

2020

Social Responsibility &
Environmental Report

Earth

双信電機株式会社
SOSHIN ELECTRIC CO., LTD.

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

Business Summary

2020 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 2019 to March 2020

【Coverage】

SOSHIN ELECTRIC CO.,LTD.

Soshin Device Co., Ltd.

Soshin Power Tech Co., Ltd. Risshin Electronics Co.,Ltd.

Malaysia (Soshin Electronics (M) Sdn. Bhd.)

Issued in August 2020

■ Company Profile (As of the end of March 2020)

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 2020)
Number of employees : 770 (Total)
(As of the end of March 2020)

■ Business Locations

【Sales offices in Japan】

Tokyo Head Office
Osaka office / Nagoya office / Kyushu office

【Domestic plant and R&D location】

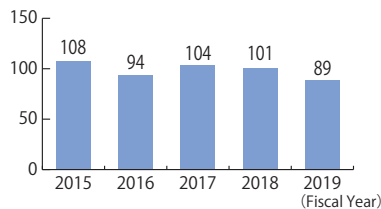
Asama Plant / Chikuma Technical Center

【Group Companies】

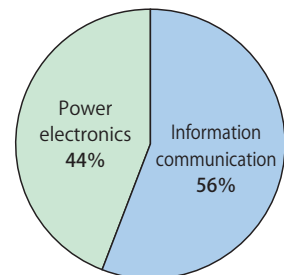
Soshin Device Co., Ltd.
Soshin Power Tech Co., Ltd.
Risshin Electronics Co.,Ltd.
Malaysia (Soshin Electronics (M) Sdn. Bhd.)
Soshin Electronics of America Inc.
Soshin Electronics Europe GmbH
Soshin Electronics(HK) Limited
Soshin Electronics(SZ) Limited
Taiwan Soshin Electric Co.,Ltd.

■ Financial Highlights

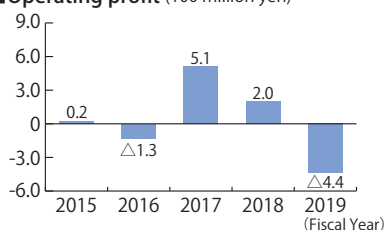
■ Sales amount (100 million)



■ Sales ratio per market (2020)



■ Operating profit (100 million yen)



President Message



President
Takashi Kamioka

First of all, I would like to express my heartfelt sympathy to the victims of COVID-19, their families, and all those affected by the infection. I hope that by the time this Social and Environmental Report comes to your attention, you will be living a normal life closer to what it was, while changing your lifestyle.

Now, I believe that the issue of COVID-19 has provided us with an opportunity to re-realize the importance of continuous daily life.

Under such circumstances, Soshin Electric Group will continue to work on five possible items in relation to SDGs (Addressing Sustainable Development Goals), for which efforts are being made on a global scale. In addition, we will contribute to society by implementing initiatives to create a sustainable world in our corporate activities.

Regarding quality compliance violations, which have become a problem in recent years, we conduct a questionnaire specialized in this problem every year throughout our Group to identify and prevent problems. However, in more than 80 years of corporate activities, we have discovered problems that have been overlooked even though they do not comply with the rules on a daily basis, and we report them to our customers whenever they are discovered so as to correct them and take measures to prevent their recurrence.

We are aware that the trust of all our stakeholders, including not only our customers, but also our shareholders and suppliers, ensures the existence of our Group.

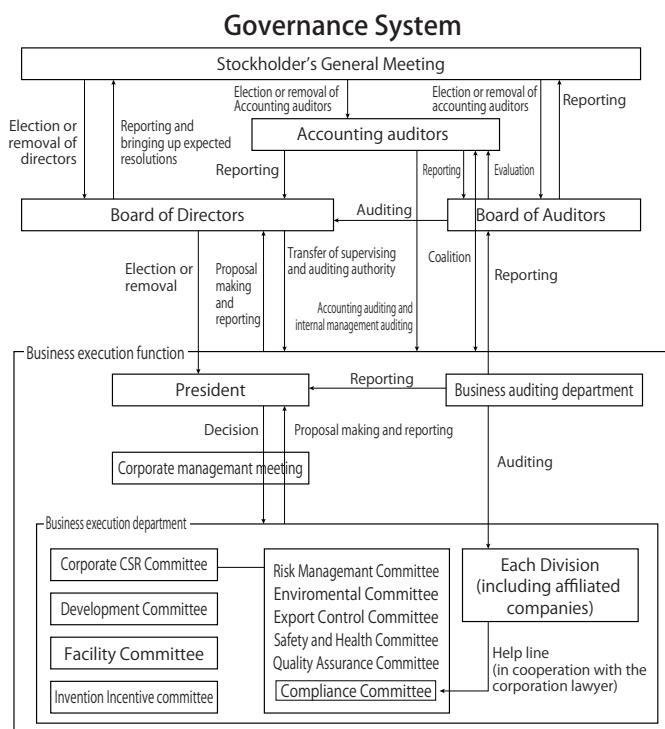
We will continue to carry out our corporate activities in order to earn the trust of our stakeholders and contribute to the realization of a sustainable society.

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.



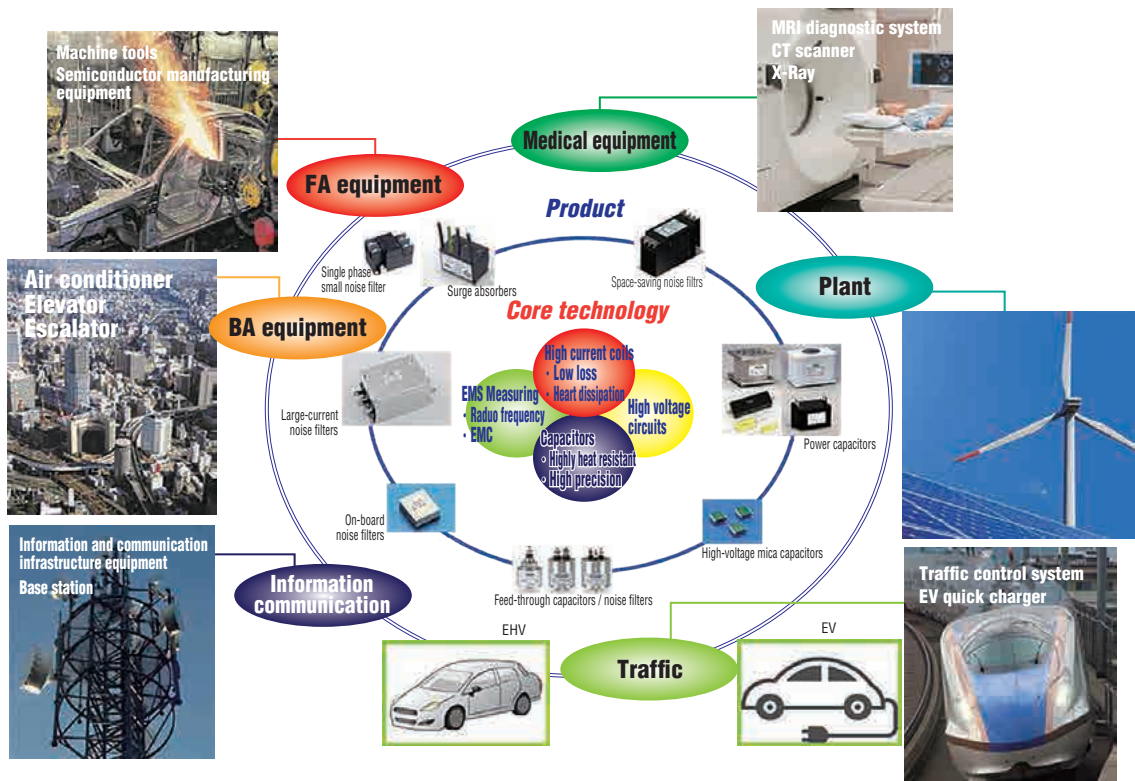
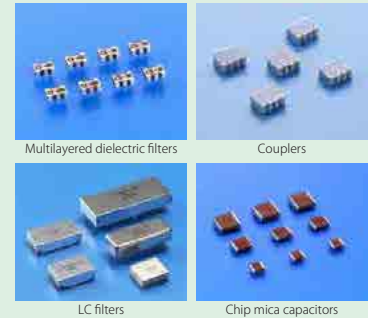
Business Summary

Business Domain & Related Products

Soshin Electric Group contributes to the realization of a low-carbon society by responding to the needs of the times and the expectations of customers in the fields of information communication and power electronics with a view to manufacturing compact, high performance and low waste products in consideration of the environmental load.

[Information communication business]

- Information communication business infrastructure
High-frequency components and capacitors, such as couplers, baluns, and laminated dielectric filters, support the infrastructure for the information communication equipment market, including mobile phone base stations (5G).
- Information communication equipment
Laminated dielectric filters are used in wireless LAN and Bluetooth communication modules such as WiFi access points and car navigation systems.



[Power Electronics Business]

- Noise related

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 electronics, railway

Noise filters, capacitors, etc. are used in automobiles where high reliability is required. In addition, noise filters, LC filters, and capacitors support safety and security in railway vehicles and railway operation management systems.

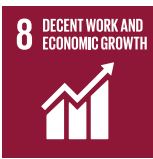




Social Responsibility Report

About The CSR Activity

◆ Approach to SDGs (Sustainable Development Goals)

We consider it as one of our important social responsibilities to contribute to the extensive solutions of social problems through our business activities on our indexes of SDGs (Sustainable Development Goals) adopted by the United Nations.

We take actions to our possible 5 goals by materializing our offered values. And we take actions to contribute to economic growth by increasing our contributable goals while the Corporation grows.

	Related contents	Offered values by Soshin Electric Group
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Respect to humanity and securing of comfortable workplace environment	We provide decent and safety workplace to employees in order to contribute to economical growth, by adequate employment and acceptance and respect of personality and human diversity.
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Cooperation with local communities and promotion of social contribution activities	We contribute to cooperation with local communities and realization of sustainable cities and communities.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Resources balance (input/output) and control of contained chemical substances	We reduce output of resources utilizing effectively energy, chemical substances and water and others necessary to business activities.
 <p>13 CLIMATE ACTION</p>	Activities of environmental preservation and approach to reduction activities of environmental loads	We contribute to preservation of environment, reduction of environmental loads and reduction of CO ₂ emissions and wastes, by strengthening the control of contained chemical substances and preventing environment-related claims and accidents from arising.
 <p>15 LIFE ON LAND</p>	Approach to environment utilization	We contribute to forest protection and countermeasures against desertification indirectly and loss of animal diversity, by promoting 3R (Reduce, Reuse, Recycle) and attaining zero-emission.

Social Responsibility Report

R espect for Humanity and Assurance of a Comfortable Working Environment ●

◆ Basic employment policy

We at the Group of Soshin Electric companies have tried to ensure employment stability through the establishment of manpower plans ascertaining to mid-to long-term business development. Such efforts included planned employment of new graduates and active deployment of internal job rotation, placement of the right people with necessary ability and experience in the right job, and promotion of activities that helped employees find their jobs challenging without needing to exercise extra care.

◆ Enhancement of healthy mental state

In order to enhance “mental” care, industrial physicians, consultant physicians, health nurses, counselors, and occupational health staff are working together for mental health activities at Soshin Electric Group.

As our employees’ health awareness is increasing, nearly 100% of them take the stress check.

In addition, with regard to measures against long working hours, we educate managers, manage overtime hours, and ensuring days to leave work on time.

◆ Esteem for individuality and diversity

Our employment level of disabled people was 2.97% (as of fiscal 2019), which exceeded the legally set 2.2% minimum.

As a result of the establishment of a re-employment system for employees who have passed mandatory retirement age, flexible working arrangements, including full-time and part-time work programs, are provided to fit individuals’ post-retirement plans.

◆ Realization of work-life balance

Many female employees have taken up the opportunity for pre-natal and post-partum maternity leave and infant care before returning to work. Furthermore, refreshment holiday and planned paid holiday systems are provided for employees to refresh their minds and bodies.

◆ Management Training

We have provided compliance training to managers at each site through a corporate lawyer.



◆ Strengthening Compliance

We have provided compliance training to managers at each site through a corporate lawyer.

Social Responsibility Report

R espect for Humanity and Assurance of a Comfortable Working Environment

◆ Health and safety

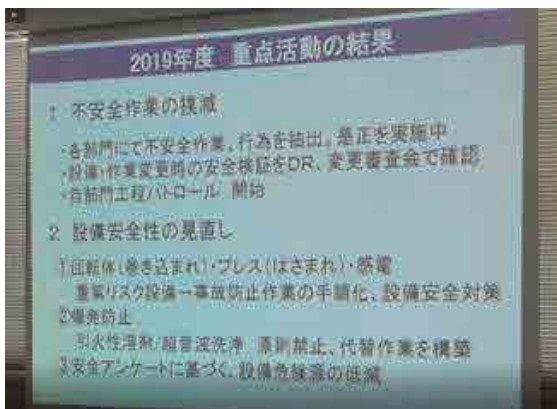
Soshin Electric Group ensures the safety and health of employees, promotes the creation of a comfortable working environment, and is aggressively engaged in safety & health activities so as to eliminate work-related accidents.

The main activities are focused on the prevention and control of serious accidents such as "getting caught or pinched in rotating parts, electric shock, and explosions", as well as mutual patrols among group companies to uncover hidden risk factors. In addition, during the National Occupational Health Week, we conduct stress checks and analyze changes by base and fiscal year to link them to industrial health activities, thereby promoting physical and mental health and further improving safety & health within the company.

Last year, two plants in Nagano area obtained ISO45001 certification. In the future, we will develop activities aiming for certification at all group companies.



ISO45001:2018 Certificate



In-house education for safety and health

Social Responsibility Report

C Cooperation with Local Communities and Promotion of Social Action programs

Placement of "Welcom Flower" at Sakudaira JR Station

We placed "Welcome Flowers" at Sakudaira Station, the gateway to Saku City, in cooperation with people from Sakudaira Technical High School and Saku City Tourism Association.



Soshin Electric Cup Volleyball Tournament (33rd)

Volleyball tournament held in Miyazaki area

This event is held every year as part of our community contribution activities. A total of 21 teams, including 17 teams from the community and 4 teams from Soshin, took part in this event.



Acceptance of Factory Tours

Soshin Device Co., Ltd. accepted high school students of the city for plant tour and internship. They had a manufacturing experience through product explanations and practical training.



International Volunteer Day, a day of concurrent action for contribution to society

We, the business enterprises residing in the building where we are headquartered, jointly sold fair-trade goods to support the producers in developing countries.



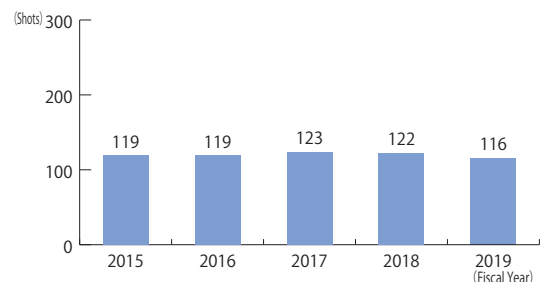
Support for Evacuation Drill at the General Support Center for the Elderly

Soshin Power Tech Co., Ltd. participated in a comprehensive emergency drill at a nearby support center for the elderly and provided evacuation guidance for residents.



Eco-cap campaign

Collected eco-caps were sold for recycling. Revenue was distributed to various social activities. In fiscal 2019, the total revenue was worth 116 vaccines.



We conduct cleaning and beautification activities around our plants twice a year.

Environmental Management System

Environmental policy of the Group of Soshin Electric companies

1. Compliance with legislation, pacts, agreements with customers and voluntary standards
2. Identification of environmental objectives and organized continuous promotion of activities with local communities to reduce environmental loads
3. Development, design, production and marketing of environmentally-friendly products
4. Implementation of preventive measures and monitoring of environmental pollution
5. Continuous encouragement of education, training and enlightenment activities to raise awareness of the roles and responsibilities of employees, as well as all other people involved in our business activities

◆ System of promoting environmental preservation activities

Soshin Electric Group's policies and measures for environmental protection are determined by the "Environmental Committee", chaired by the director in charge of environmental management. The policies and measures decided here are disseminated to the entire company through the site heads and environmental managers.

In addition to semi-annual meetings of the Environmental Committee as an activity of the environmental organization, an environmental conference is held monthly to exchange environmental information as well as management of actual versus forecast results, thereby continuously promoting environmental protection activities.

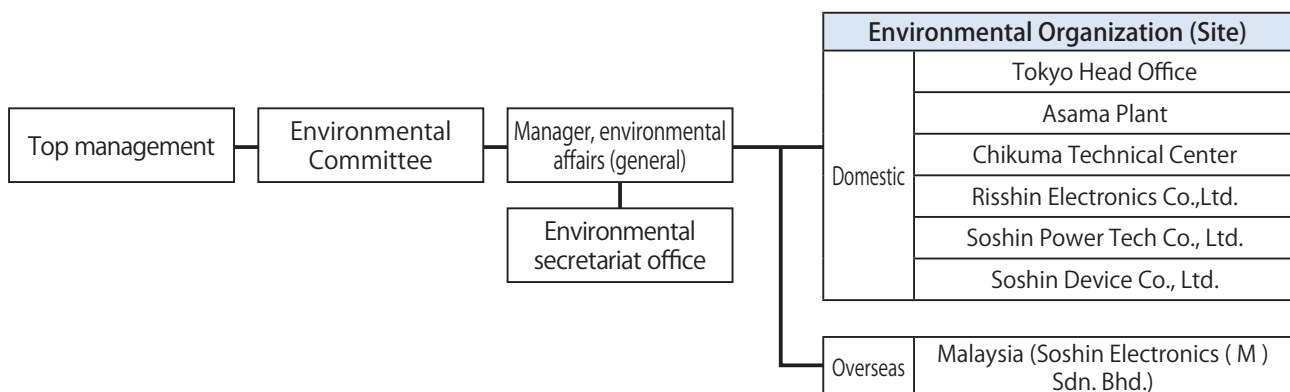
◆ Qualification for ISO14001 and environmental audits

Soshin Electric Group has acquired ISO 14001:2015 Certification as international standard for environmental management systems.

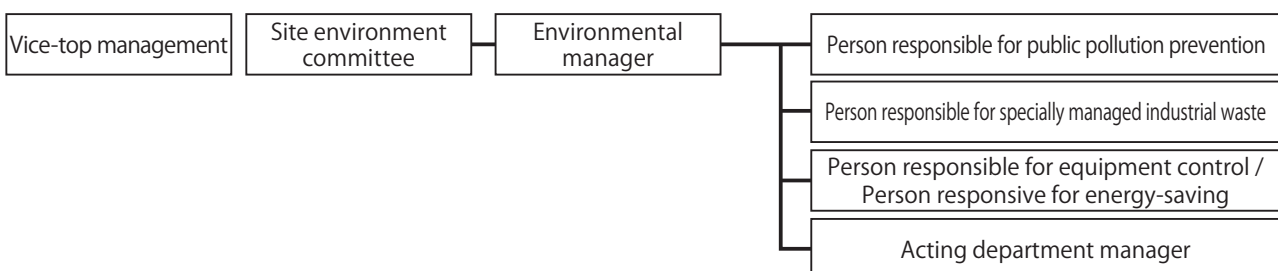
The environmental audits include external audits by a certification body, environmental inspections by the environmental management department, and internal environmental audits conducted by the implementation division in order to maintain and improve the management system (248 internal environmental auditors).

【Environmental Protection Organization】

Applicability of ISO14001: 2015 qualification



【Environmental Conservation Organization at Each Site】



Environmental Report

Outline of Environmental Preservation Activities

We, the Group of Soshin Electric companies, have been trying autonomously to preserve the environment by setting environmental objectives and targets to accomplish the objectives.

◆ Activity report for 2019 and targets for 2020

【CO₂ emission amount】

We achieved the target for reduction of CO₂ emissions which was part of 2019 activities for environmental load reduction.

As an approach to CO₂ emission reduction continuing from 2019, we will study a step-by-step change over to energy-saving facilities including lighting with LEDs in 2020.

Action will continue for productivity improvement, efforts to reduce losses and loads of facility operations and elimination of wastes through energy-saving patrol.

【Amount of discharged industrial wastes】

We attained the goal of 2019 amount of discharged industrial wastes. We improve the recovery rate of raw materials and reduce the discharged wastes in fiscal 2020. In fiscal 2020 we will try to improve the raw material recovery rate and reduce such wastes.

【Enhanced control of contained chemical substances】

Restriction and control of substances usable for products are getting increasingly stricter, as evidenced by the regulations related to phthalic acid esters required by the RoHS directive and year-by-year additions by REACH Regulations of substances to be controlled.

We control such chemical substances in line with the latest regulations based on the Soshin Electric Co. Green Procurement Guidelines. To control chemical substances contained in product component parts, we audit suppliers for their environmental quality to ensure adherence to the Green Procurement activity.

【Environmental complaints and incidents】

In fiscal 2019, we had no complaints or incidents related to environmental matters. We will continue our activities for local environment preservation to prevent any environmental matter-related complaints or incidents from happening in fiscal 2020.

◆ Main Environmental Conservation Activities

Items	Achievements in 2019			Targets for 2020
	Targets	Achievements	Self-evaluations	
Environmental management system (ISO14001)	<ul style="list-style-type: none"> We will continue environmental education and enlightenment activities. We utilized positively 2015 Environment Management System and raised the levels of each department and internal environment auditors. We will comply with the environmental legislations. We integrate our manuals with ISO45001 to achieve partial certification. 	<ul style="list-style-type: none"> The environmental policy was disseminated and environmental educations of environmental targets were provided. We applied to the certification of 2015 Environment Management System and confirmed no problem in the utilization. Furthermore, we provided educations to internal environment auditors, raised their levels and increased them in number. We reviewed a list of environmental legislation and regulations to ensure that our environmental assessment covered every item. We integrated with ISO45001 and acquired partial certification. 	○	<ul style="list-style-type: none"> We will continue to provide environmental education and to take enlightenment activities. We ensure the operation of the 2015 Environmental Management System and implement the ISO45001 management system company-wide. We continue to comply with the regulations including safety and health.
Prevention of global warming	<ul style="list-style-type: none"> We will reduce domestic CO₂ emissions to a maximum of 6,977t. (With the CO₂ emission amount divided by sales amount no greater than 76.9t/100 million yen) 	<ul style="list-style-type: none"> Against the target of 6,997t, our domestic CO₂ emissions were 6,639t, achieving the target. (Regarding CO₂ emissions intensity, we were unable to achieve the target of 89.5t/100 million yen due to changes in production volume.) 	△	<ul style="list-style-type: none"> We will keep the domestic CO₂ emissions at 6,773t, max. (with the CO₂ emission amount divided by sales amount maintained no greater than 83.2t/100 million yen).
Waste management activities	<ul style="list-style-type: none"> We will keep the amount of discharged wastes at no greater than 293t. 	<ul style="list-style-type: none"> Against the target of 293t, our waste emissions were 268t, achieving the target. 	○	<ul style="list-style-type: none"> We will keep the amount of discharged wastes at no greater than 296t.
Adequate control of chemicals	<ul style="list-style-type: none"> We continue to inspect foreign procured goods for acceptance with fluorescence X-ray analyzers and to survey the environmental quality of suppliers for compliance with the Green Procurement Guidelines. 	<ul style="list-style-type: none"> There have been no abnormalities with goods procured from overseas sources, nor were any irregularities found in the quality of goods from these sources. Thus, we complied with the Green Procurement Guidelines. 	○	<ul style="list-style-type: none"> We will continue to inspect goods procured from overseas sources with an X-ray fluorescence spectrometer, survey such sources' environmental quality and comply with the Green Procurement Guidelines.
Reduction of hazardous chemicals	<ul style="list-style-type: none"> We implement proper management of hazardous substances including PCB/lead. 	<ul style="list-style-type: none"> We disposed of one low-concentration PCB device. We investigated expired substances not subject to the RoHS Directive. We continue to investigate the equipment that contains PCB. 	○	<ul style="list-style-type: none"> We promote changes in terms of expired substances exempt from the RoHS Directive. We continue to investigate PCB-containing equipment and implement appropriate procedures for disposal by the deadline.

Environmental Accounting

◆ Environment preservation costs and economical effects resulting from environment preservation measures

Soshin Electric Group uses environmental accounting to quantitatively grasp the effects of expenditures for environmental conservation in terms of the amount of investment and costs.

A total of 75.08 million yen was invested in Soshin Electric Group's environmental conservation costs for fiscal 2019 as a result of switching to energy-saving equipment, including the introduction of LED lighting. (Confirm investment effects from next year)

The cost of environmental protection activities totaled 23.14 million yen, an increase of 3.68 million yen from the previous year. The single-year economic effect for FY 2019 was 4.76 million yen.

Total of actual achievement: in fiscal 2019 (Apr. 1, 2019 to Mar. 31, 2020) *Generated in observance of the guidelines prepared by the Ministry of the Environment

Unit : 10,000 yen

Categories	Major measures	Environmental conservation costs				Economic effects	
		Investment amount		Expenses		Fiscal 2018	Fiscal 2019
		Fiscal 2018	Fiscal 2019	Fiscal 2018	Fiscal 2019		
Pollution prevention	Costs for pollution prevention	0	0	151	187	—	—
Global environmental preservation	Costs for CO ₂ reduction such as introduction of energy saving equipment	6,308	7,508	77	92	89	476
Resource recycling	Costs for effective use of resources, including water saving, and reduction, recycling, processing and disposition of wastes	0	0	999	1,209	0	0
Upstream / downstream	Costs for controlling environmental burdens that arise in the business upstream and downstream	0	0	0	0	—	—
Administration	Costs for environment preservation efforts such as acquisition and maintenance of ISO14001 qualification, provision of environmental education and monitoring environmental impact	0	0	499	416	—	—
R&D	Costs for R&D and planning of environmental impact reduction efforts and for R&D and study of product contributing to environment preservation	0	0	0	0	—	—
Social activities	Costs for preservation of nature, greening and support for the local environment, public announcements of environmental information and advertisements for environmental matters	0	0	220	410	—	—
Environmental remediation	Costs for improvement of contaminated soils and recovery of destroyed nature	0	0	0	0	—	—
Total		6,308	7,508	1,946	2,314	89	476

※ As for the economical effect of resource recycling the way of totalizing was changed from fiscal 2018.

Environmental Report

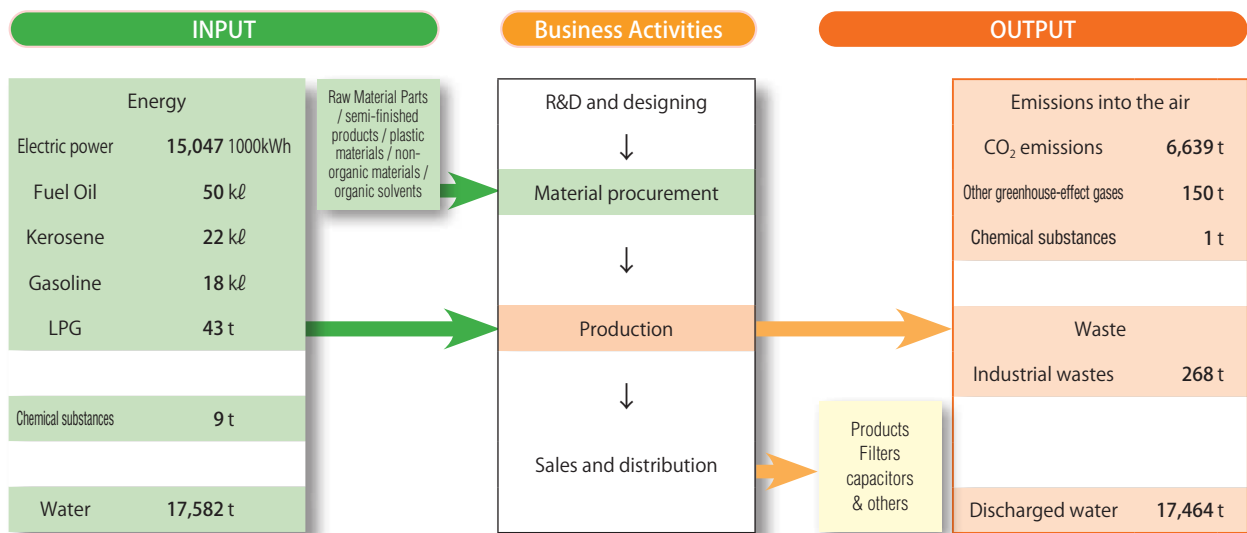
Mass Balance (Inputs and outputs)

This section describes resources and energy inputs for domestic business activities, and products, wastes and other discharged items (outputs) that resulted from domestic business activities of the Group of Soshin Electric companies in fiscal 2019.

◆ Outline of inputs and outputs

Inputs comprise parts, raw materials, energy, chemical substances and water necessary for business activities while output comprise product, CO₂ emissions, water and wastes developed incidentally to production activities.

The Group of Soshin Electric companies strives to reduce as much as possible inputs from the aspects of energy saving to prevent the exhaustion of natural resources. This is an attempt to reduce outputs other than products.



Management of Contained Chemical Substances

◆ Survey of contained chemical substances

We survey the contained chemical substances at the stage of part selection from the viewpoint of part life-cycling, in order to respond to the customers's request to survey the contained chemical substances.

◆ Analysis with an X-ray fluorescence spectrometer

For parts and materials that may contain banned substances, we conduct a screening test using a fluorescent X-ray analyzer when they arrive in order to confirm that such substances are not contained.

◆ Green procurement

The Group of Soshin Electric companies has proceeded with procurement of parts and materials with the minimum possible environmental impact by conducting a survey of suppliers' environmental quality and making sure that chemical substances were handled adequately.

Requests have been made to suppliers asking them to take necessary action to meet the requirements in the Soshin Electric Group Green Procurement Guidelines.

Environmental Report

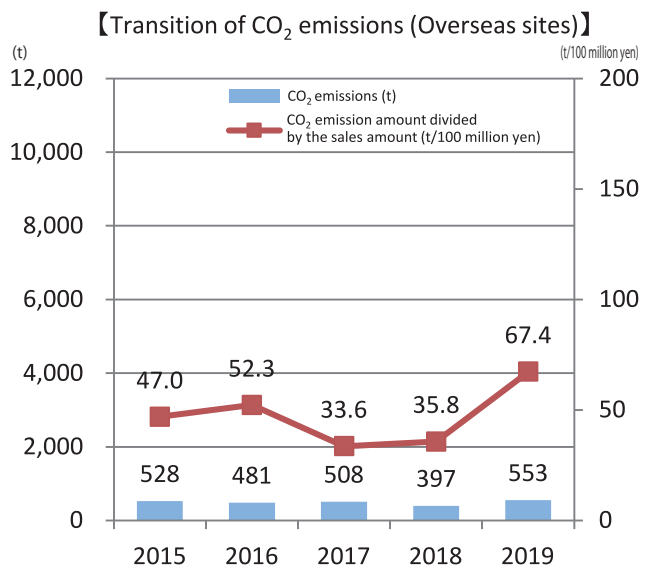
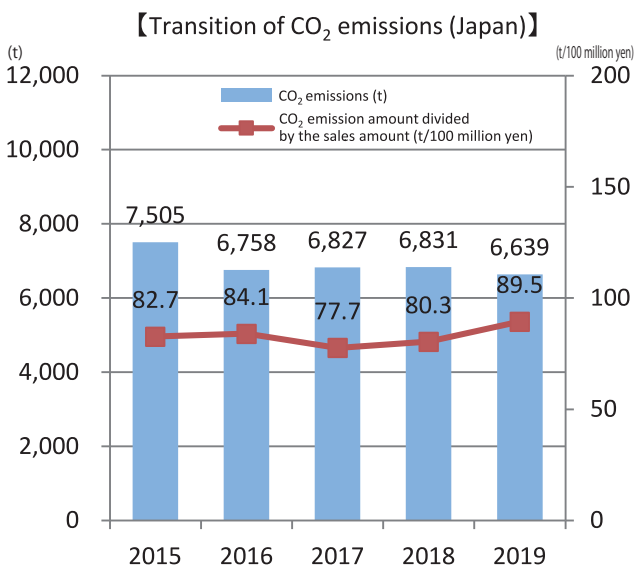
A pproach to Reduction of Environmental Loads

To prevent global warming, we tackled reduction of CO₂ emissions as well as energy saving.

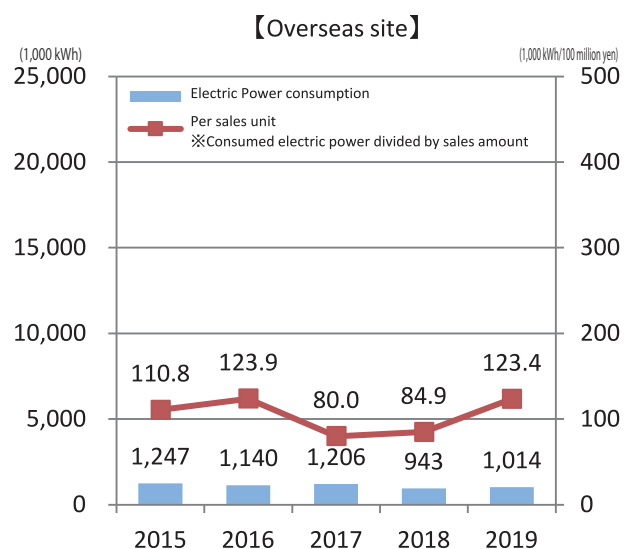
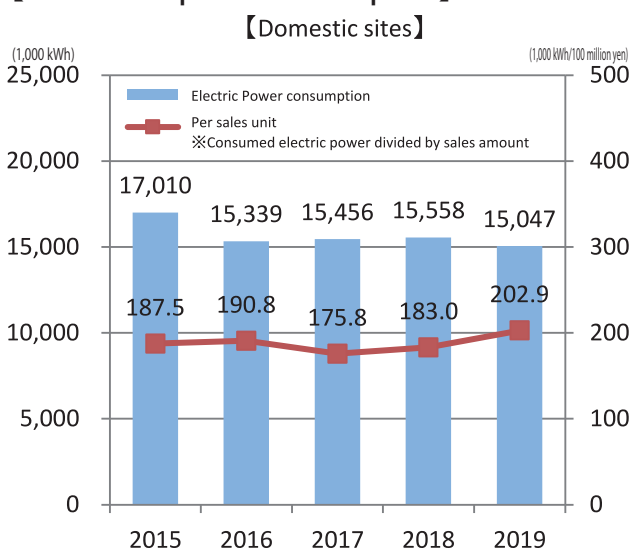
Domestic CO₂ emissions in fiscal 2019 registered 6,639t due to an increase in the sales of noise-related products and thick-film PCBs and CO₂ emission divided by the sales amount was 89.5t/100 million yen. Overseas CO₂ emission in fiscal 2019 registered 553t and the CO₂ emission amount divided by the sales amount was 67.4t/100 million yen.

Our target for CO₂ emissions for fiscal 2020 is no greater than 6,773t (with the CO₂ emission amount divided by the sales amount of 83.2t/100 million yen).

◆ CO₂Emissions



【Ref. Electric power consumption】



Environmental Report

Examples of energy-saving measures

◆ Asama Plant Change to LED Lighting

Lighting at Asama Plant was changed from fluorescent to LED. (CO₂ reduction of about 53% per year)

Before change

Fluorescent light



After change

LED



◆ Asama Test Lab • Procurement Department Replacement of Air Conditioners

Electric packaged air conditioners of Asama Test Lab and Procurement Department were replaced with highly efficient gas heat pump air conditioners. (Asama Test Lab : CO₂ reduction of approximately 37% per year; Procurement Department : CO₂ reduction of approximately 57% per year)

Before change

Electric packaged air conditioners

4 outdoor units



(Asama Test Lab)



(Procurement Department)

After change

Gas heat pump air conditioners

4 outdoor units were integrated into 1 unit



(Asama Test Lab)



(Procurement Department)



(Procurement Department)



A pproach to Resource Utilization ●

For preservation of the environment, the Group of Soshin Electric companies considers it imperative to make our society recycling-oriented. For this, we will promote “reduce”, “reuse” and “recycle” (3Rs) regarding the waste discharged as a result of business activities as resources.

Of 268t discharged in fiscal 2019, 166t was reused and 102t recycled with zero emissions continuing. Our target for the total discharge amount in fiscal 2020 is 296t, max.

(* Our approach to zero emissions : Activities to reduce the final landfill (sales intensity) to 0.12t/100 million yen or less.)

Furthermore, we use no providers of waste disposal services other than those that have earned administrative approval so that disposal services will be provided in compliance with relevant laws. Our control includes issuance of manifests (for control of industrial waste) and retention of disposal records.

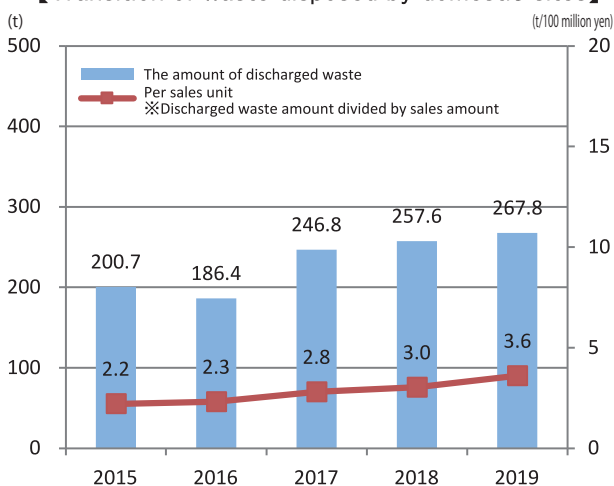
We checked waste disposal service providers through periodic visits to their disposal sites and found that their services were adequate and acceptable.



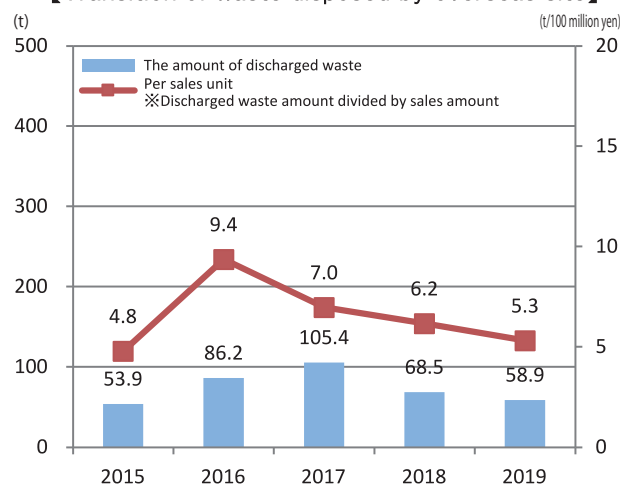
inspection scene of an industrial waste disposal service provider

◆ The amount of discharged waste

【Transition of waste disposed by domestic sites】



【Transition of waste disposed by overseas site】



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2020 Social Responsibility & Environmental Report



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Save The