

We contribute to local industries and communities,
and provide products that satisfy the world.

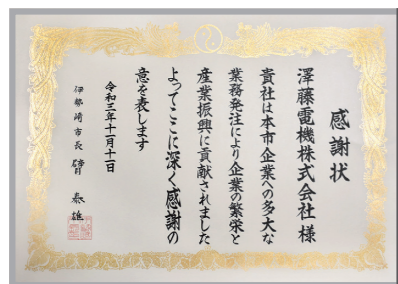
What Sawafuji Can Do for Disaster Relief



Under our concept of "What Sawafuji can do," as part of our social contribution activities we have built disaster volunteer vehicles to help respond to the increasing number of natural disasters in recent years. Sawafuji's products include generators and refrigerators that can be used in the event of a disaster, and the basis of our activities is to be able to provide them "quickly and easily" according to the needs of the affected areas. Going forward, should a disaster strike, Sawafuji's head office will be used as a home base and we will carry out our disaster relief activities using disaster volunteer vehicles as mobile support bases that can be immediately moved around the country.

Contribution to Local Industries and Communities

We were awarded the Industrial Development Contributing Company Award by the neighboring city of Iseaki.



Iseaki City's certificate recognizing Sawafuji as a company contributing to industrial development

Sawafuji works hard to deepen ties with the local community. Our efforts include get-togethers with people in welfare facilities, environmental risk patrols around our factories, as well as volunteer activities and participation in local events.



Environmental risk patrols around our factories



Christmas visit to a welfare facility

Provision of Products That Satisfy the World

Sawafuji's products are helpful to people around the world.

Automotive electrical equipment



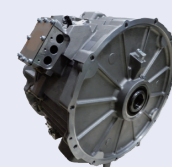
Starter



Alternator



Computer for onboard use



Motors for hybrid vehicles



Motors for electric vehicles



Battery pack

Generator



ELEMALX generator SH3900



ELEMALX generator SHX7000DIS

Refrigerator



ENGEL refrigerator-freezer MT45F



Pacifcool refrigerator-freezer Shine red x Metallic



Aiming to live together in
harmony with the people,
society and the Earth

CSR Report 2022

Digest Edition

WEBSITE

<https://www.sawafuji.co.jp/en/csr/>

On our company's web site above, we have introduced in detail the contents of our Social Compliance Report and our Environmental Report. Thank you for reading them over along with this digest version.

SAWAFUJI CSR

Search



SAWAFUJI ELECTRIC CO., LTD.

3 Nittahayakawa-cho, Ota-shi, Gunma 370-0344, Japan

Inquiries:

Environment Safety Department

TEL. +81-276-56-7334 FAX. +81-276-58-2154

SAWAFUJI ELECTRIC CO.,LTD.

President's Message

Since our foundation in 1934, SAWAFUJI ELECTRIC CO., LTD. has been devoted to our craftsmanship and in meeting the expectations of our world-wide customers in providing good products and services. True to our corporate philosophy, we foster communication with our stakeholders based on a global perspective as we work to remain the kind of company that the public can trust.

When we see the economic situation, the recovery of the economic environment is still weak both in Japan and overseas. On top of that, there is still a semiconductor shortage, raw material prices continue to rise, and also there is the impact of the situation in Ukraine, we have to say so uncertainty lies ahead. On the other hand, movements toward energy conversion, such as carbon neutrality and electrification, are expanding globally, and companies are increasingly required to fulfill their social responsibilities with regard to social issues such as the Sustainable Development Goals (SDGs). Sawafuji Group will respond flexibly to these changes in the economic and social environment.

Sawafuji Electric Co., Ltd. President & Executive Officer President Masao Inoue

Basic Philosophy

Company Policy

(Established in July 1960)

1. Let's proceed with research, practice skills and make rapid progress brightly.
2. Let's keep responsibility toward and faith with customers and contribute to the society.
3. Let's establish bright workplace based on labor-management cooperation and mutual trust.

Management Creed

(Established in October 1990 Revised in April 2001)

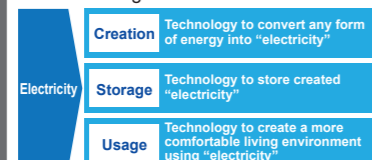
Sawafuji produces good products, performs social responsibility as a corporation and provides prosperity to all people concerned.

- * Make an impression on customers.
- * Bring purity to nature.
- * Bring prosperity to people engaged in the company work.

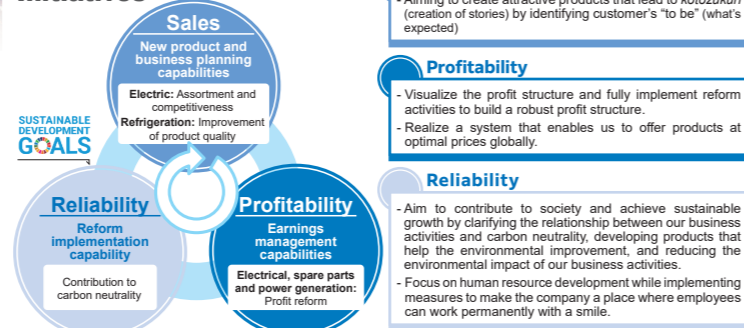
SAWAFUJI VISION

Sawafuji, living with electricity
Becoming a global Sawafuji through innovative technology

Direction to aim for
 We aim to become an "Electricity-related" solutions company utilizing the core technologies we have cultivated.



Medium to Long-term Initiatives



CSR Efforts

Under its basic philosophy, Sawafuji will endeavor to continuously raise corporate value by fulfilling corporate social responsibility in cooperation with many stakeholders.

We believe our relationship with our suppliers is important, and therefore ask for their understanding and cooperation in fulfilling their own corporate social responsibilities.



Dialogue with Stakeholders

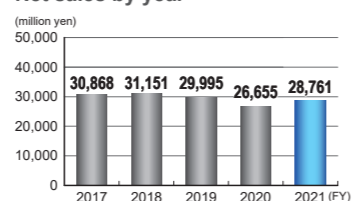
Sawafuji conducts lectures at autumn seminar with affiliates, periodical information exchange meetings with the local residents, friendship meetings with people in nearby welfare facilities and promotes other CSR management efforts with the focus on talks with the stakeholders.

Earnings Results for FY 2021

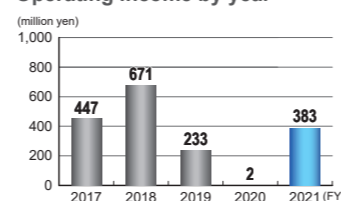
Sawafuji Group strived to improve earnings in all our operations, improve business efficiency and productivity, and reduce costs. Consolidated earnings results for FY 2021 (126th term) were as follows.

- Net sales: 28,761 million yen
- Operating income: 383 million yen

Net sales by year



Operating income by year



Relations with Customers

Sawafuji strives to provide products and services that meet customers' needs, with the highest priority given to customer expectations and trust.

Development of products

Sawafuji's development department continues to take on the challenge of contributing to a sustainable society by strengthening our development system with electrification technology as our core product, and developing value-added products that meet the needs of our customers.

Monozukuri

Sawafuji strives every day to achieve craftsmanship capable of moving our customers emotionally.

Quality control system and Service network

Sawafuji continues to improve ourselves by creating a quality control system that conforms to the ISO 9001 management system. We have also created a service network enabling prompt response to difficulties.

Relations with Global and Local Communities

Sawafuji contributes to the community and international society by conducting itself as an engaged member of the community with due consideration for environmental concerns.

Major efforts made during FY 2021 are as follows. More information can be found on the last page of this report.

- Working with the Japanese Red Cross Society in their blood donation drives
- Get-togethers with people in welfare facilities.
- Volunteer for cleanup activities and traffic safety near our factory
- Offering vaccines to the children of the world
- Participating in local events

Relations with Shareholders and Investors

To ensure fairness and transparency, Sawafuji discloses appropriate information in a timely manner to shareholders and other stakeholders.

IR information

Sawafuji believes that it is important manner for the shareholders and investors to better understand Sawafuji. As a part of our investor relations (IR) activities, we issue Shareholders Newsletter in addition to materials released at the time of business results announcements. The newsletter, which contains topics on our environmental activities and new products, is intended to help shareholders and investors broadly understand our activities.

Relations with Distributors and Dealers

Sawafuji which has established systems to sell commercial parts and components, collect market information and provide services by using the networks of its distributors, and dealers to fulfill its social responsibilities in every business situation.

In FY 2021, the Company held online meetings as a measure to prevent infections, and explained our policies and strengthened communication with our distributors. We also held online lecture meetings to enhance services at these distributors and dealers.

Relations with Suppliers

Sawafuji is committed to practicing fair business processes and procuring optimal products. To do so, we build trusting relationships with our suppliers, endeavoring to develop and grow together, in line with our core philosophy of "mutual trust and mutual prosperity".

We are actively communicating with our suppliers by holding procurement policy briefings, general meetings of cooperating associations of Sawafuji, and joint training sessions on a regular basis, and information exchange meetings on a monthly basis.

We also actively cooperate with our suppliers in areas such as quality improvement and cost reduction.

Relations with Employees

Sawafuji values the self-reliance and creativity of each of its employees. We have established the following systems and measures to ensure the safety of the workplace, the health of employees and to provide a rich workspace environment.

Employment

We are committed to personnel training based on our policy of employment stability.

Human rights

We maintain a corporate environment conducive to eliciting the desire to work through our response for human rights and a fair personnel system.

Diversity of employment efforts

To support employees' diverse working style, we have developed, re-employing retired people, employing disabled people, offering child-care leave and volunteer leave system.

Safety and sanitation management and health care

Under the concept that "Safety takes precedence over all business", we are developing safety activities with the aim of "An environment where people can work with peace of mind". We value each of our employees and make every effort to ensure that they stay healthy.

Environmental Report

In 1997, Sawafuji obtained the ISO 14001 Environmental Management System certificate. Since then, it has done its utmost to achieve environmental activity goals, which are set every FY, in line with the Environmental Policy.

Major efforts include reducing CO₂ in production activities, managing and reducing substances that damage the environment, and we also are providing miniaturized and lightweight products that are energy-efficient, have low emission and that conserve on resources and water. We have compiled the results of our environmental work in an environmental report, which is included in the CSR Report published on our corporate website.

Environmental Policy

Sawafuji is committed to playing a vital role in building a society designed to pass on a healthy environment to future generations, so we work to provide products and services that meet customer expectations through safe manufacturing practices and to develop next-generation technologies for a new society driven by environmentally sound energy.

1. We are committed to "carbon neutrality" through the use of sustainable energy.
2. We develop and design technologies that will not only enhance performance but also reduce the environmental burden.
3. We are committed to protecting the environment by assessing the impact of our production activities, products, and services on the surrounding environment, resources, climate change, and the ecosystem as we work with an eye to preventing pollution and making continuous improvements.
4. We comply with environment-related laws and regulations as well as prescribed requirements while ensuring that each employee fulfills his or her social responsibility.
5. We actively foster communication among local communities as a good corporate citizen.

* Please refer to the web version that we have introduced on the last page.