

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.

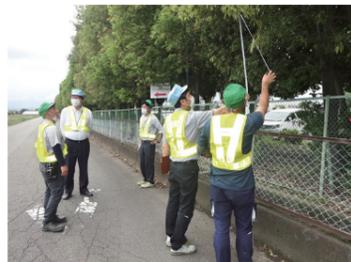
### Contribution to Local Industries and Communities

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



Isesaki 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



ELEMEX generator SH3900



ELEMEX generator SHX7000DIS

#### Refrigerator



ENGEL refrigerator-freezer MT45F



Pacificcool refrigerator-freezer Matte black

# CSR Report 2023

Digest Edition

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



**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



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**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. We will continue to communicate with all stakeholders and aim to remain the kind of company society can trust. The recent economic situation, both in Japan and abroad, showed signs of recovery from the impact of the COVID-19 pandemic. However, energy and raw material prices continued to soar due to the sharp depreciation of the yen and the prolonged situation in Ukraine, as well as rising logistics costs, and the business environment remains challenging. At the same time, corporate social responsibility, including the resolution of ESG issues such as carbon neutrality, is becoming more important. Sawafuji 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.

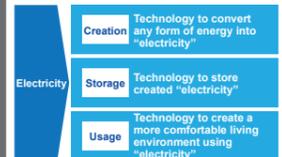
- \* Make an impression on customers.
- \* Bring purity to nature.
- \* Bring prosperity to people engaged in the company work.

### SAWAFUJI VISION

#### SAWAFUJI 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 management plan

Medium to long-term management plan — Long-term Initiative "Challenge 2030"

Sawafuji's Purpose: Continuing to play a role in solving problems in a working mobility society



Slogan: Advancing energy conversion technologies to solve the problems of mobility and professional users working around the world



Each individual changes awareness and behavior, and concentrates all their efforts  
Becoming a brilliant and attractive Sawafuji

#### What we aim to be by 2030



### 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.

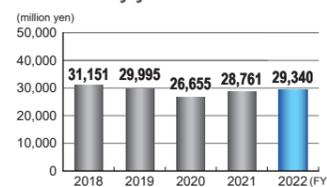


### Earnings Results for FY 2022

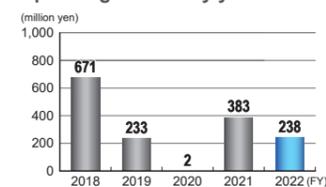
Sawafuji Group strived to improve earnings in all our operations, improve business efficiency and productivity, and reduce costs. Consolidated earnings results for FY 2022 (127th term) were as follows.

- Net sales: 29,340 million yen
- Operating income: 238 million yen

#### Net sales by year



#### Operating income by year



### 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.

### 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 2022 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 2022, the Company held meetings at its 10 bases nationwide, and explained our policies and strengthened communication with our distributors. We also held lectures 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 CO<sub>2</sub> 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.