

Business Summary

2019 Social Responsibility & Environmental Report

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Editorial policy

This report presents the Group of Soshin Electric companies' approach to society and the environment.

【Period covered】

From April 2018 to March 2019

【Coverage】

Soshin Electric Co., Ltd.
 Soshin Powertech Co., Ltd.
 Soshin Device Co., Ltd.
 Risshin Electronics Co., Ltd.
 Soshin Electronics (M) Sdn. Bhd.

Issued in July 2019

■ Corporate Profile (As of the end of March 2019)

Company name : Soshin Electric Co., Ltd.
 URL: <http://www.soshin.co.jp>

Tokyo Head Office
 No. 1-1-1, Shibaura, Minato-ku, Tokyo 105-0023, Japan
 Tel. 81-3-5730-4500 Fax. 81-3-5730-4504

Established in : December 1938
 Incorporated in : April 1944
 Capital : 3,806 million Japanese yen
 (As of the end of March 2019)
 Number of employees : 802 (Total)
 (As of the end of March 2019)

■ Business Locations

【Sales offices in Japan】

Tokyo Head Office
 Osaka office / Nagoya office / Kyushu office

【Domestic plant and R&D location】

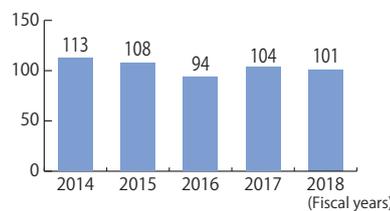
Asama Plant / Chikuma Technical Center

【Group companies】

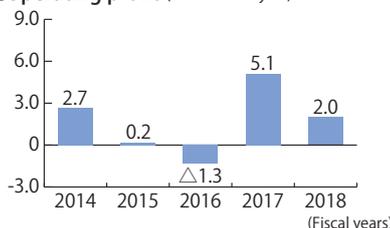
Soshin Powertech Co., Ltd.
 Soshin Device Co., Ltd.
 Risshin Electronics Co., Ltd.
 Soshin Electronics (M) Sdn. Bhd.
 Soshin Electronics of America Inc.
 Soshin Electronics Europe GmbH
 Soshin Electronics (SZ) Limited
 Taiwan Soshin Electric Co., Ltd.

■ Financial Highlights

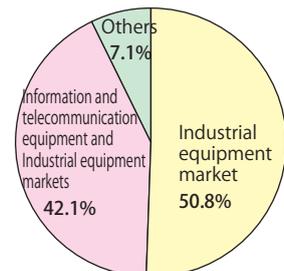
■ Sales amount (100 Million yen)



■ Operating profit (100 Million yen)



■ Sales ratio per market (2018)



Business Domain & Related Products

To meet the needs of the times and expectations of customers in the industrial instrument and information and telecommunication equipment markets, as well as ultimately to contribute to realization of a low-carbon society, the Group of Soshin Electric companies manufactures small and high-performance products with the least amount of industrial waste in consideration of environmental impact.

[Industrial equipment sector]

• Noise-related fields

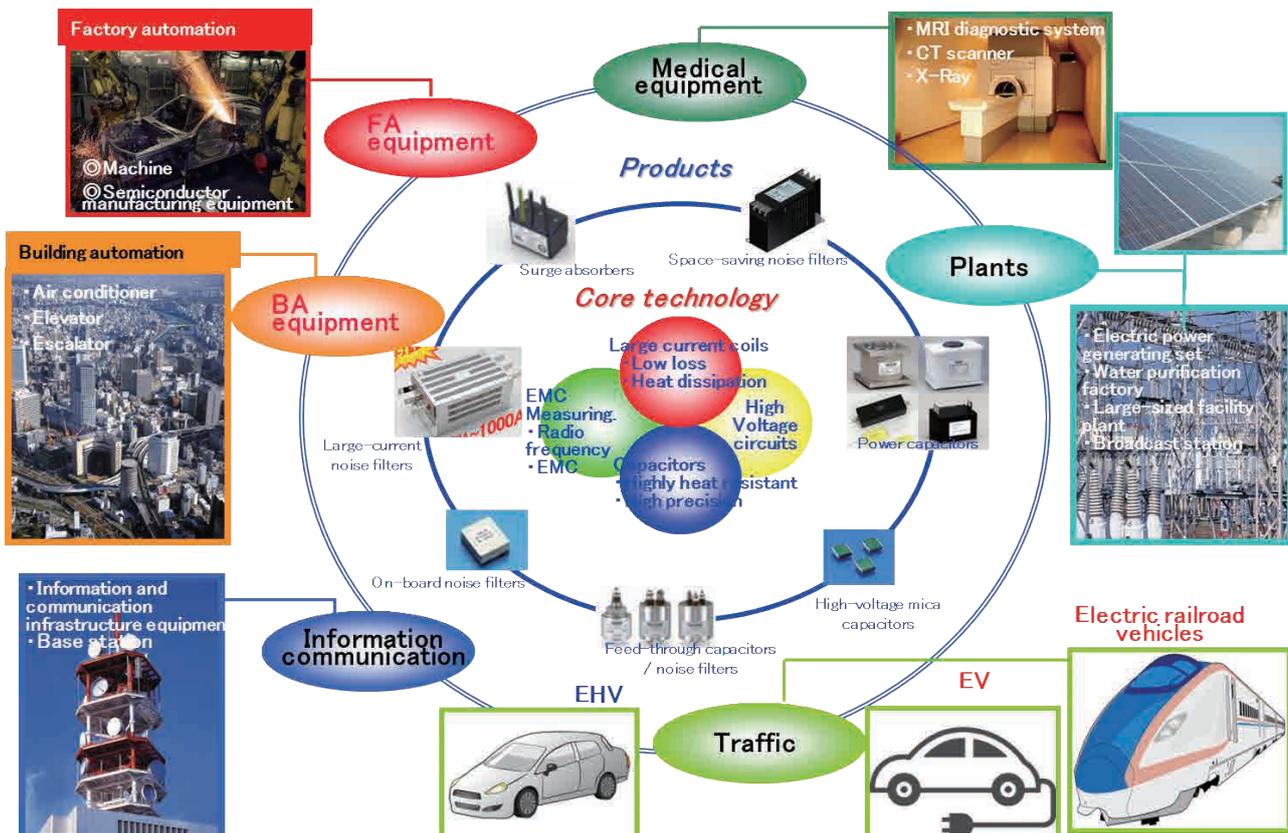
Needs are growing for countermeasures against disturbance due to noises arising in fields of industries such as semiconductor manufacturing facilities and machine tools, equipment supporting our daily life such as air conditioners and elevators, and environmental facilities where load reduction on the global environment is anticipated.

Our EMC products have played a key role in many industrial fields as a solution for issues relating to noises generated in these equipment and facilities.

Furthermore, our range of business includes total support for customers such as provision of noise-measuring and diagnosing services on site (in designated locations) or in our large radio-wave shield chamber.

• Car and railway electronics

In automobiles where parts are required to be highly reliable, our noise filters and capacitors are used. Railway vehicles and rail traffic control systems are other areas where a variety of our filters and capacitors work to support safety and ease.



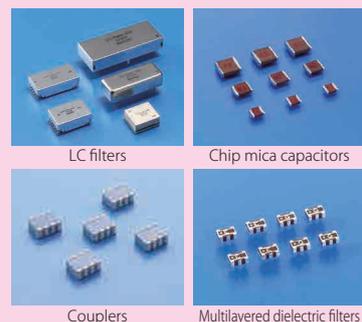
[Information and telecommunication equipment sector]

• For information and telecommunication infrastructures

RF parts such as couplers, filters and capacitors support communication systems including base stations for mobile phone systems.

• For telecommunication terminals

Multilayered dielectric filters are adopted for ever-advancing smartphone, wireless LAN systems for tablet PC terminals and for Bluetooth communication modules.



A Message from the President



President
Takashi Kamioka

We, Soshin Electric Group have positioned enhancement of corporate value and sustainability of the corporation needed by society as one of our key management issues.

We think it important not only to continue to supply society with necessary products but also to take actions by recognizing the corporate role for sustainable society. We continue to take actions for 5 possible goals among 17 international goals of SDGs (Sustainable Development Goals) for its purpose. Our main goals are activities to environmental protection in natural fluctuations, creation of decent workplace environment and improvement of product reliability.

We, in addition to activities to reduction of environmental loads mainly for reduction of CO₂ emissions and industrial wastes, also take actions to eradicate various discriminations and harassments in order to respect humanity and to secure comfortable workplace for job satisfaction. Furthermore, as for loss of product trust occurring frequently in society, we review anew actual conditions within our group to prevent the violation of quality compliance.

And as for local contribution by each location of us, we promote interaction with local communities through volunteer activities, sports events and so on.

The basis of these activities is "sincerity", that is our company policy set by our founder of the Group. This is our norm of corporate activities, no matter what is, to tackle jobs sincerely.

On December 7 of last year Soshin Electric Group celebrated the eightieth anniversary of our founding in 1938. We would like to appreciate the cooperation and support to Soshin Electric Group from the corporations, parties and persons concerned. At the same time we will make sustainable efforts for growth of our Group in order to celebrate 90th and 100th anniversaries in near future. It is our sincere desire that our stockholders will keep on encouraging us.

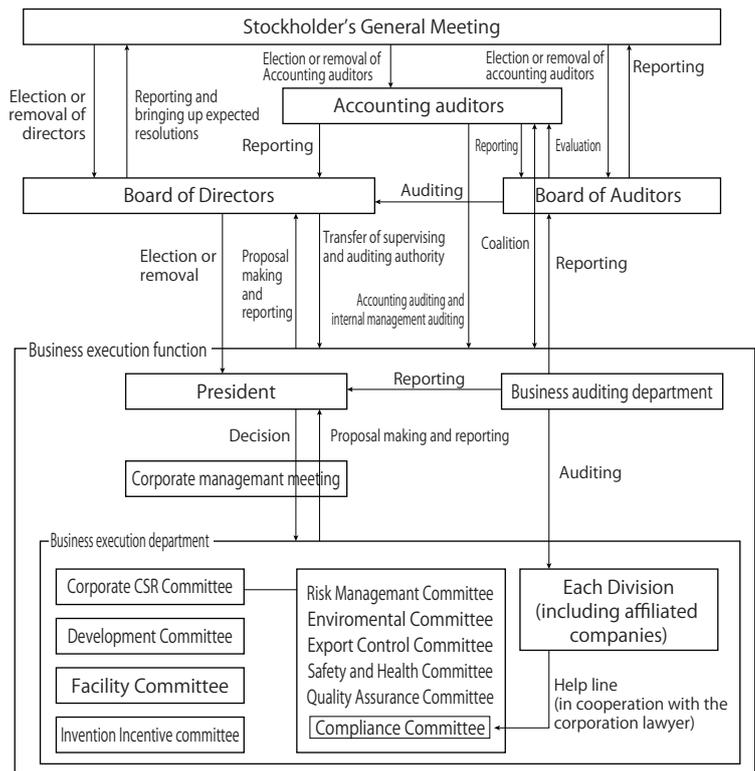
Corporate Governance

Soshin Electric Group has positioned enhancement of corporate value as one of our key management issues.

We regard the enhancement of corporate governance as an important measure that raises the legality of the business activities and transparency of corporate management, leads us to become an entity trusted by every stakeholder (stockholders, customers, company employees, suppliers and relevant local communities) and is conducive to the rise of corporate value.

To make them a reality, we strive for ensured compliance with laws by identifying the responsibilities of the Board of Directors' Meeting and Auditors' Meeting such as adjustment of the management organization, improved management efficiency and enhancement of the management monitoring function. Establishment of relationship of mutual trust through ensured gaining of stockholders' privilege and equality and promoted dialogues are other matters we seek.

Governance system





Soshin Electric Co. Group's Guidelines for Corporate Behavior

I Realization of corporate philosophy

[1] Provision of products that better contribute to social environment

From a long-term global perspective, we will commit ourselves to create new value by providing products and services that protect the global environment and realize safety and security in society. We will gain trust from our customers and society by seeking quality and safety.

II Policy to engage in business activities

[2] Disclosure of corporate information

We will release, in an accurate and timely manner, information sought by the public, including information on our management, finance, products or services to improve transparency in management and gain society's trust in NGK group companies.

[3] Total enforcement of compliance and risk management

We will abide by the laws and rules of each country and area in which we do business and will enforce our compliance thoroughly, respecting international arrangements that are applicable to us.

We will develop human resources who are sincere and have high ethical standards. In addition, through our efforts to build an internal control system and implement risk management, we will protect our corporate assets and credit, as well as the rights of third parties.

[4] Respect for humanity and assurance of comfortable working environment

We will hire and treat people in a proper and fair manner and provide a safe and pleasant working environment in which our people can work comfortably without sacrificing their family life. We will make available opportunities that people with versatile talent can try and will support the development of human resources through the acquisition of knowledge and expertise.

We will prevent bullying, discrimination, harassment or any other acts that violate human rights. If there is a human rights violation, we will take appropriate action in an expeditious manner.

[5] Implementation of fair, free and transparent transactions

As a good and equal partner, we will implement fair, free and transparent transactions in search of mutual benefit with our business partners.

In addition, we will promote our commitment to discharge our corporate responsibility for society throughout the supply chain used by the NGK group companies.

III As a member of society

[6] Preservation of global environment

We will contribute to the preservation of the global environment by committing ourselves to take the lead in reducing environmental burdens at every location and in every process that is involved in our business activities. We will cooperate in efforts with local communities to preserve the environment and will also actively support our employees' efforts.

[7] Cooperation with local communities and promotion of social action programs

We will actively commit ourselves to contributing to society, satisfying the needs of local communities with our interest in the social tasks required by each country and local community in accordance with our objective to become a corporate citizen that can be trusted by local communities.

[8] Communication with stakeholders

Through communication with all of our stakeholders, including customers, business partners, shareholders, employees and members of local communities, we will enhance their understanding of the NGK group companies and review corporate activities based on comments forwarded to us. We will use these in our efforts to accomplish our social responsibilities.