consistently supplied transformer-in PCS with a built-in commercial frequency isolation transformer that emphasizes safety and security so far. PCS with 500kW output has the highest conversion efficiency of 98.7% in the world. Container type and outdoor storage cubicle type packaged with a set of equipment are also available.

Hydroelectric Power Generation Equipment

Hydroelectric power is a form of renewable energy that enables steady generation of electricity throughout the year. Meidensha has delivered many small, medium, and large generators to customers in Japan and overseas.

Many of the hydroelectric power generation facilities are aging due to many years of operation. It is effective to renovate in the most suitable way for each power facility. Renovation is expected to improve efficiency/save energy, improve reliability/maintainability, and be environmentally friendly. We investigate the current status of the power facility and propose the most appropriate renovations using the latest technology for each facility.

Hydroelectric power generation equipment

Electric Vehicle Drive Unit

Meidensha supplies motors and inverters installed in electric vehicles, which are becoming more common throughout the world. We promote the development of technology and products for EV and HEV drive systems. We have developed a high-voltage electric vehicle drive unit to accommodate the expanding adoption of rapid charging. Furthermore, we are aiming to miniaturize and increase the efficiency of electric vehicle drive units smaller and more efficient by applying SiC (silicon carbide), a next-generation device.

Ecotank Type Vacuum Circuit Breakers (VCB)

In 2004, Meidensha succeeded in developing a 72-kV-class tank- type vacuum circuit breaker that uses no sulfur hexafluoride (SF_6) gas, which has more than 20,000 times the greenhouse properties of CO_2, and has a record of delivering more than 2,000 units to domestic and overseas electricity companies, etc. In 2020, we developed a 145-kV-class model to meet high-voltage requirements. This is the world's first dry air insulation tank type vacuum circuit breaker of this voltage class. In October 2021, the first unit was shipped to a power company in the US state of Alaska.

In 2022, we received the 2022 Environment Minister's Commendation for Global Warming Prevention Activity.

* SF_6 gas: A chemically stable, non-toxic, odorless, colorless, non-flammable gas with three times the ability to withstand voltage of air at the same pressure. However, it has 23,500times the effect on global warming of CO_2 and was listed as a controlled gas in the Kyoto Protocol to prevent global warming.

145kV tank type VCB

Field Engineering Business (Maintenance and Servicing)

Field engineering is a business that contributes to the solution of customer issues by providing support through the entire life-cycle of a product, from delivery through trial runs upon installation, subsequent proposal and implementation of operation and maintenance plans, maintenance and management of installation locations, remaining life assessment of aging equipment, measures to prolong life, replacement proposals, and disposal.

In addition to regular inspection of equipment, we make proposals to achieve stable operation and life-cycle cost reduction through compliance that may be overlooked such as handling of small quantities of PCBs by the deadline, mercury arc lamps, conserving energy, and conducting environmental analysis and deterioration analysis through thermal imaging, etc., through walk-through activities where we walk through sites with our customers and investigate and assess their equipment.

Thermal imaging analysis at walk through

Replacement of equipment

Promoting Environmentally Conscious Design

Policy

Promote environmentally conscious design

The Meiden Group is promoting development of environmentally conscious products that reduce our impact on the environment.

Product environmental assessment

Any time we develop a new product, we evaluate it for energy and resource conservation, recyclability, environmental safety, and more, based on our Product Environmental Assessment Standard. If a product meets those standards, we certify it as a Meidensha Green Product.

To create products that are even more environmentally conscious and contribute to the decarbonization of society, we have also introduced and begun operating a system of “super green products,” which are even better than green products.

For the evaluation item “consideration of lifecycle,” we calculate CO_2 emissions according to a life cycle assessment (LCA), and we encourage environmentally conscious design in order to reduce CO_2 emissions.

Initiatives

Life cycle assessment (LCA) initiatives

The Meiden Group conducts an assessment of the environmental impact of a product throughout its life cycle, from procurement of components through to disposal, in accordance with our Guidelines for Environmental Action. We use the LCA method to quantify the environmental impact of products and services, which helps us to improve environmental performance at the design and development stage and to conduct product explanations to customers and PR, etc.

Environment label (type Ⅱ) indicating conformity with Meidensha Green Product standards

Product environmental assessment standards

Classification	Items
Product volume reduction	• Weight reduction • External dimensions and capacity • Reduction of number of components
Energy and resource conservation	• Reduction of power consumption • Water saving • Reduction of consumables • Reduction of packaging volume (reduction of plastic packaging)
3R	• Use of recycled materials • Separability of materials • Ease of collection and transport
Long-term usability	• Maintainability • Reliability and durability
Prohibited substances	• Environmental friendliness
Life cycle consideration	• Reduction of life cycle environmental impact • Disclosure of information concerning evaluation of environmental impact
Environmental safety	• Danger of fire or explosion • Danger at time of dismantlement • Environmental measures
Other	• Entered contests for national-level awards • Top runner products (compared to other companies)

Green Products Previously Registered

[FY2022] Names of Registered Green Products

[Product] Smart Maintenance System for Railway Operators (a product using an IoT controller)	
Product overview	In response to the shortage of new engineers due to the declining birthrate and aging population, railway operators are increasingly practicing CBM (Condition Based Maintenance) and labor-saving patrols and inspections. The purpose is to perform facility maintenance as efficiently as possible. To meet this need, we have developed a maintenance system that collects and stores information from sensors and meters attached to power receiving and transforming facilities and transmits it to higher-level equipment. This solution uses our IoT controller, which consumes less power than conventional products.
Photo	
How it is eco-friendly	The following are features of this product, with comparisons to an earlier Meiden product. ・ 13% less energy consumption ・ Lifecycle CO_2 emissions reduced 46% thanks to maintenance efficiencies, such as labor-saving patrols and inspections
LCA estimate results	**Lifecycle CO_2 emissions**

For related products and details, click here. >

[FY2020] Names of Registered Green Products

[Product] Drive Robot	
Product overview	An autonomous driving system for finished vehicles on a chassis dynamometer. An electric actuator operates the accelerator, clutch, transmission, brakes, and ignition key in the same way a human driver would. The main body of the drive robot has a single-body construction that is now made of carbon fiber reinforced plastic (CFRP) instead of the conventional metal.
写真	

[Product] Drive Robot	
How it is eco-friendly	The following are features of this product, with comparisons to an earlier Meiden product (a conventional seat-mounted drive robot). ・ CFRP single-body construction is 55% lighter and 58% more compact ・ Improved robot drive system reduces energy consumption by 22%
LCA estimate results	**Life cycle CO_2 emissions**
Awards won	Winner of FY2021 Good Design Award(Only Japanese) > Winner of 2022 Red Dot Design Award > reddot winner 2024 Winner of iF DESIGN AWARD 2024 > DESIGN AWARD 2024

For related products and details, click here. >

[FY2019] Names of Registered Green Products

[Product] High-Capacity, High-Speed PM Motor/Drive System	
Product overview	A high-capacity, high-speed PM motor (permanent magnet synchronous motor) operating at speeds of 10,000 RPM or more and inverter capable of high-frequency output. It achieves high-speed drive thanks to high-capacity, high-speed rotation technology and optimal inverter design.

[Product] High-Capacity, High-Speed PM Motor/Drive System	
Photo	High-capacity, high-speed PM motor High-voltage high-frequency inverter THYFREC VT731PM
How it is eco-friendly	The following are features of this product, with comparisons to an earlier Meiden product (gear-increasing induction motor drive). • With its high speed, motor volume is reduced to just one-fifth that of the conventional motor for smaller size and space savings • PM motor and high-speed drive reduce energy consumption by 20% as a system
LCA estimate results	**Life cycle CO_2 emissions**

For related products and details, click here. >

[Product] Simple IP-TC EC4-TC	
Product overview	Remote monitoring and control equipment using built-in PC for hydroelectric power plants. Runs on Linux 64-bit OS and connects to PLCs* from four manufacturers. Static electric discharge noise conforms to B-402 electric power standard. * PLC: Programmable Logic Controller
Photo	
How it is eco-friendly	The following are features of this product, with comparisons to an earlier Meiden product (EC101D). • Optimal design reduces energy consumption by 33% • Changes to unit structure facilitate maintenance
LCA estimate results	**Life cycle CO_2 emissions**

Product Initiatives (Management of chemical substances in products)

Initiatives

Management of chemical substances in products

We operate an "Environmental BOM[*1] Management System" that collects and communicates information concerning chemical substances contained in products.

We work to share information with suppliers of components, materials, etc., through explanatory sessions, individual consultations, etc., using chemSHERPA[*3] operated by JAMP[*2]. We register the chemSHERPA, etc. provided by our suppliers with the Environmental BOM Management System to determine the aggregation of chemical substances contained in each product and compliance with regulations.

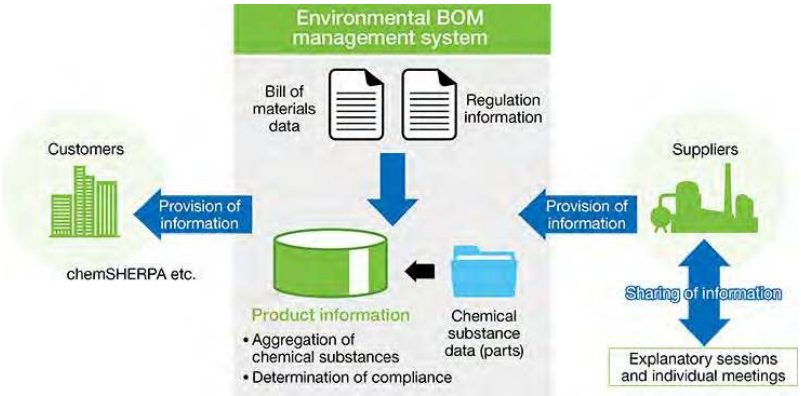
*1 BOM: Bill of Materials

*2 JAMP: Joint Article Management Promotion Consortium. JAMP aims to appropriately manage information about chemical substances, etc., in products, and create and spread specific mechanisms for smooth disclosure and communication within the supply chain.

*3 chemSHERPA: A joint information transfer scheme that facilitates the disclosure/communication of chemical substances information in products, which is maintained and managed by JAMP

Meidensha is a member of JAMP.

Diagram of Environmental BOM



Climate Change

Awareness

Since its establishment in 1897, Meidensha has produced a range of technologies, products, and services and contributed to the development of a sustainable society in its role as a manufacturing company. In particular, we are deeply involved with decarbonization and reduction of carbon through power generation systems that utilize renewable energy sources such as solar, wind, and small to medium hydroelectric, as well as energy solution services such as smart grids. Through these eco-friendly products and services, we aim to achieve a sustainable society and are working to reduce greenhouse gas emissions from business activities.

Governance

Monitoring of Climate Change by the Board of Directors

Monitoring of the Risks and Opportunities Created by Climate Change at the Level of the Board of Directors

As the highest decision-making body with regard to environmental activities, the Meiden Group Environmental Committee, which is chaired by the Executive Officer (Environment), identifies issues including risks posed by climate change and deliberates concerning environmental targets, action plans, and emergency response, etc., as well as determining environmental management direction. As part of its role, the Environmental Committee refers important matters to the Executive Officers' Meeting and the Board of Directors, etc., to initiate activities based on executive-level decision-making.

EMS Promotion Organizations >

Indicators

Amount of Greenhouse Gas Emissions

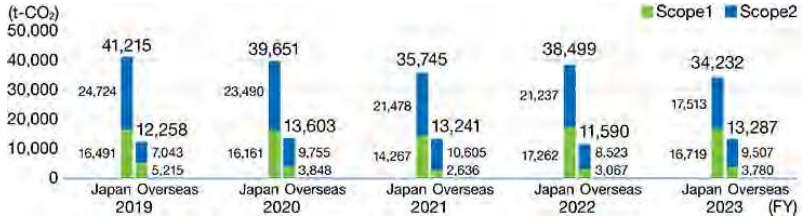
Scope 1 and Scope 2 emissions

To enhance our activities for mitigating environmental impact, we use internal carbon pricing and source CO_2-free electricity (in FY2023, sites that sourced CO_2-free electricity were Numazu Works, Head Office's ThinkPark Tower, and others). As a result, Scope 2 emissions fell even as production increased. However, Scope 1 rose due to growing SF_6 gas emissions resulting from greater production of power equipment products and because of increased use of drying furnaces. We will continue working to control Scope 1 and 2 emissions, for example by eliminating SF_6 gas and electrifying our drying furnaces.

(t-CO_2)

		FY2019		FY2020		FY2021		Y2022		FY2023	
		Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas
Scope1 Direct emissions from in-house use of fuel, etc.		16,491	5,215	16,161	3,848	14,267	2,636	17,262	3,067	16,719	3,780
Scope2 Indirect emissions from power or heat purchased from an outside source	Location basis	24,980	7,043	24,479	9,755	25,160	10,605	25,737	8,523	26,381	9,507
	Market basis	24,724	-	23,490	-	21,478	-	21,237	-	17,513	-

Amount of Greenhouse Gas Emissions (Scope 1 and 2) – Emissions from Business Activities



Scope 1: Direct Emissions

Combustion of fuel (town gas and oil, etc.) and release of greenhouse gasses ($SF_6$and CFCs, etc.)

Scope 2: Indirect Emissions

Combustion of fossil fuel to generate electricity (electricity company) that is consumed by the company

* Renewable energy produces zero emissions

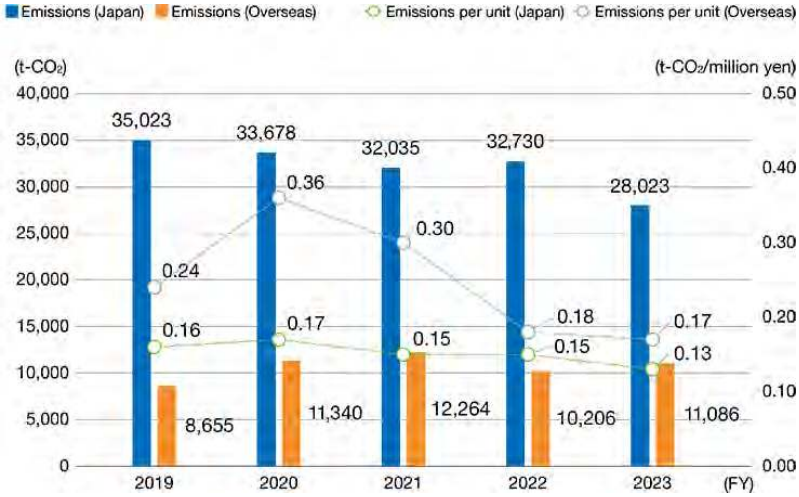
Results Data

Amount of CO_2 Emissions from Energy Sources

The Meiden Group had record sales in FY2023 and lowered its CO_2 emissions per unit of sales.

We also drove down CO_2 emissions by starting to use renewable energy at Numazu Works, the Group's largest production site in Japan.

Amount of CO_2 emissions from energy sources/CO_2 emissions per sales unit



* Japanese emissions: The amounts of fuel oil and fuel gas are calculated referring to the "List of Calculation Methods and Emission Factors in the Calculation, Reporting and Publication System" for the relevant fiscal year pub

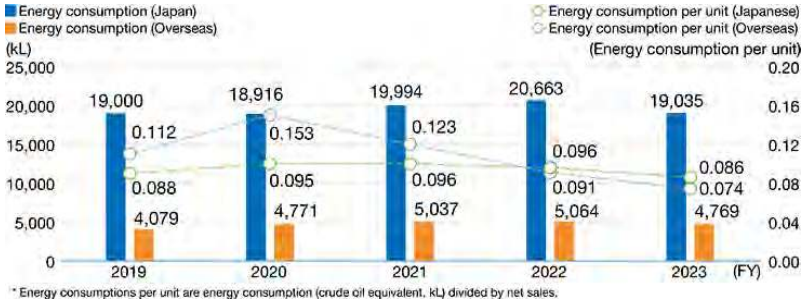
* lished by the Ministry of the Environment. The amount of electric power is calculated referring to the "Emission Factor List by Electricity Power Company" published by the Ministry of the Environment.

* Overseas emissions: The amounts of fuel oil and fuel gas are calculated referring to the emission factors by country published by the GHG protocol. The amount of electric power is calculated referring to the average emission factors by country in 2010-2012 published by the International Energy Agency (IEA). Since FY2022, we have used the 2018 average emission factors by country.

* Energy consumptions per unit are emissions (t-CO_2) divided by net sales (million yen).

Energy Consumption (crude oil equivalent)

Energy consumption/energy consumption per unit of sales



Initiatives

Reduction of CO_2 Emissions from Business Activities

Introduction of Renewable Energy

In recent years, we have procured electricity from renewable sources in an effort to reduce CO_2 emissions from business activities.

Since FY2019, we have been working on sourcing electricity with non-fossil certificates and purchasing power from renewable sources.

In FY2024, we signed an offsite physical corporate PPA* on April 1. This arrangement uses electric power from renewable energy of Choshi Shiosai Wind Farm owned and operated by M WINDS Co., Ltd., a Meiden Group company.

* A corporate PPA (power purchase agreement) is a contract wherein a company purchases renewable power from a power producer at a fixed price over a long period. This arrangement for sourcing energy is gaining attention because companies can help reduce CO_2 emissions through it. An offsite PPA is a PPA in which electricity is sourced from a distant power plant through the general transmission and distribution network. Meanwhile, a physical PPA is a PPA wherein the power producer supplies both electricity and environmental value to consumers through a retail electric utility.

FY2019	November: Began sourcing CO_2-free electricity from wind power through non-fossil certificates with tracking information at the Meiden R&D Center and Osaki Kaikan Hall.
FY2020	November: Signed power contract (special contract for renewable energy) at EAML Engineering CO., LTD. and began sourcing CO_2-free electricity, mainly from hydroelectric power.
FY2021	April: Signed power contract (Gunma Hydroelectric Power Source Plan) at Ota Works and began sourcing CO_2-free electricity from hydroelectric power. January: Signed power contract (Carbon F Plan) at Chiba R&D location of MEIDEN NANOPROCESS INNOVATIONS, INC. and began sourcing CO_2-free electricity from hydroelectric power.
FY2022	May: Signed power contract (Green Basic Plan) at KOFU MEIDENSHA ELECTRIC MFG. CO., LTD. and began sourcing 30% of the power it uses in the form of CO_2-free electricity from solar and wind power. May: Began sourcing CO_2-free wind power at headquarters of MEIDEN KOHSAN CO., LTD. using non-fossil certificates with tracking information.
FY2023	July: Signed power contract at Meidensha's Numazu Works (Green Basic Plan) and began sourcing 20% of the power it uses in the form of CO_2-free electricity from solar and wind power. July: Signed power contract (Green Basic Plan) at Meidensha's Headquarters (ThinkPark Tower) and began sourcing CO_2-free electricity from solar and wind power, etc.
FY2024	April: • Signed contract to source CO_2-free electricity for 100% of the power used at three Group sites in the Tokyo area (R&D Center, Osaki Kaikan Hall, and MEIDEN KOHSAN CO., LTD.) (86% under Green Basic Plan contract, 14% under offsite physical corporate PPA). • Meidensha's Numazu Works gets 34% of its power from CO_2-free electricity, while KOFU MEIDENSHA ELECTRIC MFG. CO., LTD. gets 44% (in addition to previous sources, it procures 14% under an offsite physical corporate PPA) • Meidensha's Ota Works switched from the Gunma Hydro Plan to the Green Basic Plan and now sources CO_2-free electricity derived from solar, wind, and other forms of energy for 100% of its power

TOPICS

Promoting Internal Carbon Pricing

Internal carbon pricing is a mechanism to promote investment in equipment with a significant CO_2 reduction benefit. It works by setting a carbon price within a company and using it to calculate the cost of greenhouse gas emissions.

Meidensha introduced the internal carbon pricing system in April 2021. We will convert carbon emissions from capital investment plans to expenses using an internal carbon price through the system. It will be a tool to make investment decisions. At Meidensha, we initially set ¥3,000/t-CO_2 as the internal carbon price. However, after considering the Ministry of the Environment guidelines and the carbon price under the IEA's 1.5°C scenario, we raised our internal price to ¥15,000/t-CO_2, which applies to capital investment starting in FY2023. We will continue to promote reductions in greenhouse gas emissions in our business activities by considering environmental impact mitigation along with safety and productivity when making equipment investment decisions.

- Internal carbon price: 15,000 yen/t- CO_2
- Subject to application: Proposed equipment for FY2023 and beyond

Activity Results

There were 10 cases in FY2023 in which we applied internal carbon pricing. For example, we introduced equipment that is expected to significantly lower CO_2 emissions, such as replacing lighting in the elevator halls at Head Office with LED bulbs and replacing testing equipment, compressors, and air-conditioning equipment at production plants.

Equipment subject to internal carbon pricing (FY2023)	277 (million yen)
Reduction due to internal carbon pricing*	987 (t-CO_2)

* Reduction is calculated based on the lifecycle (statutory useful life) of equipment.

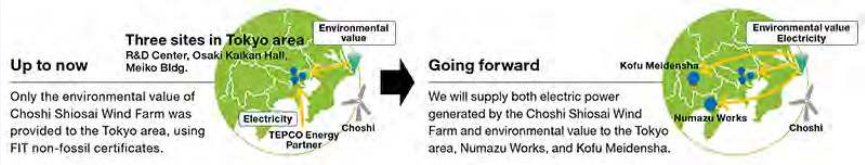
Offsite Physical Corporate PPA Signed, Using Wind Farm Operated by Meiden Group

On April 1, 2024, Meidensha, M WINDS Co., Ltd., and TEPCO Energy Partner, Incorporated ("TEPCO EP") entered into an offsite physical corporate PPA ("the PPA"). This arrangement uses electric power from renewable energy ("the renewable power"*1) from Choshi Shiosai Wind Farm ("the power plant") owned and operated by M WINDS, a wholly owned subsidiary of Meidensha.

Under the PPA, a portion of the electricity used at five Meiden Group business sites is now renewable power from the power plant.

More than 20 years have passed since the plant started operating in December 2003, and the FIT period (October 2012 - March 2024) has now elapsed. The three companies concluded the PPA to maximize the value of the wind power plant owned by the Meiden Group and enhance corporate value.

For the three businesses, this is a first-time experiment with a PPA using a wind farm that has moved past the FIT program.



*1 Renewable power refers to electricity generated from renewable energy sources combined with non-fossil certificates derived from renewable energy sources. Therefore, the electricity used by the consumer can be regarded as renewable energy.

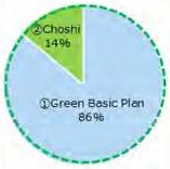
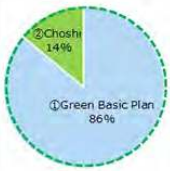
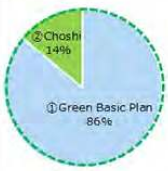
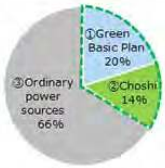
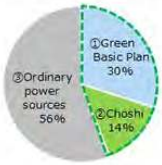
1. Overview of the PPA

Concerning the renewable power generated with the plant, the previous arrangement used FIT non-fossil certificates*2 with tracking information by TEPCO EP to provide only environmental value to three Tokyo area sites of the Meiden Group (R&D Center, Osaki Kaikan Hall, and Meiko Bldg.) using the Green Basic Plan.*3

Now that the PPA has been concluded, both the power generated at the plant and the environmental value will be provided, in addition to the Green Basic Plan that TEPCO EP was already offering. With the addition of Meidensha's Numazu Works and KOFU MEIDENSHA ELECTRIC MFG. CO., LTD. ("KOFU MEIDENSHA"), a total of five locations will be supplied. Another advantage is that the Meiden Group can use the PPA to stabilize the cost of sourcing some of its electricity, regardless of changes in fuel prices.

*2 The Ministry of Economy, Trade and Industry issues certificates that certify the environmental value of power such as renewable energy generated without emitting CO_2. Trading of certificates began on the Japan Electric Power Exchange in May 2018. Tracking information (information indicating the type of power source and location) for the power plant can be added to the certificate.

*3 The Green Basic Plan is effectively a renewable power option offered by TEPCO EP. It combines the average power from all power sources with FIT non-fossil certificates (with tracking information) and non-FIT non-fossil certificates with renewable energy designation (with power source attribute information).

Meiden Group					
Subject site	R&D Center (Meidensha Corporation)	Osaki Kaikan Hall (Meidensha Corporation)	Meiko Bldg. (MEIDEN KOHSAN CO., LTD.)	Numazu Works (Meidensha Corporation)	KOFU MEIDENSHA (KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.)
Location	2-8-1 Osaki, Shinagawa-ku, Tokyo	2-5-35 Osaki, Shinagawa-ku, Tokyo	5-5-5 Osaki, Shinagawa-ku, Tokyo	515 Kaminakamizo-aza, Higashimakado, Numazu, Shizuoka	825 Nakadate, Chuo, Yamanashi
Role	Research center for new technologies to seed product development and new businesses	A place for communication with internal and external parties, e.g., meetings with customers and internal meetings	Head office for affiliates in Japan	Main plant producing substation equipment, control systems, electronic equipment, etc.	Primarily manufactures medium- and small-capacity motors
View from the outside					
Power supply breakdown					

① Green Basic Plan: Effectively a renewable power option offered by TEPCO EP, which combines the average power from all power sources with FIT non-fossil certificates (with tracking information) and non-FIT non-fossil certificates with renewable energy designation (with power source attribute information)

② Choshi: Renewable power with attribute information that is actually generated at Choshi Shiosai Wind Farm and supplied directly to Meiden Group locations

③ Ordinary power sources: Power sources consisting of thermal power, FIT electricity, renewable power, wholesale power exchanges, hydroelectric power, etc.

Winner of Excellence Prize at Zero Carbon Challenge Cup 2023

Meidensha Corporation took the Excellence Prize at Zero Carbon Challenge Cup 2023, sponsored by the Japan Network for Climate Change Actions.

The Zero Carbon Challenge Cup is a Japan-wide competition that honors outstanding local decarbonization efforts by schools, organizations, companies, local governments, and others seeking to prevent global warming. Judges review documentation and presentations from entrants to decide the winners. The purpose is to share expertise and information on excellent initiatives across the country, creating momentum for further activities and collaborations through a program of awards for decarbonization initiatives by various entities across Japan.

In this running of the event, after the document review, 29 of the 199 organizations that applied were chosen to give presentations.

Meidensha gave a presentation titled “Contributing to Carbon Neutrality throughout the Entire Meiden Group’s Value Chain.” It described our project to rebuild the Meiko Bldg., where Group companies MEIDEN KOHSAN CO., LTD. and MEIDEN ENGINEERING CORPORATION have their head offices. The project was carried out according to the concept of creating a cutting-edge office that can contribute to environmental protection, work-style reform, disaster prevention, and coexistence with the local community.

The new office building was designed and built with consideration given to environmental factors. As a result, it received the “ZEB Ready”[*1] rating as defined by the Ministry of Economy, Trade and Industry, and a five-star rating in the Building-housing Energy-efficiency Labeling System (BELS). The office has also introduced ABW[*2] as part of efforts to achieve workstyle reform. Additionally, the building introduced a self-consumption type solar power generator on the roof and a multifunctional power conditioning system (PCS)[*3] to improve the Group companies’ business continuity plan.

Meidensha is also helping achieve carbon neutrality by using non-fossil certificates with tracking information in sourcing power generated at a wind farm owned by Group company M WINDS CO., LTD.

*1: ZEB Ready means that a building has reduced energy consumption, excluding that of renewable energy, by more than 50 percent over standard primary energy consumption.

*2: Activity-Based Working. It refers to a workstyle that allows employees to choose working hours and locations that suit their particular job.

*3: Power conditioning system. A device to convert power generated by solar panels, etc., into power for the utility grid.

Meiden wins excellence prize at Zero Carbon Challenge Cup 2023（PDF:280KB）

Using Energy More Efficiently

The Meiden Group makes capital investment systematically, such as introducing internal carbon pricing and replacing lighting and air-conditioning with high-efficiency equipment, to lower greenhouse gas emissions caused by energy consumption. We are in addition visualizing our power consumption and improving equipment operations, especially by practicing strict energy consumption control, such as cutting standby energy consumption on holidays and at night. To use energy more efficiently, expand energy conservation awareness, and reduce energy costs, each works and unit is endeavoring to save energy. Energy conservation rankings, showing energy use reductions, are posted on digital signage to foster awareness of energy conservation.

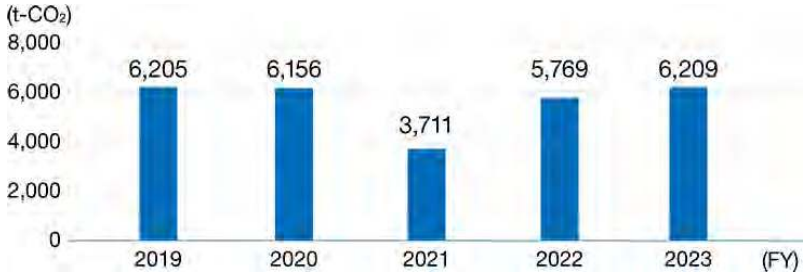
Initiatives and Results Data

Reducing Emissions of Greenhouse Gasses Other than CO_2

The Meiden Group's emissions of greenhouse gasses other than CO_2 include SF_6 gas, which is used for lightning arresters and circuit breakers, etc., and CFCs, which are used as refrigerants in air conditioners.

In FY2023, emissions from leaks of SF_6 gas increased due to rising production of equipment such as circuit breakers. We will continue our efforts to curb emissions and perform technical studies and verification of alternatives to SF6 gas. To curb CFC emissions, moreover, we are strengthening management of air-conditioning equipment and updating facilities.

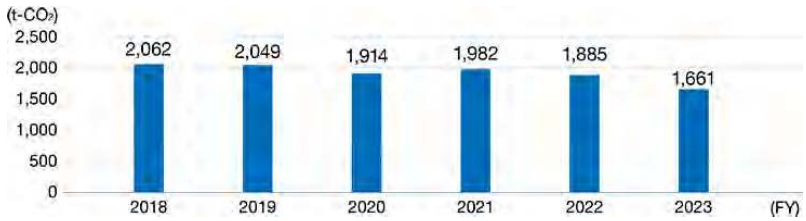
Emissions of Greenhouse Gasses Other than CO_2 (Japan)



Reduction of CO_2 Emissions from Product Transport

The transport division is working to reduce CO_2 emissions by practicing cargo consolidation, modal shift, and efficient transport, such as using JR containers and switching from trailer transport to ship transport from nearby ports.

CO_2 Emissions from Product Transport (Japan)



Calculation of Greenhouse Gas Emissions in the Supply Chain

Meidensha is working to calculate greenhouse gas emissions, including indirect emissions in the upstream and downstream supply chain in addition to those produced in the course of its business activities.

Meidensha is facing the issue of producing a large proportion of its emissions from “use of sold products” (scope 3, category 11) and “purchased goods and services” (scope 3, category 1). We are promoting environmental measures throughout the entire supply chain, including reducing downstream greenhouse emissions through environmentally considerate product design and reducing upstream impact through green procurement.

Meidensha’s Greenhouse Gas Emissions in the Supply Chain (Scope 3)

We calculate for our supply chain with reference to the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain, published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, etc.

In developing the Second Meiden Environmental Vision, which set new medium-to-long-term environmental targets and launched in FY2021, we completely reviewed Scope 3 calculation methods. We transitioned from calculating the non-consolidated value of Meidensha to calculating the consolidated value of the Meiden Group, and conducted review of units for our FY2021 record. For Category 11, we increased precision by conducting more detailed calculation of emissions per unit of production for each product group. For categories calculated on a monetary basis, we also reviewed part of our standards going back to FY2019. Thus, data values disclosed up to FY2021 lack continuity; however, going forward we intend to trace these values using this calculation method and revise them as necessary.

Category	Calculation Method	
	Amount of Activity	Basic Unit
1. Purchased goods and services	Purchase amount (materials, consumables, services, etc.)	Ministry of the Environment Basic Unit - DB
2. Capital goods	Amount invested in fixed assets	Ministry of the Environment Basic Unit - DB
3. Fuel and energy related activities not included in Scopes 1 or 2	Amount of energy consumption (electricity, etc.)	Ministry of the Environment Basic Unit - DB
4. Upstream transportation and distribution	Transportation cost	Ministry of the Environment Basic Unit - DB
5. Waste generated in operations	Emissions of each type of waste	Ministry of the Environment Basic Unit - DB
6. Business travel	Transportation expenses provided (travel allowance, etc.)	Ministry of the Environment Basic Unit - DB
7. Employee commuting	Transportation expenses provided (travel allowance, etc.)	Ministry of the Environment Basic Unit - DB
8. Upstream leased assets	Rent (Leased items, etc.)	Ministry of the Environment Basic Unit - DB
9. Downstream transportation and distribution	Not applicable because this is not a major source of emissions and is sufficiently lower than “transportation and delivery (upstream)”	—

Category	Calculation Method	
	Amount of Activity	Basic Unit
10. Processing of sold products	Not applicable as Meidensha's products include many formed items	—
11. Use of sold products	Calculated based on the specifications of the Company's products and operating conditions	Ministry of the Environment Basic Unit - DB
12. End-of-life treatment of sold products	Assumed disposal cost of sold products	Ministry of the Environment Basic Unit - DB
13. Downstream leased assets	Energy usage at leased real estate	Ministry of the Environment Basic Unit - DB
14. Franchises	Not applicable as outside of the scope of the Company's business	—
15. Investments	Not applicable as shares held by the Company are not for the purpose of investment	—
Other	Excluded from the scope of calculation as this item is optional	—

(t-CO_2)

Category	FY2019	FY2020	FY2021	FY2022	FY2023
1. Purchased goods and services*1	916,059	790,749	944,989	1,161,608	1,326,731
2. Capital goods*1	44,023	56,146	31,329	24,862*5	27,951*5
3. Fuel- and energy-related activities not included in Scopes 1 or 2	1,882	1,893	3,425	3,472*6	3,187*6
4. Upstream transportation and delivery*2	13,901	15,184	16,914	21,694	23,526
5. Waste generated in operations	1,587	2,004	1,645	1,925*7	1,692*7
6. Business travel	3,192	1,007	2,160	4,770	6,734
7. Employee commuting	1,152	940	1,182	1,401	1,211
8. Upstream leased assets*1	2,491	2,336	2,287	2,756	2,727
9. Downstream transportation and distribution*3	—	—	—	—	—
10. Processing of sold products	—	—	—	—	—
11. Use of sold products	6,370,000	6,050,000	5,922,573	5,745,708	5,891,693
12. End-of-life treatment of sold products*1	6,591	5,960	6,573	7,025	7,420
13. Downstream leased assets*4	8,856	8,047	7,769	7,849	8,223
14. Franchises	—	—	—	—	—
15. Investments	—	—	—	—	—
Other	—	—	—	—	—
Total	7,369,736	6,934,266	6,940,845	6,983,070	7,301,094

*1 Up through FY2021, results were calculated by multiplying the monetary value exclusive of consumption tax by the emissions intensity, but since FY2022, we include the monetary value including the consumption tax.
Therefore, we recalculated emissions for FY2019 through FY2021 using that approach.

*2 Amount of GHG emissions from procurement logistics and sales logistics

*3 Excluded from calculations because it is less significant than "upstream transportation and distribution"

*4 Calculated by allocating 50/50 to World Trade Center Building and Meidensha based on our investment ratio

*5 Figures since FY2022 have been revised according to the description of emissions from disposal and processing by parties other than the reporting company of wastes generated from the reporting company's business activities (excluding wastes sold for compensation), as found in Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain, Ministry of the Environment and Ministry of Economy, Trade and Industry.

Disclosure based on TCFD recommendations

Attitude

For many years, the Meiden Group has been aware of the major problem of climate change, and has worked to solve this problem through business. With regard to TCFD*, we endorsed the TCFD recommendations in June 2019, we began considering risks and opportunities according to the TCFD framework in 2020, and we are promoting the incorporation of this in our strategies.

As society places more emphasis on the issue of climate change, in Medium-term Management Plan 2024, which was released in FY2021, we pledged to “promote sustainability management,” and we aim to accelerate promotion of management and development of businesses to realize a carbon-free society.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

* TCFD: Task Force on Climate-related Financial Disclosure established by the Financial Stability Board (FSB) .

Governance/risk management

Governance

The Sustainability Management Strategy Committee and the Sustainability Management Promotion Committee handle all general matters involving sustainability and these two committees explore potential strategies to enact for decarbonization. The manager in charge of promoting sustainability and the Sustainability Management Promotion Division both report on the content of these meetings twice annually to the Board of Directors and the Executive Officers’ Meeting. Alongside these efforts and as a way of managing the promotion of environmental activities within the Group, the Meiden Group Environmental Committee, which is chaired by a production manager, meets quarterly to uncover issues within the Company, set environmental goals, devise action plans, and discuss emergency responses in order to promote and monitor the deployment of concrete policies for environmental management.

Sustainability Management >

Risk Management

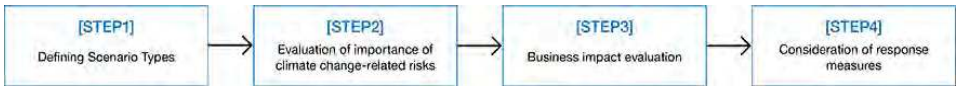
To manage sustainability-related risks, the Sustainability Management Promotion Division , which is charged with promoting sustainability management, operates centrally with relevant departments to extract risks. The details of those risks are incorporated into all the risks managed by the Governance Headquarters, which simultaneously manages a variety of risks, including those related to climate change.

Risk Management >

Strategy

Analysis of Climate Change Scenarios

The Sustainability Management Promotion Division analyzes climate change scenarios in conjunction with relevant departments. The scenario analysis examination process is divided into four parts, with analysis and evaluations conducted annually. At the same time, major factors that could impact business are identified, and identified risks, opportunities, and evaluations are reflected in our business strategy.

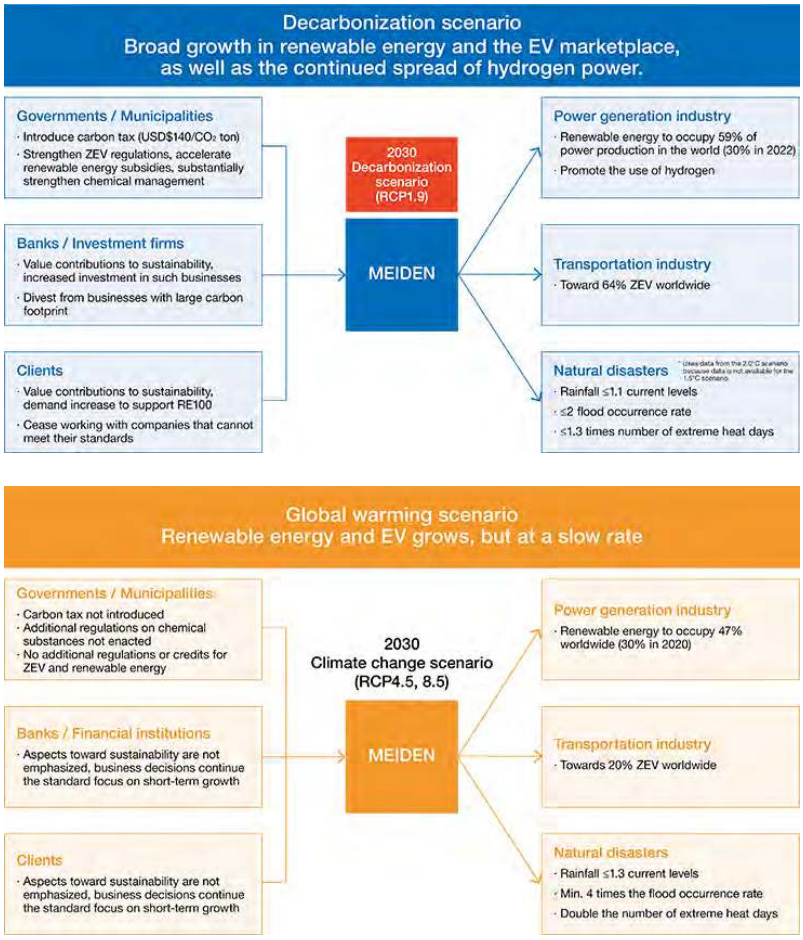


Step 1: Defining Scenario Types

As recommended by TCFD, we identified scenarios at multiple levels of warming, including a scenario of less than 2°C, and conducted analysis accordingly. Based on the two scenarios of decarbonization (RCP1.9) and global warming (RCP4.5 and RCP8.5), we have compiled and evaluated global outlooks for 2030 to accommodate each scenario using management frameworks such as five forces analysis, based on international published data from the IEA, IPCC, etc., as well as numerical data published by Japanese government institutions, etc.

	Temperature range	Relevant scenario	Provider
Decarbonization scenario	Less than 1.5°C	NZE2050	IEA
		RCP1.9	IPCC
Global warming scenario	2.4～4.0°C	STEPS	IEA
		RCP4.5	IPCC
		RCP8.5	IPCC

Selected scenarios and outlooks are as follows.



Step 2: Evaluation of Importance of Climate Change-related Risks

We have set out factors for climate change risks and opportunities according to the outlook of each scenario, giving reference to the risks and opportunities in the TCFD recommendations.

* Examples of main scenarios

Factors for Risks and Opportunities	Societal Scenario	Opportunities and Risks for Meiden	Relevant Businesses
Opportunities to reduce GHG emissions Increased government subsidies	Decarbonization of the transport industry	Expanded EV-related business	EV business/Battery storage-related
Increased government subsidies Accelerated technological developments Transition to a decentralized society	Increased ratio of renewable energy	Expanded renewable energy business	Wind/Hydroelectric/Photovoltaic storage/Solar generation/Battery storage-related /Hydrogen-related
Increased regulations to reduce GHG emissions Electric companies shift toward decarbonization	Restrictions on chemical substances such as SF_6	Expanded Power T&D Business	Zero SF_6 products/Environmentally friendly products
Changing stakeholder mindset	Increased customer demand for being carbon-free	Increased demand for environmentally friendly products and services	Environmentally friendly products and services (including green products)
Opportunities to reduce GHG emissions Tightening of legal restrictions	Introduction of a carbon tax	Increased procurement and manufacturing costs	All companies

Factors for Risks and Opportunities	Societal Scenario	Opportunities and Risks for Meiden	Relevant Businesses
Opportunities to reduce GHG emissions	Rising prices from growing demand for EV and renewable energy components	Increased procurement and manufacturing costs	EV business/Renewable energy business
Increased frequency of extreme weather events	More water-related disasters	Suspension of operation/Collapse of supply chain Increased costs to respond to water-related disasters	Production sites
Opportunities to reduce GHG emissions Changing stakeholder mindset	Increased pressure on environmentally burdensome businesses	Reduced sales in relevant businesses	Diesel/Gas engine generators Ceramic membrane business
Rising average temperatures	Worsening working environments	Increased personnel expenses at sites	Manufacturing/Maintenance/Construction service business units
Increased proportion of renewable energy	Increased cost of industrial electricity	Increased power procurement costs	All companies

Step 3: Business Impact Evaluation

We are evaluating business impact through discussions with relevant parties within the Company, such as the Corporate Policy Planning Group , the Accounting & Financing Group , the Corporate Governance Management Group , and business units, based on the scenarios and outlooks set out in Step 1 and the opportunities and risks set out in Step 2.
In the course of this, we screened matters that have a particularly large impact on businesses by focusing on the two axes of “impact on operating income” and “likelihood of occurrence in an event” in FY2030, and conducted detailed analysis of these matters. We assessed pre-countermeasure outcomes based on the rate of market growth in each scenario for each large-impact item. These were quantitatively calculated using partial assumptions, and items with unachievable results were organized qualitatively.

* The following values were calculated with a focus on the market growth rate and do not represent a designated target value for the Company.

Evaluation axes for selection of risks and opportunities (2030)

Impact on operating income (estimate)	Very large: ±10 billion yen or more Large: ±1 billion yen or more Medium: ±0.1 – 1 billion yen Small: ±less than 0.1 billion yen
likelihood of occurrence in an event in 2030	Large: High probability of occurrence Medium: Occurrence is possible, but cannot be predicted with confidence Small: Only occur in the scenarios

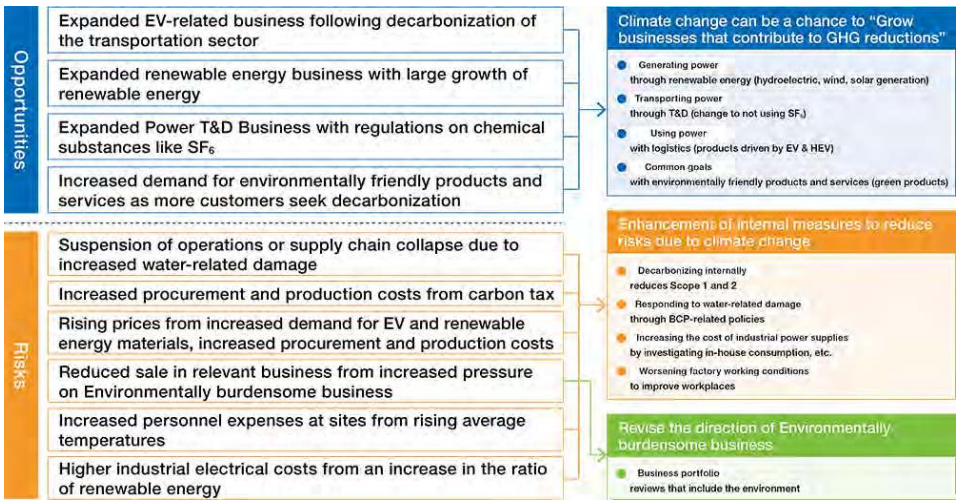
	Opportunities and risks for our Company	Relevant Businesses	Calculation formula	Impact on FY2030 operating income	
				Decarbonization scenario (RCP1.9)	Global warming scenario (RCP4.5, 8.5)
Decarbonization of the transport industry	Expanded EV-related business	EV business/Buttery storage-related	Recent average sales × ZEV stock growth ratio	Large	Medium
Increased ratio of renewable energy	Expanded renewable energy business	Wind/Hydroelectric/Photovoltaic storage/Solar generation/Battery storage-related/Hydrogen-related	Recent sales × growth rate of domestic renewable energy	Small	Small
Restrictions on chemical substances such as SF_6	Expanded Power T&D business	Zero SF_6 products/Environmentally friendly products	Recent sales of relevant products × VCB market growth rate	Medium	Medium
Increased customer demand for being carbon-free	Increased demand for environmentally friendly products and services	Environmentally friendly products and services (including green products)	* Cannot calculate at this time because green product standards are being revised	–	–
Introduction of a carbon tax	Increased procurement and manufacturing costs	All companies	2030 Scope 1, 2 emissions × carbon tax 2030 Scope 3 Category 1 emissions × carbon tax	9.6 billion	N/A
Rising prices from growing demand for EV and renewable energy components	Increased procurement and manufacturing costs	EV business/Renewable energy business	Cost of transitioning relevant business × rate of cost increases	Medium	Small
More water-related disasters	Suspension of operation/Collapse of supply chain Increased costs to respond to water-related disasters	Production sites	Assumed cost of each incident in 2030 using Ministry tools × occurrence rate in each scenario, etc.	Large	Large
Increased pressure on environmentally burdensome businesses	Reduced sales in relevant businesses	Diesel/Gas engine generators Ceramic membrane business	2030 business sales × state of each scenario	Medium	N/A
Worsening working environments	Increased personnel expenses at sites	Manufacturing/Maintenance/ Construction service business units	Number of site personnel in 2030 × medical and health-care costs	Small	Small
Increased cost of industrial electricity	Increased power procurement costs	All companies	Power usage in 2030 × rising cost of industrial power	Medium	Small

Rate of occurrence

Large Medium Small

Step 4: Consideration of Response Measures

We considered development of strategies to grasp opportunities and measures to mitigate risks according to the situation of the Company, based on the outcomes calculated in Step 3.



Metrics and Targets

We see changes due to climate change as business opportunities, and are implementing strategies to mitigate risks.

From a business perspective, we will particularly contribute to the creation of a carbon-free society through further expansion of the EV and Renewable Energy businesses. We also released the Second Meiden Environmental Vision as our environmental goals in FY2021, and we have disclosed 2030 GHG reduction targets for scopes 1, 2, and 3 in order to reduce internal risks. These goals have received SBT recognition. We will work with our suppliers to achieve our targets. In addition, we pledged to reach RE100 by 2040 and carbon neutrality by 2050, in November 2021, as our medium- to long-term targets.

Second Meiden Environmental Vision Targets
(Targets and results compared to FY2019 levels)

Each year vs FY2019		FY2023		FY2024	FY2030
		Plan	Actual	Plan	Plan
Emissions from business activities (Scope 1+2)	Japan	8% reduction	17% reduction	10% reduction	
	Overseas	3% reduction	8% increase	4% reduction	
	Total	5% reduction	11% reduction	6% reduction	30% reduction
Emissions from product use (Scope 3, Category 11)			7% reduction	6% reduction	15% reduction

* Second Meiden Environmental Vision including FY2030 targets has received SBT (science based targets) certification.

Meiden Group's medium- to long-term environmental targets >

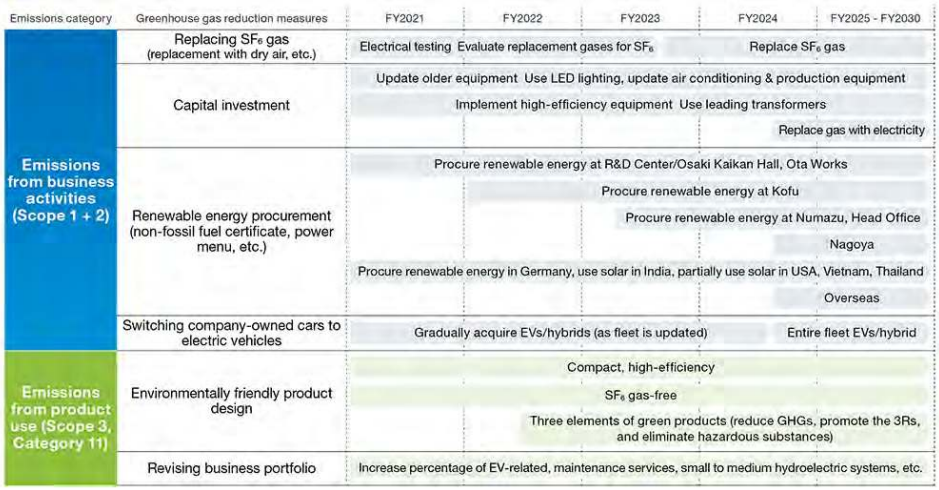
The carbon neutral transition plan

Meiden Group is taking the following actions to become carbon neutral by 2050.

1) Reducing emissions from business activities (Scope 1+2) Among our strategic facility investments such as switching from gas to electric power and making lighting, A/C equipment, and manufacturing equipment with more efficient fixtures, we are introducing internal carbon pricing (ICP) as a metric for determining investment within the Company. To accelerate our efforts to decarbonize in FY2023, we revised our price of carbon from 3,000 yen/t-CO_2 to 15,000 yen/t-CO_2. We also experienced power shortages last year and so redoubled our commitment to reducing energy consumption. We now have power-saving initiatives in place at all our offices and factories.
In addition to these efforts toward reducing the amount of energy we use, we also promote procuring renewable energy at multiple bases inside the Group, from Company factories through to the offices of Group affiliates.

2) Reducing emissions in the product use stage (Scope 3 Category 11)
The product use stage (Category 11) accounts for 80% of Meiden Group's Scope 3. We have drafted medium- and long-term targets for greenhouse gas emission levels in the product use stage (Category 11) and are tracking our levels of achievement. We have proposed plans to incorporate environmental considerations into our products (SF_6 gas-free, reducing product size, increasing efficiency, etc.) and updating our business portfolio (expanding low-carbon businesses) as ways to reduce emissions.

Transition plan for becoming carbon neutral



Promoting strategic environmental management >

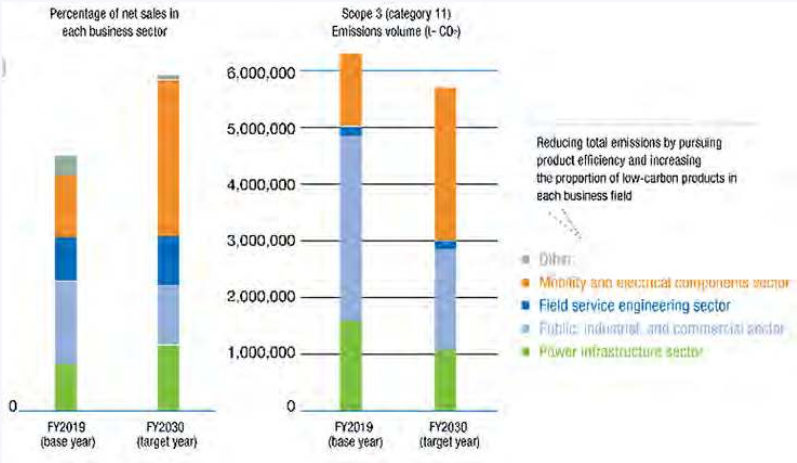
Future Path

Although we have identified the growth opportunities and risks facing the Meiden Group through analysis of scenarios based on the TCFD recommendations, in most instances, calculation of impact is merely a rough estimate, and further precision is needed. Furthermore, we are promoting response to climate-related metric categories across multiple industries in the TCFD recommendations, which require new disclosure. Along with this, we are considering establishing ESG (environment, social, and governance) metrics, incorporating them in our standards for calculating officers' remuneration, and further strengthening governance, in order to increase the effectiveness of sustainability management promotion.

TOPICS

Simulation of Business Portfolio Revision

During the formulation of the Meiden Group's FY2030 greenhouse gas emissions reduction targets, we conducted a simulation of net sales and emissions from a business portfolio revision regarding emissions in the product use stage (scope 3, category 11).



Meiden Group Scope 3, Category 11 Reduction Simulation

<Note: The above graph is an estimate from a simulation and does not amount to a commitment to a business plan>

We found that by increasing the ratio of low carbon businesses with low emissions per unit of sales such as EV, maintenance services, and small and medium-sized hydropower generation, and we had a potential to comfortably achieve both increased sales and reduced emissions.

TOPICS

Introducing Internal Carbon Pricing

Internal carbon pricing is a mechanism that creates an economic incentive to reduce emissions and promotes investment by setting a carbon price in the company and using it to calculate the cost of greenhouse gas emissions.

Meidensha introduced an internal carbon pricing system in April 2021. We will convert carbon emissions from capital investment plans to expenses using an internal carbon price through the system. It will be a tool to make investment decisions.

Combining reductions to our environmental burden with safety and productivity considerations when making investment decisions regarding the introduction of equipment will promote the reduction of greenhouse gas emissions across our various businesses.

- Internal carbon price: 15,000 yen/t- CO_2
- Subject to application: Capital proposals for FY2023 onwards

Prevention of Pollution and Effective Utilization of Resources

Policy

Commitment to Waste and Pollution Prevention

The Meiden Group is working to reduce the environmental impact of our domestic and overseas business activities, as well as reduce and properly manage hazardous substances, promote recycling of waste materials, and conserve water resources as stipulated in the President's Environmental Policy. Furthermore, we will take steps to maintain a recycling rate of roughly 90% in line with the target in our voluntary action plan for the electrical and electronics industry.

Promotion of Strategic Environmental Management >

Initiatives

Targets for Measures to Combat Waste and Pollution

The Meiden Group set targets to reduce the environmental impact of our products, services, and business activities, namely reducing the total volume of waste (1% YoY),[*1] maintaining a recycling rate of roughly 90%,[*2] and reaching a final disposal rate of 1% or less.[*2] Going forward, we will continue striving to promote recycling by promoting environmentally friendly design, product parts, and materials as well as the 3Rs of business-related waste.

*1 All domestic locations (except in construction divisions)

*2 Major production sites (domestic): Numazu Works, Ota Works, Nagoya Works, Plant Construction & Engineering Business Group, KOFU MEIDENSHA ELECTRIC MFG. CO., LTD., MEIDEN CHEMICAL CO., LTD., MEIDEN HOKUTO CORPORATION , MEIDEN ENGNIEERING CORPORATION, MEIDEN PLANT SYSTEMS CORPORATION, EAML Engineering, Co., Ltd.

Strategies, Initiatives, and Results Data

Targets and Initiatives for Reduction of Raw Material Usage

As a manufacturer that uses resources to provide our products and services, it is essential that we use those resources effectively.
At the Meiden Group, we practice eco-friendly procurement and work to mitigate the environmental impact of our domestic and overseas business activities and to design products that conserve and reuse resources.

Raw Material Input (Japan)

(ton)

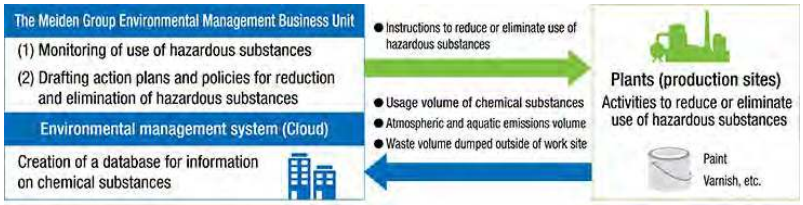
Raw Material	FY2020	FY2021	FY2022	FY2023
Iron	5,140	5,356	4,820	4,103
Copper	2,334	2,176	2,120	2,019
Plastic	781	789	864	805
Aluminum	226	223	266	217
Total	8,481	8,544	8,070	7,144

Tightening Management of Chemical Substances

We are working to conduct risk assessment of chemical substances used at production sites, etc., to improve the workplace environment, and reduce or substitute hazardous chemical substances with a substantial risk.

In order to prevent workplace accidents, health impairment, and fire or environmental pollution due to leakage or spillage of chemical substances, we routinely conduct patrols of sites where chemical substances are used to alert workers, and take corrective measures where the management status of chemical substances is found to be inappropriate.

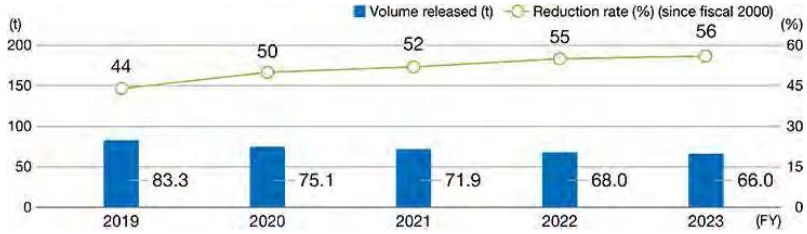
Tightening Management of Chemical Substances



Reduction of Volume of Volatile Organic Compounds (VOC) Released

In FY2023, we continued our replacement with low-VOC solvents, and we released 66 tons of VOC. Going forward, we will promote reduction of VOCs released through adoption of styrene-free varnishes, substitution with low VOC paint and solvents, introduction of airless spraying, and more.

Volume of VOCs Released and Reduction Rate (Japan)



Promotion of Disposal and Processing of Devices that Include PCBs

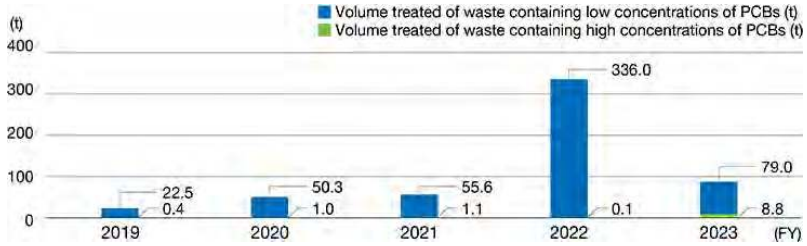
In accordance with the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Act), we are gradually disposing of devices that contain PCBs (polychlorinated biphenyls) such as transformers and condensers that were manufactured in the past and stored for nearly to 40 years.

In FY2023, we disposed of 8.8 tons of waste containing high concentrations of PCBs and treated 79.0 tons of waste containing trace amounts.

Since we began processing PCB waste in FY2007, through FY2023, we have disposed of approximately 114 tons of waste containing high concentrations of PCBs and treated about 813 tons of waste containing trace amounts. In FY2023, we finished the processing of registered waste containing high concentrations of PCBs.

Going forward, we will continue to work to comply with laws and treat PCB waste by the treatment deadline.

Volume Treated of Harmful Waste (Waste Containing PCBs)



Promoting the 3Rs for Waste (Reduce, Reuse, and Recycle)

Meidensha is working to recycle waste generated at production sites and offices.

In FY2023, although there was an increase in the amount of waste generated due to transient factors such as preparation for construction of a new main building at an affiliated company and organization of warehouses in the manufacturing division, the amount decreased slightly in the previous fiscal year due to a decrease in the amount of waste generated from on-site construction (debris and sludge).Going

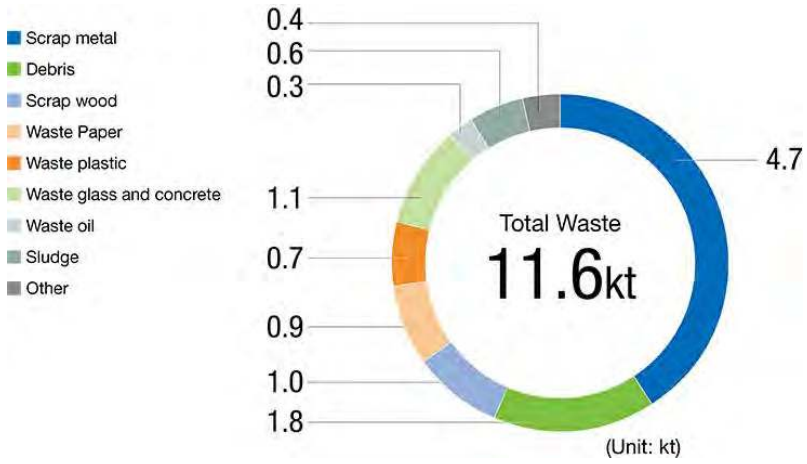
forward, we will continue to work to reduce the amount of waste generated and improve the recycling rate by continuing to promote the 3Rs.

Trends in Generation of Waste, etc., and Recycling Rate (Japan)

* Construction sludge, etc., is excluded from the amount of waste, etc., generated.

* Since FY2019, we have revised aggregation methods to improve the precision of recycling rate calculation.

Breakdown of Waste Generated in FY2023 (Japan)



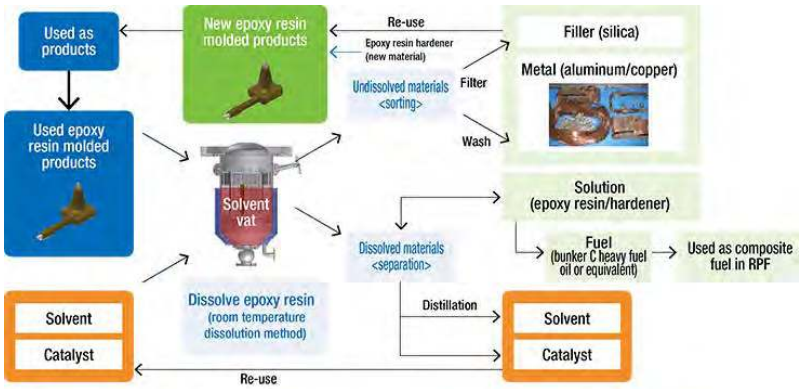
Collaboration with Other Companies to Reduce Waste and Resource Use

Recycling Epoxy Resin Molded Components

Meiden Chemical Co., Ltd., which is a group company involved with manufacture and sale of electrical insulators has realized the recycling of used epoxy resin molded components as raw materials by using a method of depolymerization under ordinary pressure, which separates the metal from the resin. Epoxy resin molded components are generally disposed of in landfill as they are considered difficult to recycle; however, Meiden Chemical Co., Ltd. has licensed the patented room temperature dissolution method from Showa Denko Materials Co., Ltd. (formerly Hitachi Chemical Co., Ltd.), which enables it to recycle 95% of existing components, as well as control cost than sending them to landfill. During recycling, we conduct lifecycle assessment (LCA) according to data obtained at the testing plant, which quantitatively assesses environmental impact if recycled and if not recycled.

In addition to insulating molded components, Meiden Chemical Co., Ltd. is working to roll out insulating material products as major flagships with features such as long-life resin for impregnation and environmentally friendly low-odor varnish.

Meiden Chemical Co., Ltd. is currently engaging in research such as extraction of rare metals by dissolving insulating varnish from superconducting coils and recycling of fiber-reinforced plastic to produce resources again.



Flow chart of dissolution recycling of epoxy resin molded components

Dissolution plant exterior

“Bottle to Bottle,” a Horizontal Recycling Initiative for PET Bottles

In October 2023, we launched the “Bottle to Bottle” initiative in collaboration with Coca-Cola Bottlers Japan Inc., Asahi Soft Drinks Co., Ltd., and National Vending Co., Ltd. to recycle used PET bottles from our head office and R&D Center into new PET bottles. The initiative is the first in Japan for which Coca-Cola Bottlers Japan and Asahi Soft Drinks are collaborating with an electronics manufacturer on horizontal PET bottle recycling.

Bottle to Bottle is a recycling system in which used PET bottles are collected, recycled, and reused repeatedly as PET bottles.

Used PET bottles from our head office and R&D Center are still collected by cleaning companies and beverage manufacturers and recycled into various products, but we have never been able to determine what they were ultimately recycled into. Under this new scheme, 100% will be recycled into beverage product containers in the future.

This should enable us to recycle more than 3 tons of used PET bottles annually, leading to a roughly 60% reduction of CO_2 emissions compared with the same amount of PET bottles manufactured using new fossil-based raw materials.

We will continue to promote Bottle to Bottle activities within the Meiden Group.

An eco-station

A Coca-Cola Bottlers Japan vending machine with wrapping featuring a message to recycle, installed for this initiative

Water Resources

Policy

The Meiden Group will work on implementing measures to promote water resource conservation activities by utilizing water resources efficiently and respond to water risk that impacts business activities, as a step toward conservation of the global environment and realization of a sustainable society.

We will contribute to the solution of a range of social issues relating to the conservation of water resources through our businesses.

Plan and Targets

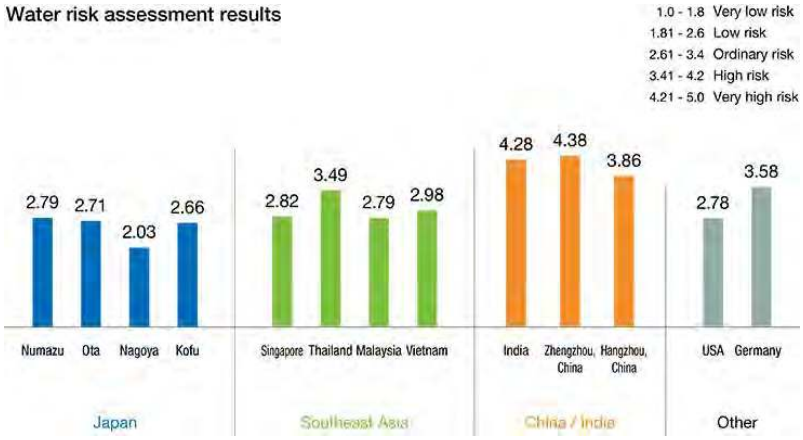
The Meiden Group includes “promotion of water reuse” and “water safety” as part of the medium- to long-term “Environmental Vision.” We will work to preserve water resources through water conservation and effective utilization of rainwater; take steps to respond to water risks such as water shortages, flood, and contamination; and improve sanitation.
The Meiden Group’s environmental target for FY2024 is to reduce water withdrawals in Japan by 1% from the previous year.

Risk Assessments

Water Risk Assessments

The Meiden Group conducts evaluation of water risk for initiatives to conserve water and comply with effluent standards. Using the Water Risk Filter, a water risk assessment tool distributed by the World Wide Fund for Nature, we assessed 14 production sites in 9 countries. We found that although domestic sites were within ordinary risk levels, more than half of overseas sites were located in high-risk areas. In particular, risks related to water quantity and quality assurance were found to be high. Some sites in India (Andhra Pradesh) and China (Zhengzhou) were found to be located in very high-risk areas. For these, we will take the optimal measures for each site based on assessment results.

Water Risk Assessment Results for Regions Where Production Bases are Located



Percentage of Production Sites and Volume of Water Withdrawn by Level of Water Risk (FY2023)

	Number of sites	Percentage of sites	Volume withdrawn (1,000 m^3)	Percentage of volume withdrawn
Very high risk	2	14%	39	2%
High risk	4	29%	17	1%
Ordinary risk	7	50%	1,693	96%
Low risk	1	7%	15	1%
Very low risk	0	0%	0	0%
Total	14	100%	1,765	100%

Achievements・Data

Water Withdrawals, by Source (Japan)

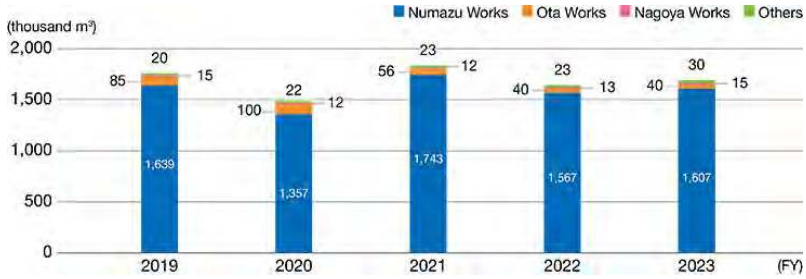
Water Withdrawals, by Source

	FY2019	FY 2020	FY 2021	FY 2022	FY 2023
Groundwater (1,000 m^3)	1,626	1,344	1,728	1,552	1,595
Industrial water (1,000 m^3)	70	87	43	22	27
Tap water (1,000 m^3)	63	59	63	69	71
Total (1,000 m^3)	1,759	1,490	1,834	1,643	1,693

* Water usage volume includes tap water, water for industrial use, and ground water.

* Measurement points were changed in fiscal 2021 in order to increase accuracy, there is no continuity with those in fiscal 2020 and before.

Water Withdrawals, by Production Site



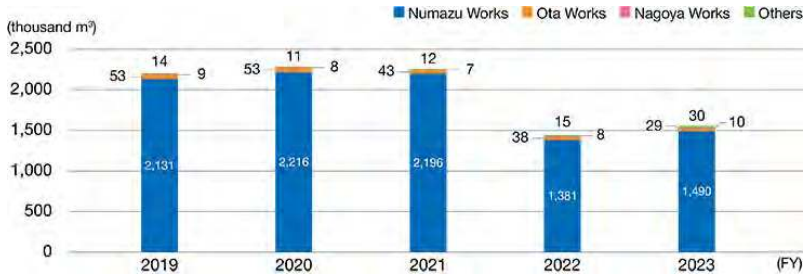
Trends in Effluent Volume (Japan)

We ensure legal compliance by establishing and applying at each site and subsidiary voluntary standards that are stricter than legal restrictions.

Effluent Volume, by Discharge Location

Discharge location	FY2019	FY2020	FY2021	FY2022	FY2023
Fresh surface water (1,000 m^3) Direct discharge to rivers, lakes, and marshes	2,189	2,273	2,241	1,421	1,527
Brackish surface water/seawater (1,000 m^3) Direct discharge to low-salinity water (brackish water) resulting from mix of seawater and freshwater, and to seawater	0	0	0	0	0
Groundwater (1000 m^3) Direct discharge underground	0	0	0	0	0
Third-party discharge locations (1000 m^3) Discharged by sewage and industrial waste disposal companies	17	15	17	20	31
Total (1,000 m^3)	2,206	2,288	2,258	1,441	1,559

Volume Discharged, by Production Site



Trend in Water Quality Data (Japan)

	FY2019	FY2020	FY2021	FY2022	FY2023
BOD	4,843 kg	6,424 kg	6,408 kg	4,474 kg	5,344 kg

Initiatives

Toward Conservation and Effective Utilization of Water Resources

Rebuilding water infrastructure facilities at production sites

More than 125 years have passed since the Meiden Group's founding, and the infrastructure facilities at our production sites have aged noticeably.

This is particularly true of the water infrastructure, which we are rebuilding as a special priority for BCP reasons.

At Numazu Works, one of our main production sites in Japan, we will begin building a large new combination water-purification tank in September 2024. To go with it, we are rebuilding the plant's water supply and factory effluent systems. Nagoya Works and Ota Works, two other major production sites in Japan, are likewise aging. Their updates will be planned and implemented in turn.

[Overview of Project to Rebuild Water Infrastructure]

(1) Remove 22 individual water-purification tanks to meet our obligation to make efforts related to Japan's Private Sewerage System Act and improve the quality of treated effluent

(2) Prevent leaks by bringing buried water supply pipes above ground (reduce water usage)

(3) Strengthen control of quality and quantity of treated effluent by separating the factory effluent system from rainwater

Initiatives to Conserve Water Resources through Our Business

In addition to design, construction, and execution of water treatment plants, the Meiden Group provides total support through to operation and maintenance as a general water treatment manufacturer, based on our record of involvement with construction and development of water and sewerage systems in Japan. We are contributing to the solution of a range of issues relating to the conservation of water resources through or water infrastructure systems business, which is one of our core businesses.

Order Taken for Tuas Water Reclamation Plant
Will Provide Ceramic Flatsheet Membranes with World's Largest Treatment Capacity of 97,500 m^3/Day

MEIDEN SINGAPORE PTE. LTD. (MEIDEN SINGAPORE) has received an order from Singapore enterprise Koh Brothers Building & Civil Engineering Contractor (Pte.) Ltd. for ceramic flatsheet membranes for an industrial effluent MBR* facility at the Tuas Water Reclamation Plant of the Singapore Public Utilities Board (PUB). This project is a new water reclamation plant to be built in western Singapore, scheduled for completion in 2025.

MEIDEN SINGAPORE will supply ceramic flatsheet membranes with a treatment capacity of 97,500 m^3/day to the plant. The Meidensha ceramic flatsheet membranes to be delivered can help to save energy and will offer high durability, excellent chemical resistance, and long life.

* MBR: Abbreviation of membrane bioreactor, a technology that separates activated sewage. It uses membranes instead of conventional settling tanks to separate treated water and activated sludge from

each other, thereby cleaning sewage and industrial effluent.

Under a 2010 memorandum of understanding (MOU) with PUB for the joint development of water treatment technology, we have been conducting a demonstration study on industrial effluent treatment at the Jurong Water Reclamation Plant. In 2014, a 4,550 m3/day demonstration plant began operating at the Jurong site. Highly concentrated industrial effluent that had previously been difficult to reclaim was successfully reused. PUB made note of the achievements, which led to the recent order for ceramic flatsheet membranes for the Tuas Water Reclamation Plant.

Tuas Water Reclamation Plant

©2021 PUB, Singapore's National Water Agency

Order Taken for Ceramic Flatsheet Membranes for Singapore Public Utilities Board Chestnut Avenue Waterworks; World's Greatest Treatment Capacity at 291,200 m^3/Day

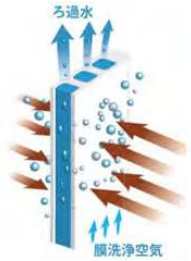
Overseas subsidiary Meiden Singapore Pte. Ltd. (Meiden Singapore) has taken an order from a Singaporean company to supply ceramic flatsheet membranes for the Chestnut Avenue Waterworks of the Singapore Public Utilities Board (PUB). The order is for ceramic flatsheet membranes with a treatment capacity of 291,200 m^3/day. The project is to replace the existing water purification system, which uses organic membranes, and is to be completed in 2026.

Meidensha ceramic flatsheet membranes to be supplied for the project will be housed in existing water tanks. This takes advantage of the characteristics of immersed-type membranes and minimizes installation costs. In addition, ceramic flat-sheet membranes offer excellent product durability, longevity, and energy efficiency. This makes them a highly economical choice, as they offer, for example, lower running costs (maintenance and membrane replacement costs) compared to the existing organic membranes.

Singapore, where water supply stability is a national concern, is a core base for Meidensha's ceramic flat-sheet membrane business. As such, Meidensha has conducted demonstration research at various water treatment plants in Singapore. In addition to our continued assistance in securing water resources and a stable supply of water, Meidensha also seeks to contribute to the Global Hydrohub initiative of Singapore's government.

■About Ceramic Flatsheet Membranes

Appearance of ceramic flatsheet membrane



Cross-section diagram showing sewage filtration with ceramic flatsheet membrane

- Ceramic flatsheet membranes contain countless pores invisible to the human eye. The pores filter out impurities as sewage passes through.
- The 6-mm-thick ceramic flatsheet membrane has a hollow structure and collects clean filtered water through a collecting tube on the inner side.

Water Resource Conservation R&D

Along with climate change, limited water resources is a global issue. The Meiden Group seeks to help solve water issues around the world so that water can be used sustainably. This is why we are developing our water infrastructure and ceramic flatsheet membrane businesses and actively investing in research and development.

Amount Invested in Water Infrastructure and Ceramic Flatsheet Membrane Business R&D

	Unit	FY2021	FY2022	FY2023
Amount invested in water infrastructure and ceramic flatsheet membrane business R&D	Million yen	1,026	1,075	1,035

Development of Sewage Biomarker Sensors for Real-Time Infectious Disease Monitoring: Selected for FY2024 Ministry of Land, Infrastructure, Transport and Tourism B-DASH (Feasibility Study)

In March 2024, Meidensha and partners Nihon Suido Consultants Co., UNIADEX, Ltd., SANKI ENGINEERING CO., LTD., NSC Tech Co., Ltd., Tohoku University Graduate School of Engineering, and Sendai city proposed a project under the FY2024 Ministry of Land, Infrastructure, Transport and Tourism B-DASH (Feasibility Study[*1]) and our proposal was selected.

At present, the trend of infectious diseases is being grasped using the results of sewage surveys around the world. However, the concentration of viruses in sewage is generally very low, and detection requires concentration, gene extraction and amplification. Therefore, the current situation is that it lacks real-time capability to grasp the trend of infectious diseases. In this research, we will develop a sensor technology for infectious disease-related protein biomarkers that are present in sewage at higher concentrations than viruses, and realize real-time infectious disease information monitoring from sewage by integrating IoT technology.

Key Points of This Research

- Identification of sewage biomarkers to track patients with infectious diseases:
  We will work to identify biomarkers in sewage for COVID-19, seasonal influenza, infectious gastroenteritis, and respiratory syncytial virus infections.
- Development of real-time monitoring sensors for sewage biomarkers:
  We will work to develop biosensors to detect biomarkers associated with infectious diseases in sewage.
- Construction of real-time sewage data sharing system:
  We will work so that infectious disease detection results found by sewage biomarker sensors will be immediately displayed on a DX platform for sharing sewage data. (This platform was previously established in an FY2022 Cabinet Office project[*2]).

Future Development

The Ministry of Land, Infrastructure, Transport and Tourism has promoted the use of sewage information as a national policy, including the establishment of guidelines for the use of such information. Compared to existing methods, the outcomes of this research could have significant advantages in terms of real-time performance and cost. We believe that this will enable the use of sewage information to become established and expand elsewhere. Meidensha and the other members of the joint research team will continue conducting research with the goal of adding even more value to sewage information.

*1 Feasibility study: A survey to examine the possibility of dissemination, including the effects of introduction, and to confirm the technical performance, etc., as a preliminary step to the demonstration project.

*2 A project that demonstrated methods for the effective use of sewage information by local governments and a sustainable system for the use of such data (FY2022, Cabinet Secretariat).

Partnerships with Outside Parties

The Meiden Group, in cooperation with its stakeholders in Japan and overseas, will pursue manufacturing that contributes to resolving issues such as Sustainable Development Goal 6 (CLEAN WATER AND SANITATION) and Goal 14 (LIFE BELOW WATER), realizes sustainable value creation, and works to resolve social issues.

Participation in Initiatives

CDP (Water Security)

Through our participation in initiatives, Meidensha is promoting water resource conservation activities through the efficient use of water resources and measures against water risks that affect business activities.

CDP Water Security is an international NGO that operates a global disclosure system for corporate water risks. Meidensha has been participating by responding to the organization's questionnaire since 2017.

We received a "B" rating from CDP Water Security in 2023.

Biodiversity

Policy

Policy on the Conservation of Biodiversity

The Meiden Group relies on the blessings of nature, which has biodiversity at its core, while its activities also have an effect on the natural environment. The Meiden Group aims to minimize this impact, create new symbiotic relationships, and contribute to the creation of a sustainable society.

The Meiden Group understands that the conservation of biodiversity is a major issue to be faced in order to achieve a sustainable society, hence reflects its ethos on biodiversity conservation in the Meiden Group's "Basic Environmental Philosophy," "Environmental Policies," and "Environmental Vision."

Furthermore, we have drafted guidelines on the conservation of biodiversity in order to clearly state the relationship between our business activities and preserving biodiversity and we are applying them in our business activities.

Meiden Group Biodiversity Guidelines

Basic Policy

We understand that our business activities benefit from the blessings of nature and at the same time, give various environmental impacts. We will deepen our people's understanding of the importance of "Conserving Biodiversity" and contribute to realizing a sustainable society through our products and innovative technologies.

Action Guidelines

① We will contribute to conserving biodiversity through the development and supply of environmentally conscious products and innovative related technologies and thus promote our water processing business and renewable energy-related business and reduction of the use of hazardous chemical substances in our products.

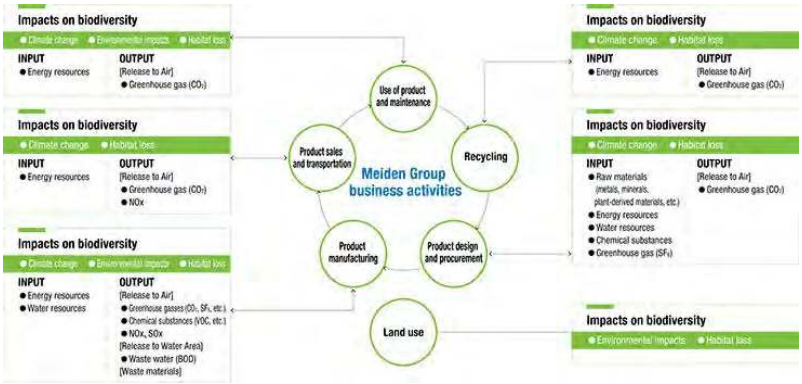
② We will clarify how our business activities interrelate with biodiversity and we will help to conserve biodiversity by reducing the environmental impacts of our business activities.

③ We will comply with applicable laws, regulations, and international rules relating to biodiversity.

④ We will deepen our people's understanding of "Conserving Biodiversity" and we will take voluntary related initiatives at home and abroad.

⑤ We will undertake activities in cooperation with our stakeholders such as local communities, non-profit organizations (NPOs), non-governmental organizations (NGOs), governments, etc., and we will promote environmental communication with such activities' information.

Map of Relationships Between Business Activities and Biodiversity



* This map is based on the Business & Biodiversity Interrelationship Map® of the Japan Business Initiative for Biodiversity (JBIB).

Information Disclosure Based on Taskforce on Nature-related Financial Disclosures (TNFD)

The TNFD is a framework for corporations and financial institutions to manage and disclose risks and opportunities in relation to nature and biodiversity. It aims to channel the flow of financial resources in nature-positive directions. The framework consists of 14 recommendations (recommended disclosures) under the four pillars :"Governance", "Strategy", "Risk and impact management", and "Indicators and targets".

The TNFD framework is the subject of ongoing discussions at Meidensha through the working group on biodiversity of four electrical and electronics organizations.* Going forward, we will continue to identify, evaluate and address nature-related risks and opportunities in our direct operations and supply chains.

* The Japan Electrical Manufacturers' Association (JEMA), the Japan Electronics and Information Technology Industries Association (JEITA), the Communications and Information network Association of Japan (CIAJ), and the Japan Business Machine and Information System Industries Association (JBMIA)

Initiatives

The Meiden Group is actively conducting protection and conservation activities in conjunction with local residents for nearby creatures, etc., on Meiden property and elsewhere, at each location.

A Head Office Building That is Considerate of Biodiversity

The ThinkPark Tower head office building in Osaki, Shinagawa City, Tokyo, is surrounded by the ThinkPark Forest on a block that is approximately 40% greenery. It is an oasis in the city and provides a relaxing space for employees and the local community.

Also, the Kazenomichi Path, which was designed so that the prevailing wind blows from the Meguro River and Tokyo Bay, provides relief from the heat island effect. ThinkPark Forest has been certified as an

“urban oasis” by the Social and Environmental Green Evaluation System (SEGES).*

* A certification system for evaluation of green initiatives.

SEGES (Only Japanese)

ThinkPark Tower

ThinkPark Forest

Initiatives at Each Site for the Conservation of Biodiversity

At each site of the Meiden Group, we are working to conserve biodiversity on the grounds of each site and nearby.

Head Office Area

Ikimono Log (Living Nature Log)

In the head office area of Osaki, Shinagawa Ward, Tokyo, we take pictures of the organisms that live in the vicinity of the head office building and post them on the Ikimono Log (Living Nature Log) website operated by the Ministry of the Environment. We hope to create a database with information on the organisms that live in the area.

Brown-eared bulbul

Warbling white eye

Asian swallowtail butterfly

いきものログ

Click here to view Ikimono Log. (Only Japanese)

Osaki-no-Mori Nature Observation Events

We provide elementary school students near our head office with opportunities to interact with nature as they search for cicadas living in the area.

Participation in Ohana Ippai Osaki Activities

At head office and a group company (Meiden Engineering Corporation), we prepared soil in flower beds near Osaki Station, which are managed by Osaki Machi Unei Kyougikai, along with co-sponsors. Going forward, we will continue to actively participate in activities that leave abundant nature for future generations.

Numazu Works

The Numazu Works is blessed with the bounty of nature such as a green zone (area = approximately 65,000 m2) and groundwater. We are conducting activities to use these natural resources in a sustainable manner and contribute to the community.

Maintaining Biotopes

Through the survey of organisms, we discovered Atrocalopteryx atrata dragonflies, which are classified as class II endangered species, at the Numazu Works. We are maintaining a good biotope in the hope that the dragonflies will lay their eggs.

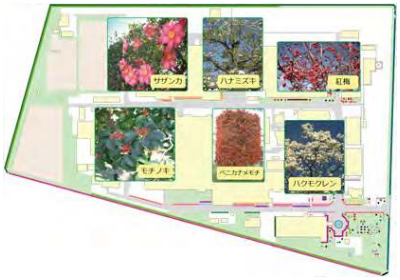
Cleanup at Senbonhama Beach

In November 2023, we carried out a cleanup at Senbonhama Beach in Numazu city as a joint effort with nearby companies.

Ota Works

Botanical Survey of On-Site Green Zone

At the Ota Works, we conducted an on-site botanical survey and found more than 30 varieties of trees. We included the results of the survey on the Ota Works Green Zone Map and we will apply the knowledge gained for future utilization of the green zone.



Ota Works Green Zone Map

Kanayama Red Pine Grove Conservation Activities

The red pine grove in Kanayama is the most well-known natural landscape in Ota City. Kanayama Castle was created using the natural contours of Kanayama and it is a precious historic site that is listed in the top 100 castles in Japan. The Ota works is registered as part of the “red pine managing owner system” and we work to conserve the red pine grove by participating in activities such as weeding.

The Biodiversity Working Group, the Four Electrical and Electronic Industry Associations

Meidensha has participated in the Biodiversity Working Group, a group consist of four electrical and electronic industry associations, since its inception in FY2011. As a member of the industry, we are promoting our biodiversity initiatives through the activities of the working group and enhancing our own efforts.

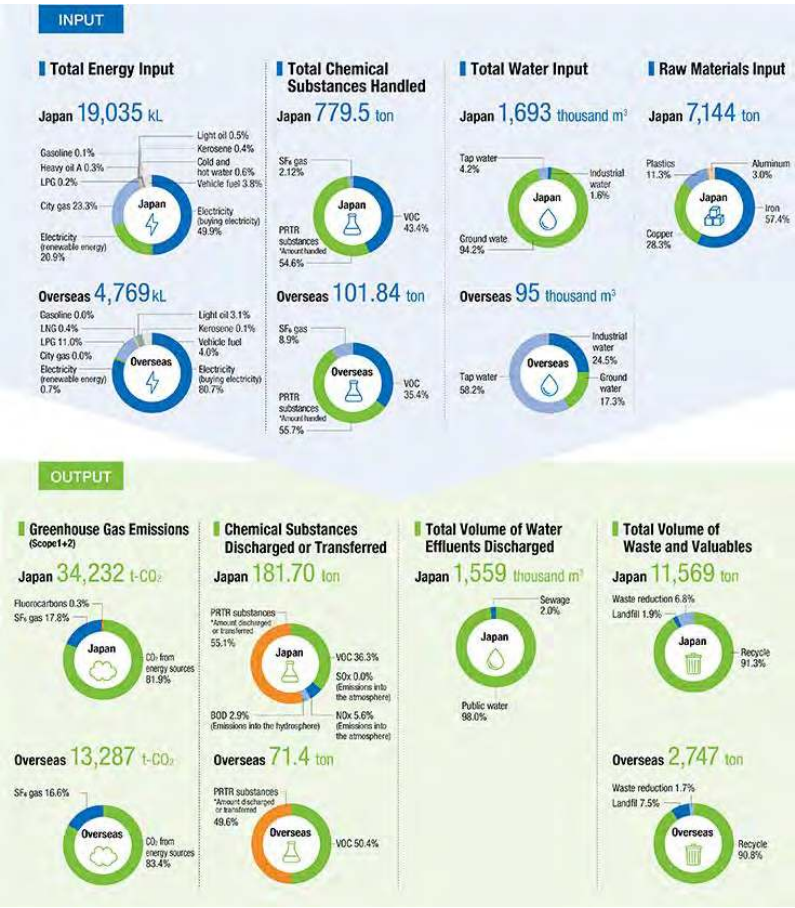
Click here to view information on the Electronic Industry Associations Biodiversity Working Group.

Overview of Environmental Impacts by Our Business Activities

The Meiden Group finds out the overview of environmental impacts by our business activities and uses this information to plan specific activities.

Overview of Environmental Impacts by Our Business Activities (FY2023)

Our rate of use of major resources (INPUT) and our environmental impacts from our business activities (OUTPUT) are shown below



Environmental Impact Data (FY2023) From the Four Main Manufacturing Sites (Domestic Manufacturing Sites)

Numazu Works

Message From the Environmental Manager

The Numazu Works is the main factory of the Meiden Group and conducts development, design, and manufacture of supervisory control equipment, power conversion equipment, power transformers and distribution panels , motor control equipment(inverters), electronic products, and surge arresters, development of software for integrated control devices and standalone, and on-site installation, and after-sales service for products.

At Numazu Works, we are promoting efficient energy use through capital investment and reform of equipment operation, and since July 2023 we have been obtaining 20% of our electricity from CO_2-free sources to reduce greenhouse gas emissions. We are also advancing replacement of SF_6 gas with dry compressed air, as a measure to reduce emissions of SF_6 gas, which is a particularly potent greenhouse gas, in the product testing process.

Additionally, to comply with the purposes of the Building Standards Act (one water-purification tank per site) and the Private Sewerage System Act (obligation to make efforts to convert individual water-purification tanks to combination water-purification tanks), and to avoid the risk of process wastewater spills, a complete upgrade on the wastewater system at the plant began in FY2022.

The upgrades to the wastewater system at the plant continue to make strides into FY2024.

Numazu Works, Environmental Manager, Masanori Fukumoto

Environmental Impact Data (FY2023)

Numazu Works

INPUT		
Energy		
Total energy input	9,711	kL
>Electricity	6,941	kL
>>Electricity from renewable energy	1,152	kL
>City gas	2,687	kL
>LPG	12	kL
>Heavy oil A	14	kL
>Gasoline	14	kL
>Light oil	0.3	kL
>Kerosene	2.5	kL
Cold and hot water	0	kL
Vehicle fuel	40	kL
Equipment subject to internal carbon pricing	259	Millions of yen
Chemicals		
SF_6 gas	16,520.6	kg
VOC	40.7	ton
Amount of PRTR substances* handled	73.1	ton
Water		
Water input volume	1,607.2	thousand m³
>Tap water	25.2	thousand m³
>Industrial water	0	thousand m³
>Groundwater	1,582	thousand m³

OUTPUT		
Greenhouse gases		
Greenhouse gases (Scope 1)	11,095	t-CO_2
>CO_2 attributable to energy use	4,960	t-CO_2
>SF_6 gas	6,106	t-CO_2
>CFCs	29.1	t-CO_2
Greenhouse gases (Scope 2)	10,129	t-CO_2
>CO_2 attributable to energy use	10,129	t-CO_2
Reduction benefit from internal carbon pricing	62	t-CO_2
Chemicals		
VOC (Emissions to air)	39.0	ton
SOx (Emissions to air)	16.4	Kg
NOx (Emissions to air)	6,601	Kg
BOD (Emissions to air)	5,108	kgBOD
Amount of PRTR substances* released or transferred	53.9	ton
Water		
Effluent amount	1,490.5	thousand m³
>Drained to sewer	3.7	thousand m³
>Drained to public waters	1,487	thousand m³
Waste		
Waste emissions volume	3,198.4	ton
>Recycling volume	2,695.6	ton
>Final disposal volume	28.8	ton
>Volume reduction volume	474.0	ton

Ota Works

Message From the Environmental Manager

The Ota Works conducts development and manufacture of large electric generators, power generation equipment, dynamometer systems, and control equipment, etc.

In addition to previous environmental activities, this year, we procured CO_2-free electricity and achieved zero greenhouse gas emissions from electricity consumption. We will continue working to reduce our environmental impact and achieve the SDGs.

Ota Works, Environmental Manager, Manabu Fujikawa

Environmental Impact Data (FY2023)

Ota Works

INPUT		
Energy		
Total energy input	1,999	kL
>Electricity	1,488	kL
>>Electricity from renewable energy	1,488	kL
>City gas	349	kL
>LPG	8	kL
>Heavy oil A	32	kL
>Gasoline	1	kL
>Light oil	68	kL
>Kerosene	33	kL
Cold and hot water	0	kL
Vehicle fuel	20	kL
Equipment subject to internal carbon pricing	0	Millions of yen
Chemicals		
SF_6 gas	0	kg
VOC	20.9	ton
Amount of PRTR substances* handled	20.8	ton
Water		
Water input volume	40.4	thousand m^3
>Tap water	13.3	thousand m^3
>Industrial water	27.1	thousand m^3
>Groundwater	0	thousand m^3

OUTPUT		
Greenhouse gases		
Greenhouse gases (Scope 1)	1,086	t-CO_2
>CO_2 attributable to energy use	1,049	t-CO_2
>SF_6 gas	0	t-CO_2
>CFCs	36.8	t-CO_2
Greenhouse gases (Scope 2)	0	t-CO_2
>CO_2 attributable to energy use	0	t-CO_2
Reduction benefit from internal carbon pricing	0	t-CO_2
Chemicals		
VOC (Emissions to air)	11.2	ton
SOx (Emissions to air)	41	Kg
NOx (Emissions to air)	501	Kg
BOD (Emissions to air)	104	kgBOD
Amount of PRTR substances* released or transferred	16.8	ton
Water		
Effluent amount	28.8	thousand m^3
>Drained to sewer	0	thousand m^3
>Drained to public waters	28.8	thousand m^3
Waste		
Waste emissions volume	607.6	ton
>Recycling volume	510.4	ton
>Final disposal volume	5.4	ton
>Volume reduction volume	91.8	ton

Nagoya Works

Message From the Environmental Manager

The Nagoya Works develops and manufactures logistics and transportation products and ceramic membranes used for water treatment and has manufactured integrated motor and inverter units for EVs since FY2020.

In FY2023, production of inverter units for EVs and ceramic membranes increased, resulting in higher emissions of greenhouse gases. However, we worked to achieve efficient equipment operation, and emissions per unit of production were improved. As the rate of decarbonization is increasing and technology for electrification, computerization, and artificial intelligence of electric vehicles is evolving rapidly, Nagoya Works will focus on electrification and contribute to society.

Nagoya Works, Environmental Manager, Tomohisa Asakura

Environmental Impact Data (FY2023)

Nagoya Works

INPUT		
Energy		
Total energy input	2,628	kL
>Electricity	1,562.6	kL
>>Electricity from renewable energy	0.0	kL
>City gas	1,058.5	kL
>LPG	0.1	kL
>Heavy oil A	0.0	kL
>Gasoline	0.0	kL
>Light oil	0.0	kL
>Kerosene	1.6	kL
Cold and hot water	0.0	kL
Vehicle fuel	5.2	kL
Equipment subject to internal carbon pricing	0	Millions of yen
Chemicals		
SF_6 gas	0	kg
VOC	0.5	ton
Amount of PRTR substances* handled	8.2	ton
Water		
Water input volume	15.4	thousand m^3
>Tap water	6.3	thousand m^3
>Industrial water	0	thousand m^3
>Groundwater	9.1	thousand m^3

OUTPUT		
Greenhouse gases		
Greenhouse gases (Scope 1)	1,893	t-CO_2
>CO_2 attributable to energy use	1,887	t-CO_2
>SF_6 gas	0	t-CO_2
>CFCs	5.7	t-CO_2
Greenhouse gases (Scope 2)	3,217	t-CO_2
>CO_2 attributable to energy use	3,217	t-CO_2
Reduction benefit from internal carbon pricing	0	t-CO_2
Chemicals		
VOC (Emissions to air)	0.2	ton
SOx (Emissions to air)	0	Kg
NOx (Emissions to air)	2,962	Kg
BOD (Emissions to air)	129	kgBOD
Amount of PRTR substances* released or transferred	7.8	ton
Water		
Effluent amount	9.5	thousand m^3
>Drained to sewer	0	thousand m^3
>Drained to public waters	9.5	thousand m^3
Waste		
Waste emissions volume	806.5	ton
>Recycling volume	761.2	ton
>Final disposal volume	23.4	ton
>Volume reduction volume	21.9	ton

KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.

Message From the Environmental Manager

Since its foundation in 1943, KOFU MEIDENSHA ELECTRIC MFG. CO., LTD. has been manufacturing small and medium-capacity industrial motors and forklift motors, and has been manufacturing EV motors since 2009.

We reduced energy demand in our manufacturing process in FY2023, but the impact of abnormally hot weather caused overall energy consumption to remained unchanged versus FY2022. Each site worked to achieve efficient equipment operation and emissions per unit of production were improved. In addition, since FY2022, we have been sourcing renewable electricity for 30% of the electricity we use as we work to reduce greenhouse gas emissions.

KOFU MEIDENSHA, Environmental Manager, Oda Shigehiro

Environmental Impact Data (FY2023)

KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.

INPUT		
Energy		
Total energy input	1,918	kL
>Electricity	1,592	kL
>>Electricity from renewable energy	518	kL
>City gas	318	kL
>LPG	0.4	kL
>Heavy oil A	0	kL
>Gasoline	0	kL
>Light oil	0	kL
>Kerosene	0	kL
Cold and hot water	0	kL
Vehicle fuel	7.2	kL
Equipment subject to internal carbon pricing	0	Millions of yen
Chemicals		
SF_6 gas	0	kg
VOC	39.1	ton
Amount of PRTR substances* handled	36.0	ton
Water		
Water input volume	10.7	thousand m^3
>Tap water	6.7	thousand m^3
>Industrial water	0	thousand m^3
>Groundwater	4.0	thousand m^3

OUTPUT		
Greenhouse gases		
Greenhouse gases (Scope 1)	589	t-CO_2
>CO_2 attributable to energy use	581	t-CO_2
>SF_6 gas	0	t-CO_2
>CFCs	7.7	t-CO_2
Greenhouse gases (Scope 2)	1,879	t-CO_2
>CO_2 attributable to energy use	1,879	t-CO_2
Reduction benefit from internal carbon pricing	0	t-CO_2
Chemicals		
VOC (Emissions to air)	15.2	ton
SOx (Emissions to air)	0	Kg
NOx (Emissions to air)	0	Kg
BOD (Emissions to air)	0	kgBOD
Amount of PRTR substances* released or transferred	13.9	ton
Water		
Effluent amount	10.7	thousand m^3
>Drained to sewer	10.7	thousand m^3
>Drained to public waters	0	thousand m^3
Waste		
Waste emissions volume	783.1	ton
>Recycling volume	771.5	ton
>Final disposal volume	0.006	ton
>Volume reduction volume	11.6	ton

Promotion of Environmental Communication

Policy

The Meiden Group engages in two-way communication with all our stakeholders, which is intrinsically linked to the development of our environmental activities. We also actively disclose information on our activities and their results.

Initiatives

Promotion of Environmental Communication

The Meiden Group is working to create relationships of trust in order to remain to be a company that is needed by society.

We actively release information concerning our environmental conservation activities and environmental impact through our website. We reflect the opinions and needs expressed by our stakeholders in the Meiden Group's environmental activities and environmental training.

Environmental Communication Organization Chart

Initiatives

Participation in WIPO GREEN International Platform for Environmental Technology

Meidensha has participated as a partner business in WIPO GREEN since March 2022. The international platform is operated by the World Intellectual Property Organization (WIPO) of the United Nations to promote the use and diffusion of environmental technologies.

We have also registered certain of our environmental technologies and related patents in the WIPO GREEN database. These include an ecotank-type vacuum circuit breaker that does not use greenhouse gases, a ceramic flat-sheet membrane for water treatment devices that contributes to the effective use of water resources, and a charging and discharging device for battery testing that improves accuracy and efficiency in battery research and evaluation.

We will continue to register Meidensha's environmental technologies and disseminate them widely around the world through WIPO GREEN. This will give more people the opportunity to use them and help achieve a sustainable society by, for example, decarbonizing society and adapting to climate change.

[About WIPO GREEN]
Established by WIPO in 2013, WIPO GREEN is an online platform that promotes the transfer of environmental technologies by connecting providers of such technologies with those who wish to use them. The platform maintains a registry of environmental technologies and needs for such technologies around the world.

[WIPO GREEN Partners]
WIPO GREEN Partners are members of the WIPO GREEN Advisory Board that work with WIPO to guide the activities of the WIPO GREEN platform. They include public and private organizations who support, advise, and otherwise work on behalf of WIPO GREEN.

Partner of
WIPO GREEN

WIPO GREEN database List of our registered technologies（as of October, 2024）

Registered technology (product)	Month & year registered
Ecotank-type vacuum circuit breaker	February 2022
Ceramic flat-sheet membrane for water treatment devices	December 2022
Charging and discharging device for battery testing	February 2024

March 28, 2022
Meidensha Begins Participation as a Partner Business in WIPO GREEN Environmental Technologies Platform

February 29, 2024
Meidensha's Charging and Discharging Device for Battery Testing Newly Registered to WIPO GREEN Environmental Technologies Platform

Cooperation with WIPO GREEN | Ministry of Economy, Trade and Industry, Japan Patent Office（Only Japaese）

Foster Environmental Awareness

Policy

The Meiden Group believes that increasing each person's environmental awareness leads to environmental contributions to society.

Initiatives

Foster Environmental Awareness

We conduct education relating to environmental initiatives such as environmental management and environmentally conscious design as part of the regular curriculum for employee education, which is conducted for each level of employee such as new employees, new managers, and candidates for executive roles.

Furthermore, we promote environmental activities at each site, conduct internal auditor education, etc., for personnel that are involved with work that impacts the environment, and conduct specialist education as necessary.

Environmental Education (e-learning) for All Meiden Group Staff

Each year, we conduct environmental education for all staff of the Meiden Group, including officers, through e-learning. In FY2023, we gave training on Japan's Plastic Resource Circulation Act, which went into effect in April 2023 and on the topic of "Energy Conservation in the Meiden Group" to further promote Group energy conservation initiatives. Of Meiden Group employees, 83. 8% took the course online, and educational materials were shared with subject employees who were unable to take the course online.

Following are examples of comments and impressions of employees who took the training.

<Trainee impressions>

- I'd already known about the Revised Energy Conservation Act, but now I understand it in more detail.
- This inspires me to do more to conserve energy so the objectives of the Energy Conservation Act can be achieved.
- I want to think more about investing in energy conservation, as there are limits to what individual employees can do.

Promoting Acquisition of Certification Test for Environmental Specialists (Eco Test)® Certification

We promote acquisition of Certification Test for Environmental Specialists (Eco Test)® certification provided by the Tokyo Chamber of Commerce and Industry, and provide support for examination costs and provide sample questions, etc., through e-learning. In the January test in FY2022, our pass rate was 88%. We have 910 Eco Test certification holders as of March 2023. We will provide a bonus from FY2022 to FY2024 for people who have acquired qualifications, as part of promoting acquisition of qualifications.

* Eco Test® is a registered trademark of the Tokyo Chamber of Commerce and Industry.

Specialist Education

We conduct specialist education as necessary at each site, conduct internal auditor education, etc., for employees that promote environmental activities or are involved with work that impacts the environment. In FY2023, we gave training for factory staff on such topics as carbon neutrality and management of chemicals in products. In addition, we gave training on ISO 14001 (a standard on environmental management systems) for staff at branch offices and divisions of the Head Office.

Education Concerning Environmental Laws

We also teach employees about environmental laws and regulations as part of compliance training. In FY2023, we gave lectures on chemical management, Japan's Waste Disposal Act, PCB Special Treatment Act, and Water Pollution Prevention Act. By looking at case studies of violations, we remind trainees of the importance of legal compliance.

Sustainability Management Seminars for Management-Level Employees

Since FY2017, we have been inviting outside experts to hold sustainability management seminars for management. Topics have included the SDGs, ESG investment, TCFD, and SBTs.

Meidensha promotes sustainability management by deepening our understanding of social trends and the environmental initiatives that corporations need to take.

Results Data

Environmental Education Results (FY2023)

Content	Times conducted	Number of participants	Outline
Environmental education (e-learning)	1	7,160	• Energy Conservation in the Meiden Group
Specialist education	11	—	• Carbon neutrality training • Training on management of chemicals in products • Group-wide internal environmental auditor training • ISO 14001 training

Content	Times conducted	Number of participants	Outline
Education concerning environmental laws	4 & shared by video	4,949	• Laws relating to the environment • Examples and causes of contraventions • Meidensha's compliance status • Management of chemical substances according to law • The PCB Special Treatment Act • The Waste Disposal Act • Water Pollution Prevention Act

Social

Product Responsibility

Product Responsibility >

Quality Policy >

Quality Assurance System >

Strengthening Quality Control >

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

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

Supply Chain Management

Supply Chain Management >

Promotion of Sustainability that Involves the Entire Supply Chain >

Risk Evaluation >

Building a Sustainable Supply Chain >

Communication with Business Partners >

Increasing Business Partners Engagement >

Enhancing Group Procurement Systems (education of procurement managers) >

Participation in Initiatives >

Human Rights

Human Rights >

Thoughts on human rights >

The Meiden Group Human Rights Policy >

Promotion Framework >

Human Rights Due Diligence >

Relief and Remedy >

Promoting Respect for Human Rights through Our Business Activities >

Human Rights Education for Officers and Employees >

Occupational Safety and Health, Health & Productivity Management

Occupational Safety and Health >

Initiatives Based on Top Management's Safety and Health Management Policy >

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

Supervision of Safety and Health Led by Top Management >

FY2023 Results >

Occupational Safety and Health Management System >

Health and Safety Risk Assessments >

Safety and Health Indicators >

Safety and Health Initiatives >

Health & Productivity Management >

The Meiden Group Health & Productivity Management Policy Statement >

Meiden Group Health & Productivity Management Strategy Map >

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

Results of Occupational Safety and Health Initiatives (FY2023) >

Health & Productivity Management Indicators (only Meidensha) >

Health Training Attendees (Whole Group) >

Initiatives Aimed at Health and Productivity Management Going Forward >

Programs for Preventing and Managing Global Health Issues (Handling of International Travelers) >

Community

Community >

Policy on Local Employment and Procurement >

Social Contribution Policies >

Environmental Protection >

Developing the Next Generation >

Community Contributions >

DX Strategy

DX Strategy >

DX at the Meiden Group >

Our Ideal >

Product Responsibility

Policy

Quality Policy

Basic Policy

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

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

Plan and Targets

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

Organization

Quality Assurance System

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

Quality Assurance System

Quality Assurance Activities and Quality Risk Management

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

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

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

Response Flow for Quality Issues

ISO 9001 Acquisition Record (as of FY2023)

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

Quality Activity Cycle

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

Quality Activity Cycle

Initiatives

Strengthening Quality Control

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

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

(1) Reducing defects in outsourced and purchased products

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

(2) Reducing defects from insufficient consideration and inattention

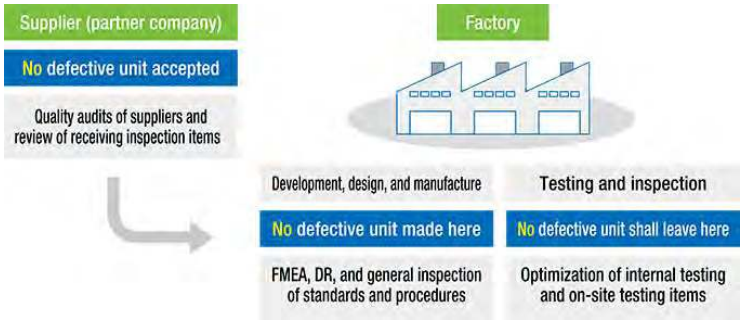
Reduce defects caused by insufficient consideration: Use design FMEA and process FMEA to better identify risks, thereby preventing defects caused by insufficient consideration.
Reduce defects caused by inattention: Reconsider QR maps, procedures, and standards and ensure that workers understand them, thereby preventing human error.

(3) Reducing internal defects

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

(4) Preventing outflow of defects

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



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

Improvement at the Supplier Management Level

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

Reform of Receiving Inspection Items

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

Identification of 3H* Risks and Response Measures

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

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

Improved Quality of DR (design review)

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

Utilizing the past defect cases

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

Establishing and Complying with Standards and Procedures

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

Preventing Outflow of Defects

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

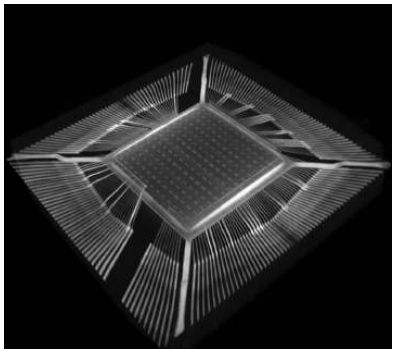
Analysis Technology to Prevent Defects for Parts and Materials

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

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

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

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



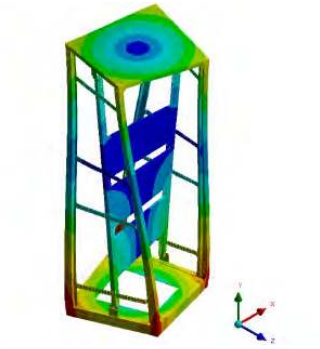
X ray transmission observation of electronic components

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

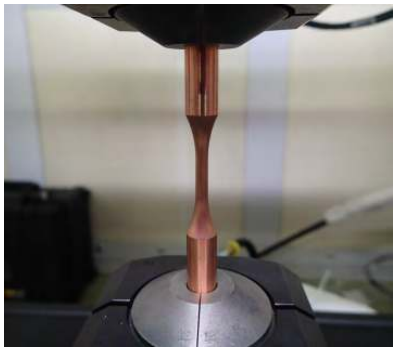
Coexistence of Limit State Design and Product Quality

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

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



Structure analysis of switchboard



Ultra-high cycle fatigue testing of copper

Activities to Prevent Defects in Mass-produced Products

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

(1) Manufacturing automation: Improve automation and eliminate human error

(2) Image analysis: Detect missing goods, detect position of screw holes and cables, manage fastening positions, etc.

(3) Temperature management: Manage shrink-fitting conditions and manage adhesive setting conditions, etc.

(4) Centralized process data management: Link with a traceability database

Expansion of Remote Product Inspection Before Shipping

Due to the impact of the COVID-19 pandemic, it has become difficult to conduct pre-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.

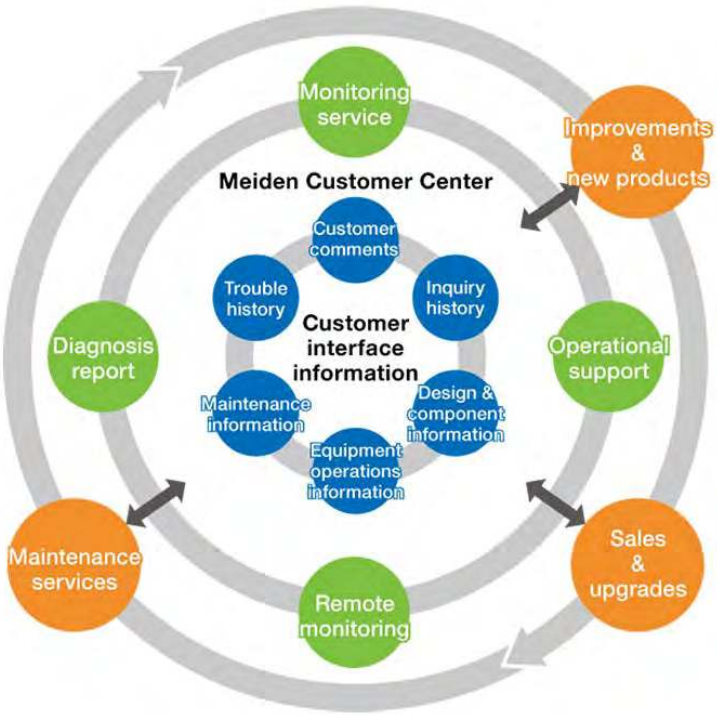
We also analyze the customer comments that come into the Meiden Customer Center and apply the feedback to our craftsmanship and the services we offer to increase customer satisfaction.

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.



Initiatives

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

Education Relating to Quality Management Technology

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

Training scene

Facility Maintenance Skill Training for Safe and worry-free Operation

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

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

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

Technical training

Technical training for customers

Cutting model

Transmission of Skills Using Eye Tracking

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

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

The line-of-sight analysis by Eye Tracking

Results Data

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

	FY2021	FY2022	FY2023
Meiden Group (consolidated)	0	0	0

Quality Management Education and Training Results (FY2022 Results)

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

Supply Chain Management

Policy

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

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

The Meiden Group Basic Procurement Policy

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

Actively Promoting Responsible Corporate Conduct

(1) Embody our procurement principles along with our suppliers, and build a sustainable supply chain

(2) Promote environmentally considerate procurement activities, and contribute to global environmental conservation along with our suppliers

(3) Eliminate use of conflict minerals, which are a source of funds for armed groups that repeatedly engage in inhumane acts such as slavery, forced labor, child labor, and abuse.

Plan and Targets

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

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

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

Initiatives

Promotion of Sustainability that Involves the Entire Supply Chain

Sharing and Explaining Our Procurement Principles to Suppliers

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

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

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

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

Meiden Group Sustainable Procurement Guidelines (Japanese)

Meiden Group Sustainable Procurement Guidelines (English)

Meiden Group Sustainable Procurement Guidelines (Chinese)

Response to the Conflict Minerals Issue

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

Policy on Conflict Minerals Issue

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

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

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

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

Request to business partners

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

Promotion of Green Procurement

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

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

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

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

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

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

the Green Procurement Guidelines (only Japanese)

Risk Evaluation

Evaluation of Suppliers

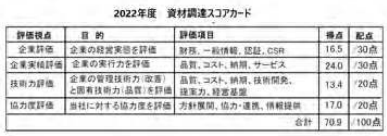
We convey the importance of sustainability and our philosophy to our business partners, including legal compliance, environmental protection, and community contribution, as listed in the Corporate Code of Conduct. In addition to evaluating business partners for quality, delivery, price, capacity for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

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

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

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

Survey relating to sustainability activities and environmental conservation activities



2022年度　資材調達スコアカード

評価視点	目 的	評価項目	得点	配点
企業評価	企業の経営実態を評価	財務、一般情報、認証、CSR	16.5	/30点
企業実績評価	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）と固有技術力（品質）を評価	品質、コスト、納期、技術開発、提案力、経営基盤	13.4	/20点
協力度評価	当社に対する協力度を評価	方針展開、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. While checking circumstances on the ground, we confirm and provide guidance on compliance with laws and regulations regarding chemical substances, waste, and the like. Suppliers who did not pass the audit were asked to take corrective measures and given a follow-up audit (8 companies).

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

Promoting and Supporting EcoAction 21 Certification and Registration for SMEs

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

We also hold study sessions during the production plan explanatory meetings held each year to promote understanding of the Meiden Group's environmental policy and carbon neutrality initiatives, and ask our suppliers to make their own efforts as well. Additionally, since FY2023, we have been working with the Organization for Small & Medium Enterprises and Regional Innovation, Japan to visualize our suppliers' CO_2 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 CO_2 emissions reductions throughout the entire value chain.

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

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

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

Sharing Excellent Examples with Suppliers

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

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

Communication with Business Partners

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

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

1. Gathering Real Feedback

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

2. Seeking Procured Items on the Website

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

3. Using the Supplier Portal (web)

We regularly post information about subsidies (grants, etc.) for SMEs on our supplier portal (web), and supply information so that opportunities to update equipment, etc., are not missed.
We also contribute to the business efficiency of our business partners by creating efficiency in operations from submission of quotations to ordering, ATP, and delivery, using paperless electronic information, conducting conflict minerals surveys using a questionnaire, and confirmation of BCP implementation and damage caused by earthquakes and typhoons, etc.

4. Establishment of the Public Whistleblower Hotline

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

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

Initiatives

Increasing Business Partners Engagement

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

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

Hosting of Meidensha Partners Meeting

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

President's message at the Partners Meeting

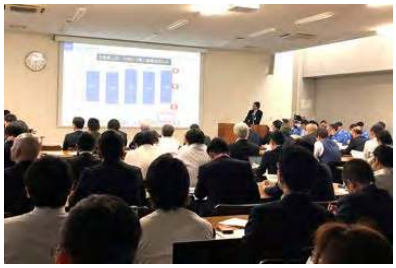
Commendation of superior and excellent examples at Partners Meeting

Visit to business partner (last fiscal year)

Holding Production Plan Explanatory Meetings for Suppliers

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

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



Production plan briefing (Numazu area)

Dialogue with suppliers

At a social gathering

Holding Various Seminars, etc.

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

Product exchange meeting

Information security instruction

Project to Support Safety & Health

Record of Seminars Held (FY2023)

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

Record of Monitoring Suppliers (FY2023)

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

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

Enhancing Group Procurement Systems (education of procurement managers)

Thoroughness of Absolute Compliance and Prohibited Matters of the Procurement Group

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

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

Enhancing Group Procurement Systems

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

Initiatives to Improve Our Procurement Base

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

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

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

Participation in Initiatives

UN Global Compact Network Japan

Supply Chain Subcommittee

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

Declaration of Partnership Building

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

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

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

Human Rights

Policy

Thoughts on human rights

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

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

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

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

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

The Meiden Group Human Rights Policy

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

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

The Meiden Group Human Rights Policy (347KB) >

Meiden Group Sustainable Procurement Guidelines (532KB) >

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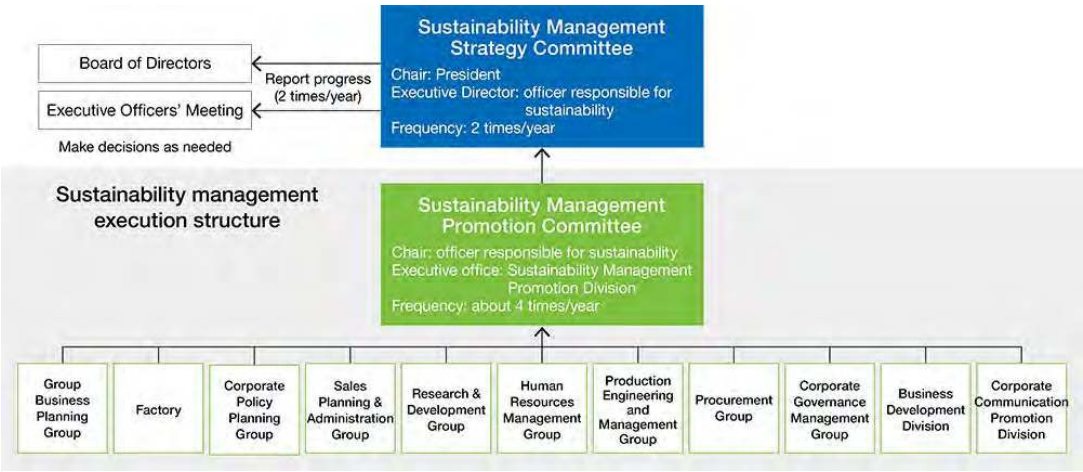
Organization

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

Human Rights Due Diligence

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

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

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

Step			FY2022 and earlier	FY2023	FY2024 1st half	FY2024 2nd half
Initiative			Join UN Global Compact			
Initiatives to promote and train			· Training for officers · Workplace discussions (Human Rights Week)	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	Survey 380 business partners with CMRT (Conflict Minerals Reporting Template)	FY2023 survey	Supplier impact assessments	
		Cobalt survey	EMRT (Extended Minerals Reporting Template)	FY2023 survey (cobalt & mica survey)		
	Self-assessment		Survey scope		Japanese subsidiary self-assessments	
			Risk inventory			
			Study of impacts and countermeasures			
	Risk assessment			Measures		Japanese subsidiary risk assessments
				Issue list creation		
				Departmental interviews		
				Identify issues		
	Impact assessment			Sort out discussion points		
				Survey, tabulation and analysis using assessment sheets for employees		

* 3TG：Tin, Tantalum, Tungsten, Gold

Relief and Remedy

Establishment of a Compliance Hotline

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

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

Compliance Whistleblower System >

Promoting Respect for Human Rights through Our Business Activities

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

Prevention of Forced Labor

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

Compliance Data >

Prevention of Child Labor

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

Interaction with employee representatives

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

Support for a living wage

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

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

Initiatives on Labor Problems

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

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

HR Data >

Harassment

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

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

Harassment prevention system >

Human Rights Education for Officers and Employees

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

Content of Human Rights Training (FY2023)

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

Occupational Safety and Health

Policy

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

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

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

◇ The Meiden Group Occupational Safety and Health Action Guidelines

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

1. Basic Occupational Health and Safety Policy

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

2. Health and Safety Action Guidelines

(1) Create a safety culture built on good communication, in which everyone anticipates the risks of industrial accidents, avoids unsafe actions, and communicates well with each other.

(2) Comply with relevant laws including the Industrial Safety and Health Act, as well as business unit and workplace rules.

(3) Conduct ongoing health and safety initiatives based on the Occupational Safety and Health Management System.

(4) Identify health and safety risks in all workplaces, including near-miss incidents, and practice thorough risk assessments (including chemical risk assessments) to eliminate or reduce risks.

(5) Develop a sensitivity to danger and help each employee develop the ability to avoid danger by providing health and safety training and training in which employees experience safety issues with their senses.

(6) Conduct hazard prediction activities for all work from preparation to cleanup and perform work only after safety is ensured. After work is finished, review the hazards and take measures for the next day's work.

(7) Thoroughly train inexperienced and other new employees on work procedures and safety rules and check that they understand. In addition, review past industrial accidents and educate employees to prevent the same accidents from recurring, thereby enhancing employee safety awareness.

3. Basic Health Management Policy

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

4. Guidelines for Health Management Action

(1) Promote work-life balance and diverse, flexible workstyles

(2) Increase each employee's health awareness and health literacy

(3) Strengthen systems for promoting mental health and create workplaces designed to help prevent mental illness

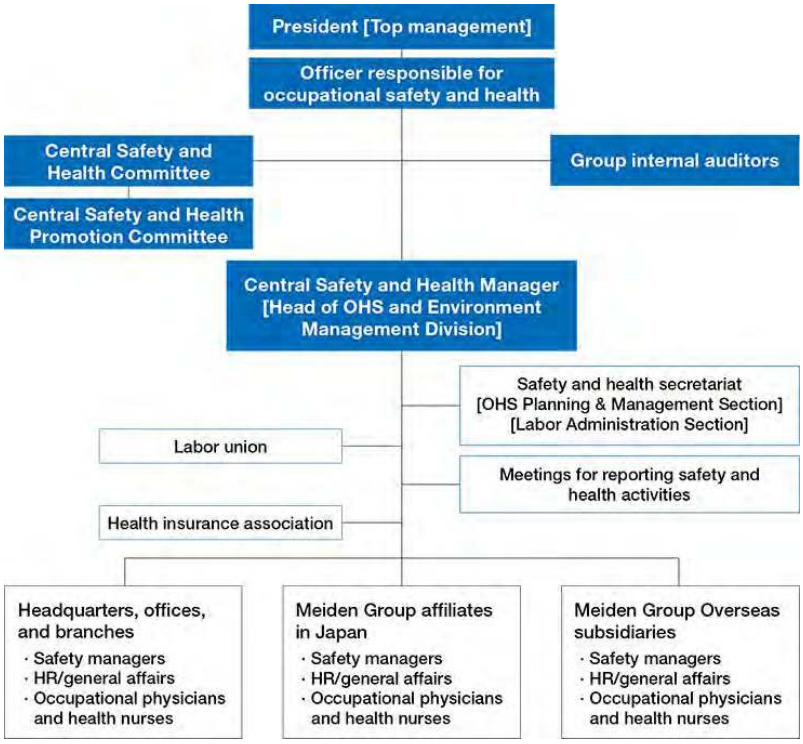
(4) Promote passive smoking control and smoking cessation programs

(5) Support prevention and response to ensure long, healthy careers for all employees

Health & Productivity Management >

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.

FY2023 Results

● Results of Occupational Safety and Health Initiatives

Certification status of the occupational safety and health management system

■ Acquired ISO 45001

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

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

Occupational Safety and Health Management System

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

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

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

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

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

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

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

Japan

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

Overseas

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

Health and Safety Risk Assessments

Conducting Health and Safety Risk Assessments

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

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

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

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

Preliminary Risk Assessment System

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

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

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

Business Activity Risk Management >

Safety and Health Indicators

Occupational Safety and Health Indicators (Meiden Group)

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

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

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

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

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

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

*5 Includes temporary workers and contractors.

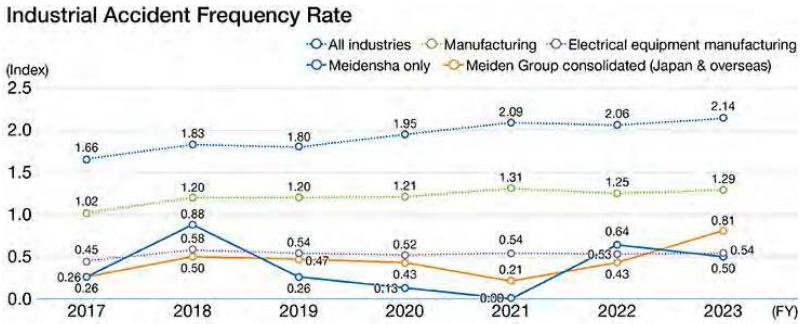
*6 Overseas working population and hours do not include on-site workers, which differs slightly from the calculation method used for Japan.

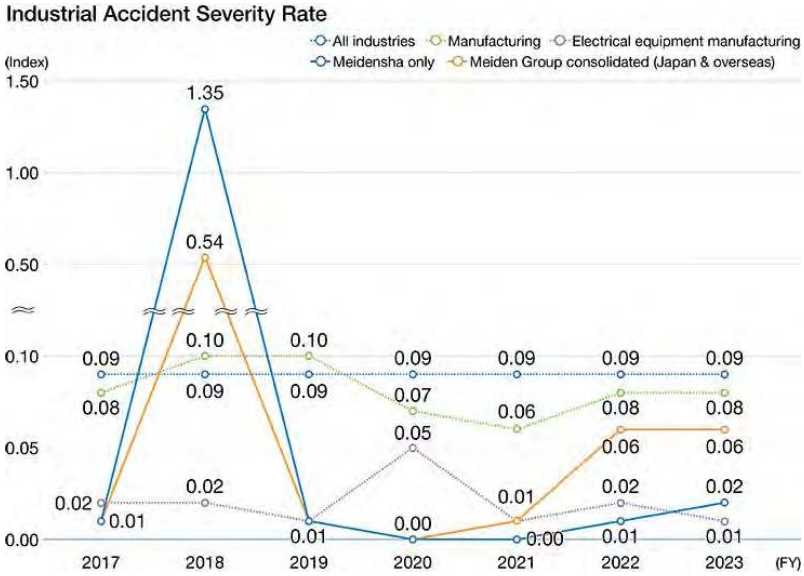
Occupational Health and Safety Indicators (Entire Meiden Group in Japan)

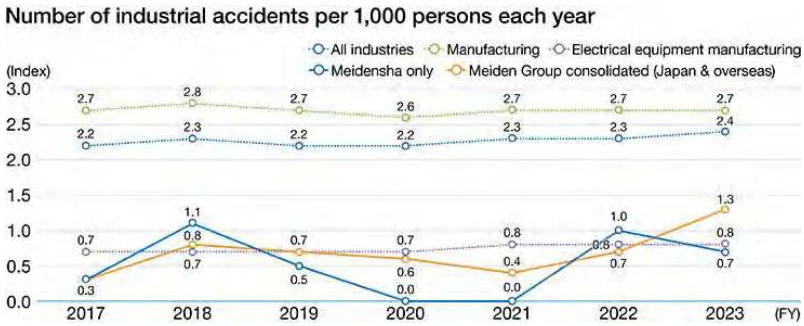
Meiden Group	People with absences due to illness of at least one month (rate of absence)*1	
	Total	Mental
FY2023 (target values)	1.58%	1.26%
FY2023 (established values)	1.73%	1.25%
FY2024 (target values)	1.56%	1.12%

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

Safety Record (only Meidensha)







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

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

Safety and Health Initiatives

Initiatives

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

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

Safety Patrols to Identify Risks

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

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

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

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

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

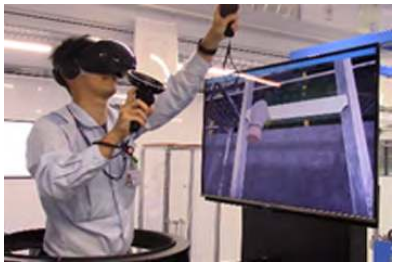
Enhancing sensitivity to danger through hands-on safety training

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

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

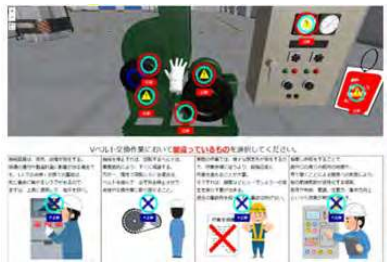
We also offer VR safety experience training to parties outside the Company by subscription.

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



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

VR Safety Experience Training Evaluation System



Using feedback to enhance understanding

Safety Information Management System

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

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

Safety Promotion Center Preserves Lessons from Industrial Accidents

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

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

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

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

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

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

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

Safety Promotion Center

Metaverse Safety Promotion Center

Safety AI Camera System

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

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

Health & Productivity Management

Policy

The Meiden Group Health & Productivity Management Policy Statement

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

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

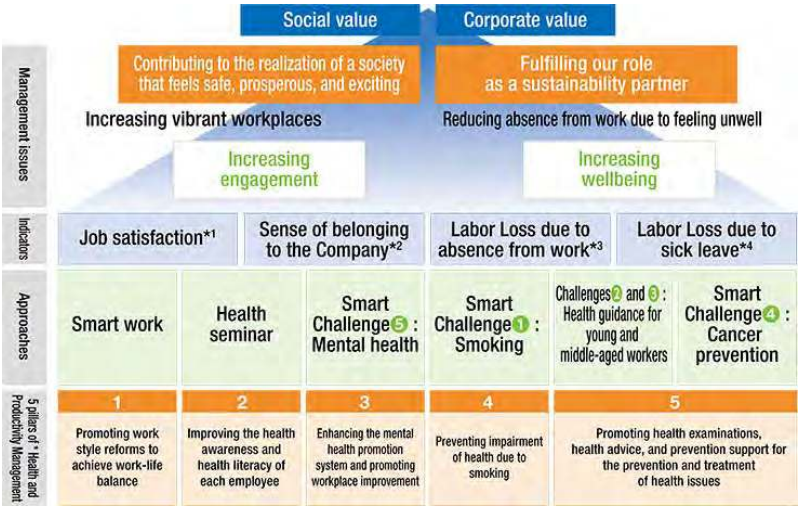
Through these initiatives, the Meiden Group is working to be a company that enables employees and their families to live vigorous and healthy lifestyles.

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

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

Representative
Director
President and
Executive Officer

Meiden Group Health & Productivity Management Strategy Map



*1 Indicator of a positive state of mind in relation to work (work engagement)

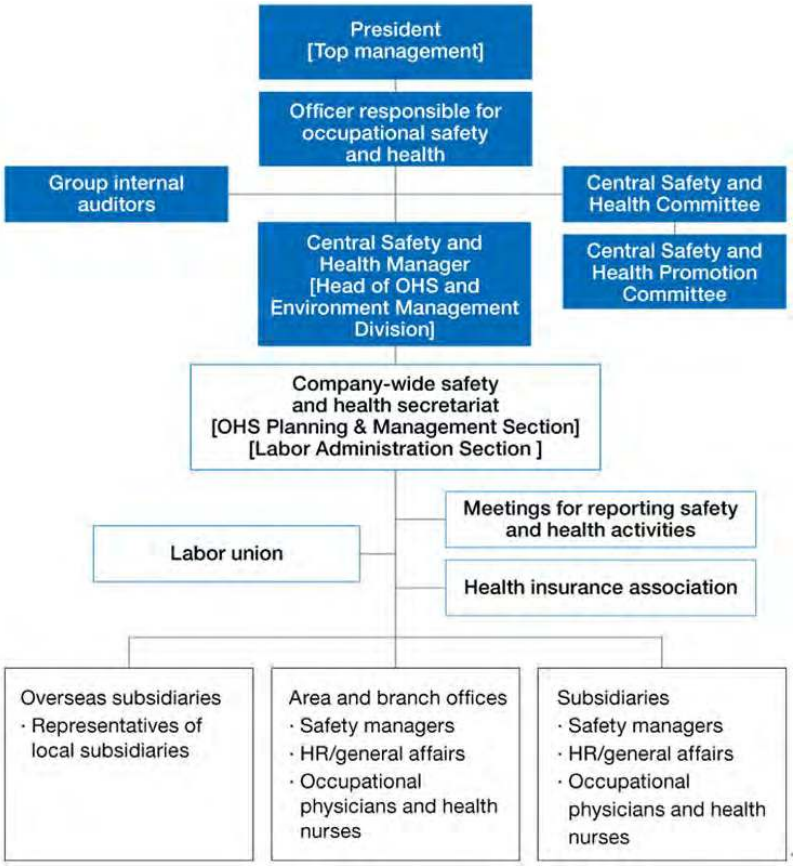
*2 Indicator of sense of community, agreement with Meidensha's philosophy and vision, and willingness to contribute, etc. (employee engagement)

*3 Proportion of employees who took sick leave or were absent for a month or more for mental health reasons (absenteeism)

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

Organization

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



Results of Occupational Safety and Health Initiatives (FY2023)

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

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

認定証

（大規模法人部門（ホワイト500））

法人名　株式会社明電舎

貴法人は、従業員の健康管理を経営的な視点で考え、戦略的に実践する「健康経営」の取組が優良であると認められました

よって、ここに「健康経営優良法人 2024（大規模法人部門（ホワイト 500））」として認定します

経済産業省及び厚生労働省と共に、今後一層取組を推進されることを期待いたします

2024年3月11日

日本健康会議

(2) Smart Challenge Meiden Five

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

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

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

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

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

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

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

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

④ Challenge 4: Measures to combat cancer

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

⑤ Challenge 5: Promoting mental maintenance

We conduct interviews at workplaces with high health risks, encourage consultation with doctors for stressed individuals, etc., according to mental health plans.
Additionally, to make the most of the results of the stress checks, we held another educational campaign to remind all employees how to read the results, and gave training to general managers on how to read and use the results.

Smart Challenge Meiden Five Figures in parentheses are for Meidensha only

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

Health & Productivity Management Indicators (only Meidensha)

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

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

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

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

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

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

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

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

Health Training Attendees (Whole Group)

Health Education Results (FY2023)

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

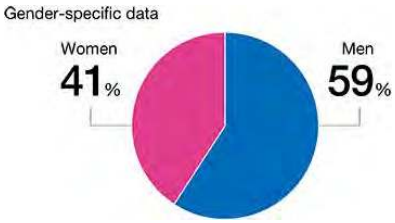
Holding Health Seminars

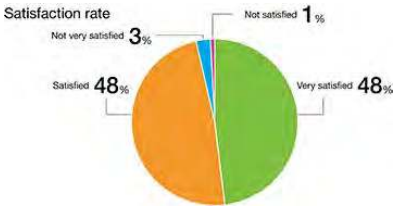
We held joint health seminars with a health insurance association to increase the health literacy of our employees.

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

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

Results of post-seminar questionnaire





Initiatives

Initiatives Aimed at Health and Productivity Management Going Forward

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

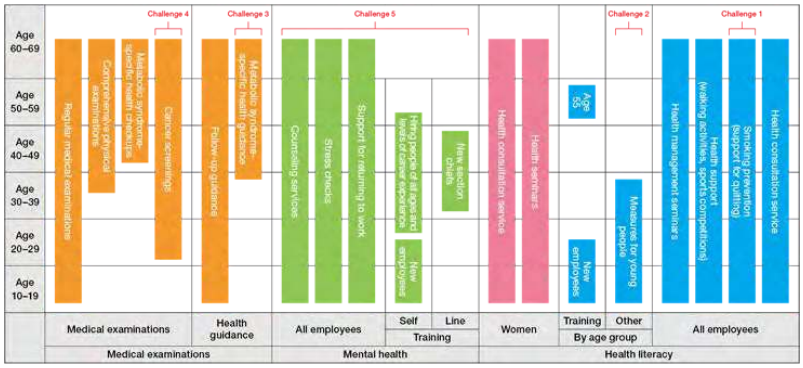
Of the 5 pillars of health & productivity management - namely mental health measures, anti-smoking measures, measures to prevent lifestyle diseases, including for young people, and measures to prevent cancer – we are conducting activities that prioritize health issues that require urgent measures, which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

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

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

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



Programs for Preventing and Managing Global Health Issues (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

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

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

Relationship between Priority Areas of Social Contribution Activities and Our Business

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

Priority areas of social contribution activities	Relationship to our business	Examples	Relevant SDGs
Environmental protection	To realize our goal of “a resilient society where human society and nature are in harmony,” we recognize the importance of environmental conservation for the continuation of our business.	• Tree planting in Indonesia • Bottle-to-bottle recycling of PET bottles • Recycling work clothing • Preventing marine plastic waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND
Developing the next generation	To realize our goal of “a safe, prosperous, and exciting society,” we recognize the importance of supporting the development of the next generation, particularly in each of our business regions, for the continuation of our business.	• Meidensha Monodukuri Kyoshitsu (Meidensha Workshop on Manufacturing) • Visiting Science Lectures • ICT support for GIGA School Program • Courses teaching the wonder of hydroelectric power	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH
Community contributions	To realize our goal of “a society where diverse communities and people can coexist in harmony,” we recognize the importance of maintaining good communication and building strong trusting relationships with stakeholders in each of our business regions for the continuation of our business.	• Volunteering in public-private clean-ups • Initiative to donate picture books for children • Initiatives to beautify the environment in various parts of Japan	11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS

Initiatives

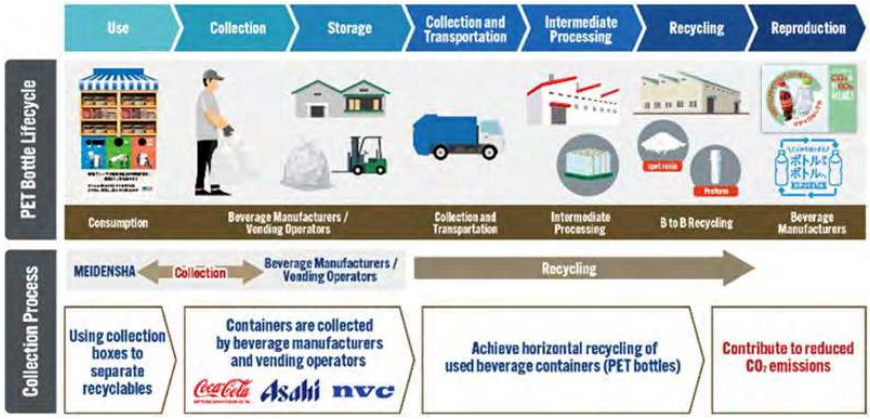
Environmental Protection

Indonesian Affiliate Joins Mangrove Tree Planting

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

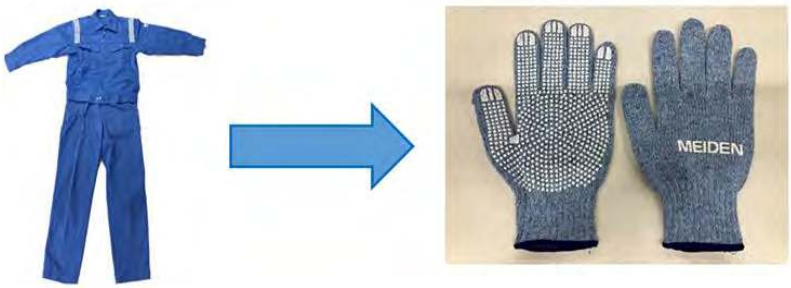
Launch “Bottle-to-Bottle” initiative—a horizontal recycling of PET bottles—in 4-company collaboration

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



Making Gloves from Recycled Work Clothing

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



Participation in Drive to Collect Empty Disposable Contact Lens Cases

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

Developing the Next Generation

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

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

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

Visiting Science Lectures for Junior High Schools Nearby Meidensha Sites

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

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

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

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

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

Courses for Elementary School Students on the Wonder of Hydroelectric Power

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

Community Contributions

Public-Private Volunteer River Cleanups and River Friendship Agreement

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

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

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

Volunteers at a cleanup

Before

After

Support for Redeeming Pull-Tabs, Donating Picture Books

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

Environmental Beautification Activities at Sites around Japan

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

Tokyo area: "Ohana Ippai" Osaki cleanup event

Chubu Branch: Cleanup event

Results Data

Social Contribution expenditure

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

* Social Contribution expenditure includes donations and sponsorship costs.

Social Contribution Activities Results

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

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

* Activities in ③ and ④ started in FY2023.

Promoting Social Contribution Activities Internally

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

DX Strategy

DX at the Meiden Group (Company-Wide Policy)

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

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

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

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

Progress and Future Deployment

Subject		Key Achievements of Step 1	Developments from Step 2 Onwards
DX Strategy	Operations Transformation	• Created the foundation of the project management system • Reconsidered business processes (reconsidered internal rules) • Created a database of customer contacts across all companies (built a base CRM[*1])	• Introduce the project management system internally and externally and strengthen functions • Increase productivity by improving business processes • Create a company-wide customer database by linking SFA[*2] and CRM data

Subject		Key Achievements of Step 1	Developments from Step 2 Onwards
	Business Model Transformation	• Deployed a services sales business (launched a cloud analysis business for railway overhead contact line inspection systems) • Launched a smart maintenance business (ultra-high quality GX products) • Created the foundation of the customer center (photovoltaic O&M)	• Expand the service sales business • Expand the smart maintenance business • Centralize operation and maintenance information at the customer center and expand O&M business
Promotion Platform		• Improve basic digital and IT literacy for all employees and transform the culture by nurturing transformation mindsets • Fortify information security and governance • Design and implement a company-wide system (including future core systems) • Create a data-linking platform (for use in management and to improve decision making)	

*1 CRM: Customer Relationship Management

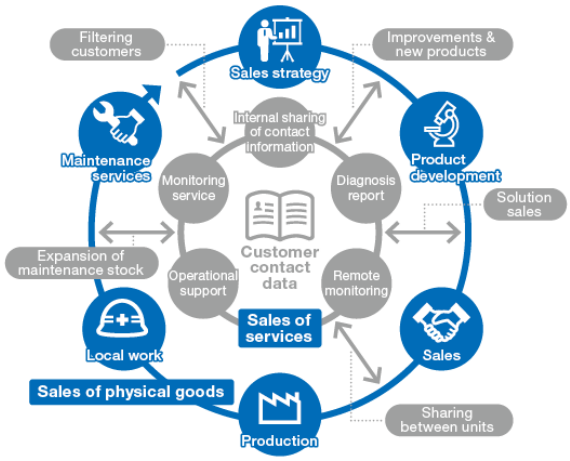
*2 SFA: Sales Force Automation

Our Ideal

Aggressive DX: “Transformation of Business Models”

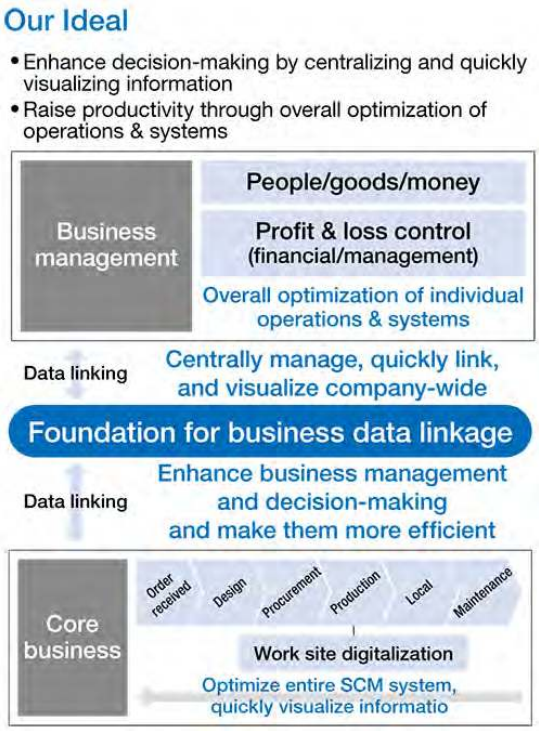
The desire to “enrich society through the power of electricity” has been at the heart of the Meiden Group since its founding. This led us to an attitude of thinking about the rich lives and exciting societies to be enjoyed by people on the other end of our products and services. It has been the driving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

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



Corporate Transformation

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



Development of Digital Human Resources

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

Personnel We Seek

TOPICS

Business Transformation Projects that Advance ONE MEIDEN

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

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

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

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

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

HR

DEI（Diversity, Equity & Inclusion）

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Developing the Next Generation of Group Personnel >

Data >

DEI（Diversity, Equity & Inclusion）

DEI（Diversity, Equity & Inclusion）

Policy

By respecting diverse personalities and providing fair opportunities, the Meiden Group works to create a workplace and culture in which all employees can work with all their heart and demonstrate their diverse and individual abilities to the maximum, and promotes DEI with the aim of being a company in which both individuals and the organization grow together.

*only Japanese

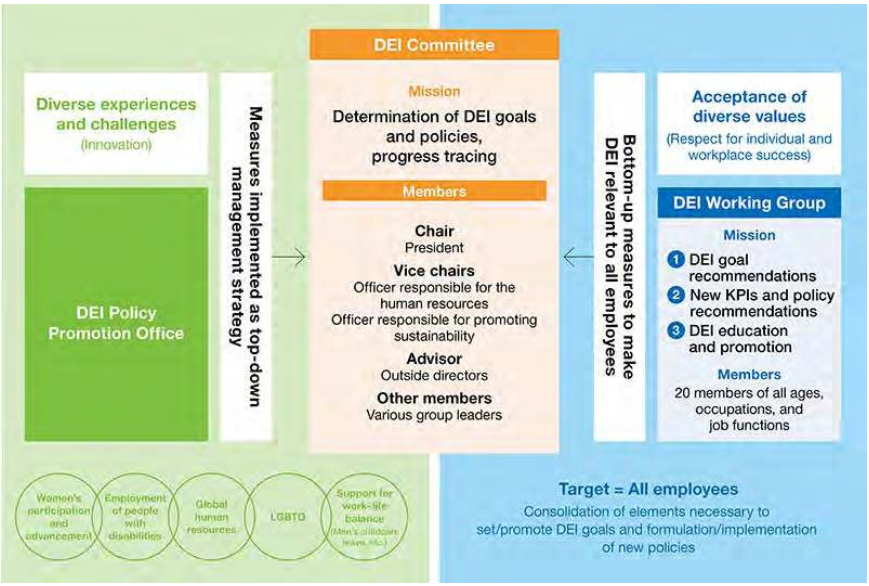
■ The Symbolism Behind the Logo

The Meiden Group's DEI logo represents the overlapping individuality of each of us in the Group and the creation of value in the form of new colors, promoting a virtuous cycle and that brings us closer to a better future.

Framework

In FY2023, in order to accelerate the promotion of DEI, we established the DEI Committee, a body that makes decisions concerning DEI policies and measures as a whole, with the company President serving as chair and the officers responsible for the human resources and promoting sustainability serving as vice chairs. In addition, we established a DEI Working Group with a diverse membership of 20 people

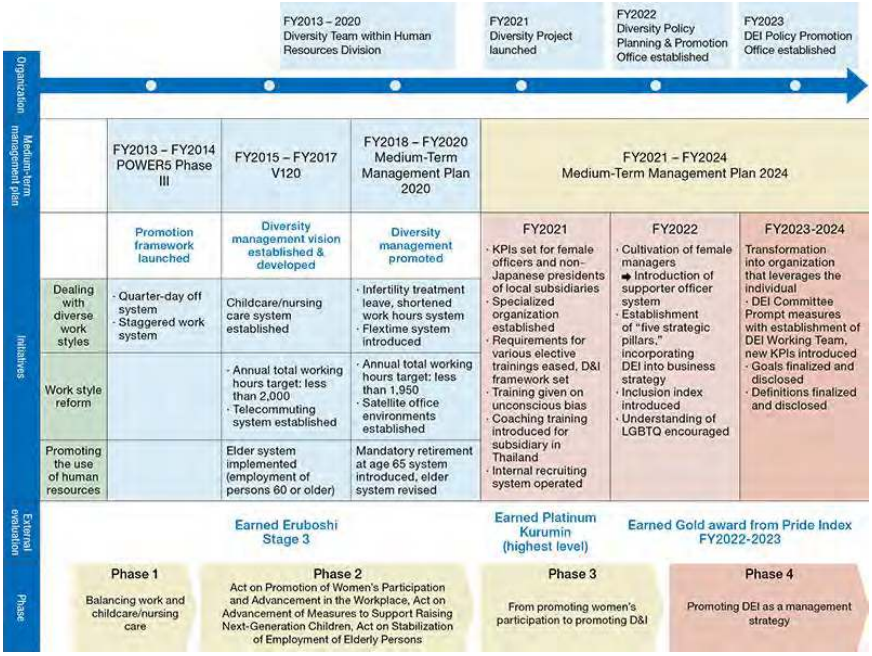
across all ages, occupations, and job functions to work on formulating measures to make DEI relevant to all employees. Through top-down and bottom-up approaches, we are changing employee awareness, improving creativity, and fostering an organizational and workplace culture that is rewarding and psychologically safe.



Strategy

DEI promotion road map

The Meiden Group began working for diversity in 2013. Starting with planning various programs for balancing work and childcare/nursing care, initiatives were undertaken by a working team in the human resources division until 2020. The team focused on supporting diverse work styles, work style reform, and promoting the use of human resources. We launched the Diversity Project in 2021, established the Diversity Policy Planning & Promotion Office in 2022, and renamed it the DEI Policy Promotion Office in 2023 to further accelerate the promotion of DEI as a management strategy.



Initiative

Seminar on Unconscious Bias

Many respondents to an FY2021 employee questionnaire listed unconscious bias as a factor impeding diversity. In January 2023, we held another seminar on the topic conducted by an outside lecturer after doing the same in 2022. On the day of the seminar, the more than 300 participants, including managers as well as presidents of domestic subsidiaries and affiliates, learned that knowing about, recognizing, and dealing with unconscious bias can help establish an organization where each individual can play an active role.

In FY2024, we will again hold a seminar on unconscious bias to create an organization and further foster a culture that accepts diverse human resources and allows all employees to play an active role.

Creating an Opportunity to Exemplify DEI (Stimulating Communication)

In FY2023, the DEI Working Group took the lead in organizing a lunchtime event, the “DEI MeetUP!,” to exemplify psychological safety and communication across departments and job functions. The event was held at each business location, and the variety of discussion topics included hobbies that go beyond work, promoting understanding of various personnel and benefit programs, and frank conversations with executives. Over 600 Group employees participated

Promotion of Participation by Female Personnel

Meidensha was evaluated for promoting women’s participation and advancement, and in November 2017, for the first time in the heavy electric machinery industry, we earned the top Stage 3 “Eruboshi” certification by the Minister of Health, Labour and Welfare.

In March 2021, we were granted Kurumin certification, as well as Platinum Kurumin, which is granted to companies that conduct higher-level initiatives as companies that excel in providing childcare support, by the Minister of Health, Labour and Welfare.

As of now, we have formulated action plans in line with the purpose of the Act on Promotion of Women’s Participation and Advancement in the Workplace and are implementing step-by-step measures by job level for women from recruitment through to the young and mid-career classes and management-level class. We are also actively taking steps to encourage male employees to take childcare leave.

Eruboshi

Platinum Kurumin

Action Plan and System to Balance Work and Childcare/Nursing Care Based on the Act on the Promotion of Women's Participation and Advancement in the Workplace

■ Increasing the proportion of female new graduates hired

Issues for the Company	Enhanced hiring of female new graduates to foster the next generation of managers
Targets	Proportion of female new graduates hired • Continuation of 50% of general administrative hires • Achievement of 20% of general technical hires
Content of initiatives	We will endeavor to provide more media contents and hold seminars for women, in order to enable women to form a clear career plan at the Company.
Time of initiatives	April 1, 2022 to March 31, 2025

■ Increasing the percentage of female managers

Issues for the Company	Continuous appointment of diverse human resources
Targets	Percentage of female managers • Target for FY2030: 12% *This is about three times the percentage in FY2022 (4.1%)
Content of initiatives	• Assign human resources to different industries and use trainings at external organizations to enhance experience • Conduct detailed interviews to raise awareness of management and establish the mindset among relevant employees • Use a supporting officer system to systematically train and assign young and mid-career employees
Time of initiatives	April 1, 2022 – March 31, 2030

■ Female officer appointment target

Issues for the Company	Development of diverse human resources at the management level
Targets	Female officer class (number of inside officers) • FY2024: At least 1 • FY2030: At least 3 (of which, at least 1 executive officer)
Content of initiatives	• Create opportunities to improve competencies and skills through top management training at external institutions • Expand experience through transfer or assignment to other divisions • Foster self-motivation through interviews with officers
Time of initiatives	April 1, 2021 – March 31, 2030

■ Promoting utilization of childcare leave by employees

Issues for the Company	Increased rate of utilization of childcare leave by male employees
Targets	Achievement of childcare leave utilization rate of 100% by both men and women
Content of initiatives	We will notify employees of systems and promote understanding of superiors in the workplace in order to increase the childcare leave utilization rate.
Time of initiatives	April 1, 2022 to March 31, 2025

Work-Life Balance Support System

- Up to 2 years of unpaid childcare leave (can be used even if the child is enrolled at a childcare center)
- Paid maternity leave

- System for shorter working hours during pregnancy
- System to support early return to work after unpaid childcare leave (additional annual leave)
- Payment of transportation costs to childcare center
- System for shorter working hours during nursing care for as long as the care is required (4-day work week is possible)
- System for up to 730 days of unpaid nursing care leave
- Expanded system to take leave for infertility treatment and system of shorter work hours for employees receiving infertility treatment
- Tie-up with company-operated childcare center
- Expanded welfare service menu (support for unauthorized childcare center fees and expanded nursing care services, etc.)
- Short-term leave system to promote childcare leave for men (1 month paid)
- Special leave to promote participation in childcare for men (spouse maternity leave)
- Support for temporary childcare services (assistance with subsidies for day care center fees, etc.)

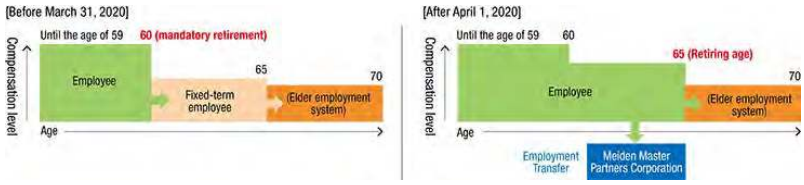
Introduction of Mandatory Retirement at Age of 65 and System to Extend Employment to Age of 75

In April 2020, Meidensha raised the mandatory retirement age from 60 to 65 years of age for all employees. We have also raised the level of remuneration so that older employees can enjoy about the same level of remuneration as when they were 60 years of age, depending on performance, in order to facilitate more meaningful work for experienced senior employees.
In addition, we have established a dispatch company (MEIDEN MASTER PARTNERS CORPORATION) to promote flexible workstyles to senior employees. For employees who wish to work reduced days/hours, we have established a system that allows them to transfer to Meiden Master Partners and work as temporary employees at our office. We hope to promote successor development, improve quality, and enhance customer service by leveraging the knowledge and experience of senior employees more so than in the past.
In January 2017, we introduced an “Elder System” that allows employees to work from the age of 65 to a maximum of 70, and in October 2020, we raised the maximum age to 75.
Under this system, employees can continue to work after the age of 65 if they meet certain conditions, and veterans who have once retired can be rehired.

Senior employment system

- September 2001: Introduction of the extended employment system
- April 2006: Introduction of the re-employment system
- April 2013: Revision of the re-employment system (extended to all employees who apply)
- January 2017: Introduction of the elder system

- April 2020: Raised the mandatory retirement age from 60 to 65 years of age
- October 2020: Revised the elder system (made it possible to work up the age of 75)



Initiatives to Employ People with Disabilities

We established the special subsidiary company, MEIDEN UNIVERSAL SERVICE LTD., in order to create opportunities for people with intellectual disabilities to work, and thereafter we have been expanding the scope of employment at each manufacturing facility through branch deployment, etc. In 2015, MEIDEN UNIVERSAL SERVICE LTD. received a commendation from the governor of Gunma Prefecture as a "business of excellence for the employment of people with disabilities in Gunma Prefecture" for its contributions to employment and occupational independence for people with disabilities over many years.

In order to expand the number of workplaces accepting people with disabilities and strengthen the support system, since FY2023 we have been working to create an environment that lets each person make the most of their strengths, such as training people to serve as supporters of people with disabilities in the workplace.

Ratio of Employees with Disabilities

Item	June, 2018	June, 2019	June, 2020	June, 2021	June, 2022	June, 2023
Ratio of Employees with Disabilities (%)	2.24	2.42	2.50	2.46	2.42	2.57
Statutory Employment Rate (%)	2.2	2.2	2.2	2.3	2.3	2.3

* Scope: Meidensha + special subsidiary company until FY2022; Meidensha + special subsidiary company + Meiden Master Partners in FY2023 and beyond

Initiative to promote understanding of LGBTQ

The Meiden Group includes correctly understanding LGBTQ people as part of the basic policy on the promotion of understanding of sexual minorities (LGBTQ), and is promoting the creation of an environment in which the sexuality and individuality of all people is respected, and each employee is able to maximize their abilities and participate.

To date, we have issued the Meiden Group Human Rights Policy and along with that, eliminated the question about gender on employment entry sheets, provided basic training on LGBTQ issues (with over 1,200 participants), established an LGBTQ consultation

service, and distributed ally stickers. We also treat employees' de facto marriages (including same-sex marriages) the same as legal marriages per the Meiden partnership system, and allow employees to identify as a gender that may be different from what is shown on their family register.
In recognition of these efforts, for the second year in a row we earned the highest rating of Gold in PRIDE Index 2023, a program of an organization called "work with Pride" that evaluates efforts to promote understanding of the LGBTQ+ population and other sexual minorities.
We will continue to spread correct knowledge and understanding of diverse sexualities, ensure that prejudice, discrimination, and harassment based on sexual orientation and gender identity are prevented, and foster a workplace culture that enables all employees including LGBTQ members to work enthusiastically and maximize their abilities.

Enabling Global Human Resources to Participate Actively

As an aspect of our effort to promote DEI, the Meiden Group employs people irrespective of nationality, and non-Japanese employees are active in various fields and occupations after joining the company. We also take account of religious considerations (for example, providing prayer space) and support non-Japanese employees in various ways so that they can get used to work and life in Japan as soon as possible. We also appoint their training personnel individually and provide various kinds of support to each employee to help improve their work skills.
To further grow our business overseas, moreover, we believe it essential to appoint local staff to the role of president at local subsidiaries. To develop candidates for this role, we are cultivating a management mindset through periodic interviews of management candidates by the responsible officers of each company. Along with this, we run coaching programs to enhance the management skills of candidates for management.

Non-Japanese Employees Appointed to Management (Entire Group)

	Target	FY2023
Non-Japanese presidents of local subsidiaries	FY2024: At least 3 FY2030: At least 5 (of which, at least 1 executive officer)	2

Labor Practices

Policy

Basic HR Management Philosophy

As issues facing our customers and society as a whole become increasingly complicated and unclear, it is important to have personnel with the abilities to think flexibly and act courageously, creating the value necessary to solve these issues in order to enhance corporate competitiveness. For this reason, we are determined to achieve sustainable growth by focusing on employing and developing competent personnel and creating an environment where each person can derive pride and fulfillment from their work.

In order for employees to maximize their individual strengths, it is important to create a workplace in which a diverse range of employees are given fair opportunities and can participate with a healthy mind and body. Specifically, by engaging as a group in initiatives such as achieving a work-life balance, and improving occupational health and safety, we will enhance the corporate value for the entire group.

Labor Practices Policy

Employment Policy

We are creating an employment framework that enables a diverse range of employees to maximize their potential, irrespective of attributes such as age, gender, nationality, religion, sexual orientation, or disability. We are reviewing our DEI education at all levels, evaluating human resource management systems and evaluation systems that can shape careers, and creating an environment where each employee can express their individuality.

Policy and Initiatives

Ensuring Fair and Impartial Evaluation and Treatment

Meidensha conducts evaluation of results and roles as part of an HR treatment system that places weight on the results of both executives and regular employees in order to reform and enhance corporate character, with the key word of professional development. Therefore, we have introduced management by objectives as a process to ensure that results are reflected in impartial treatment of employees. We hold discussions to mutually confirm objectives and results indicators, etc., between superiors and

subordinates through objective-setting interviews and objective management results interviews to ensure that there is no discrepancy in expected results.

Furthermore, we disclose our evaluation standards through the Company's intranet and the explanatory leaflet issued by the trade union, we periodically hold evaluation feedback interviews for all employees that are subject to evaluation, and we focus on developing and fostering the abilities of individuals. Evaluator training for new managers includes evaluation and meeting exercises to ensure impartial evaluations and treatment of employees. In addition to providing a complete understanding of the evaluator's role in the HR system and how to prevent errors during evaluation, the training addresses the critical importance of communication between supervisors and their teams.

Work Style Reform

Rolling Out "Smart Work 2024" — Toward improved work efficiency and productivity —

The Meiden Group promotes reduction of work outside of regular hours and taking leave as an important management issue. We are rolling out Smart Work, which promotes reduction of annual working hours. In FY2021, we considered the creation of a comfortable working environment for employees, and promoted communication through a hybrid office/remote work model, and the introduction of a flex-time system and shared offices, etc., based on the opinions of the employee survey and the working group, as part of the Professional Development & Diversity Promotion Project. In addition, we are making work styles more flexible and consistent with actual conditions. For example, in FY2022, we transitioned to a hybrid work system that allows employees to decide the number of days they will come to the office or work remotely, in keeping with their departments' policies. Furthermore, we arranged our internal systems environment and made work efficiency and productivity improvements to enable workers to perform the same functions remotely as they can in the office. We have also introduced a system of shortened working days and hours to enable a balance of work and treatment of illnesses and are reviewing our HR system to enable all employees, not just those providing childcare or nursing care, to stay employed longer at Meidensha with peace of mind. Going forward, we will continue to realize improved work efficiency and productivity by promoting flexible work-styles and digital transformation for all companies.

Vision and Target Values of "Smart Work 2024"

We will realize work styles based on legal compliance by reviewing and improving the work style itself, and eliminating working on holidays and overtime on weekdays.

	People worked overtime >80 h/month	Average hours of overtime	Total actual working hours per year
FY2024 targets	Achieved Zero	19 hours/person-month	Under 1,800 hours/person

* Average overtime hours, and total actual working hours per year are the average figure per person at Meidensha and Meiden Engineering

Total actual working hours per year

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total actual working hours per year	2,027 hours/year	1,985 hours/year	1,990 hours/year	1,977 hours/year	1,959 hours/year	1,961 hours/year

* Average figure per person at Meidensha and Meiden Engineering

Promoting Flexible Work Styles (Establishment of Satellite Offices)

In our Smart Work initiatives, we have been focusing on implementing strategies to improve productivity and realize a positive workplace environment.

- September 2018: Opened satellite office at Numazu Works
- August 2019: Complete renovation of Meiden Plaza at Headquarters
- March 2020: Opened Relaffice (“relax” + “office”) at Meiden R&D Center
- 2021: Updated satellite office at Nagoya Works

Meiden Plaza at Headquarters. The layout is easy to use by both individuals and groups.

Satellite office at Nagoya Works. The interior offers a colorful space and seating of various types.

Creating a Fulfilling Workplace

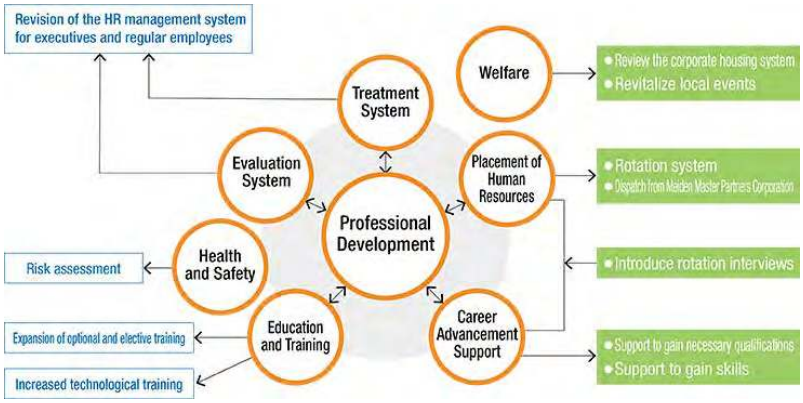
Personnel Treatment System

In April 2015, we revised our personnel treatment system for general employees to give employees an incentive to contribute to the Company and to further improve their motivation. The system aims to operate personnel treatment that can reward employees with higher contributions, by balancing the "role" and "contribution" of employees, with a system that allows multi-truck type qualification and treatment according to their degree of contribution.

Furthermore, in order to be able to respond to a diversity of work style, it is also a system that allows both executives and general employees can work in a limited area.

In FY2024, we revised our executive personnel treatment system to better achieve fairness and impartiality according to employees' abilities and roles.

Diagram of the Personnel Treatment System



Major Initiatives

1. MBO Performance Measuring System	In order to ensure high evaluation transparency, we use the MBO (management by objectives) performance measuring system coordinated with MAP activities*. * Meidensha's reform and improvement activities (MAP = Meiden Advantage Program)
2. Self-Reporting System	The self-reporting system helps employees develop personal talent and form career plans.
3. Meister Program	We operate a Meister system that specially treats employees who contribute to the Company with outstanding skills as highly specialized professionals. We have certified 23 certified personnel as Meisters from 2008 to 2022.
4. Job Rotation System	We have adopted a job rotation program to develop the abilities of our young employees. In October 2023, we launched an internal internship system where employees would work for a set period in another business unit in order to expand their perspectives, gain new knowledge, and experience opportunities to consider the suitability of other careers.

Ensuring a Complete Welfare System to Support the Lifestyles of Employees and Help Them to Refresh

1. Housing Lease System

We have a housing lease system that caters to people at all stages of life, from single dormitories for people that have newly joined the company through to family housing and houses for married couples. In addition, we offer full support systems for transferees in order to relieve any strain placed on them, including a system of providing assistance to rent appliances in addition to leasing corporate housing.

We revised the system in October 2023 in order to increase the number of units and better meet the diverse needs of our employee base. We also revised housing payments to reduce the amount borne by individuals, provide fair payments for family housing costs from transfers or marriages, and lower the financial burden brought about by the need for two residences for people living away from their family for work.

2. Welfare Service

We have introduced a general welfare service as a system to meet the diversifying needs of employees. As a perk unique to Meidensha, we offer a menu of options that enhance leisure time for the purpose of family travel or just taking a break, such as tickets for lodging and popular theme parks and company assistance for specific services like childcare and nursing care. We aim to further enhance our programs, for example by offering a menu of options to support work-life balance.

We revised the system in October 2023. Younger employees (those under 32 not eligible for dormitories or single housing units) are now awarded points that can be used for all welfare services and are encouraged to use them for personal development, such as purchasing books or taking classes.

3. Cultural Events and Club Activities

Various cultural/sport events are planned and held at each business office or sites for the purpose of employee interaction, refreshment, and overcome lack of exercise. Sports events held on holidays, such as sports festivals, provide opportunities for employees and their families to socialize, and they have become regular events each year.

In FY2020, amid the COVID-19 pandemic, we collected photographs with messages written by employees, a theme song based video message to invigorate the Meiden Group, and posted it on the internal portal site, as part of an initiative for employees to encourage each other. In FY2020 and FY2021, in the midst of the COVID-19 pandemic, we held a remote riddle-solving event and an online sports festival as events for employees to have a good time together and cooperate.

In FY2022, we held our first in-person event in three years in the Headquarters area, a softball tournament that attracted over 300 participants. Our FY2023 bowling meetup was attended by more than 160 employees. At both events, people enjoyed solidifying friendships with colleagues they had not seen in person in a long while.

In addition, there are various other Company-endorsed cultural and athletic clubs that promote communication among employees beyond individual workplaces and age groups.

Meiden Group Sports Festival

Online Field Day

Soft tennis club event

Cultural club event

Walking event

Softball tournament

Communication Revitalization Initiatives

Industrial relations

Meidensha has concluded a labor agreement with the Meidensha Union and we periodically exchange opinions and conduct consultations about management policies, business conditions, and the working conditions of employees at the Central Management Conference and the Central Staff Gathering. We are promoting the creation of an environment where employees can securely work without interruption because labor and management respect each other's positions and sincerely engage in dialog.

The Labor-Management Consideration Committee was formed in April 2022 and considers revisions to the personnel treatment system and the welfare system.

Additionally, though not explicitly required in labor agreements, etc., Meidensha discusses and negotiates notifications of job reassignments and transfers so that the labor union has sufficient time to explain these to employees. That period of time varies depending on the nature of the change.

Employee Awareness Survey

We conduct an annual employee awareness survey for all employees. Each year, the response rate is close to 95%, demonstrating how much our employees value the survey. The survey begins with "vision," "motivation," "corporate climate," "workplace environment," "systems," and "personnel deployment." The purpose of the survey is to statistically understand how employees feel about their work, treatment conditions, and other general company-related information. In addition to the numerical results of the survey, we also draft various measures and initiatives based on honest opinions written by employees in the free description section, and use them in future measures aimed at increasing both company and employee satisfaction. We further hold workshops for the head of each business unit and provide feedback and opportunities for discussion of results. Information gained from survey results and exchanges of opinion is reflected in the following year's business unit targets.

Results Data

HR Data

Basic Data

Employees (only Meidensha)

		Units	FY2021	FY2022	FY2023
Number of employees (non-consolidated)	Male	People	3,431	3,425	3,458
	Female	People	596	614	665
	Total	People	4,027	4,039	4,123
Domestic subsidiaries	Male	People	3,242	3,287	3,210
	Female	People	484	494	480
	Total	People	3,726	3,781	3,690
Overseas subsidiaries	Male	People	1,733	1,595	1,609
	Female	People	437	401	388
	Total	People	2,170	1,996	1,997
Number of consolidated employees*1	Male	People	8,406	8,307	8,277
	Female	People	1,517	1,509	1,533
	Total	People	9,923	9,816	9,810
Number of foreign employees (non-consolidated)	Male	People	19	25	21
	Female	People	10	10	12
	Total	People	29	35	33
Domestic subsidiaries Number of foreign employees	Male	People	10	16	17
	Female	People	2	3	3
	Total	People	12	19	20
Overseas subsidiaries Number of foreign employees	Male	People	1597	1460	1486
	Female	People	434	399	386
	Total	People	2031	1859	1872
Number of foreign consolidated employees*1	Male	People	1,626	1,501	1,524
	Female	People	446	412	401
	Total	People	2,072	1,913	1,925
Proportion of all employees accounted for by contractors and temporary workers		%	14.3	13.5	12.9
Average age*2	Male	Age	43.1	43.3	43.6
	Female	Age	43.1	42.8	42.4
	Total	Age	43.1	43.3	43.4
Years of employment	Male	Years	18.8	19.0	19.1
	Female	Years	19.7	19.1	18.3
	Total	Years	18.9	19.0	18.9
Number of managers*2	Male	People	985	968	967
	Female	People	45	51	49

		Units	FY2021	FY2022	FY2023
	Foreigners	People	5	5	4
Managers of level of general manager or above*2	Male	People	215	201	204
	Female	People	4	4	4
	Foreigners	People	0	0	0
For reference: Number of management personnel	Male	People	672	680	693
	Female	People	25	29	37
	Total	People	697	709	730
Officers*2	Male	People	34	36	37
	Female	People	1	1	1
	Foreigners	People	0	0	0
Executive officers*2	Male	People	25	30	31
	Female	People	0	0	0
	Foreigners	People	0	0	0
Proportion of women*2	Managers*3	%	4.37	5.00	4.82
	Management positions	%	3.6	4.1	5.1
	Managers of level of general manager or above	%	1.83	1.95	1.92
	Officers	%	2.86	2.70	2.63
	Executive officers	%	0	0	0
Number of overseas local CEOs*1		People	0	1	2
Number of people with disabilities employed (legal count)*4 *5		People	107	115	112
Number of employees with disabilities (actual)*4		People	75	82	117
Rate of employment of people with disabilities*4 *5		%	2.46	2.42	2.57
Legally mandated percentage of employees with disabilities		%	2.3	2.3	2.3
Number of employees leaving the company (voluntary)	Male	People	69	69	107
	Female	People	11	20	21
	Total	People	80	89	128
Rate of employees leaving the company (voluntary)*6	Male	%	2.0	2.0	3.1
	Female	%	1.8	3.2	3.2
	Total	%	2.0	2.2	3.1
Rate of union membership		%	65.2	65.3	64.4
Annual average salary		Yen	7,368,835	7,428,633	7,351,896

*1 Applicable organizations: The Meiden Group

*2 As of March each year

*3 Number of female managers are divided by number of total managers.

*4 Applicable organizations: Meidensha and special subsidiaries up to FY2022. From FY2023 onwards, Meidensha, special subsidiaries, and Meiden Master Partners

*5 The number was calculated in consideration of those with severe disabilities, etc.

*6 Ratio of employees leaving the company is calculated as follows: Number of people that have voluntarily left their position in the last fiscal year as of the end of each fiscal year/number of employees as of April 1 each fiscal year

Number of Employees by Age (only Meidensha) (as of March 31, 2024)

	Male	Female	Total
Under 30	621	167	788
30-39	688	82	770
40-49	641	131	772
50-59	1,146	243	1,389
60 or over	362	42	404

Graduate Recruits (only Meidensha)

	University graduate			Technical college graduates	Junior college/vocational school graduates	High school graduates/other	Total
	Male	Female	Total				
Joined April 2017	54	14	68	6	0	29	103
Joined April 2018	54	11	65	5	0	27	97
Joined April 2019	60	15	75	5	0	47	127
Joined April 2020	52	16	68	6	3	32	109
Joined April 2021	55	14	69	4	5	42	120
Joined April 2022	56	19	75	5	5	38	123
Joined April 2023	53	23	76	5	9	27	117

*Graduates includes those who have completed a degree at a graduate school or an advanced course at a technical college.

Mid-Career Hires (only Meidensha)

	University graduate			Other		Total
	Male	Female	Total	Male	Female	
2016.4 — 2017.3	26	2	28	5	1	34
2017.4 — 2018.3	29	3	32	2	5	39
2018.4 — 2019.3	28	4	32	24	7	63
2019.4 — 2020.3	45	1	46	12	1	59
2020.4 — 2021.3	40	4	44	10	3	57
2021.4 — 2022.3	29	2	31	14	2	47
2022.4 — 2023.3	39	7	46	6	3	55
2023.4 — 2024.3	22	7	29	12	8	49

* Graduates includes those who have completed a degree at a graduate school or an advanced course at a technical college.

Work Style-Related (only Meidensha)

		Units	FY2021	FY2022	FY2023
Employee engagement (eNPS rate)	Actual score*1	%	-63.6	-65.0	-66.2
	Success rate (vs FY2021)	%	-	-1.4	-2.6
People taking maternity leave*2		People	12	17	12
Male employees whose spouses gave birth during the current fiscal year Female employees who gave birth during the current fiscal year	Male	People	90	101	85
	Female	People	11	18	10
	Total	People	101	119	95
People who took parental leave*1	Male*3	People	7	14	25
	(within 1 week)*4		29	57	50
	Female*5	People	11	18	12
	Total	People	47	89	87
Rate of People who took parental leave	Male	%	40	70	88
	Female	%	100	100	120
	Total	%	47	75	92
Rate of return after leave of absence for child care purposes	Male*6	%	100	100	100
	Female	%	100	100	83
	Total	%	100	100	96
People taking family care leave*7		People	1	3	1
Average days of paid leave allocated		Days	23	23	23
Average days of paid leave taken*8		Days	17	18	17
Rate of taking paid leave		%	72	78	74
Average total hours worked per year*9		hours/year/person	1,970	1,957	1,954

1 eNPS applies to Meidensha and Meiden Engineering. Target values listed in the 2024 Mid-Term Management Plan are: eNPS (employee NPS) 10% improvement in FY2024 vs FY2021 (-63.6% → -53.6%)

*2 Number of female employees who began accuring maternity leave during the fiscal year

*3 Number of male employees who began paternal leave during the fiscal year (except short-term leave)

*4 Number of male employees accuring special leave (partner giving birth) or short-term leave (accumulated leave) during the fiscal year

*5 Number of employees who began paternal leave during the fiscal year

*6 Except those accuring leave to raise children

*7 Number of employees who began family care leave during the fiscal year

*8 Average number of days of paid leave in Meidensha (hourly managers only)

*9 Cumulative number of hours worked in Meidensha alone (hourly managers only)
The total number of hours worked during the year is the total number of hours worked as calculated by adding together scheduled working hours and overtime and then subtracting hours of paid leave during said year.

Proportion of Employees that Underwent a Periodic Review of Results and Career Development (only Meidensha)

		Units	FY2021	FY2022	FY2023
Proportion of employees that receive feedback interviews	Male	%	93.9	94.8	92.8
	Female	%	94.7	96.0	95.5
	Total	%	95.3	94.0	93.2
	Managers	%	95.6	93.6	89.9
	Regular employees	%	93.5	93.9	94.2
	Total	%	95.3	94.0	93.2

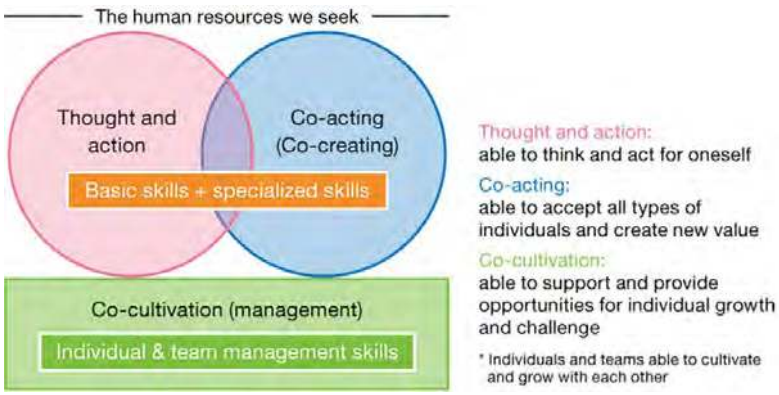
HR Development

As society matures, people's values are diversifying and the forms of happiness they seek and the ways they work are changing. At the Meiden Group, we see our Employees as human capital. To maximize its corporate performance, the Group works to enhance each employee's abilities (A) and motivation (M), as well as create opportunities (O) and environments where all employees can play an active role. This AMO framework is the basis of the Meiden Group's thinking about human capital.

Policy

HR Development Policy

Enhance the training system to increase self-driven initiatives and reduce top-down directives, with the aim of developing human resources with the autonomy to think and act on their own.



Plan and Targets

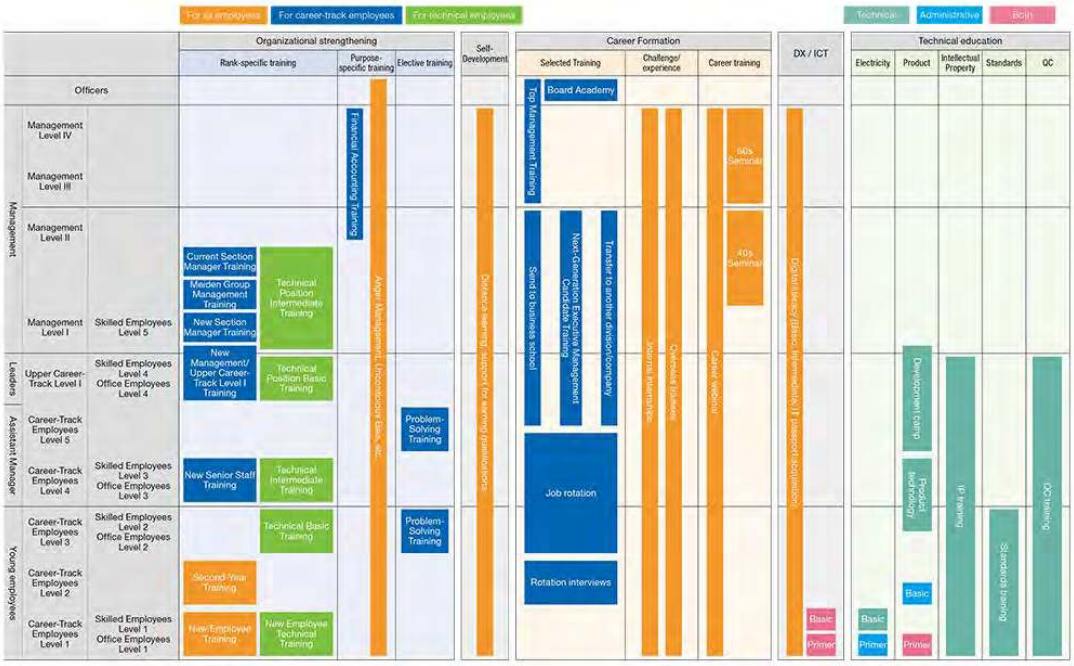
We conduct numerous training programs to encourage employee growth in the different aspects of their lives: as an employee, a member of society, and a professional.

The Medium-Term Management Plan 2024 aims to strengthen human capital in conjunction with sustainability management, and will focus on further human resource development so that diverse human resources can accept each other's individuality and make the most of their abilities. As part of this, we are promoting growth through opportunities to work with diverse personnel, such as coaching programs at overseas subsidiaries, a foreign trainee system, and an overseas assignment system.

We are also enhancing our innovation education so that employees have the creativity and drive to try new things without being trapped by conventional ideas and methods, and fostering an environment conducive to innovation. For example, we create opportunities for employees to challenge themselves and play an active role in the creation and launching of new businesses as a member of the Business Development Division.

Organization

Training system



Level-Dependent Curriculum

This training facilitates understanding of the roles, abilities, and skills required for promotions and the qualifications for each ability and seamlessly integrates into real-life applicability and employee development.

Selective Program

This training hones the way of thinking, skills, and practical abilities to solve management problems with the aim of enhancing management capabilities.

Optional Program

This training teaches the knowledge and skills necessary for employees to achieve their own career goals.

Technical Training

This training teaches product knowledge according to the technical level of the employee.

Self-Development and Acquisition of Qualifications

When the prescribed correspondence course is completed, we will cover 60% of course fees or the full amount if completed with high grades.

We provide incentives for acquiring prescribed public qualifications at the time of acquisition.

Initiatives

Development of Personnel with Abilities to Address the Challenges of Business

Enhancing Motivation

Meidensha strives to respect individual diversity and draw out each employee's independence and motivation. To that end, we have launched "My Vision/My Challenge," an initiative for employees to reflect on their own life vision, compare it to the company's vision, and put into words what challenges they will take on in the company ("My Challenge"). In FY2022, members of upper management put their "My Vision/My Challenge" into words.
The program was expanded to executive officers and managers in FY2023 and is scheduled to include general employees in FY2024.

My Vision/My Challenge >

Individualizing Career Development

• Implementing a rotation system

We implement a rotation system for the systematic growth of young employees. Based on the rotation model, employees, offices, and HR departments share common career growth plans and use periodic meetings to enact rotation. Gaining experience in a variety of fields allows young employees to grow in the early stages of their careers and foster the motivation to pursue potential careers.

• A new internal internship system

In FY2023, we launched the internal internship system, which uses periodic exchanges with and deployments to other divisions to broaden perspectives, provide new knowledge, and allow individuals the opportunities to consider careers and which ones would suit them best.

We have also created an "Enterprising Individuals Course" with the Business Development Division to help drive innovation.

• Career consultation desk

The Group created a Career Consultation Desk in FY2022, a specialized resource for employees as values grow more diverse and employees are becoming less passive more self-reliant about their careers. Regardless of role or workplace, any Meiden Group employee can utilize the service and the array of support it offers, including career and personal advancement planning, career and skill development, and information on company systems. This allows every employee to further demonstrate their abilities and play an active role in the company.

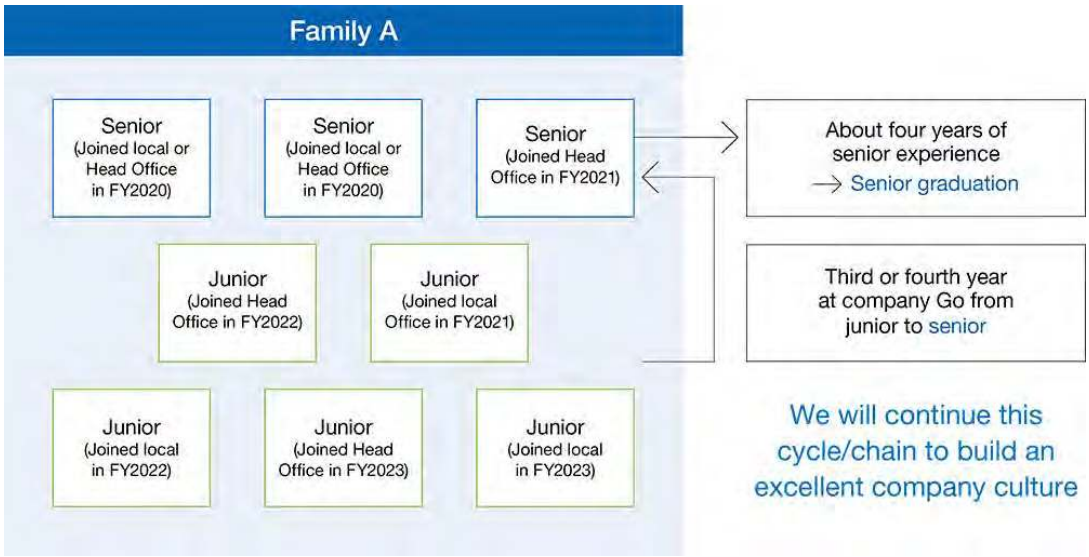
• Revitalizing the MFC Mentor System

In FY2016, we introduced the MFC mentor system for the purpose of strengthening internal connections between young employees and building an atmosphere of professional development. The MFC stands for “Meiden Family Chain” with the idea that staff would form a supportive familial bond where they would support each other like links in a chain. We refer mentors as “seniors” and mentees as “juniors.” We also have groups consisting of multiple pairs, which we call them “families,” that create bonds that go beyond divisions and business units.

Each family holds its own social events and conferences, including study sessions and events that go beyond the family group. Each year the initiative continues to become more fruitful.

Starting in FY2021, the MFC began including regional office employees in addition to Headquarter employees and now boasts over 500 members. Through such efforts, we hope to further strengthen lateral connections between younger employees.

Composition of MFC Families



• Visualizing occupational skills

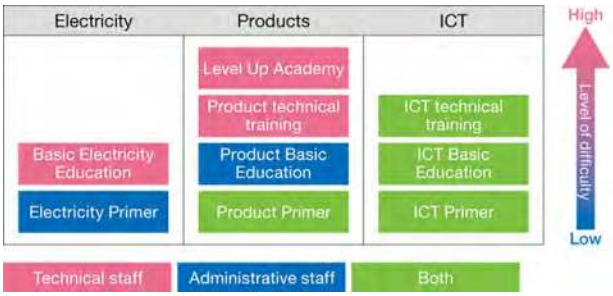
All employees can access the list of necessary sales, office, technical, and occupational skills. This helps promote study toward a desired career, managerial discussion within divisions, and lateral development and connections and also helps employees gain a clear understanding of the steps required to grow in their individual careers.

Extensive Technical and Essential Skill Education

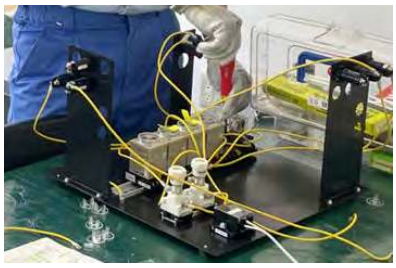
Meidensha has long provided technical training to help employees acquire specialized skills and improve their practical abilities. However, in order to strengthen the technical skills of younger employees, we have been providing training since 2018 for both technical and administrative staff to learn about electricity, which is essential for understanding Meidensha's technologies and products. In FY2019, we

added ICT training and began offering training on digital fundamentals and design thinking, the essential components of the digital literacy needed to train digital human resources. We created the “digital textbook” in FY2022 and intensified the following initiatives in FY2023.

(1) Creating and publicizing technical education videos on electronics and products
(2) Offering practical training on electronic control circuits



Overview of the technical education system


An example of practical training on electronic control circuits

The following training is scheduled for FY2024:

(1) Digital literacy education
(2) Rank-specific training for technical employees (factories)

Employees in a VR technical education session

Acquisition and Transmission of Techniques and Skills

The technical training center Manabi-ya, located at the Numazu Works, is intended for the early development of engineers and the passing on of technology and skills. It provides technical and skills training, led mainly by experienced employees, and programs for the systematic training of engineers and raising the level of their work. Maintenance engineers in particular study for one year at the technical training center to learn maintenance skills.

Technical training center (Manabi-ya) (opened in October 2020)

Practical training

Developing the Next Generation of Group Personnel

Systematic Development of Management Personnel

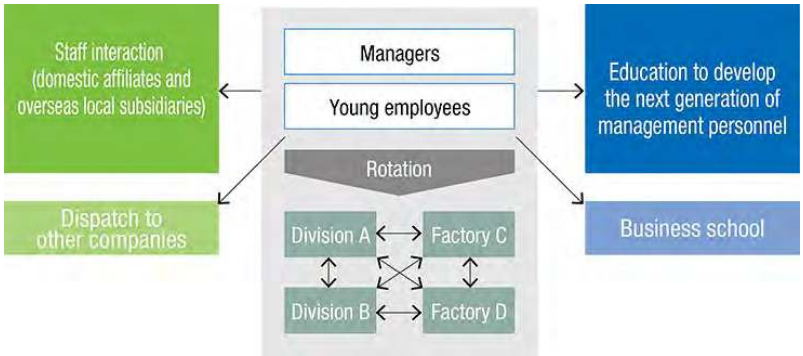
We offer the Career Development Management Program, a new training program to systematically and strategically develop the next generation of personnel.

We aim to develop personnel that can think and act with a broad perspective and outlook that exceed the bounds of their own areas of specialty and roles by selecting and recruiting young and mid-level personnel to attend business school and engage in professional exchange with people outside of their own business divisions, factories, and business units, engage in personal exchange with overseas subsidiaries and Japanese subsidiaries, and engage in cultural exchange through placement outside of the Group and at government institutions, etc.

We have also newly added a young employee program to selective training in order to systematically develop the next generation of management personnel for the medium to long term.

In addition, by introducing the Innovation Professional Development Program for the next generation of management and having them experience different fields with various human resources development measures, we aim to enhance their creativity by helping trainees absorb a variety of knowledge and broaden their experience, as well as to foster an innovation mindset.

Systematic Development of Management Personnel



We also train the general managers of each business on the knowledge and skills they need in the current management environment. These include finance and accounting training, which is essential for accurate decision-making, and training in unconscious bias, psychological safety, and anger management as part of promoting DEI. We also send general managers to outside seminars to build up their organizational capabilities.

Local Staff Development

Since FY2018, the Meiden Group has been conducting a Japanese study abroad program for local staff (employees of overseas subsidiaries) to promote communication between Meidensha management groups, improve preparedness to take on leadership roles and the knowledge necessary for top management positions in the Meiden Group, and develop personnel who are candidates for leadership

positions at overseas subsidiaries. Since FY2021, training that aligns with the issues and demands of each local business has been conducted, with Thai Meidensha Co., Ltd. engaging in coaching programs for organizational development, while joint training programs in China have been organized between multiple regional businesses and the primary business planning department. Meiden Singapore Pte. Ltd. —primarily focused on the ASEAN region— and Meiden America Inc. have created new career paths to detail ways to create candidates for executive positions from local staff, conducted town-hall style meetings to inform and execute plans, and have helped solidify the mindset of local staff. We are building upon and expanding these successes to other local businesses to develop local executives at overseas subsidiaries.

Technician interns and technician trainees from overseas subsidiaries also receive training in Japan to increase the ability of engineers in local business and improve the competitiveness of the Meiden Group. We expect that they will utilize their new skills upon returning to their home countries and improve product quality, technical know-how, and communication.

Results Data

Data

Number of Participants in Each Type of Training

(Total participants)

Training Type	FY2020	FY2021	FY2022	FY2023
Hierarchical program	2,463	2,569	2,672	2,598
Selective program	130	135	136	136
Optional program	147	409	2,357	1,817
Technical training	1,090	1,603	1,255	1,247
Education conducted by departments	7,111	10,096	25,125	31,692
Total	10,941	14,812	31,545	37,490

Data Concerning Professional Development

Item	FY2020	FY2021	FY2022	FY2023
Total expenses of education and training*1	114,500000 yen	133,428000 yen	151,648000 yen	168,152000 yen
Total expenses of education and training*2	51,583 hours	56,050 hours	78,686 hours	75,587 hours

*1 Company-wide total, including expenses for training conducted by each department. Excludes personnel expenses for trainers and management and administrative expenses for training facilities, etc.

*2 Training days x designated work hours x number of participants (training conducted by the HR Department. Excludes OJT and remote training).

Corporate Governance

Corporate Governance

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Strengthening Information Security Management >

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Compliance >

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Corporate Governance

Policy

Basic Approach

Under our Corporate Mission of “illuminating a more affluent tomorrow” and our Corporate Philosophy of providing value “ for customer peace of mind and satisfaction,” our group has set forth our Ideal State of Being/Vision for 2030 as “Work to build a new society through integrity to the earth, society, and people, and through the power of co-creation – Sustainability Partner –.” Our group takes the basic stance that we maintain fair and steady business activities with respect for people and the global environment, operate businesses focusing on profit while constantly pursuing new technology and high quality, and endeavor to give back to society.

In order to implement this basic stance, we formulated the “Basic Policy to Improve the Governance to Secure Fair Business Practices” at the regular Board of Directors meeting held in May 2006. In addition, we revised this basic policy at the regular Board of Directors meeting held in July 2022, as a result of a revision of the officer system to further clarify the division of roles between executive functions (executive officers) and so-called supervisory functions (directors and the Board of Directors).

We will work to further improve the fairness, efficiency, and transparency of management by promoting initiatives to enhance corporate governance in accordance with the Corporate Governance Code.

Basic Policy on the Corporate Governance Code

Meidensha will work to further improve the fairness, efficiency, and transparency of management by promoting initiatives to enhance corporate governance in accordance with the Corporate Governance Code.

i. Ensuring shareholder rights and equality

We will work to establish an environment where shareholders can exercise their rights appropriately and we will actively disclose information to this end, thereby ensuring shareholder rights and equality.

ii. Appropriate cooperation with stakeholders other than shareholders

In order to achieve our Group's sustainable growth and enhance its corporate value over the medium to long term, we will disclose appropriate information and engage in dialogue with our various stakeholders, including customers, suppliers, and members of the local community.

iii. Disclosing information appropriately and ensuring its transparency

We will make timely disclosures of information in accordance with laws and regulations and will also disclose information on the status of our company, including non-financial information, in a timely and appropriate manner through media that are widely accessible to stakeholders (our websites, integrated reports, and other publications).

iv. Obligations of the Board of Directors

Based on the Meidensha Group Corporate Philosophy, the Board of Directors will formulate medium- to long-term management plans and strive to enhance the medium- to long-term corporate value of our Group by making decisions and supervising business execution in the implementation of these plans.

As a company with an Audit & Supervisory Committee, we strive to improve the supervisory function of the Board of Directors. In addition, we will further promote separation of supervisory and executive functions by utilizing the executive officer system, which was introduced in June 2003 and revised to enhance its legitimacy in June 2022 to form a system wherein the Board of Directors' resolutions on executive officer appointments are grounded in the Articles of Incorporation.

v. Dialogue with shareholders

Our policy is to ensure that senior management respond within reason, when engaging in dialogue with shareholders who wish to create that dialogue to help enhance our corporate value over the medium to long term.

In addition, as a prerequisite for this dialogue, we will endeavor to provide more opportunities for various briefings and IR/SR interviews and offer enhanced information disclosure through our websites, integrated reports, and other publications.

Organization and Initiatives

Corporate Governance Structure and Initiatives

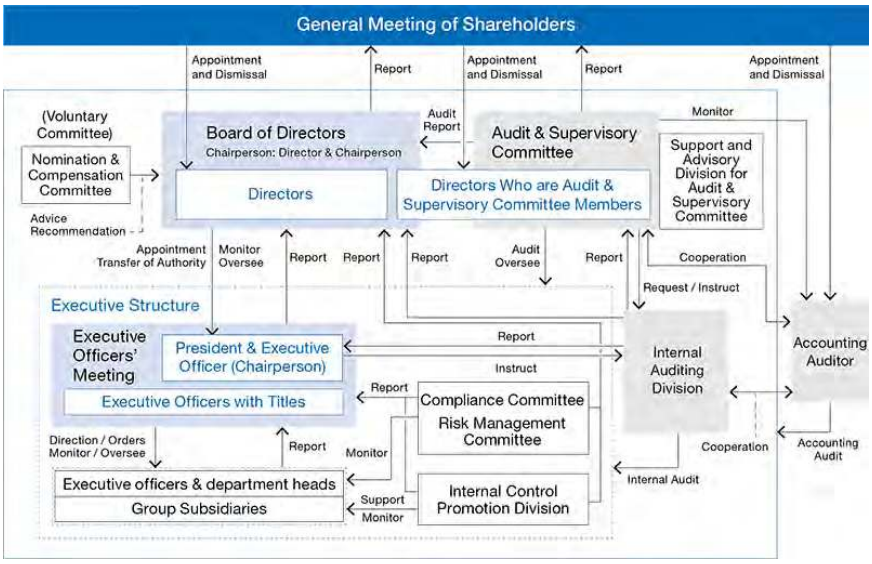
We are a company with an Audit & Supervisory Committee, and we aim to further strengthen corporate governance in the following areas.

(a) We further enhance the supervisory functions of the Board of Directors through use of legal authority, such as directors that are Audit & Supervisory Committee Members holding voting rights at meetings of the Board of Directors and having the right to present a position statement relating to nomination and compensation of directors at General Shareholder's Meetings.

(b) We further enhance discussions on management strategies, etc. by transferring the Board of Directors' meeting to a monitoring type, since a portion of the Board of Directors' authority to make decision on business execution has been transferred to the Director & President and Executive Officer (Executive Officers' Meeting).

(c) We aim to further promote separation of supervisory and executive functions by making changes to increase legitimacy in June 2022, and combining it with the transfer of authority mentioned in (b) through the introduction of an executive officer system in June 2003, and a system for election of executive officers who are responsible for a flexible and agile business execution system by the Board of Directors, based on the Articles of Incorporation.

Corporate Governance Structure



Outline of Corporate Governance Structure

Form of Organization	Company with an Audit & Supervisory Committee
Number of directors	8 (including 4 outside directors)
Number of directors (Audit & Supervisory Committee members)	4 (including 3 outside directors)
Number of Independent Officers	7(4 outside directors and 3 outside directors (Audit & Supervisory Committee members))

(1) The Company's Board of Directors

In principle, the Board of Directors convenes on a regular monthly basis and holds ad-hoc meetings as necessary, to discuss major executive matters, business issues, and management issues related to the our business execution. In FY2023, the Board of Directors held 13 meetings, and the attendance rate was 100% for all directors.

The specific composition of the Board of Directors and meeting attendance in FY2023 are described below in "Composition of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee and Attendance in FY2023" below.

① Composition of Board of Directors

To ensure sufficient discussion of management issues, the number of directors is stipulated to be no more than 15 (10 directors who are not Audit & Supervisory Committee members and 5 directors who are Audit & Supervisory Committee members).

Our Board of Directors consists of 12 directors, including 4 who are Audit & Supervisory Committee members. The 12 directors also include 7 outside directors (of which 3 are members of the Audit &

Supervisory Committee), all of whom satisfy our criteria for determining the independence of outside directors and the requirements for independent directors as defined by the Tokyo Stock Exchange. This means that independent outside directors make up a majority of the Board of Directors, ensuring the effectiveness of the supervisory functions of the Board of Directors and that objective and independent opinions are fully incorporated into the company's management.

Regarding the appointment of directors, it is the basic policy to ensure the diversity of the Board of Directors as a whole based on the abilities, insight, and experience of individual directors and to assign appropriate human resources that contribute to the enhancement of our corporate value. It is also our policy to ensure the diversity and balance of the Audit & Supervisory Committee as a whole based on the knowledge and experience of accounting, financial, and legal matters etc., of directors who are members of the Audit & Supervisory Committee. The balance of expertise, knowledge, experience, etc., is as described in the Board of Directors' Skill Matrix below.

Composition of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee and Attendance in FY2023
(period: April 1, 2023–March 31, 2024)

Name	Position (as of March 31, 2023)	Board of Directors	Nomination & Compensation Committee	Audit & Supervisory Committee
Takeshi Miida	Representative Director & Chairperson & Senior Officer Member of Nomination & Compensation Committee	13/13	12/12	—
Akio Inoue	Representative Director & President & Executive Officer Member of Nomination & Compensation Committee	10/10	9/10	—
Norio Takekawa	Representative Director & Executive Vice President & Executive Officer	13/13	—	—
Masayuki Iwao	Director & Senior Managing Executive Officer	13/13	—	—
Hiroyuki Takenaka	Director (Outside Director) Head of the Nomination & Compensation Committee	13/13	12/12	—
Hiroji Adachi	Director (Outside Director)	13/13	—	—
Manabu Kinoshita	Director (Outside Director) Member of Nomination & Compensation Committee	10/10	10/10	—
Michihiko Kato	Director and Audit & Supervisory Committee Member (Standing Audit & Supervisory Committee Member) Head of the Audit & Supervisory Committee	13/13	—	16/16
Keiko Hayashi	Outside Director (Audit & Supervisory Committee Member) Member of Nomination & Compensation Committee	13/13	12/12	16/16
Takashi Kuroda	Director and Audit & Supervisory Committee Member (Outside Director)	13/13	—	16/16
Hideki Hiraki	Director and Audit & Supervisory Committee Member (Outside Director)	13/13	—	16/16

Note: Attendance at meetings of each body is shown as "Attended/held"

② Activities of the Board of Directors

The Board of Directors considers “matters for discussion” in addition to matters to be resolved and reported. ”Matters for discussion” includes following the progress of and tracing matters related to basic management policies such as the Medium-term Management Plan and important management themes. At their meetings, directors actively exchange opinions on our management issues and strategies and on corporate governance, while drawing on the knowledge of the outside directors. The Board of Directors use the meeting as a forum to reach consensus on the direction of us in the conceptual and planning stages prior to making a board resolution. In FY2023, Meidensha created the “On-site Meeting” consisting of all directors, and began using it as a forum for directors to exchange opinions and discuss important matters impacting management flexibly and early.

Major topics discussed by the Board of Directors in FY2023 included the following.

Topic	Summary of discussions at Board of Directors meetings
Enhancing the agenda-setting of the Board of Directors	Management issues and topics to be discussed at the Board of Directors meetings were discussed at the Board of Directors in April and in October for the purpose of enhancing the agenda-setting of the Board of Directors, which was identified as an issue in the FY2022 Board of Directors effectiveness evaluation. The following topics extracted from discussions were reflected in Board of Directors meetings and the On-site Meeting held in FY2023. ■ DX promotion Directors confirmed the DX promotion policy and the status of efforts focused on the DX Promotion Committee, and exchanged opinions on promoting transformation combined with changes to the corporate culture, developing DX human resources, and more for further promotion. ■ Human capital efforts Directors shared the results of analysis of employee engagement surveys and exchanged opinions on personnel system revisions, human resource development efforts, and fostering a DEI culture as measures to address the issues revealed by the analysis. ■ Next Medium-term Management Plan For considerations of the formulation of the next Medium-term Management Plan for FY2024, directors exchanged opinions on management issues and topics to be discussed, and incorporated them into the annual schedule for FY2024.
Revising criteria for submitting matters for discussion to the Board of Directors and improving operations to strengthen supervisory functions	To further discussion of management issues and facilitate the supervisory functions of the Board of Directors, directors discussed and executed (1) revisions to criteria for submitting matters for discussion to delegate some important business execution decisions and (2) improvements to operations to enhance information sharing on important business execution and streamline explanation and reporting.
Actions to implement management that is conscious of cost of capital	At the request of the Tokyo Stock Exchange, the Board of Directors confirmed the Meidensha’s cost of capital and return on capital, analyzed and evaluated the current situation based on market assessments, discussed measures to improve our corporate value in a cost of capital-conscious manner, and disclosed the results in the Corporate Governance Report.

③ Participation of Outside Directors in Board of Directors’ Meetings

■ Participation in the agenda

Our outside directors review materials provided to them roughly 5 business days prior to a Board of Directors meeting and attend a briefing held roughly 3 business days prior to the meeting to develop an

understanding of the matters submitted for discussion from various perspectives, and check any unclear points in advance of the meeting. Notably, as a prerequisite for the monitoring and supervisory functions of the Board of Directors, materials for important meetings such as the Executive Officers' Meeting and other important committee meetings provided by the Secretariat of the Board of Directors are checked as needed.

At Board of Directors' Meetings, multifaceted discussion occurs, based on the broad perspective of managers, the knowledge of technicians, and the high-level specialization of experts, etc. The outside directors participate in deliberations by actively making statements, etc., in particular concerning policies and measures to deal with risks, and cautions when monitoring, etc.

■ Training for New Outside Directors

We create opportunities to explain our business and structures, primarily to aid the understanding of newly appointed outside directors. The responsible officers or managers in charge of the business group explain their business, group-wide themes, and our governance system to the outside directors, answer their questions, and exchange opinions with them.

(2) Effectiveness Evaluation of the Board of Directors

Meidensha has a mechanism in place to conduct an analysis and evaluation of the effectiveness of the Board of Directors in order to strengthen the supervisory function of the Board of Directors.

With regard to the activities of the Board of Directors in FY2023, all members of the Board of Directors (including outside directors) evaluated the effectiveness of the Board of Directors (including self-evaluations), and the following discussions took place at meetings of the Board of Directors, in order to revitalize deliberations by the Board of Directors.

An overview of the analysis, evaluation, and discussions is as follows.

① Major issues and status of efforts to increase effectiveness as discussed in previous fiscal year

Major issues in FY2022	Status of efforts in FY2023
① Improve agenda-setting to further enhance the supervisory functions of the Board of Directors	As described previously (② Activities of the Board of Directors), in FY2023, management issues and topics to be discussed at Board of Directors meetings were discussed at the Board of Directors twice a year and incorporated the topics identified in these discussions into the agendas of Board of Directors meetings and On-site Meetings in FY2023 and beyond in an effort to improve the agenda setting of the Board of Directors.
② Organize matters for delegating important business execution decisions	As described previously (② Activities of the Board of Directors), we revised the criteria for submitting matters for discussion to the Board of Directors and changed operations to enhance information sharing on business execution at meetings of executive-side bodies and committees.
③ Establish executive-side system	In conjunction with the aforementioned revision of the criteria for submitting matters for discussion to the Board of Directors, we revised the criteria for submitting matters for discussion to the Executive Officers' Meeting on the executive side. We then made changes to streamline meeting operating methods.

② FY2023 analysis and evaluation

1	Formulation of questionnaire	The Chairperson and Secretariat of the Board of Directors formulate a questionnaire (34 questions (6 multiple choice, 28 open-ended)) on the status of the Board of Directors' initiatives and their effectiveness, based on the issues identified in the discussions of the effectiveness evaluation of the previous year, the status and evaluation of the response to them, and new issues found by the Board of Directors in FY2023.

2	Conducting of questionnaire survey	All 11 directors are asked to fill out the above questionnaire in April 2024.

3	Discussions at Board of Directors meeting	Based on the responses to the questionnaire survey, at the Board of Directors meeting in May 2024, all directors discuss the matters for discussion on Board of Directors operations. The analysis and evaluation results are compiled to determine whether the Board of Directors is effective.

4	Analysis and evaluation results	Results of questionnaire evaluation from each director are summarized and discussed by the members of the Board of Directors, and the opinions are summarized as follows. • The composition of the Board of Directors is appropriate • The operating methods and agenda-setting of the Board of Directors has improved from the previous year, and the quality of discussions has improved • Opinions and advice from outside directors have been adequately received, and follow-up on these has improved since last year. Based on the above, we have judged that our Board of Directors is effective.

[Effectiveness evaluation items (questionnaire items)]

① Composition, deliberations, and operations of the Board of Directors (size, independence, diversity, skills, etc.)

② Operations of the Board of Directors (criteria for submitting matters for discussion, deliberation time, information sharing with outside directors, attendance rules for executive officers, etc.)

③ Self-evaluation (securing time required for duties, demonstration of expertise, awareness of management and supervisory perspectives (inside directors), supervision from an independent standpoint (outside directors))

④ Ensuring the effectiveness of the Board of Directors (effectiveness as a monitoring-type Board of Directors, how to further separate execution and supervision, etc.)

⑤ Methods of evaluating effectiveness next year and beyond

⑥ Other (free description)

Issues and Future Initiatives

Major issues in FY2023	Initiatives in FY2024
(1) Improve the operations of the Board of Directors to further enhance its supervisory functions	The On-site Meeting, which began in FY2023 as a forum for directors to exchange opinions and discuss important matters impacting management flexibly and early, has proven to be effective, and we will take steps to improve its operation to further facilitate exchange of opinions and discussion in addition to striving to further improve methods of information sharing and the operation of briefings prior to Board of Directors meetings to enable outside directors to fulfill their supervisory functions.
(2) Consider skills matrix based on medium- and long-term management strategies	Based on the discussion of the next Medium-term Management Plan and the long-term vision, the Board of Directors will discuss revisions to current skills after consulting the Nomination & Compensation Committee.

Based on the above, we will continue working to increase the effectiveness of the Board of Directors.

(3) Nomination & Compensation Committee

Meidensha has established a voluntary Nomination & Compensation Committee as an advisory body to the Board of Directors. Its purpose is to ensure management transparency and strengthen accountability regarding nominations (appointments and dismissals) and compensation of directors.

The specific composition of the Nomination & Compensation Committee and meeting attendance in FY2023 are described in “Composition of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee and Attendance in FY2023” above.

■ Activities of the Nomination & Compensation Committee in FY2023

Month & year	Activity
April 2023	• Report on directors’ composition and skills matrix • Consideration of Nomination & Compensation Committee composition • FY2022 director compensation report • Report on revisions to director compensation limits • Report on revisions to officer compensation system
May 2023	• Report on Nomination & Compensation Committee composition • Report on estimated director compensation in FY2023
June 2023	• Report on agenda and dates of Nomination & Compensation Committee meetings • Consideration of interviews between candidates for the next management personnel and Nomination & Compensation Committee members
July 2023	• Consideration of succession plans • Report on interviews between candidates for the next management personnel and Nomination & Compensation Committee members
August 2023	• Consideration of succession plans • Consideration of nomination of outside directors
September 2023	• Consideration of succession plans • Consideration of nomination of outside directors
October 2023	• Consideration of succession plans • Report on the direction of revisions to officer compensation system

Month & year	Activity
November 2023	• Consideration of succession plans
December 2023	• Consideration of succession plans • Consideration of executive-side nominations based on the organizational structure for FY2024
January 2024	• Consideration of executive-side nominations based on the organizational structure for FY2024
February 2024	• Report on executive-side nominations based on the organizational structure for FY2024
March 2024	• Report on Board of Directors composition for FY2024 • Consideration of nomination of outside directors • Consideration of revisions to officer compensation system

(4) Board of Directors Selection Policy and Appointment and Dismissal Process

Based on the basic policy for ensuring a balance between the diversity of the Board of Directors as a whole and its expertise and experience, as described in (1) ① Composition of Board of Directors above, we select individuals who will help strengthen the decision-making and supervisory functions of the Board of Directors. The Board of Directors consults with the Nomination & Compensation Committee (a voluntary committee), with independent outside directors as the main members and chair, then the Board of Directors nominates candidates by resolution. Finally, nominations are submitted to the General Meeting of Shareholders.

In the event that a director is found to be in violation of laws and regulations or the Articles of Incorporation, or to have significantly deviated from the policy for the appointment of directors, the Board of Directors will take the necessary procedures for dismissal after consulting with the Nomination & Compensation Committee.

■ Board of Directors' Skills Matrix

Position	Name		Skills expected from candidates for Directors								
			Business management	DX/ Business transformation	Sales/Marketing	Research and Development/ "Monozukuri"	Global	Finance/ Accounting	Legal affairs/ Internal control	HR development	Environment
Director	Takeshi Miida	Reappointment	•	•	•				•	•	
	Akio Inoue	Reappointment	•	•				•			•
	Masahiko Suzuki	New appointment		•	•	•					•
	Masayuki Iwao	Reappointment	•				•	•	•	•	
	Hiroyuki Takenaka	Reappointment Outside	•	•	•				•	•	
	Hiroji Adachi	Reappointment Outside	•	•		•	•				
	Manabu Kinoshita	Reappointment Outside	•	•	•					•	
	Kumiko Shirai	New appointment Outside	•	•						•	•
Director (Audit and Supervisory Committee Member)	Seiji Kato	New appointment				•		•	•		
	Keiko Hayashi	Reappointment Outside						•	•	•	
	Takashi Kuroda	Reappointment Outside	•		•				•		
	Toshiya Nishino	New appointment Outside	•		•			•		•	

Notes:
1. The above Skill Matrix presents the specific skills that Meidensha particularly expects from the candidates. It does not present all knowledge and experience possessed by them.
2. Meidensha has reported the candidates for Outside Director as Independent Directors to the Tokyo Stock Exchange.

[Skills Required to the Board of Directors and the Reasons]

Meidensha believes that members of the Board of Directors should have such skills and experiences by the reasons below.

Skills	Reasons why such skill is required
Business management	With the diversification of values as social conditions change dramatically, to promote sustainability management and to strengthen the corporate governance structure by clarifying management direction by rapidly and flexibly making management decisions in order to continuously grow with the challenge to build a new society.
DX / Business transformation	It is essential to work on innovation through co-creation, operational reforms through Digital Transformation (DX), and business transformation in response to changes in society for illuminating a more affluent tomorrow.
Sales / Marketing	To formulate and execute sales strategies aimed at rapid progress in growth businesses and strengthening the competitiveness of the earnings base by realizing high quality growth in order to provide customer peace of mind and satisfaction.
Research and Development / "Monozukuri"	To enhance product competitiveness which is necessary for high quality "Monozukuri" (design, manufacture, construction, and maintenance) to maintain a safe and secure social infrastructure and for provision of value, along with creating new technologies and new products.
Global	To promote initiatives aimed at building a strong business base for overseas business and further enhancing the earning power necessary to meet the world's new infrastructure demands.
Finance / Accounting	To manage capital efficiently, invest in growth businesses, and deliver shareholder returns, together with making accurate financial reports.
Legal affairs / Internal control	To strengthen internal control and compliance / risk management structure, the base for honest and responsible business operations.
HR development	To enhance wellbeing and employee engagement and to promote initiatives such as DEI (Diversity, Equity & Inclusion), in order for diverse human resources, who are the source of corporate value, to be able to grow and play an active role in a lively way, where each person can derive fulfillment from their work.
Environment	To expand businesses that contribute to the environment and to promote green strategies focused on internal decarbonization which are necessary to realize carbon neutrality.

(5) Successor Planning

Meidensha selects several candidates to succeed the top executive from among those appointed as directors or executive officers with titles who have undergone education and training and who meet certain requirements and contribute to enhancing our corporate value.

In replacing the top executive, it is identified which of the candidates should be the successor after consulting with the Nomination & Compensation Committee. The Executive Officers' Meeting and the Board of Directors scrutinize the requirements and eligibility, identify a candidate, and finally decide who will be the top executive.

(6) Executive Officer System and Executive Structure

Meidensha introduced an executive officer system in June 2003 in order to streamline the Board of Directors, as well as to accelerate management decision-making and to enhance supervisory functions. At the same time, we sought to reinforce the functions of the Board of Directors by promoting the separation of the decision-making authority and supervisory function from the business performance function held by the Board of Directors.

Based on the Articles of Incorporation, executive officers selected by the Board of Director's Meeting assume responsibility for the execution of specified tasks within the scope of authority transferred by the Executive Officers' Meeting and the President and Executive Officer, and nimbly perform executive functions under the supervision of the Board of Directors, in accordance with the Meiden Group's management policies determined by the Board of Directors.

The Executive Officers' Meeting, which comprises Executive Officers with Titles, is created for executive decision-making, and decides matters based on the rules of internal approval, as well as matters for which consultation from a full-company perspective is required.

Furthermore, apart from the meeting body to make decisions, we established review meetings and strategy meetings to serve as advisory and internal bodies, and with regard to important management matters, we created a system wherein thorough discussion and deliberation are conducted prior to decision-making, and follow-up strategy and planning and improvement initiatives are conducted following decision-making.

Summaries and key points of proceedings at the Executive Officers' Meeting and other internal bodies are reported at the regular meeting of the Board of Directors for the month as a report on business execution. This helps to ensure and improve the effectiveness and supervisory functions of the Board of Directors.

Decisions on business execution matters not submitted to the Executive Officers' Meeting for discussion are made by executive officers who have authority over business execution and strive to execute operations proactively and flexibly.

In addition, the Board of Directors delegates part of its business execution authority to executive officers via the directors, and the executive officers are required to submit a report on the status of business execution to the Board of Directors at least once every 3 months, which helps ensure that the Board of Directors can supervise effectively.

(7) Auditing System

Our Audit & Supervisory Committee consists of 4 directors who are Audit & Supervisory Committee members (including 3 outside directors and 1 full-time inside director).

The Audit & Supervisory Committee audits the directors' execution of duties and confirms from a fair, unbiased, and objective standpoint the basic policy regarding the development of internal control systems and the status of their development and operation. Attendance at meetings of the Audit & Supervisory Committee and the like by each member are described in the aforementioned "Composition of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee and Attendance in FY2023."

In principle, the Audit & Supervisory Committee is held once a month before the Board of Director's Meeting. The purpose is to enable the Audit & Supervisory Committee to form its own intentions on matters to be discussed at Board of Director's Meetings prior to the Audit & Supervisory Committee. In case there is a quarterly audit report from the accounting auditor, Audit & Supervisory Committee is held

on the same day as the Board of Director's Meeting. In that case, the Audit & Supervisory Committee is held twice a month. In FY2023, meetings lasted an average of roughly 90 minutes, and there were 60 agenda items for the year.

In addition, we established the Support and Advisory Division for Audit & Supervisory Committee exclusively to aid the Audit & Supervisory Committee. It has 4 members with legal, sales, factory, quality control, R&D, overseas business planning, and internal auditing experience (as of March 31, 2024).

(8) Internal Auditing System

① Organization

Meidensha has established the Internal Auditing Division (17 members as of March 31, 2024).

As an organization under the direct control of the President and Executive Officer, the Internal Auditing Division is independent from other executive lines. It conducts internal audits to check the effectiveness and efficiency of business operations, the reliability of financial reporting, the status of compliance with laws and regulations, and the maintenance of assets, covering Meidensha and all Meiden Group companies in Japan and overseas. After conducting these audits, the division follows up with the audited departments in writing or in person to improve the effectiveness of internal audits.

In addition, the division promotes efforts to strengthen the system by hiring certified internal auditors and other qualified personnel with the aim of further improving audit quality.

Regarding relationships with internal control divisions, the Internal Control Promotion Division which is a specialized division establishes risk management systems that integrate the entire Meiden Group and promotes enhancement of internal control systems, the Audit & Supervisory Committee and Internal Auditing Division monitor internal control systems, and the Internal Control Promotion Division, Audit & Supervisory Committee, and Internal Auditing Division work together to enhance the effectiveness of internal control.

② Method of audits

In FY2023, the internal audits were mainly conducted by 2 methods.

At Meidensha, the company-wide risks confirmed by the Risk Management Committee were reassessed from the perspectives of the Internal Auditing Division, and risk-based audits targeting the highest-priority risk areas were conducted in 9 divisions selected based on risk factors focused on by management and other risks.

To improve the coverage of risks in audits of subsidiaries, we conduct standardized audits with audit standardization tools. We plan to conduct standardized audits of all subsidiaries between FY2021 and FY2024. In FY2023, we audited 8 domestic subsidiaries and 11 overseas subsidiaries.

The Internal Audit Regulations stipulate that internal audit results are to be reported to the President & Executive Officer, the Board of Directors, the Executive Officers' Meeting, and the Audit & Supervisory

Committee.

In FY2023, reports were presented monthly to the President & Executive Officer, semiannually to the Board of Directors and the Executive Officers' Meeting, and 11 times to the Audit & Supervisory Committee. Internal audit reports are also sent to the members of the Executive Officers' Meeting and standing Audit & Supervisory Committee members each time one is issued.

(9) Strengthening Group Governance

The Meiden Group is working to continuously strengthen group governance by developing basic policies based on the "Basic Policy regarding Establishment of a System to Ensure the Appropriateness of Business Activities" at each Meiden Group company, establishing a regulatory framework, and implementing the PDCA cycle.

1. Major Initiatives in FY2023

The Group Company Internal Control Committee is held twice a year to share with domestic subsidiaries information on important top risks for the Meiden Group as discussed by the Risk Management Committee for domestic subsidiaries and the progress of risk management at each company. In addition, all domestic subsidiaries finished revising their basic policies for internal control systems and establishing important rules and regulations in line with their circumstances.

Furthermore, to strengthen internal control throughout the Meiden Group, we conducted internal audits of 8 domestic subsidiaries and 11 overseas subsidiaries to confirm the status of internal control development and operation, and visited 8 overseas subsidiaries to foster a common understanding of the importance and challenges of strengthening governance and compliance.

(10) Basic Policy and Current Status of Cross-Shareholdings

Our basic policy is to hold cross-shareholdings that contribute to enhancing our corporate value and consider selling those that no longer seem reasonable to own for the purpose to maintain and expand transactions and to secure and strengthen medium- to long-term cooperative relationships with partners and fellow alliance members, taking account of market conditions and other factors.

Under this policy, we decide to keep or reduce its current holdings of listed stocks based on a comprehensive assessment of whether the ratio of each stock's return (dividends, related trading profits, etc.) to market value meets the target cost of capital, policy factors, and so on.

In FY2023, the 96 listed and unlisted stocks held as of March 31, 2023 (balance sheet amount: 16,418 million yen), we sold our entire holdings of 2 listed stocks, and 5 unlisted stocks were liquidated or went bankrupt, resulting in a decrease in the number of stocks held to 89 as the end of March, 2024. However, due to a substantial increase in the share prices of the listed stocks we continue to hold, our balance sheet amount of cross-shareholdings was 26,280 million yen. This represents 20.3% of consolidated net assets as the end of March, 2024.

Based on the aforementioned policy, the Board of Directors annually reviews and reduces our cross-shareholdings as shown in the table below. In addition to the basic policy, in FY2024, we will examine the ideal state of cross-shareholdings and take appropriate actions while devoting attention to improving asset efficiency and securing resources for growth investments during the next Medium-term Management Plan.

Reduction in the number of cross-shareholdings in the past 5 years

Directors' Compensation

Directors compensation policy

i Level and System of Compensation

The level of compensation of Meidensha's directors is determined based on external objective compensation market data, economic conditions, industry trends, and Meidensha's business circumstances, etc. Giving consideration to this level, the content of the director's compensation system is determined in the form of internal regulations on director's compensation after consultation and confirmation by the aforementioned voluntary Nomination & Compensation Committee, chaired by an outside director.

ii Composition of Compensation

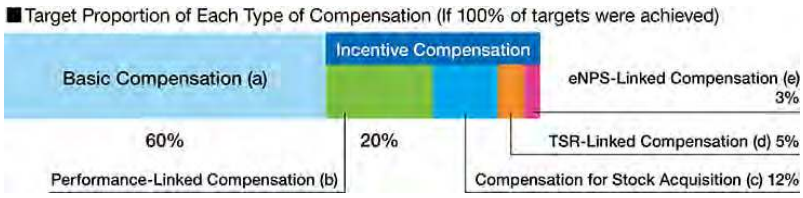
(a) Directors (excluding Audit & Supervisory Committee members and outside directors)

Compensation of directors (excluding Audit & Supervisory Committee members and outside directors) is based on an annual salary system with performance-linked compensation and comprises basic compensation (a) and incentive compensation according to position. Of these, incentive compensation comprises performance-linked compensation (b) as a short-term incentive and compensation for stock acquisition (c), TSR (total shareholder return)-linked compensation (d), and eNPS-linked compensation (e)* as medium- to long-term incentives.

* eNPS: Net Promoter Score (NPS®) for employees. NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems.

* The addition of eNPS-linked compensation was approved by the Board of Directors on May 10, 2024, and went into effect following the 160th Ordinary General Meeting of Shareholders held on June 25, 2024, and the Board of Directors meeting held on the same date.

Target Proportion of Each Type of Compensation (if 100% of targets were achieved)



(b) Directors and Outside Directors Who Are Audit & Supervisory Committee Members

Directors and outside directors who are Audit & Supervisory Committee members only receive basic compensation on annual salary system basis.

iii Incentive Compensation System

The performance indicator for calculating performance-linked compensation as a short-term incentive is decided after the annual general meeting of shareholders for the relevant fiscal year. It is decided based on the operating income of the previous fiscal year to raise awareness of the need to improve performance, especially profitability, each fiscal year. The performance-linked compensation indicator varies from 0 to 140 depending on the degree to which targets were achieved, with perfect achievement counting as 100.

Operating income for FY2022 was 8.539 billion yen compared with a target of 12 billion yen, which represents an achievement rate of 71.2%.

Calculation Formula

Basic Remuneration for Each Position × Coefficient According to Achievement Level of Target Operating Income (0.0 to 1.4)

Meidensha provides compensation for stock acquisition, TSR (total shareholder return)-linked compensation, and eNPS (Employee Net Promoter Score)-linked compensation as medium- to long-term incentives to sustainably increase corporate value and further promote the alignment of interests among directors (excluding Audit & Supervisory Committee members and outside directors) and shareholders.

(1) The amount of compensation for stock acquisition is determined for each position based on internal rules on officers' compensation. The amount is contributed to the Officers' Shareholding Association to acquire shares.

(2) The TSR-linked compensation indicator generally fluctuates between 80 and 120 depending on relative TSR (the ratio of the Company's TSR at the end of the latest fiscal year to the TSR of the TOPIX benchmark including dividends corresponding to the Company's TSR calculation period); for reference, when the relative TSR is 1, the indicator is 100.
Notably, since FY2023 was the year we introduced TSR-linked compensation, we paid the standard amount of TSR-linked compensation by position.

Calculation Formula

Position-specific basic TSR-linked compensation × A factor based on relative TSR (0.8 to 1.2)

(3) The eNPS-linked compensation indicator generally fluctuates between 60 and 140 depending on the increase or decrease in the eNPS score; for reference, the eNPS score for the final business year calculated from the results of the annual employee awareness survey exceeds the score for the previous business year*, the amount to be paid is 100.

Calculation Formula

eNPS-linked compensation standard amount by position in accordance with internal regulations on officer compensation × Coefficient commensurate with change in eNPS score (0.6 to 1.4)

* When change in eNPS score is greater than 0 but less than 1

iv Compensation Determination Procedures

Details of the compensation system and the amount of compensation (including the rules that it is calculated in accordance with the standards of the compensation system and is within the compensation limits decided at the General Meeting of Shareholders) are confirmed and deliberated from an objective point of view by the voluntary Nomination & Compensation Committee.

Specific details of the amount of compensation for each individual are delegated to the President & Executive Officer (the "President"), who is a director, based on a resolution of the Board of Directors. The reason for this delegation is that, as the person with the highest responsibility for the execution of Meidensha's business operations, the President is best suited to evaluate each director while maintaining a bird's-eye view of Meidensha's overall performance. To ensure that the President exercises this authority properly, the Board of Directors establishes procedures for the President to consult and obtain confirmation of the draft in advance from the voluntary Nomination & Compensation Committee. Moreover, the President's decision must consider the details of such confirmation or report, and the Board of Directors has also respected such reports and determined that the details of compensation for each individual director are in line with the decision-making policy. In FY2023 the Board of Directors resolved at its meeting on June 28, 2023, to delegate President Akio Inoue to determine the specific details of the amount of compensation for directors.

Compensation for directors who are members of the Audit & Supervisory Committee is determined by the same committee within the compensation limit decided at the General Meeting of Shareholders. An appropriate amount is set to reward the services of committee members, taking into consideration whether they are standing or non-standing and the nature of their respective auditing duties.

FY2023 Results

Classification	Total Amount of Compensation, etc. (millions of yen)	Total Amount of Each Type of Compensation, etc. (millions of yen)		Number of People
		Basic compensation	Incentive compensation	
Directors (excluding Audit & Supervisory Committee members and Outside Directors)	233	154	79	5
Outside directors (excluding Audit & Supervisory Committee members)	32	32	-	4
Directors who are Audit and Supervisory Committee members (excluding Outside Directors)	28	28	-	1
Outside directors who are Audit & Supervisory Committee members	29	29	-	3
Total	323	244	79	13

Notes

1. Amounts are rounded down to the nearest 1 million yen.
2. The totals above include 2 directors (including 1 outside director) who stepped down from their positions at the end of the 159th Ordinary General Meeting of Shareholders held on June 28, 2023.
3. The amount of compensation, etc. for directors (excluding Audit & Supervisory Committee members and outside directors) does not include employee salaries for directors who concurrently serve as employees.

Board of Directors & Executive Officers as of July, 2024

Board of Directors & Executive Officers as of July, 2024 >

Risk Management

Policy

Basic Approach

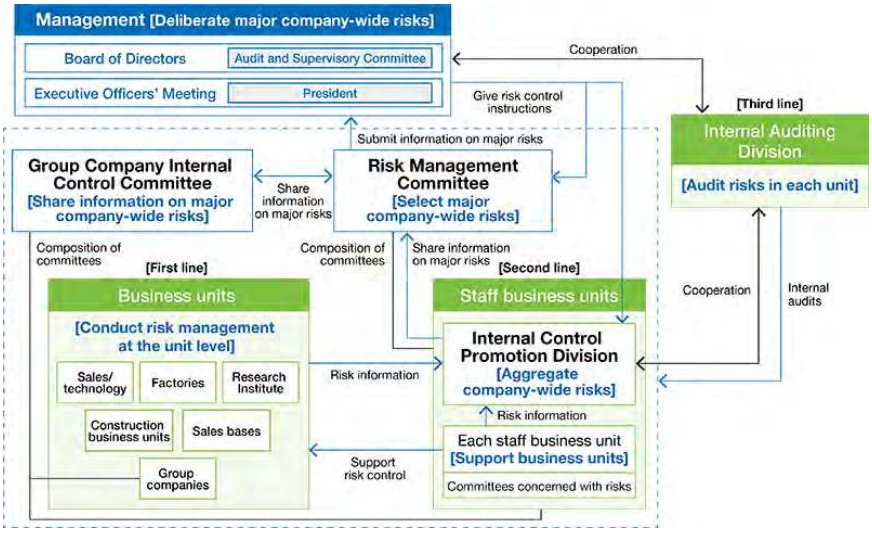
Businesses face conditions that change day to day: climate change, natural disasters growing in frequency and intensity, growing geopolitical risks, increasing digitalization, and diversifying values. Under these circumstances, we must accurately identify the wide range of potential future risks and respond appropriately if we are to sustainably increase our corporate value.

The Meiden Group has created an ERM (Enterprise Risk Management) system designed to identify all types of major business risks to the Group as a whole so that management can discuss them and control them in an integrated manner.

In addition to everyday risk management, we also have an organization-wide BCM (Business Continuity Management) system for managing and responding to business continuity risks caused by accidents or disasters. Through this, we aim to be able to respond to constantly changing risks during both regular operation and emergencies.

Risk Management Structure

The Meiden Group is building a risk management system using the following three-line model.

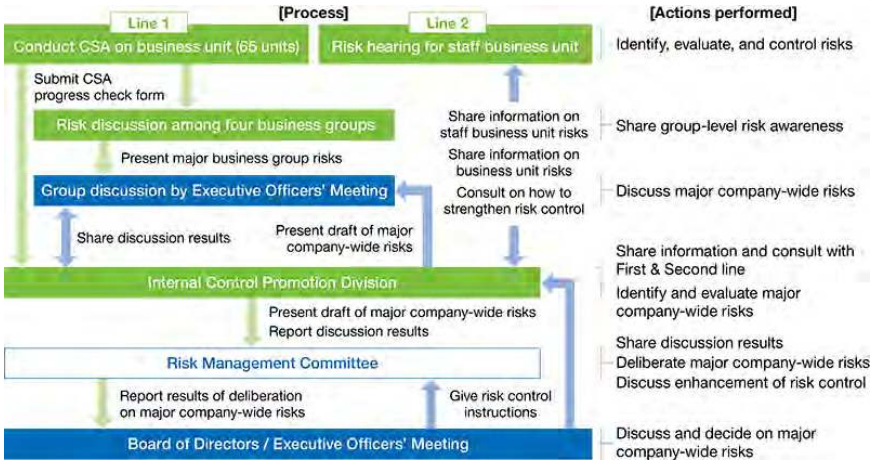


[Explanation of terms]

First line	In our business units (the first line), including plants and domestic and overseas subsidiaries, we have introduced Control Self-Assessment (CSA). With this tool, each unit identifies, assesses, and controls its own risks. To identify risks, units refer to a 120-item risk list to ensure their review is comprehensive. Each unit then evaluates the major risks it identified, focusing on scale of impact and likelihood of occurrence.
Second line	The second line consists of staff business units with expertise in general affairs, legal affairs, human resources, and more. These units monitor and support the CSAs performed by the first line.
Third line	The internal audit department (the third line) conducts regular audits to verify that the first line's CSA cycle and second line's support are functioning effectively. The status of internal audits is reported to the Executive Officers' Meeting, the Board of Directors, the Audit and Supervisory Committee, and key Company management as needed.
Risk Management Committee	Heads of staff business units serve on this committee, which meets twice a year to discuss major company-wide risks as aggregated by the Internal Control Promotion Division. The committee selects major company-wide risks, determines which departments have jurisdiction over them, and clarifies the responsibilities of those departments. The committee also discusses new major risks to strengthen risk control.
Internal Control Committees at Group companies	These committees consist of directors of subsidiaries and meet twice a year to take reports on the status of each company's CSA and share information on major risks for the Meiden Group as a whole. The committees also take part in risk discussions among subsidiaries to enrich the conversation.

Operations of the Risk Management Committee

The Risk Management Committee consists of the heads of Headquarters staff business units. Twice a year, it deliberates on the important business risks of the Meiden Group as identified by the Internal Control Promotion Division, then selects major company-wide risks. The committee determines which units have jurisdiction over each risk and discusses policies for dealing with the risks. Management holds discussions on the business risks previously discussed by the Risk Management Committee and further debates them in meetings of the Executive Officers' Meeting and Board of Directors to determine the important business risks of the Meiden Group and policies for dealing with them.



Major Risks from Business Activities

The Meiden Group stipulates major business risks to the entire Meiden Group through regular discussion among management according to systems such as those listed above. Risks that the Group considers could have a serious impact on its operations are as follows.

Major Risks Facing the Group

No.	Risk	Risk assessment			
		Impact	Likelihood	Speed of materialization	Likelihood of harm to brand
1	Climate change	Large	High	Somewhat slow	High
2	Reduced quality	Large	High	Normal	Somewhat high
3	Geopolitical risks	Large	Medium	Extremely fast	Somewhat high
4	Occurrence of industrial accidents	Large	Medium	Extremely fast	Somewhat high
5	Human rights violations	Large	Medium	Somewhat slow	High
6	Inadequate labor management	Large	Medium	Normal	Somewhat high
7	Insufficient awareness or responsiveness to change in market conditions	Large	High	Somewhat slow	Normal
8	Occurrence of a natural disaster	Large	Medium	Extremely fast	Normal
9	Insufficient personnel	Large	High	Extremely slow	Normal
10	Inadequate cyber measures	Large	Medium	Extremely fast	Normal
11	Insufficient internal information management	Large	Medium	Somewhat fast	Normal
12	Inadequate procurement management	Large	Medium	Somewhat fast	Normal
13	Breach of Antimonopoly Act or bribery	Large	Low	Extremely fast	High
14	Quality fraud/inspection fraud	Large	Low	Normal	High
15	Losses due to fluctuations in exchange rates, interest rates, stock prices, and land prices	Medium	High	Normal	Normal
16	Breach of Construction Business Act	Medium	Medium	Normal	Somewhat high
17	Incomplete control of overseas subsidiaries	Large	Low	Normal	Somewhat high
18	Misconduct by an individual	Large	Low	Normal	Somewhat high
19	Insufficient or poor internal communication	Medium	High	Extremely slow	Normal
20	Environmental regulations	Large	Low	Somewhat fast	Somewhat high

Note: Risk assessment is an independent analysis of the various risks faced by the Group rather than a general risk assessment.

Initiatives

Risk Management Relating to Business Activities

Preliminary Risk Assessment

The Meiden Group's preliminary risk assessment system, based on our Basic Policy on the Establishment of a System to Ensure the Appropriateness of Business Operations, is designed to provide information for management decision-making. In our system, we hold a preliminary risk assessment meeting to carefully consider matters that may have a significant impact on the Group. Projects subject to review are generally classified as large scale EPCs, M&As, partnerships, new businesses, or other matters that require a resolution by the Executive officers' meeting according to regulations.

In FY2023, we conducted preliminary risk assessments on 5 cases. Including these, we have not yet identified any cases that have caused new losses. Preliminary risk assessment plays an important role in managing risk prior to the start of a project.

There are four key parts to preliminary risk assessment, as follows.

(1) Identify and assess the high risk factors of EPC project such as risk of construction works and project profit and take necessary measures to the project.

(2) Identify and assess contract risk such as commercial and technical conditions regard to tenders, partnerships etc., and enhance risk management to the relatives.

(3) Analyze risk from multiple perspectives by third party experts and take measures to reduce risk.

(4) Through discussions, encourage the unit proposing the action to provide information necessary for management decision-making, such as relevance to business strategy, appropriateness of risk estimates, and feasibility of various plans.

As mentioned above, in the preliminary risk assessment, we evaluate not only financial risks, but project risks, operation risks, etc. The Corporate Policy Planning Group and the Internal Control Promotion Division serve as the secretariat for assessments, and their supervising officers determine whether a meeting needs to be held. Other units involved include the Corporate Governance Management Group, 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 health and safety, and other factors.

Policies, Plans, and Targets

Business Continuity Plan (BCP)

Basic BCP Policy

The Meiden Group Basic BCP Policy stipulates the Meiden Group's basic policy on business continuity, business continuity targets, and response in the event of a disaster, etc., and is applied at each business unit and subsidiary.

(1) In the event of a disaster, it is our utmost priority to ensure the safety of all employees, their family members, and customers.

(2) We contribute to swift reconstruction and recovery from disasters, considering our corporate social responsibility as a company that supports social infrastructure.

(3) Limit impact on customers and Meidensha's businesses as much as possible.

Medium-term Management Plan 2024 Initiatives

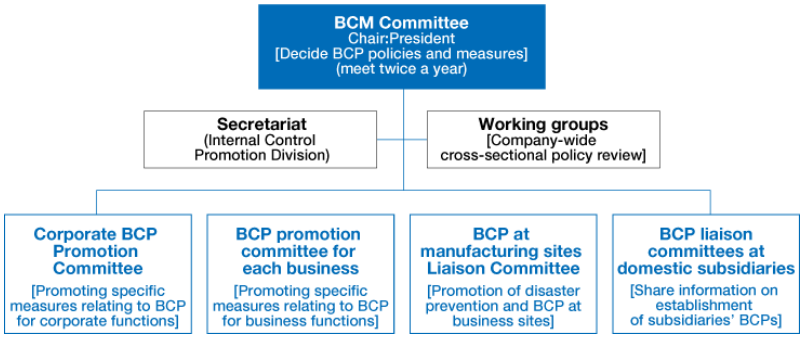
We will promote the Medium-term Management Plan 2024, paying particular attention to the following items relating to disaster-prevention and BCP.

- **Ongoing BCP initiatives**
  - Moving from an earthquake-based BCP to an "all-hazard" BCP that applies to a range of risks
  - Establishing a BCP and creating systems to maintain, evaluate, and confirm its effectiveness
  - Continuing education and training, and ensuring that each employee is involved with BCP initiatives
  - Extending the BCP to overseas subsidiaries, and creating a BCP with a global perspective

- **Improving corporate and organizational resilience**
  - Encouraging independent promotion of BCPs by business units, and work to improve Disaster responsiveness by company organization
  - Considering alternative production sites for important operations
- **Contributing to society and communities**
  - Contributing to disaster-resilient community development by supplying Meidensha's BCP products and corporate BCP initiatives to communities and society

System

BCM Promotion System



Under the BCM Committee, which determines the Meiden Group's BCP policy and measures, the Meiden Group established the Corporate BCP Promotion Committee, BCP promotion committees for each business, BCP liaison committees at domestic subsidiaries, the Working Group to discuss company-wide issues and promotes BCP throughout the Group.

Initiatives

Fourth Natural Disaster Response Headquarters Drill

In September 2023, we conducted a company-wide natural disaster response headquarters drill to verify the effectiveness of BCPs that had been created. The purpose of this drill was to have the company-wide natural disaster response headquarters make decisions concerning the restoration of production sites damaged in a disaster. For this reason, we created a hypothetical scenario in which a company-wide natural disaster response headquarters meeting was being held 4 days after the Nagoya Works and the Chubu Branch Office were damaged by a Nankai Trough earthquake. The hypothetical damage information used in the drill was prepared in advance by the Nagoya Works and each unit, making it possible for the drill to be conducted under realistic conditions. The company-wide natural disaster response headquarters meeting deliberated on the decision to dispatch personnel for facility restoration, the determination of which plant to prioritize for restoration, and possibilities for replacing the production of these plants. Based on the results of the drill, we will reorganize and adjust the information and reporting routes necessary for decision-making to improve our BCPs.

Scenes from the drill

The simulated company-wide natural disaster response headquarters meeting

Works Prevention and BCPs Workshop

The activities implemented in affected areas are of particular importance in the early stages of disaster response. Meidensha has been conducting workshops on disaster prevention and BCP at its business sites since FY 2022. In FY 2023, we held workshops at the Ohta Works and for the Tokyo area. Participants reconfirmed hazardous areas on the premises of their site as well as disaster supply storage locations, and discussed evacuation methods as well as what to do in the event of a need to stay on-site.

Since all divisions, including subsidiaries at the same production site, had not previously come together under the theme of disaster prevention and BCP, the sharing of information held by the area disaster response headquarters as well as measures implemented at each workplace helped to deepen understanding of disaster prevention and disaster management trends within the area.

The content of the workshops was reflected in BCPs and disaster prevention plans, helping the participating sites to prepare for a disaster.

The workshop at the Ohta Works

The workshop for the Tokyo area

Establishing BCPs at Overseas Subsidiaries

Meiden Group subsidiaries outside Japan have also begun establishing BCPs. Japanese and local staff work together to design the optimal BCP for each company. This effort is starting with the ASEAN region, India, and China. Subsidiaries in these regions aim to complete their BCP manuals by the end of FY2023. We are committed to advancing this initiative to ensure business continuity for the entire Meiden Group, including overseas subsidiaries.

Employee Education on Disaster Prevention and BCP

Disaster prevention and BCP training is included in the curriculum of personnel education for each level of employment and is provided continually. In FY2023, we again gave training for new employees and

mid-career hires. We have also conducted extensive awareness-raising initiatives, including disaster prevention and BCP training for employees working at domestic sites and training for BCP staff of Meiden Group companies.

In addition, we created a training video to further spread the word about our disaster prevention and BCP efforts. The video was released in May of 2023 and we have worked to ensure that all Group employees view it.

Employee BCP training video

Policy

Strengthening Information Security Management

The Meiden Group understands that ensuring the security of the information we handle is a most critical issue. We therefore protect information assets from disasters, accidents, criminal acts, errors, and other threats. We also maintain and enhance information management to prevent leaks, tampering, theft, or loss. Further, thorough information security management, we maintain the safety of the products and services we provide to our customers.

Meidensha Basic Information Security Policy

1. Purpose and Scope of Information Security

   Meidensha (hereinafter the “Company”) is aware that ensuring security of information assets handled by the Company is a major management issue for the Company, and protects information assets from threats such as disasters, accidents, crime, negligence, and cyber risks.

   By establishing and maintaining information security management, we aim to prevent information security incidents such as leakage, falsification, or theft of information, build relationships of trust with a range of interested parties, including shareholders and customers, and improve corporate value of the Company.

   This basic policy applies to all personnel who handle information assets managed by the Company.

2. Legal Compliance, etc.

   The Company complies with obligations imposed by laws and agreements that relate to business activities.

   Everyone involved with business activities ensures thorough compliance with matters required by laws and regulations, obligations imposed by agreements, this policy, and internal management regulations relating to information security.

3. Establishment and Maintenance of Information Security

The Company provides for information security management such as by nominating an Information Security Manager and an Information Security Business Unit Managers, and establishing an office, has established regulations and procedures, etc., based on the Basic Information Security Policy, and continuously maintains and improves information security.

System

Information Security Control System

Taking into consideration the risks posed by increasingly sophisticated cyber attacks in recent years, Meidensha has undertaken a company-wide system review to strengthen its information security control system.

To enhance our information security measures for the products and services we provide to customers, we established the new PSIRT.[*1] To enhance internal information security, we established the FSIRT[*3] to oversee factories under the CSIRT.[*2] In addition, we established the PrSIRT,[*4] which aims to reduce supply chain risks. These specialized teams will take the lead in routine countermeasures and incident response. Further, we have assigned a SIRT manager in charge of information security to each unit to ensure that employees throughout the unit are familiar with relevant rules, provide education, and scrutinize and improve information security implementation on an ongoing basis. In addition, we have established a general contact point (MEIDEN-SIRT) to facilitate cooperation with each unit and to provide rapid response to information security risks and incidents.

The Information Security Committee is chaired by the director in charge of information systems and deliberates on the drafting, evaluation, and improvement of information security measures, as well as investigations into the causes of incidents and the prevention of recurrences. The status of information security operations is regularly explained to and approved by the president and management.

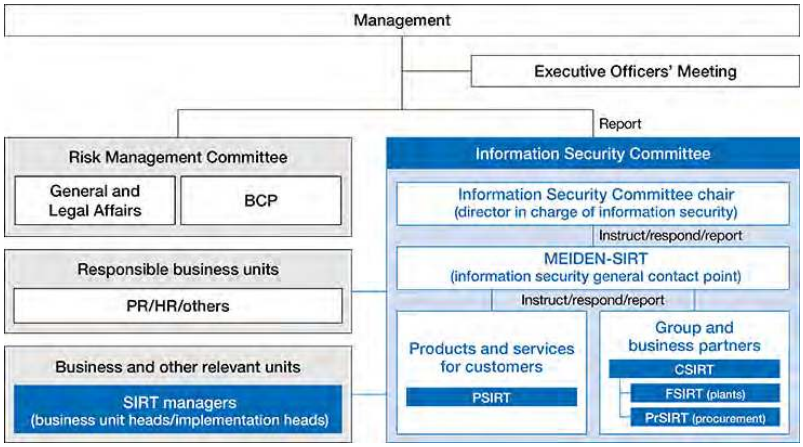
*1 PSIRT : Product Security Incident Response Team

*2 CSIRT : Computer Security Incident Response Team

*3 FSIRT : Factory Security Incident Response Team

*4 PrSIRT : Procurement Security Incident Response Team

Information Security Control System



Information Security Management

The Meiden Group conducts information security audits of Meidensha and subsidiaries, mainly through the Information Security Committee, and verifies and evaluates whether security measures are actually being implemented and function.

At present, some of Meidensha and its domestic subsidiaries have received Information Security Management System (ISMS) certification.

Initiatives

In fiscal 2023, we are continuing to implement initiatives to reinforce information security for the entire Meiden Group.

Analysis of Incidents and Countermeasures for Each Cause

Meiden Group strives to implement sustainable security measures within the framework of “prediction/protection/detection/response/restoration.” We analyze and implement both hardware and software measures to protect data from unauthorized logins, etc., and virus infections from suspicious emails, such as targeted attacks, as well as measures mainly aimed at combatting human factors such as theft, loss, or mishandling of information devices.

Further, to strengthen our ability to respond to increasingly sophisticated cyber attacks in recent years, alongside our existing multi-layer defense measures, we have implemented various additional measures with a “zero trust” approach in mind. In terms of systems, we have initiated efforts to strengthen externally facing information security measures (concerning products and services) and have developed internal systems to speed up incident response.

Information Security Education and Training

All of the Meiden Group’s officers, employees, dispatch workers, and contract workers, etc., engage in information security education. In FY2023, we conducted e-learning covering an introduction to information security as well as information security threats based on case studies. The e-learning was attended by 90% of employees, plus materials were sent to those who were unable to attend online.

We continue to conduct suspicious email drills as education about cyber attacks such as targeted email attacks.

Going forward, we will continue to strengthen hardware and software measures and continue to conduct personnel measures, such as information security education and suspicious email drills. We will continue to roll out measures for information security on a group-wide basis.

Enhancement of Supply Chain Information Security

Since FY2017, we have continuously conducted activities to enhance our suppliers' information security. We ensure that suppliers are aware of information security measures as management issues, and we hold training and information sessions as required.

We continue to support our business partners' efforts to strengthen information security. We do so through four measures designed to prevent information security incidents: awareness raising, education, visitations, and information sharing.

- **Awareness raising**: We have strengthened and encouraged our business partners' voluntary enhancements of information security by utilizing the SECURITY ACTION program of the Information-technology Promotion Agency, Japan (from FY2021).We also recommend that our business partners acquire stars (logos) representing their level of efforts to address information security to make evaluation more visible.
- **Education**: We provide group training at each works, share information on information security measures and risk case studies at production plan briefing sessions, and hold SECURITY ACTION program information sessions.
- **Visitations**: We perform on-site diagnosis of information security risks during visits to business partners.
- **Information sharing**: We publish an information security newsletter and provide educational content on the online Supplier Portal.

In this way, we are continuing to conduct activities to enhance information security throughout the entire supply chain.

Compliance

Policy

Compliance Policy

The Meiden Group fully understands domestic and overseas laws, including those relating to corporate activities, customs, and all other social norms and spirit. The Meiden Group complies with and respects these, and has developed the Meiden Group Code of Conduct to constantly maintain a high standard of corporate ethics and social decency.

In accordance with this code of conduct, the Meiden Group aims to sincerely engage in activities to live up to the trust of customers and society. Directors, executive officers, and general managers of Meidensha and each Group company play a central role in promoting compliance in each of their workplaces, in accordance with the Meiden Group Compliance Promotion Rules.

System

Compliance System

Meidensha has enhanced and constructed a compliance promotion framework that is an important pillar of risk management, by integrating the Legal Affairs Division and the Enterprise Risk Management Division into the Governance Headquarters in April 2022. The Legal Affairs Division is the office responsible for the Compliance Committee, which is chaired by the member responsible for compliance, and convenes twice each year to determine compliance action plans.

Based on these action plans, the staff business units, led by the Legal Affairs Division, conduct compliance training for all Group companies on observing antitrust laws, preventing corruption and harassment, and other issues. In addition, the Compliance Committee secretariat handles matters related to compliance reporting and works to resolve any legal issues that arise. These compliance-related activities are reported during regular meetings of the Compliance Committee and at meetings of the Board of Directors.

Each workplace has a compliance manager, who reports matters being discussed at the workplace and issues that have been discovered that relate to compliance, to the Compliance Committee. The Compliance Committee shares information reported to it with compliance managers through compliance training, etc. This strengthens communication and reporting systems.

Each Japanese company in the Meiden Group has a similar compliance committee and compliance manager system to Meidensha.Moreover, we take a survey of overseas Group companies that helps us continually develop our internal control system such as promoting understanding of on-the-ground conditions of compliance systems at each company.

Compliance System

Whistleblower System on Compliance

The Meiden Group has a whistleblower system for compliance. This is to prevent illegal actions and misconduct and to solve problems as early as possible.

The internal whistleblower system includes the internal reporting system (Compliance Hotline) dealing with a broad range of compliance issues including breaches of laws such as the Antimonopoly Act, breaches of general anti-corruption regulations such as those dealing with bribery, other breaches of internal or external rules, and labor problems and the Harassment Consultation Hotline, which is specifically designed to deal with harassment. The External Hotline is a hotline operated by outside lawyers for early detection and rectification of unlawful acts, etc. We also provide a whistleblower hotline exclusively for use by our suppliers. In 2023, we also established a new external harassment consultation service as we develop the means for employees to consult with greater peace of mind.

The external hotline (Compliance Hotline) enables employees to lodge reports using a dedicated email address. The external hotline is handled by a law firm, and may be used by employees of the Meiden Group (including retirees), temporary staff and subcontractors, and suppliers.
These internal and external systems can both be used anonymously, and accept a wide range of reports.

The Compliance Committee secretariat works with relevant departments to investigate reports that are brought to the external hotline and, if necessary, consults with lawyers to deal with them. We are working to increase the dependability of management of information, such as the names of whistleblowers, and the whistleblower system as a whole, in accordance with national guidelines, to ensure that whistleblowers are not disadvantaged by using the system.
In FY2023, the Meiden Group received 79 reports and consultations, of which we thoroughly confirmed which cases required a response and dealt with them accordingly. When a report is received, Audit & Supervisory Committee Members are informed in a timely manner. The Audit Department conducts internal audits of the operation of the system.

In response to the 2022 enforcement of the revised Whistleblower Protection Act, we have reviewed and improved our regulations and systems by more clearly indicating our hotlines and further strengthening

whistleblower protection. We have also finished setting up hotlines at all Group companies, including those overseas.

System to Respond to Individual Incidents

Managers who become aware of illegal or inappropriate activities are obligated to promptly report them to their immediate superior. The system ensures that reports reach responsible officers (executive officer level or above) in each department. Compliance breaches that are detected internally, such as illegal or inappropriate activities, are investigated and handled under the direction of the head of the business unit, who serves as a member of the Compliance Committee. We work to introduce cases that cause compliance problems or which may do so through compliance training and to thus prevent their reoccurrence as appropriate.

Initiatives to Avoid Infringement of Human Rights

Harassment Prevention System

Harassment is one of the compliance issues regarding which consultation is most frequently sought, so we established the Harassment Prevention Committee to create a system that is specifically designed to handle harassment issues, and we are working to centralize handling of confidential information and responses as well as enhance activities to promote understanding.

When a report of harassment is made, responses are required that are considerate of personal relationships, and particularly those of the reporter, so we created a system to avoid infringement of human rights by establishing a hotline that is specifically designed to deal with harassment issues and creating an environment that is conducive to talking about issues. In addition, we are working to raise awareness about our anti-harassment measures. For example, the scope of the anger management training for managers was extended to other employees as well starting in FY2022. Our goal is to firmly entrench these lessons in the Meiden Group and provide better guidance.

	Unit	FY2021	FY2022	FY2023
Anger management training	People	289	2,350	1,921
Unconscious bias seminar	People	200	321	322

Initiatives

Compliance Training

The Meiden Group conducts compliance training every year, in order to maintain and improve awareness of compliance and internal control systems while collecting opinions from workplaces. In FY2023, we conducted individual training online for locations around Japan, and there were a total 6,575 participants in the Group. At this training, in addition to making reports concerning the status of compliance activities

to employees of each company in the Meiden Group, such as compliance managers, we conducted education concerning the Antimonopoly Act, the Subcontract Act, harassment, and environmental laws.

We also conducted individual presentations on compliance as part of training for each level of new staff, leaders, and managers of each Group company.

Human rights education for officers and employees >

Policy, System, and Initiatives

Anti-corruption Measures

Meidensha stipulated “absolute prohibitions” through a resolution of the Board of Directors' Meeting on December 26, 2012. These “absolute prohibitions” prohibit profit-sharing with national public servants, correspondence with competitors, etc., such as bid-rigging or cartel behavior, collection of confidential information such as target prices and job prices from customers, etc. “Absolute prohibitions” are thoroughly enforced within the Group.

In 2016, we developed the Meiden Group Bribery Prevention Policy in order to prevent corruption, which includes bribery. The principles were revised in 2020. They have been disseminated throughout the Group once more in two volumes – the Meiden Group Bribery Prevention Policy and the Guidelines for the Meiden Group Bribery Prevention Policy.

Group Corporate Code of Conduct toward Globalization

The Meiden Group revised the Meiden Group Corporate Code of Conduct in 2022 and is increasing awareness of employees with regard to compliance with laws and other social norms and contributing to the realization of a sustainable society. The revised Corporate Code of Conduct includes a commitment by the Meiden Group to contribute to the realization of a sustainable society. We also promise to conduct business honestly and fairly to prevent bribery and other forms of corruption; respect human rights; create workplaces where employees can play an active role; protect the environment; cooperate with society; manage information; practice timely disclosure; and manage risk. It also defines the responsibilities that top management has with respect to the Corporate Code of Conduct. The Board of Directors approved the revised Corporate Code of Conduct. We are educating Meiden Group employees around the world by compiling this code of conduct in addition to the corporate philosophy system and guidance into a booklet and a guidance video that contains a message from management in three languages (Japanese, English and Chinese), and distributing these to Group companies.

Furthermore, we are broadly expanding our compliance education activities such as by releasing the Meiden Group Bribery Prevention Policy and the Guidelines for the Meiden Group Bribery Prevention Policy in the same three languages.

These regulations and policies are available on the Group-common web portal.

Meiden Group Corporate Code of Conduct Japanese >

Meiden Group Corporate Code of Conduct English

Meiden Group Corporate Code of Conduct Chinese

Meiden Group Anti-Bribery Policy (PDF：440KB)

Officer Training

Meidensha conducts training for persons of executive officer level and above, with a focus on compliance with the Antimonopoly Act. In FY2023, we provided training led by outside instructors on the essentials of Group compliance and points to keep in mind when making management decisions.

Political Contributions

The Meiden Group Corporate Code of Conduct states that “We comply with the relevant laws and regulations of countries and regions where we conduct business activities, particularly in relation to politics and government, and do not act in any way that could be suspected of collusion or corruption, such as providing favors.”

If we do make political contributions, we comply with the Political Funds Control Act and follow appropriate internal procedures, giving due consideration to the necessity and appropriateness of such contributions.

Policy and Initiatives

Tax

Tax Policy

The Meiden Group is aware that ensuring transparency of tax matters and payment of tax is its corporate social responsibility, and understands and complies with the principles of the taxation law of each country and region in which it conducts its global business activities. We contribute to the prosperity of each country and region by paying tax appropriately according to the application of a preferential tax system that avoids double taxation through normal procedures and complies with the aims of each system.

Furthermore, our policy is to refuse to engage in international tax avoidance, such as by complying with the OECD*Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and refusing to use tax havens according to business circumstances.

Going forward, we will work to build friendly and healthful relationships with tax agencies through timely and appropriate provision of information and responding sincerely in the event of advance rulings and tax audits.

* OECD：Organization for Economic Co-operation and Development

Results Data

Compliance Data

FY2023 Breaches of the Law, etc., in Japan and Overseas (Whole Meiden Group)

- Criminal cases or administrative penalties resulting from violation of competition laws in Japan and abroad: NA
- Criminal cases or administrative penalties resulting from bribery or other corrupt practices: NA
- Criminal cases or administrative penalties resulting from other major legal or regulatory violations: NA

Consultations and Reports Through the Compliance Hotline

Number of Consultations and Reports Received Through the Compliance Hotline (Only Meidensha*)

	Unit	FY2021	FY2022	FY2023
Number of consultations and reports (Of which, those that concerned harassment)	Cases	52 (28)	59 (31)	79 (27)

* Includes incidents at subsidiaries referred through the Meidensha Hotline.

Compliance-Related Training

Times Compliance Training Conducted and Number of Participants (Entire Meiden Group)

		Unit	FY2021	FY2022	FY2023
Compliance Training		Times	11	4 + video viewing	4 + video viewing
		Participants	1,711	4,336	6,575
Education by level (compliance presentations)	New staff education	Participants	213	262*	195
	Leader training	Participants	110	123	110
	New manager training level 1	Participants	90	94	99

* Includes subsidiaries and employees hired in mid-career

Dialogues with Shareholders and Investors

Basic Approach and the IR & SR System

When any shareholder wishes to discuss with Meidensha's ideas that will contribute to the medium- to long-term improvement of our corporate value, our policy is that our management will engage in such dialogue to the extent possible.

We have established a system whereby each special department for IR and SR under the IR & SR Director works to strengthen external communication while simultaneously enhancing communication and creating opportunities for discussions with shareholders, including institutional investors. These activities are also regularly reported to and discussed by the Board of Directors.

Initiatives

Results Briefings

We hold Q&A sessions on financial results twice a year in May and October (or November). In FY 2023, the video of the President explaining the financial results was distributed to analysts and institutional investors who registered for the Q&A session immediately after the disclosure of the financial results, and the Q&A session was held on the following business day via a web conference.

In FY 2023, 70 analysts, institutional investors, and others participated in both the interim and full-year financial results announcements

Financial Results >

Individual Business Briefings (Small Meetings)

Since FY 2018, we have held small meetings once a year. We set a different business theme each year and create an opportunity to better understand our business by giving presentations and holding Q&A session with the relevant managing officers.

10 analysts attended the small meeting at the Numazu Works (Numazu City, Shizuoka) held in March 2024. After a report on the overall state of business by President & Executive Officer Inoue, questions

were taken from those in attendance. This meeting also provided an opportunity to tour the Numazu Works.

Initiatives for Individual Investors

In FY2023, Meidensha exhibited at the IR EXPO hosted by the Nagoya Stock Exchange. During this two-day event, about 460 individual investors visited our booth and learned about our business, growth strategy, shareholder return policy, and more.

Main IR & SR Activities in Fiscal 2023

Individual Sessions	Number	Breakdown of Investor Type
Domestic Institutional Investors	102	Analyst: 43 Fund Manager: 59
Overseas Institutional Investors	25	Analyst: 7 Fund Manager: 18
Analyst	42	
Total	169	

Opinions of Analysts and Institutional Investors

We publish a quarterly IR report that includes the opinions and requests given at financial results briefings and individual meetings and this report is given to internal and external directors, executive officers, heads of business units, the Staff Business Unit, managers, and others. The main themes that came up in discussions with analysts and institutional investors in FY2023 are as follows.

- Initiatives to improve capital efficiency
- The impact on performance of delays in construction progress and the high cost of materials for domestic infrastructure projects, and our countermeasures and timing for resolving these issues
- Factors contributing to improved profitability in the strong power T & D business overseas, as well as country-specific background and sustainability of the same
- Operational status and future outlook for each works in the EV business Etc.

Results of Conversations with Stakeholders

This section will introduce some case that we reflected the opinions and realizations we received through conversations with analysts, institutional investors, and shareholders to our activities.

1) Introduce ESG indicator relating to employee engagement to directors' compensation
Institutional investors suggested that we should introduce a directors' compensation system and an indicator that would further align directors' interests with those of stakeholders. In response, we introduced a system that provides medium- to long-term incentive by linking compensation to an ESG indicator relating

to employee engagement, effective from FY 2024. This is on top of conventional stock acquisition compensation and compensation linked to relative TSR (total shareholder returns), which we added in FY 2023.

2) Disclose subsegment results
Institutional investors, analysts, and others asked us to disclose order and sales results by subsegment (businesses within the segments that we externally disclose). Therefore, starting in May 2024, we have been posting quarterly subsegment order and sales results in files showing performance trends, which can be downloaded from our website. This facilitates analysis by analysts and institutional investors and has improved the quality of our dialogue during IR interviews.

Going forward, we will continue to proactively communicate with our shareholders and investors by enhancing opportunities for dialogue through financial results briefings and individual IR/SR, as well by expanding information disclosure on our website and in reports and other publications.

Evaluations from External Bodies

Status of incorporation of the ESG Index* (as of September 2024)

* 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 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 B for climate change and B for water security from CDP in 2023.

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 2023, Meidensha received a rating of A in the MSCI ESG Ratings.

EcoVadis

EcoVadis is a platform that works to improve environmental and social practices in a business's supply chain through information sharing. It provides third-party evaluations across the four pillars of environment, labor and human rights, business ethics, and sustainable procurement, targeting over 180 countries and 220 industries.

The Meiden Group joined in 2021 and achieved a bronze rating in 2024.

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 >

2024 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 43rd out of 118companies in the electrical machinery industry in the 18th CSR Company Ranking (in 2024).

The 7th 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 5th Nikkei SDGs Management Survey

The 5th Nikkei SDGs Management Survey comprises questions relating to the four categories of “SDGs strategy and economic value,” “social value,” “environmental value,” and “governance.” In the 5th 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 2023

In November 2023, Meidensha obtained its second consecutive gold status rating – the highest possible evaluation – in the PRIDE Index 2023. 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.

KENKO Investment for Health Outstanding Organization (White 500) / 2024 Certified KENKO Investment for Health Outstanding Organizations

Meidensha has been certified as a " KENKO Investment for Health Outstanding Organization White 500" by the Ministry of Economy, Trade and Industry (METI) for its excellent health management practices.

The “Certified KENKO Investment for Health 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.

Our subsidiary Meiden System Solutions Corporation was recognized in the Large Enterprise Category while our subsidiaries Meiden Techno Systems Co., Ltd. and Meiden Plant Systems Corporation were recognized in the Small and Medium-sized Enterprise Category under the 2024 Certified KENKO Investment for Health Outstanding Organizations.

* Health Organization is a registered trademark of the Non-Profit Organization Kenkokeiei.

(Meidensha)

(Meiden Systems Solutions)

(Meiden Techno Systems and Meiden Plant Systems)

Received the Chairperson’s Prize from the Japan Industrial Safety & Health Association

In September 2023, Meidensha received the “Chairperson’s Prize from the Japan Industrial Safety & Health Association for Fiscal Year 2023” from the Japan Industrial Safety & Health Association (JISHA). This prize recognizes companies that demonstrate a deep understanding of JISHA’s activities, produce verifiable achievements in efforts to promote industrial safety and occupational health, and work to publicize and encourage such activities in their sector and the wider community. JISHA placed particular emphasis on Meidensha’s executives’ policy stating that the health and safety of each employee is foundational to the business, the company’s promotion of safety initiatives including safety education training that can act as a model for other companies, and Meidensha’s significant accomplishments toward these ends.

September 27th award ceremony

Received the Chairperson’s Prize from the Japan Health Assembly at the Health Excellence Awards

In February 2024, Meidensha received the Chairperson’s Prize from the Japan Health Assembly at the FY2023 Health Excellence Awards. Since 1968, the Minister of Education, Culture, Sports, Science and

Technology and the Chairperson of the Japan Health Assembly have presented this award to organizations that work to popularize sporting events (healthy movement), improve hygiene and nutrition regionally and in the workplace, and achieve impressive results toward enriching and promoting healthy movement.

Meidensha was recognized for the support of health checkups, hygiene guidance, and preventative care it has provided since its founding, the various sporting events it hosts, the statement in both the Corporate Code of Conduct and the Meiden Group Health Management Declaration that “Nothing is more valuable than good health,” and its wholehearted promotion of various activities relating to health management.

The award ceremony. Norio Takekawa, (then) Representative Director, Executive Vice President and Executive Officer, Meidensha (right)

Driving robot TYPE-i RBT-2020 received the iF Design Award 2024

The Driving robot TYPE-I RBT-2020 (hereinafter called “the device”), an automatic operation device developed and sold by Meidensha, received the iF Design Award 2024 (presented by iF International Forum Design GmbH)*1, an internationally recognized award.

The device automatically drives a vehicle on a Chassis Dynamometer and received both the Good Design Award 2021*2 and the Red Dot Design Award 2022*3.

Robot actuator and operating panel

*1 : iF Design Award
An international design award to promote design. It was created in 1953 and is operated by iF International Forum Design GmbH of Hanover, Germany.

*2 : Good Design Award
A comprehensive design award exclusive to Japan created by the Ministry of International Trade and Industry in 1957 and now operated by the Japan Industrial Design Promotion Organization (currently the Japan Institute of Design Promotion).

*3 : Red Dot Award
An international design award created in 1955 and operated by the Design Centre North-Rhine Westphalia in Essen, Germany.

Editorial Policy

Editorial Policy

The Meiden Group informs its stakeholders of its attitude and initiatives relating to social responsibility through the two media, which are Meidensha Report (print edition and web edition) and the Meiden Group's Sustainability (web edition).

The content of these media is determined after reporting to and consultation with the Board of Directors. With regard to the content of the reports, we work to collect, analyze, and distribute information that meets our stakeholders' expectations and is of interest to our stakeholders through daily public relations and IR activities, interviews with each department.

Furthermore, the Meiden Group is conducting internal communication activities as part of the process of drafting reports in order to understand changes in the external environment and share future issues and trends. In addition, we work to strategically promote future ESG management by exchanging opinions based on the reports that have been created, and having each department reflect on its own activities, taking into account outside perspectives.

Report Media

1 Meidensha Report print edition and web edition

A comprehensive collection of financial information concerning the Meiden Group and nonfinancial information such as initiatives that contribute to improving corporate value and management strategies.

1. Booklet, PDF

Meidensha Report >

2 Meiden Group's Sustainability Web Edition (this website)

A summarized introduction focusing on specific initiatives to tackle sustainability issues that we consider important.

2. WEB edition

Reporting Period

This report mainly covers initiatives taken in fiscal 2023(April 1, 2023 - March 31, 2024)
It also includes some information from prior to fiscal 2023 and until September 2024.

Subject Organization

The report mainly covers initiatives of Meidensha Corporation and its affiliated companies. Human resources data applies to affiliated companies in Japan, while environmental reporting data applies to Meidensha and its 39 major affiliated companies (20 in Japan and 19 overseas).
(Number of companies as of March 31, 2024)

Publication

- Publication of this report: September 2024
- Next scheduled publication: September 2025

Guidelines Used as References

- IFRS Foundation International Integrated Reporting Framework
- IFRS Foundation SASB Standards
- Ministry of Economy, Trade and Industry "Guidance for Collaborative Value Creation"
- GRI "Sustainability Reporting Standards"
  * For the period from April 1, 2023, to March 31, 2024, we refer to GRI standards and report information listed in the GRI content index.
- Ministry of the Environment "Environmental Reporting Guidelines (Fiscal Year 2018 Version)"

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Disclaimer

In addition to past and current facts about the Meiden Group, this report contains forecasts for the future based on plans, outlooks and business policies and strategies in effect at the time of publication. These forecasts are our assumptions and judgments as based on information available at the time they were stated, and may differ from actual business activity results and events in future owing to changes in conditions.

GRI Standards Content Index

Usage declaration	Meidensha Corporation reports information contained in this GRI index for the period from April 1, 2022, to March 31, 2023, with reference to the GRI Standards. Furthermore, some information from prior to FY2022 and until July 2023 is included.
GRI1 used	GRI1: Foundation 2021

General Disclosures

Disclosure Title		References
GRI 2：General Disclosures		
2-1	Organizational details	Company Profile >
2-2	Entities included in the organization's sustainability reporting	—
2-3	Reporting period, frequency and contact point	Editorial Policy >
2-4	Restatements of information	Not applicable
2-5	External assurance	Third-Party Verification >
2-6	Activities, value chain and other business relationships	Products & Services > Company Profile > Supply Chain Management >
2-7	Employees	Company Profile > Labor Practices>HR Data >
2-8	Workers who are not employees	Labor Practices>HR Data >
2-9	Governance structure and composition	Corporate Governance >
2-10	Nomination and selection of the highest governance body	—
2-11	Chair of the highest governance body	—
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Management > Environmental Management > Climate Change > Human Rights > DX Strategy > Corporate Governance > Risk Management >
2-13	Delegation of responsibility for managing impacts	Sustainability Management > Environmental Management > Disclosure based on TCFD Recommendations >

Disclosure Title		References
GRI 2：General Disclosures		
		Product Responsibility ＞ Human Rights ＞ DX Strategy ＞ Occupational Safety and Health ＞ Health & Productivity Management ＞ Corporate Governance ＞ Risk Management ＞
2-14	Role of the highest governance body in sustainability reporting	Sustainability Management ＞
2-15	Conflicts of interest	—
2-16	Communication of critical concerns	Compliance: Not applicable
2-17	Collective knowledge of the highest governance body	Sustainability Management ＞ Corporate Governance ＞
2-18	Evaluation of the performance of the highest governance body	Environmental Management ＞ Climate Change ＞ Corporate Governance ＞
2-19	Remuneration policies	Corporate Governance ＞
2-20	Process to determine remuneration	Corporate Governance ＞ Notice of Convocation of the 160th Ordinary General Meeting of Shareholders ＞
2-21	Annual total compensation ratio	Reason for omission:Confidentiality constraints
2-22	Statement on sustainable development strategy	The President's Commitment ＞
2-23	Policy commitments	Corporate Philosophy ＞ Supply Chain Management ＞ Human Rights ＞ Risk Management ＞
2-24	Embedding policy commitments	Sustainability Management ＞ Product Responsibility ＞ Supply Chain Management ＞ Human Rights ＞ Occupational Safety and Health ＞ Labor Practices ＞ HR Development ＞ Compliance ＞
2-25	Processes to remediate negative impacts	Human Rights ＞ Compliance ＞
2-26	Mechanisms for seeking advice and raising concerns	Compliance ＞
2-27	Compliance with laws and regulations	Not applicable
2-28	Membership associations	Sustainability Management＞Group Membership Credentials ＞
2-29	Approach to stakeholder engagement	Meiden Group Value Creation Process ＞

Disclosure Title		References
GRI 2：General Disclosures		
		Promotion of Environmental Communication › Product Responsibility › Supply Chain Management › Human Rights › Labor Practices › Diversity, Equity & Inclusion › Community › Dialogues with Shareholders and Investors ›
2-30	Collective bargaining agreements	Labor Practices ›
GRI 3:Material Topics		
3-1	Process to determine material topics	Sustainability Management › Identification of Materiality ›
3-2	List of material topics	Identification of Materiality ›
3-3	Management of material topics	Corporate Code of Conduct › Sustainability Management › Identification of Materiality › Promotion of Strategic Environmental Management › Environmental Management › Climate Change › Disclosure based on TCFD Recommendations › Prevention of Pollution and Effective Utilization of Resources › Water Resources › Biodiversity › Product Responsibility › Supply Chain Management › Human Rights › Occupational Safety and Health › Community › Diversity, Equity & Inclusion › Labor Practices › HR Development › Risk Management › Compliance ›

Topic-specific Disclosures

Disclosure Title		References
Material Topics		
200 series (Economic topics)		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Community > Meiden Group Social Contribution Policies > Company Profile >
201-2	Financial implications and other risks and opportunities due to climate change	Environmental Management > Disclosure based on TCFD Recommendations >
201-3	Defined benefit plan obligations and other retirement plans	—
201-4	Financial assistance received from government	Not applicable
Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Human Rights >
202-2	Proportion of senior management hired from the local community	—
Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Community >
203-2	Significant indirect economic impacts	Community >
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	—
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	—
205-2	Communication and training about anti-corruption policies and procedures	Compliance >
205-3	Confirmed incidents of corruption and actions taken	Not applicable
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable
GRI 207：Tax 2019		
207-1	Approach to tax	Compliance＞Tax >
207-2	Tax governance, control, and risk management	—
207-3	Stakeholder engagement and management of concerns related to tax	—
207-4	Country-by-country reporting	Prevention of Pollution and Effective Utilization of Resources >
300 series (Environmental topics)		
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Climate Change >
301-2	Recycled input materials used	—
301-3	Reclaimed products and their packaging materials	—
GRI 302: Energy 2016		
302-1	Energy consumption outside of the organization	Climate Change >

Disclosure Title		References
Material Topics		
200 series (Economic topics)		
		Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
302-2	Energy consumption outside of the organization	Information is disclosed annually concerning internal energy usage volume and greenhouse gas emissions. There are many customers and trading partners outside the organization. As it is inefficient to manage the energy usage of these parties, greenhouse gas emissions are managed in accordance with SBT and GHG protocols.
302-3	Energy intensity	Climate Change >
302-4	Reduction of energy consumption	Climate Change >
302-5	Reductions in energy requirements of products and services	Promote environmentally conscious design >
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Water Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
303-2	Management of water discharge-related impacts	Water Resources >
303-3	Water withdrawal	Water Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
303-4	Water discharge	Water Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
303-5	Water consumption	Water Resources >
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity >
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity >
304-3	Habitats protected or restored	Biodiversity >
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity >
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Climate Change > Disclosure based on TCFD Recommendations > Overview of Environmental Impacts by Our Business Activities >

Disclosure Title		References
Material Topics		
200 series (Economic topics)		
		Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change > Disclosure based on TCFD Recommendations > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
305-3	Other indirect (Scope 3) GHG emissions	Climate Change > Disclosure based on TCFD Recommendations >
305-4	GHG emissions intensity	Climate Change >
305-5	Reduction of GHG emissions	Climate Change >
305-6	Emissions of ozone-depleting substances (ODS)	Climate Change >
305-7	Nitrogen oxides (NO_X), sulfur oxides (SO_X), and other significant air emissions	Prevention of Pollution and Effective Utilization of Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
GRI 306: Waste 2020		
306-1	Water discharge by quality and destination	Prevention of Pollution and Effective Utilization of Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
306-2	Waste by type and disposal method	Prevention of Pollution and Effective Utilization of Resources >
306-3	Significant spills	Prevention of Pollution and Effective Utilization of Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
306-4	Transport of hazardous waste	Prevention of Pollution and Effective Utilization of Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
306-5	Water bodies affected by water discharges and/or runoff	Prevention of Pollution and Effective Utilization of Resources > Overview of Environmental Impacts by Our Business Activities > Environmental Impact Data from the Four Main Manufacturing Sites (Domestic Manufacturing Sites) >
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management >

Disclosure Title		References
Material Topics		
200 series (Economic topics)		
308-2	Negative environmental impacts in the supply chain and actions taken	Climate Change > Supply Chain Management >
400 series (Social topics)		
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Labor Practices >
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labor Practices >
401-3	Parental leave	DEI（Diversity, Equity & Inclusion） > Labor Practices >
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Labor Practices >
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Occupational Safety and Health >
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health >
403-3	Occupational health services	Occupational Safety and Health >
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health >
403-5	Worker training on occupational health and safety	Occupational Safety and Health >
403-6	Promotion of worker health	Health & Productivity Management >
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health >
403-8	Workers covered by an occupational health and safety management system	Occupational Safety and Health >
403-9	Work-related injuries	Occupational Safety and Health >
403-10	Work-related ill health	Occupational Safety and Health >
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	HR Development >
404-2	Programs for upgrading employee skills and transition assistance programs	Product Responsibility＞Developing Human Resources to Support the Supply of High-quality Products > DEI（Diversity, Equity & Inclusion） > HR Development >
404-3	Percentage of employees receiving regular performance and career development reviews	Labor Practices＞HR Data >
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Labor Practices > DEI（Diversity, Equity & Inclusion） >
405-2	Ratio of basic salary and remuneration of women to men	Labor Practices＞HR Data >
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	—

Disclosure Title		References
Material Topics		
200 series (Economic topics)		
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	—
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	—
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Biodiversity > Community >
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supply Chain Management >
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management >
GRI 415: Public Policy 2016		
415-1	Political contributions	Compliance >
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Product Initiatives (Management of chemical substances in products) > Product Responsibility >
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Product Responsibility > Promote environmentally conscious design > Management of chemical substances in products > Prevention of Pollution and Effective Utilization of Resources >
417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable
417-3	Incidents of non-compliance concerning marketing communications	Not applicable
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable

SASB Content Index

Major Sustainability Disclosure Topics & Accounting Metrics

					Content of Disclosure
Disclosure Topics	Accounting Metrics	Category	Unit of Measure	Code	(FY2023 response status and place of reporting)
Energy Management	(1) Total energy consumption	Quantative	Gigajoules (GJ)	RT-EE-130a.1	922,433 *Breakdown: Japan -737,7825GJ / overseas - 184,651GJ References: Climate Change > Energy Consumption (crude oil equivalent) >
	(2) Percentage grid electricity (out of (1))		Percentage (%)		72.2 *Breakdown: Japan - 70.0% / overseas - 80.8%
	(3) Percentage renewable		Percentage (%)		16.9 *Breakdown: Japan - 20.9% / overseas - 0.7%
Hazardous Waste Management	Amount of hazardous waste generated	Quantative	Metric tons (t)	RT-EE-150a.1	87.8 *Breakdown: Trace amount processing volume - 79.0t / high concentration processing volume - 8.8t References: Prevention of Pollution and Effective Utilization of Resources > Promotion of Disposal and Processing of Devices that Include PCBs >
	Percentage of hazardous waste recyclued		Percentage (%)		—
	(Optional) Percentage of incinerated hazardous waste for the purpose of energy recovery (%)		Percentage (%)		—
	Supplemental information		—		• Meidensha discontinued manufacturing equipment using PCBs in September 1972. • As directed by the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Act), we are gradually disposing of devices containing PCBs (polychlorinated biphenyls), such as transformers and capacitors that we manufactured in the past and stored for nearly 40 years.

					Content of Disclosure
Disclosure Topics	Accounting Metrics	Category	Unit of Measure	Code	(FY2023 response status and place of reporting)
					References: Prevention of Pollution and Effective Utilization of Resources>Promotion of Disposal and Processing of Devices that Include PCBs >
	Total number of reportable spills	Quantative	Number	RT-EE-150a.2	0
	Aggregate quantity of reportable spills		Kilograms (kg)		—
	(Ref) Total number of spills according to internal standards		Number		4 References: Environmental Management > Compliance with Environmental Regulations >
	(Ref) Aggregate quantity of spills according to internal standards		Kilograms (kg)		—
	Supplemental information		—		• In fiscal 2023, there was triple incident involving exceeding voluntary standards for wastewater, but there were no serious violations of environmental laws or regulations (including water intake, wastewater, other waste, and harmful chemicals). • For the four spill incidents on our premises, we have collected the spilled substances, continued monitoring, and reported to the relevant government and neighboring companies.
Product Safety	Number of recalls	Quantative	Number	RT-EE-250a.1	—
	Total units recalled				—
	(Optional) (1) Percentage of voluntary recalls				—
	(Optional) (2) Percentage of involuntary recalls				—
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantative	Yen	RT-EE-250a.2	0
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantative	Percentage by revenue (%)	RT-EE-410a.1	—
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Quantative	Percentage by revenue (%)	RT-EE-410a.2	—
	(If applicable) If the products certified to a				—

					Content of Disclosure
Disclosure Topics	Accounting Metrics	Category	Unit of Measure	Code	(FY2023 response status and place of reporting)
	previous version of an ENERGY STAR® standard, disclose information including the version of the standard to which its products are certified, a breakdown of how many products are certified to that version of the standard, and its timelines to achieve certification to the most current version of the standard.				
	Revenue from renewable energy-related and energy efficiency-related products	Quantative	Yen	RT-EE-410a.3	—
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and analysis	n/a	RT-EE-440a.1	Promotion of Sustainability that Involves the Entire Supply Chain >
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and analysis	n/a	RT-EE-510a.1	Anti-corruption Measures >
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantative	Yen	RT-EE-510a.2	0 References: Compliance>Compliance Data >
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantative	Yen	RT-EE-510a.3	0 References: Compliance>Compliance Data >

Activity Metrics

				Content of Disclosure
Accounting Metrics	Category	Unit of Measure	Code	(FY2023 response status and place of reporting)
Production units for each product category	Quantative	Number	RT-EE-000.A	—
Number of consolidated employees*2	Quantative	Number	RT-EE-000.B	9,810 References: Labor Practices>HR Data >

ESG Data Book

Environment Data

*For some items, the figures for each fiscal year may have changed from previously disclosed information due to revisions to definitions, etc.
*Figures are for the period from April 1, 2023 to April 31, 2024, or as of the end of March 2024.
*Items marked with a ★ have undergone third-party verification by Japan Audit and Certification Organization for Environment and Quality
＞Environment ＞ Third-Party Verification

Environmental Accounting

We quantify costs, etc., relating to environmental activities, with reference to the Ministry of the Environment's "Environmental Accounting Guidelines 2005."

Environmental Protection Costs

		unit	Data range	FY2021	FY2022	FY2023
Business area costs	Implementation of new energy-saving devices, etc.	million yen	Meidensha	1,053	2,328	1,072
R&D costs	R&D costs for environmentally conscious products, etc.	million yen		950	9,516	9,667

* The calculation conditions for R&D costs have changed from FY2022, and there is no continuity with the reported values.

Environmental Liabilities

		unit	Data range	FY2021	FY2022	FY2023
PCB waste processing costs	Costs associated with processing PCB waste held by Meidensha	million yen	Meidensha	—	—	250

* We have established a reserve fund for anticipated future environmental liabilities in an amount that can be reasonably estimated as of March 31, 2024

Environmental Management

Environmental Management ISO 14001 Certification Status (as of March 31, 2024)

	Number of subject sites	Certified manufacturing sites	Certification rate (%)
Meiden Group (Japan)	13	13	100
Meiden Group (overseas)	9	9	100
Meiden Group	22	22	100

Environmental law violations and fines

	unit	Data range	FY2021	FY2022	FY2023
Breaches of Environmental Laws	-	Meidensha・Domestic affiliates	0	0	1
Environmental Fines	yen		0	0	0

Environmental Education Results

	unit	Data range	FY2021	FY2022	FY2023
Environmental education (e-learning)	Times conducted	Meidensha・Domestic affiliates	1	1	1
	Number of participants		7,088	7,213	7,160
Specialist education	Times conducted		22	8	11
	Number of participants		—	—	—
Education concerning environmental laws	Times conducted		12	4 & shared by video	4 & shared by video
	Number of participants		1,800	4,336	4,949

Overview of Environmental Impacts by Our Business Activities

INPUT

			unit	Data range	FY2021	FY2022	FY2023
Energy input	Electricity	Japan	kL	Meiden Group	12,331	11,938	9,493
		overseas	kL		4,062	4,083	3,848
	Electricity from renewable energy	Japan	kL		2,260	2,940	3,981
		overseas	kL		—	1	32
	City gas	Japan	kL		4,307	4,369	4,431
		overseas	kL		0	0	0
	LPG	Japan	kL		39	37	33
		overseas	kL		626	608	523
	Heavy oil A	Japan	kL		41	47	65
	LNG	overseas	kL		0	17	21
	Gasoline	Japan	kL		19	16	16
		overseas	kL		—	10	1
	Light oil	Japan	kL		138	90	87
		overseas	kL		160	145	149
	Kerosene	Japan	kL		67	421	85
		overseas	kL		6	5	3
	Cold and hot water	Japan	kL		109	117	118
	Vehicle fuel	Japan	kL		682	688	726
		overseas	kL		183	195	192
	Total energy input	Japan	kL		**19,994**	**20,663**	**19,035**
		overseas	kL		**5,037**	**5,064**	**4,769**
Chemicals input amount	VOC	Japan	t		385.6	361.7	337.7
		overseas	t		44.3	38.4	36.0
	Amount of PRTR substances * handled	Japan	t		463.5	432.7	425.3
		overseas	t		46.7	46.7	56.8
	SF_6	Japan	t		10.6	8.6	16.5
		overseas	t		2.9	9.1	9.1
	Total chemicals input amount	Japan	t		**859.8**	**803.1**	**779.5**
		overseas	t		**94.0**	**94.2**	**101.8**
Water input amount	Industrial water	Japan	1,000 m^3		43	22	27
		overseas	1,000 m^3		23	29	23
	Groundwater	Japan	1,000 m^3		1,728	1,552	1,595
		overseas	1,000 m^3		20	19	16
	Tap water	Japan	1,000 m^3		63	70	71
		overseas	1,000 m^3		64	105	55
	Total water input amount	Japan	1,000 m^3		**1,834**	**1,643**	**1,693**
		overseas	1,000 m^3		**107**	**153**	**95**
Raw materials input amount (Japan)	Iron	Japan	t		5,356	4,820	4,103
	Copper	Japan	t		2,176	2,120	2,019
	Plastic	Japan	t		789	864	805
	Aluminum	Japan	t		223	266	217
	Total raw materials input amount (Japan)	Japan	t		**8,544**	**8,070**	**7,144**

OUTPUT

			unit	Data range	FY2021	FY2022	FY2023
Scope1+2	CO_2 attributable to energy use	Japan	t-CO_2	Meiden Group	32,035	32,730	28,023
		overseas	t-CO_2		12,264	10,206	11,086
	SF_6 gas	Japan	t-CO_2		3,657	5,632	6,106
		overseas	t-CO_2		977	1,384	2,201
	CFCs	Japan	t-CO_2		54	138	103
	Scope1+2 Total emissions	Japan	t-CO_2		**35,745**	**38,499**	**34,232**
		overseas	t-CO_2		**13,242**	**11,590**	**13,287**
Chemical substances amount released or transferred	VOC	Japan	t		71.9	68.0	66.0
		overseas	t		44.3	38.4	36.0
	SOx(Emissions to air)	Japan	t		0.04	0.05	0.06
	NOx(Emissions to air)	Japan	t		9.9	10.0	10.2
	BOD (Emissions to water)	Japan	t		6.4	4.4	5.3
	Amount of PRTR substances* released or transferred	Japan	t		100	96.6	100
		overseas	t		33.3	29.1	35.4
	Total chemical substances amount released or transferred	Japan	t		**188.3**	**178.7**	**181.7**
		overseas	t		**77.6**	**67.5**	**71.4**
Effluent amount	Discharged to public waters	Japan	1,000 m^3		2,242	1,421	1,527
	Discharged to sewer	Japan	1,000 m^3		17	20	32
	Total effluent amount	Japan	1,000 m^3		**2,258**	**1,441**	**1,559**
Waste emissions amount	Recycling amount	Japan	t		12,117	12,775	10,567
		overseas	t		1,674	1,992	2,495
	Final disposal amount	Japan	t		159	240	220
		overseas	t		244	320	206
	Volume reduction amount	Japan	t		514	796	782
		overseas	t		47	45	46
	Total waste emissions amount	Japan	t		**12,789**	**13,810**	**11,569**
		overseas	t		**1,965**	**2,357**	**2,747**

Climate Change

Scope1+2 emissions

			unit	Data range	FY2021	FY2022	FY2023
Scope1 Direct emissions from in-house use of fuel, etc.		Japan ★	t-CO_2	Meiden Group	14,267	17,262	16,719
		overseas	t-CO_2		2,636	3,067	3,780
Scope2 Indirect emissions from power or heat purchased from an outside source	Location basis	Japan ★	t-CO_2		25,160	25,737	26,381
		overseas	t-CO_2		10,605	8,523	9,507
	Market basis	Japan ★	t-CO_2		21,478	21,237	17,513
		overseas	t-CO_2		—	—	—
Total(consolidated)			t-CO_2		48,986	50,089	47,519

Scope3 emissions

category	Calculation Method		unit	Data range	FY2021	FY2022	FY2023	remarks
	Amount of Activity	Basic Unit						
1. Purchased goods and services*1 ★	Purchase amount (materials, consumables, services, etc.)	Ministry of the Environment Basic Unit - DB	t-CO_2	Meiden Group	944,989	1,161,608	1,326,731	★ Third-party verification has been obtained only for data in Japan
2. Capital goods*1	Amount invested in fixed assets	Ministry of the Environment Basic Unit - DB	t-CO_2		31,329	24,862	27,951	Since FY2022, the emissions intensity has been revised according to the industry of the sector in which the capital to be calculated has been formed.
3. Fuel and energy related activities not included in Scopes 1 or 2	Amount of energy consumption (electricity, etc.)	Ministry of the Environment Basic Unit - DB	t-CO_2		3,425	3,472	3,187	Since FY2022, figures have been recalculated to include steam use.
4. Upstream transportation and distribution*2	Transportation cost	Ministry of the Environment Basic Unit - DB	t-CO_2		16,914	21,694	23,526	
5. Waste generated in operations	Emissions of each type of waste	Ministry of the Environment Basic Unit - DB	t-CO_2		1,645	1,925	1,692	Figures since FY2022 have been revised according to the description of emissions from disposal and processing by parties other than the reporting company of wastes generated from the reporting company's business activities (excluding wastes sold for compensation), as found in Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain, Ministry of the Environment and Ministry of Economy, Trade and Industry.
6. Business travel	Transportation expenses provided (travel allowance, etc.)	Ministry of the Environment Basic Unit - DB	t-CO_2		2,160	4,770	6,734	
7. Employee commuting	Transportation expenses provided (travel allowance, etc.)	Ministry of the Environment Basic Unit - DB	t-CO_2		1,182	1,401	1,211	
8. Upstream leased assets*1	Rent (Leased items, etc.)	Ministry of the Environment Basic Unit - DB	t-CO_2		2,287	2,756	2,727	
9. Downstream transportation and distribution*3	Not applicable because this is not a major source of emissions and is sufficiently lower than "transportation and delivery (upstream)"	Ministry of the Environment Basic Unit - DB	t-CO_2		—	—	—	
10. Processing of sold products	Not applicable as Meidensha's products include many formed items	—	t-CO_2		—	—	—	
11. Use of sold products ★	Calculated based on the specifications of the Company's products and operating conditions	Ministry of the Environment Basic Unit - DB	t-CO_2		5,922,573	5,745,708	5,891,693	★ Third-party verification has been obtained only for data in Japan
12. End-of-life treatment of sold products*1	Assumed disposal cost of sold products	Ministry of the Environment Basic Unit - DB	t-CO_2		6,573	7,025	7,420	
13. Downstream leased assets*4	Energy usage at leased real estate	Ministry of the Environment Basic Unit - DB	t-CO_2		7,769	7,849	8,223	
14. Franchises	Not applicable as outside of the scope of the Company's business	—	t-CO_2		—	—	—	
15. Investments	Not applicable as shares held by the Company are not for the purpose of investment	—	t-CO_2		—	—	—	
Other	Excluded from the scope of calculation as this item is optional	—	t-CO_2		—	—	—	
合計			t-CO_2		6,940,845	6,983,070	7,301,094	

*1 Up through FY2021, results were calculated by multiplying the monetary value exclusive of consumption tax by the emissions intensity, but since FY2022, we include the monetary value including the consumption tax. Therefore, we recalculated emissions for FY2019 through FY2021 using that approach.
*2 Amount of GHG emissions from procurement logistics and sales logistics
*3 Since FY2022, the emissions intensity has been revised according to the industry of the sector in which the capital to be calculated has been formed.
*4 Since FY2022, figures have been recalculated to include steam use.

CO_2 and other greenhouse gas emissions

		unit	Data range	FY2021	FY2022	FY2023	remarks
Amount of CO_2 Emissions from Energy Sources	Japan	t-CO_2	Meiden Group	32,035	32,730	28,023	・Japanese emissions: The amounts of fuel oil and fuel gas are calculated referring to the "List of Calculation Methods and Emission Factors in the Calculation, Reporting and Publication System" for the relevant fiscal year published by the Ministry of the Environment. ・The amount of electric power is calculated referring to the "Emission Factor List by Electricity Power Company" published by the Ministry of the Environment.
	overseas	t-CO_2		12,264	10,206	11,086	・Overseas emissions: The amounts of fuel oil and fuel gas are calculated referring to the emission factors by country published by the GHG protocol. ・The amount of electric power is calculated referring to the average emission factors by country in 2010-2012 published by the International Energy Agency (IEA). ・ Since FY2022, we have used the 2018 average emission factors by country.
CO_2 emissions per sales unit	Japan	t-CO_2/ million yen		0.15	0.15	0.13	Energy consumptions per unit are emissions (t-CO_2) divided by net sales (million yen).
	overseas	t-CO_2/ million yen		0.3	0.18	0.17	
Energy Consumption (crude oil equivalent)	Japan	kL		19,994	20,663	19,035	
	overseas	kL		5,037	5,064	4,769	
Energy consumption per unit of sales	Japan	kL/ million yen		0.096	0.096	0.086	Energy consumptions per unit are emissions (t-CO_2) divided by net sales (million yen).
	overseas	kL/ million yen		0.123	0.091	0.074	
CO_2 Emissions from Product Transport	Japan	t-CO_2	Meidensha・Domestic affiliates	1,982	1,885	1,661	
Emissions of Greenhouse Gasses Other than CO_2	Japan	t-CO_2		3,711	5,769	6,209	

Expand businesses that contribute to the environment

GHG Reduction Contribution Volume (Former Environmental Contribution Volume)*1

	Approach to calculating GHG reduction contribution	unit	Data range	FY2021	FY2022	FY2023
Wind power sales business*2	Emissions curbed if grid power replaced by renewable energy generation	10,000t-CO_2	Meiden Group	4.8	3.9	3.5
Photovoltaic generation systems		10,000t-CO_2		—	0.0	13.5
Power conditioners for photovoltaic generation		10,000t-CO_2		0.8	1.9	—
Power conditioners for storage batteries		10,000t-CO_2		0.4	0.0	—
Hydro turbine generators (Meidensha)*3		10,000t-CO_2		10.0	1016.7	570.3
Hydro turbine generators (EAML Engineering)		10,000t-CO_2		—	—	3.8
inverters	Emissions curbed by replacing conventional Meidensha goods (lowering energy losses)	10,000t-CO_2		16.9	—	—
Railway regenerative inverters		10,000t-CO_2		—	0.3	—
Engine/turbine generator		10,000t-CO_2		4.2	—	—
Transformer		10,000t-CO_2		9.2	—	—
UPS(Uninterruptible Power Supply)		10,000t-CO_2		0.9	—	—
Electric vehicle drive unit	Emissions curbed if replacing gasoline vehicle of same grade	10,000t-CO_2		19.4	108.6	141.0
Control equipment and motors for electric forklifts		10,000t-CO_2		4.3	219.4	201.8
Cubicle-type dry air insulated switchgear (Eco C-GIS)	Emissions curbed by not using SF_6 gas	10,000t-CO_2		—	0.0	0.1
Ecotank type vacuum circuit breakers		10,000t-CO_2		2.7	3.4	3.0
合計		10,000t-CO_2		73.6	1354.2	937.0

*1 We replaced the "environmental contribution" with "GHG reduction contribution" starting with FY2022.
*2 Calculated by multiplying the difference in volume of GHG emissions at the point of use, by the expected life and annual sales volume.
However, wind power generation is calculated based on annual power generation performance.
*3 Until FY2023, calculations are based on the total of Meidensha + EAML Engineering.

Wind power generation power generation amount

	unit	Data range	FY2021	FY2022	FY2023
Power generation amount	MWh	Meiden Group	104,446	95,259	84,697

* The Meiden Group operates wind power sales business at three locations in Japan operated by group company M-Winds and its affiliated companies.
* Hachiryu Wind Farm (Akita Prefecture) 18 wind turbines, power generation capacity 28,000kW
Wajima Community Wind Farm (Ishikawa Prefecture) 10 wind turbines, power generation capacity 20,000kW
Choshi Shiosai Wind Farm (Chiba Prefecture) 2 wind turbines, power generation capacity 3,000kW
Total: 30 wind turbines, power generation capacity 51,000kW

Prevention of Pollution and Effective Utilization of Resources

Raw Material Input

Raw Material	unit	Data range	FY2021	FY2022	FY2023
Iron	t	Meidensha・Domestic affiliates	5,356	4,820	4,103
Copper	t		2,176	2,120	2,019
Plastic	t		789	864	805
Aluminum	t		223	266	217
Total	t		8,544	8,070	7,144

Volume of VOCs Released and Reduction Rate

	unit	Data range	FY2021	FY2022	FY2023
Volume released	t	Meidensha・Domestic affiliates	71.9	68.0	66.0
Reduction rate	%		52	55	56

*Reduction rrate since FY2000

Volume Treated of Harmful Waste (Waste Containing PCBs)

	unit	Data range	FY2021	FY2022	FY2023
Volume Treated of waste containing low consentrations of PCBs	t	Meiden Group	55.6	336.0	79.0
Volume Treated of waste containing high consentrations of PCBs	t		1.1	0.1	8.8

Generation of Waste, etc., and Recycling Rate

	unit	Data range	FY2021	FY2022	FY2023
Amount generated	kt	Meidensha・Domestic affiliates	12.8	13.8	11.6
Recy	%		94.7	92.5	91.3

*Construction sludge, etc., is excluded from the amount of waste, etc., generated.

Breakdown of Waste Generated

	unit	Data range	FY2021	FY2022	FY2023
Scrap metal	kt	Meidensha・Domestic affiliates	3.3	5.1	4.7
Debris	kt		5.8	3.5	1.8
Scrap wood	kt		0.9	1.0	1.0
Waste paper	kt		0.7	1.0	0.9
Waste plastic	kt		0.6	0.8	0.7
Waste glass and concrete	kt		0.3	0.3	1.1
Waste oil	kt		0.3	0.3	0.3
Sludge	kt		0.7	0.9	0.6
Other	kt		0.3	0.8	0.4
Total waste	kt		12.8	13.8	11.6

Water Resources

Percentage of Production Sites and Volume of Water Withdrawn and Effluent Volume by Level of Water Risk (FY2023)

	Risk score	Data range	Number of sites	Percentage of sites	Volume withdrawn	Percentage of volume withdrawn	Effluent Volume	Percentage of effluent Volume
				%	1,000 m^3	%	1,000 m^3	%
Very high risk	5.0~4.21	Meiden Group	2	14	39	2	7	0
High risk	4.2~3.41		4	29	17	1	5	0
Ordinary risk	3.4~2.61		7	50	1,693	96	1,541	99
Low risk	2.6~1.81		1	7	15	1	10	1
Very low risk	1.8~1.0		0	0	0	0	0	0
Total			14	100	1,765	100	1,562	100

Water Withdrawals, by Source

		unit	Data range	FY2021	FY2022	FY2023
Japan	Groundwater	1,000 m^3	Meidensha ·Domestic affiliates	1,728	1,552	1,595
	Industrial water	1,000 m^3		43	22	27
	Tap water	1,000 m^3		63	69	71
Total ★		1,000 m^3		1,834	1,643	1,693

Water Withdrawals, by Production Site

	unit	Data range	FY2021	FY2022	FY2023
Numazu Works	1,000 m^3	Meidensha· Domestic affiliates	1743	1567	1607
Ota Works	1,000 m^3		56	40	40
Nagoya Works	1,000 m^3		12	13	15
Others	1,000 m^3		23	23	30

Effluent Volume, by Discharge Location

Discharge location	unit	Data range	FY2021	FY2022	FY2023
Fresh surface water Direct discharge to rivers, lakes, and marshes	1,000 m^3	Meidensha· Domestic affiliates	2,241	1,421	1,527
Brackish surface water/seawater Direct discharge to low-salinity water (brackish water) resulting from mix of seawater and freshwater, and to seawater	1,000 m^3		0	0	0
Groundwater Direct discharge underground	1,000 m^3		0	0	0
Third-party discharge locations Discharged by sewage and industrial waste disposal companies	1,000 m^3		17	20	32
Total ★	1,000 m^3		2,258	1,441	1,559

Volume Discharged, by Production Site

	unit	Data range	FY2021	FY2022	FY2023
Numazu Works	1,000 m^3	Meidensha· Domestic affiliates	2196	1381	1490
Ota Works	1,000 m^3		43	38	29
Nagoya Works	1,000 m^3		7	8	10
Others	1,000 m^3		12	15	30

Trend in Water Quality Data(BOD Discharge)

	unit	Data range	FY2021	FY2022	FY2023
BOD	kg	Meidensha· Domestic affiliates	6,408	4,474	5,344

Amount invested in Water Resource Conservation R&D

	unit	Data range	FY2021	FY2022	FY2023
Amount invested in water infrastructure and ceramic flatsheet membrane business R&D	Million yen	Meiden Group	1,026	1,075	1,035

Social Data

*For some items, the figures for each fiscal year may have changed from previously disclosed information due to revisions to definitions, etc.
*Figures are for the period from April 1, 2023 to April 31, 2024, or as of the end of March 2024.

Product Responsibility

Quality Management ISO 9001 Certification Status (as of March 31, 2024)

	Number of subject sites	Certified manufacturing sites	Certification rate (%)
Meiden Group (Japan)	22	22	100
Meiden Group (overseas)	12	12	100
Whole Meiden	32	32	100

Number of Legal Violations Relating to Quality

	FY2021	FY2022	FY2023
Meiden Group (consolidated)	0	0	0

Quality Management Education and Training Results (FY2023 Results)

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

Occupational Safety and Health

Occupational Safety and Health Management System Certification Status (as of March 31, 2024)

	Number of subject sites	Certified manufacturing sites	Certification rate (%)
Meiden Group (Japan)	101	96	95
Meiden Group (overseas)	21	7	33
Whole Meiden	122	103	84

Occupational Safety and Health Data

Data range		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Meidensha	Accident frequency rate*1	0.26	0.88	0.26	0.13	0.00	0.64	0.50
	Accident severity rate*2	0.01	1.35	0.01	0.00	0.00	0.01	0.02
	Number of accidents per 1,000 persons each year*3	0.28	1.09	0.53	0.00	0.00	0.97	0.71
	Total accident frequency rate*4	0.90	1.13	0.66	0.76	0.50	1.27	0.75
	Casualties*5	7	9	5	6	4	10	6
	Of which, number resulting in four or more days of absence	1	4	2	0	0	4	3
	Of which, number resulting in one-three days of absence	1	3	0	1	0	1	1
	Of which, number resulting in no absence	5	2	3	5	4	5	2
Meiden Group	Accident frequency rate*1	0.26	0.50	0.47	0.43	0.21	0.43	0.81
	Accident severity rate*2	0.01	0.54	0.01	0.00	0.01	0.06	0.06
	Number of accidents per 1,000 persons each year*3	0.34	0.77	0.74	0.61	0.40	0.71	1.31
	Total accident frequency rate*4	0.73	0.75	0.74	0.86	0.78	0.80	1.30
	Casualties*5	14	15	14	16	15	15	24
	Of which, number resulting in four or more days of absence	3	7	7	6	4	7	13
	Of which, number resulting in one-three days of absence	2	3	2	2	0	1	2
	Of which, number resulting in no absence	9	5	5	8	11	7	9
Meidensha・Domestic affiliates	Number of traffic accidents on the job	—	44	38	32	45	53	37

*1 "Accident frequency rate" is the number of casualties with at least one day of absence per million actual working hours caused by industrial accidents; it is an indicator of the frequency of accidents.
*2 "Accident severity rate" is the number of workdays lost for every 1,000 work hours; it is an indicator of the seriousness of accidents.
*3 "Number of accidents per 1,000 persons each year" is the ratio of the number of casualties resulting in four or more days of absence occurring per 1,000 workers in a year.
*4 "Total accident frequency rate" is the total number of casualties caused by industrial accidents, including both those resulting in no absence and those resulting in a day or more of absence, for every 1,000,000 work hours.
*5 Includes temporary workers and contractors.
*6 Overseas working population and hours do not include on-site workers, which differs slightly from the calculation method used for Japan.

Occupational Safety and Health Data

		unit	Data range	FY2023 (target values)	FY2023 (established values)	FY2024 (target values)
Percentage of sick absenteeism/leave of absence (more than one month)*1	Total	%	Meidensha・Domestic affiliates	1.58	1.73	1.56
	Mental	%		1.26	1.25	1.12

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

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

		unit	Data range	FY2021	FY2022	FY2023
Proportion of total workers (those whose operation or workplace is under organizational control) that send delegates to the Combined Labor and Management Safety and Health Committee	Number of representatives	-	Meidensha	24	24	24
	Number of workers	-		4,027	4,039	4,123
	ratio	%		0.60	0.59	0.58

Health & Productivity Management

Health & Productivity Management Indicators

		unit	Data range	At Challenge start (FY2018 results)	FY2020	FY2021	FY2022	FY2023	FY2024 (5-year target)
Taking action for passive smoking and promoting the quitting smoking program	Rate of smoking	%	Meidensha	—	21.8	20.0	20.7	19.9	—
		%	Meidensha・Domestic affiliates	28.2	25.6	24.1	23.3	22.5	20% or less
Measures to combat lifestyle diseases – under 39	Obesity rate of people in their 30s	%	Meidensha	—	32.0	30.7	31.3	30.8	—
		%	Meidensha・Domestic affiliates	32.7	35.4	33.8	33.5	33.9	30% or less
Measures to combat lifestyle diseases – over 40	Rate of people 40 and over who received specific health guidance	%	Meidensha	—	26.7	23.8	23.4	22.5	—
		%	Meidensha・Domestic affiliates	23.8	26.7	24.2	24.0	22.5	24% or less
Measures to combat cancer	Cervical cancer	%	Meidensha	—	19.0	24.0	27.0	26.0	—
		%	Meidensha・Domestic affiliates	0.0*1	16.7	23.2	25.3	26.0	60% or more
	Breast cancer	%	Meidensha	—	32.0	40.0	47.0	42.0	—
		%	Meidensha・Domestic affiliates	0.0*1	24.6	37.2	40.3	42.0	60% or more
	Colorectal cancer thorough examination rate	%	Meidensha	—	23.5	42.9	37.0	57.9	—
		%	Meidensha・Domestic affiliates	31.0	33.6	44.8	34.3	49.3	100.0
Promoting mental health maintenance	Stress check rate	%	Meidensha	—	96.6	97.8	97.5	97.6	—
		%	Meidensha・Domestic affiliates	95% or more	97.2	98.1	97.5	97.4	95% or more

*1 Rate of regular cancer checkups for women

Health & Productivity Management Indicators

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

*1 Percentage of people who required thorough examinations or second examinations that actually received them
*2 Proportion of highly-stressed workers for whom a voluntary interview with a physician was conducted
*3 Indicator of a positive state of mind in relation to work. Work engagement is quantified by halving the sum of the values assigned to responses to two of the 80 items on the new job stress survey ("I feel energized at work" and "I feel proud of my work") on a scale of 1 to 4 points, with 1 point for "Not at all" and 4 points for "Very much."
The response rate to the Work engagement survey is the same as the "Rate of stress checks" shown in the table above.
*4 Proportion of workers with systolic blood pressure of 180 mmHg or more or diastolic blood pressure of 110 mmHg or more
*5 Proportion of workers with fasting blood sugar of 200 mg/dl or more
*6 Proportion of employees who took sick leave or were absent for a month or more for mental health reasons. Totaled for all employees.
*7 Employees evaluate their own work in the previous four weeks, with performance when well and uninjured acting as a baseline of 100%

Health Education Results (FY2023)

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

Supply Chain Management

				Data range	FY2021	FY2022	FY2023
Conflict Minerals Issue	Number of companies surveys of high-risk minerals			Meidensha	380	—	420
	Of which, Number of responding companies				360	—	390
	Response rate(%)				94	—	93
	Number of companies requesting corrections				0	—	0
Evaluation of Suppliers	Number of companies conducting supplier evaluation (Survey relating to sustainability activities and environmental conservation activities)				2,104	1,681	1,653
	Of which, Number of responding companies				1331	1126	1044
	Response rate(%)				63.26	66.98	63.15
	Number of companies requesting corrections				0	0	0
Monitoring Suppliers	Environment	Environmental Audits			10	10	10
		Of which, Number of companies requested to make corrections			2	7	8
	Safety and health	Checking suppliers' sites using the health and safety support business			15	9	7
	Information security	self-diagnoses using the information security self-diagnosis card			2,154	2,154	2,154
	BCP implementation	Investigation of impacts of natural disasters, major accidents, and misconduct, etc.			5	3	1
Seminars	Production plan explanatory meetings (Ota, Numazu, Nagoya)		Number of seminars held		6	6	6
			Number of participating companies		170	176	298
			Number of participants		114	212	450
	EcoAction 21 implementation seminar		Number of seminars held		—	—	2
			Number of participating companies		—	—	8
			Number of participants		—	—	16
	Organization for Small & Medium Enterprises and Regional Innovation, Japan seminar on carbon neutrality		Number of seminars held		—	—	2
			Number of participating companies		—	—	83
			Number of participants		—	—	100
	Organization for Small & Medium Enterprises and Regional Innovation, Japan visits to individual companies to provide support for carbon neutrality		Number of seminars held*1		—	—	36
			Number of participating companies		—	—	12
			Number of participants		—	—	70
	BCP (Business Continuity Planning (Jigyokei)) seminar		Number of seminars held		—	—	1
			Number of participating companies		—	—	71
			Number of participants		—	—	83
	Security Action 2-Star Declaration support seminar		Number of seminars held		—	—	1
			Number of participating companies		—	—	54
			Number of participants		—	—	60
	Hands-on safety experience truck education		Number of seminars held		2	12	10
			Number of participating companies		4	18	18
			Number of participants		13	75	68
	Safety support diagnostics and education		Number of seminars held		33	11	26
			Number of participating companies		33	11	14
			Number of participants		250	70	70
ducation of procurement managers	Certified Procurement Professional qualification system		Acquisition rate(%)		77	61	61
	Eco Test		Acquisition rate(%)		71	87	87
	Education for new staff and reassigned personnel, etc.		Attendance rate(%)		100	100	100

*1 Conducted 3 times per company

Human Rights

Human Rights Training

	Data range	FY2021	FY2022	FY2023
Workplace discussions relating to human rights	Meidensha・Domestic affiliates	—	5,987	5,867
Harassment education	Meidensha・Domestic affiliates	—	4,336	6,575
Compliance manager training	Meidensha・Meiden Engneering	—	178	124
Anger management training	Meidensha・Domestic affiliates	—	2,350	1,921

Community

Data related to social contribution activities

			Data range	FY2021	FY2022	FY2023
Social Contribution Expenditure*1 (yen)			Meidensha	27,000,000	28,000,000	58,000,000
Social Contribution Activities Results	Manufacturing Classes / Visiting Science Lectures	Participants (children/students)		393	326	1,333
		Employees involved		75	77	210
	ICT support for GIGA School Program*2	Participants (children/students)		930	990	1,158
		Employees involved		45	140	168
	Programming classes *3(using drones)	Participants (students)		–	–	516
		Employees involved		–	–	50
	Classes in partnership with local communities*3 (disaster prevention, etc.)	Participants (students)		–	–	339
		Employees involved		–	–	38

*1 Social Contribution expenditure includes donations and sponsorship costs.
*2 Participant numbers in FY2021 and FY2022 are estimates.
*3 ctivities in FY2023.

HR Data

*For some items, the figures for each fiscal year may have changed from previously disclosed information due to revisions to definitions, etc.
*Figures are for the period from April 1, 2023 to April 31, 2024, or as of the end of March 2024.

Employees Data

		unit	Data range	FY2021	FY2022	FY2023
Number of employees (non-consolidated)	Male	People	Meidensha	3,431	3,425	3,458
	Female	People		596	614	665
	Total	People		4,027	4,039	4,123
Domestic subsidiaries	Male	People	Domestic affiliates	3,242	3,287	3,210
	Female	People		484	494	480
	Total	People		3,726	3,781	3,690
Overseas subsidiaries	Male	People	Overseas affiliates	1,733	1,595	1,609
	Female	People		437	401	388
	Total	People		2,170	1,996	1,997
Number of consolidated employees*1	Male	People	Meiden Group	8,406	8,307	8,277
	Female	People		1,517	1,509	1,533
	Total	People		9,923	9,816	9,810
Number of foreign employees (non-consolidated)	Male	People	Meidensha	19	25	21
	Female	People		10	10	12
	Total	People		29	35	33
Domestic subsidiaries Number of foreign employees	Male	People	Domestic affiliates	10	16	17
	Female	People		2	3	3
	Total	People		12	19	20
Overseas subsidiaries Number of foreign employees	Male	People	Overseas affiliates	1,597	1,460	1,486
	Female	People		434	399	386
	Total	People		2,031	1,859	1,872
Number of foreign consolidated employees*1	Male	People	Meiden Group	1,626	1,501	1,524
	Female	People		446	412	401
	Total	People		2,072	1,913	1,925
Proportion of all employees accounted for by contractors and temporary workers		%	Meidensha	14.3	13.5	12.9
Average age *2	Male	Age	Meidensha	43.1	43.3	43.6
	Female	Age		43.1	42.8	42.4
	Total	Age		43.1	43.3	43.4
Years of employment *2	Male	Years	Meidensha	18.8	19.0	19.1
	Female	Years		19.7	19.1	18.3
	Total	Years		18.9	19.0	18.9
Number of managers*2	Male	People	Meidensha	985	968	967
	Female	People		45	51	49
	Foreigners	People		5	5	4
Managers of level of general manager or above*2	Male	People	Meidensha	215	201	204
	Female	People		4	4	4
	Foreigners	People		0	0	0
For reference: Number of management personnel	Male	People	Meidensha	672	680	693
	Female	People		25	29	37
	Total	People		697	709	730
Officers*2	Male	People	Meidensha	34	36	37
	Female	People		1	1	1
	Foreigners	People		0	0	0
Executive officers*2	Male	People	Meidensha	25	30	31
	Female	People		0	0	0
	Foreigners	People		0	0	0
Proportion of women*2	Managers*3	%	Meidensha	4.37	5.00	4.82
	Management positions	%		3.6	4.1	5.1
	Managers of level of general manager or above	%		1.83	1.95	1.92
	Officers	%		2.86	2.70	2.63
	Executive officers	%		0	0	0
Number of overseas local CEOs *1		People	Overseas affiliates	0	1	2
Number of people with disabilities employed (legal count) *4 *5		People	Meidensha・special subsidiaries・Meiden Master Partners	107	115	112
Number of employees with disabilities (actual) *4		People		75	82	117
Rate of employment of people with disabilities*4 *5		%		2.46	2.42	2.57
Legally mandated percentage of employees with disabilities		%		2.3	2.3	2.3
Number of employees leaving the company (voluntary)	Male	People	Meidensha	69	69	107
	Female	People		11	20	21
	Total	People		80	89	128
Rate of employees leaving the company (voluntary)*6	Male	%	Meidensha	2.0	2.0	3.1
	Female	%		1.8	3.2	3.2
	Total	%		2.0	2.2	3.1
Rate of union membership		%	Meidensha	65.2	65.3	64.4
Annual average salary		Yen	Meidensha	7,368,835	7,428,633	7,351,896

*1 Applicable organizations: The Meiden Group
*2 As of March each year
*3 Number of female managers are divided by number of total managers.
*4 Applicable organizations: Meidensha and special subsidiaries up to FY2022. From FY2023 onwards, Meidensha, special subsidiaries, and Meiden Master Partners
*5 The number was calculated in consideration of those with severe disabilities, etc.
*6 Ratio of employees leaving the company is calculated as follows: Number of people that have voluntarily left their position in the last fiscal year as of the end of each fiscal year/number of employees as of April 1 each fiscal year

Number of Employees by Age (as of March 31, 2024)

	Data range	Male	Female	Total
Under 30	Meidensha	621	167	788
30-39		688	82	770
40-49		641	131	772
50-59		1,146	243	1,389
60 or over		362	42	404

Graduate Recruits

	Data range	University graduate			Technical college graduates	Junior college/vocational school graduates	High school graduates/other	Total
		Male	Female	Total				
Joined April 2021	Meidensha	55	14	69	4	5	42	120
Joined April 2022		56	19	75	5	5	38	123
Joined April 2023		53	23	76	5	9	27	117

* Graduates includes those who have completed a degree at a graduate school or an advanced course at a technical college.

Mid-Career Hires

	Data range	University graduate			Other		Total
		Male	Female	Total	Male	Female	
2021.4 – 2022.3	Meidensha	29	2	31	14	2	47
2022.4 – 2023.3		39	7	46	6	3	55
2023.4 – 2024.3		22	7	29	12	8	49

* Graduates includes those who have completed a degree at a graduate school or an advanced course at a technical college.

Data Concerning Professional Development

	unit	Data range	FY2021	FY2022	FY2023
Total expenses of education and training*1	1,000yen	Meidensha・Meiden Engneering	133,428	151,648	168,152
Total expenses of education and training*2	hours		56,050	78,686	75,587

*1 Company-wide total, including expenses for training conducted by each department.
Excludes personnel expenses for trainers and management and administrative expenses for training facilities, etc.
*2 Training days x designated work hours x number of participants
(training conducted by the HR Department. Excludes OJT and remote training).

Number of Participants in Each Type of Training

	Data range	FY2021	FY2022	FY2023
Hierarchical program	Meidensha・Meiden Engneering	2,569	2,672	2,598
Selective program		135	136	136
Optional program		409	2,357	1,817
Technical training		1,603	1,255	1,247
Education conducted by departments		10,096	25,125	31,692
Total		14,812	31,545	37,490

*Total participants

Proportion of Employees that Underwent a Periodic Review of Results and Career Development

		unit	Data range	FY2021	FY2022	FY2023
Proportion of employees that receive feedback interviews	Male	%	Meidensha	93.9	94.8	92.8
	Female	%		94.7	96.0	95.5
	Total	%		95.3	94.0	93.2
	Managers	%		95.6	93.6	89.9
	Regular employees	%		93.5	93.9	94.2
	Total	%		95.3	94.0	93.2

Work Style-Related

		unit	Data range	FY2021	FY2022	FY2023
Employee engagement (eNPS rate)	Actual score *1	%	Meidensha*10	-63.6	-65.0	-66.2
	Success rate(vs FY2021)	%		-	-1.4	-2.6
People taking maternity leave*2		People		12	17	12
Male employees whose spouses gave birth during the current fiscal year*1	Male	People		90	101	85
Female employees who gave birth during the current fiscal year	Female	People		11	18	10
	Total	People		101	119	95
People who took parental leave	Male*3	People		7	14	25
	(within 1 week)*4	People		29	57	50
	Female*5	People		11	18	12
	Total	People		47	89	87
Rate of People who took parental leave	Male	%		40	70	88
	Female	%		100	100	120
	Total	%		47	75	92
Rate of return after leave of absence for child care purposes	Male*6	%		100	100	100
	Female	%		100	100	83
	Total	%		100	100	96
People taking family care leave*7		People		1	3	1
Average days of paid leave allocated		Days		23	23	23
Average days of paid leave taken*8		Days		17	18	17
Rate of taking paid leave		%		72	78	74
Average total hours worked per year*9		hours/year/person		1,970	1,957	1,954

*1 eNPS applies to Meidensha and Meiden Engineering.
Target values listed in the 2024 Mid-Term Management Plan are:eNPS (employee NPS*)10% improvement in FY2024 vs FY2021
*2 Number of female employees who began accuring maternity leave during the fiscal year
*3 Number of male employees who began paternal leave during the fiscal year (except short-term leave)
*4 Number of male employees accuring special leave (partner giving birth) or short-term leave
(accumulated leave) during the fiscal year
*5 Number of employees who began paternal leave during the fiscal year
*6 Except those accuring leave to raise children
*7 Number of employees who began family care leave during the fiscal year
*8 Average number of days of paid leave in Meidensha (hourly managers only)
*9 Cumulative number of hours worked in Meidensha alone (hourly managers only)
The total number of hours worked during the year is the total number of hours worked as calculated by adding together scheduled working hours and overtime and then subtracting hours of paid leave during said year.
*10 Excluding seconded employees/Including Accepting seconded employees

Governance Data

*For some items, the figures for each fiscal year may have changed from previously disclosed information due to revisions to definitions, etc.
*Figures are for the period from April 1, 2023 to April 31, 2024, or as of the end of March 2024.

Corporate Governance

Composition of directors*

	Data range	FY2021	FY2022	FY2023	FY2024
Number of Directors	Meidensha	9	7	7	8
Of which, outside directors		2	3	3	4
Of which, internal directors		7	4	4	4
Of which, Female		0	0	0	1
Of which, Foreigners		0	0	0	0
Number of directors (Member of Audit & Supervisory Committee)		5	4	4	4
Of which, outside directors		3	3	3	3
Of which, internal directors		2	1	1	1
Of which, Female		1	1	1	1
Of which, Foreigners		0	0	0	0
Number of Independent Officers		5	6	6	7
Of which, outside directors		2	3	3	4
Of which, outside directors (Audit & Supervisory Committee members)		3	3	3	3
Of which, Female		1	1	1	2
Of which, Foreigners		0	0	0	0

* As of July each year

Composition of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee and Attendance in FY2023(period: April 1, 2023-March 31, 2024) *1

Name	Position (as of March 31, 2023)	Data range	Board of Directors	Nomination & Compensation Committee	Audit & Supervisory Committee
Takeshi Miida*2	Representative Director & Chairperson & Senior Officer Member of Nomination & Compensation Committee	Meidensha	13/13	12/12	—
Akio Inoue*2	Representative Director & President & Executive Officer Member of Nomination & Compensation Committee		10/10	9/10	—
Norio Takekawa	Representative Director & Executive Vice President & Executive Officer		13/13	—	—
Masayuki Iwao	Director & Senior Managing Executive Officer		13/13	—	—
Hiroyuki Takenaka	Director (Outside Director) Head of the Nomination & Compensation Committee		13/13	12/12	—
Hiroji Adachi	Director (Outside Director)		13/13	—	—
Manabu Kinoshita	Director (Outside Director) Member of Nomination & Compensation Committee		10/10	10/10	—
Michihiko Kato	Director and Audit & Supervisory Committee Member (Standing Audit & Supervisory Committee Member) Head of the Audit & Supervisory Committee		13/13	—	16/16
Keiko Hayashi	Outside Director (Audit & Supervisory Committee Member) Member of Nomination & Compensation Committee		13/13	12/12	16/16
Takashi Kuroda	Director and Audit & Supervisory Committee Member (Outside Director)		13/13	—	16/16
Hideki Hiraki	Director and Audit & Supervisory Committee Member (Outside Director)		13/13	—	16/16

*1 Attendance at meetings of each body is shown as "Attended/held"
*2 As of June 28, 2023, Takeshi Miida was appointed as Representative Director & Chairperson & Senior Officer, and Akio Inoue was appointed as Representative Director & President & Executive Officer.

Directors' Compensation

			unit	Data range	FY2021	FY2022	FY2023
Directors(excluding Audit & Supervisory Committee members and Outside Directors)	Total Amount of Compensation, etc.		millions of yen	Meidensha	285	246	233
	Total Amount of Each Type of Compensation, etc.	Basic compensation	millions of yen		195	175	154
		Incentive compensation	millions of yen		89	70	79
	Number of People		—		9	6	5
Outside directors (excluding Audit & Supervisory Committee members)	Total Amount of Compensation, etc.		millions of yen		19	26	32
	Total Amount of Each Type of Compensation, etc.	Basic compensation	millions of yen		19	26	32
		Incentive compensation	millions of yen		—	—	—
	Number of People		—		2	4	4
Directors who are Audit and Supervisory Committee members (excluding Outside Directors)	Total Amount of Compensation, etc.		millions of yen		53	34	28
	Total Amount of Each Type of Compensation, etc.	Basic compensation	millions of yen		53	34	28
		Incentive compensation	millions of yen		—	—	—
	Number of People		—		3	2	1
Outside directors who are Audit & Supervisory Committee members	Total Amount of Compensation, etc.		millions of yen		25	26	29
	Total Amount of Each Type of Compensation, etc.	Basic compensation	millions of yen		25	26	29
		Incentive compensation	millions of yen		—	—	—
	Number of People		—		3	5	3
Number of People			—		17	17	13
otal Amount of Compensation, etc.			millions of yen		383	333	323
(Of which, total Basic compensation)			millions of yen		293	262	244
(Of which, total Incentive compensation)			millions of yen		89	70	79

Notes
1. Amounts are rounded down to the nearest 1 million yen.
2. The totals above include directors who stepped down from their positions at the end of the 159th Ordinary General Meeting of Shareholders held on June 28, 2023.
3. The amount of compensation, etc. for directors (excluding Audit & Supervisory Committee members and outside directors) does not include employee salaries for directors who concurrently serve as employees.

Compliance

Breaches of the Law, etc., in Japan and Overseas

	unit	Data range	FY2021	FY2022	FY2023
Criminal cases or administrative penalties resulting from violation of competition laws in Japan and abroad	Cases	Meiden Group	0	0	0
Criminal cases or administrative penalties resulting from bribery or other corrupt practices	Cases		0	0	0
Criminal cases or administrative penalties resulting from other major legal or regulatory violations	Cases		0	0	0

Number of Consultations and Reports Received Through the Compliance Hotline

	unit	Data range	FY2021	FY2022	FY2023
Number of consultations and reports	Cases	Meidensha	52	59	79
Of which, those that concerned harassment	Cases		28	31	27

*Includes incidents at subsidiaries referred through the Meidensha Hotline.

Times compliance-Related Training Conducted and Number of Participants

		unit	Data range	FY2021	FY2022	FY2023
Compliance Training		Times	Meiden Group	11	4 + video viewing	4 + video viewing
		Participants		1,711	4,336	6,575
Education by level (compliance presentations)	New staff education	Participants		213	262※	195
	Leader training	Participants		110	123	110
	New manager training level 1	Participants		90	94	99

* Includes subsidiaries and employees hired in mid-career

Dialogues with Shareholders and Investors

Main IR & SR Activities

	Data range	FY2021	FY2022	FY2023
Domestic Institutional	Meidensha	127	77	102
Of which, Analyst		—	43	43
Of which, Fund Manager		—	34	59
Overseas Institutional Investors		31	32	25
Of which, Analyst		—	11	7
Of which, Fund Manager		—	21	18
Analys		—	41	42
Total		158	150	169

* We started disclosing the breakdown from FY2022.