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Sekison-tei

Sekison-tei was the beloved mansion of noted writer Junichiro Tanizaki, which was initially known as Senkan-tei. The almost century old compound faces the Tadasu no Mori Forest of the Shimogamo Shrine World Heritage Site, and its Sukiya-style building and pond with surrounding path made it a favorite of Tanizaki. He passed over the residence to Nissin in 1956 when he left Kyoto. At that time, he requested that the mansion be maintained in the same condition since he wanted to see it on his visits to Kyoto. The name Sekison-tei was given by Tanizaki, and a framed calligraphy piece written by Tanizaki bearing this name hangs in the main house.

The Nissin Electric Group continues to preserve Sekison-tei in the same condition as Tanizaki left it some 58 years ago as a symbol of its code of conduct "Integrity, Trust and Long-term Relationships."



NISSIN REPORT 2014

Company Profile / Sustainability Report



Editorial Policy 1

Message from the President 2

Company Data and Management Policy 3

Group Companies and Sites in Japan 5

Businesses and Products 7

■ Power System Equipment 9

■ Charged Beam Equipment and Processing 10

■ Renewable Energy and Environment 11

■ Life Cycle Engineering 12

Special Feature 13

Power conditioners — advanced power conversion equipment supporting the spread of photovoltaic systems Development and Provision of SOLARPACK® 

Our Commitment to CSR 15

 Customer Trust 17

 Employee Mutual Trust 18

 Partner Trust 19

 Shareholder Trust 20

 Societal Trust 21

 Initiatives for Fair and Transparent Corporate Management 22

 Environmental Initiatives 23

Glossary • **Corporate Social Responsibility (CSR):** The responsibilities that a company maintains toward stakeholders involved in its business activities. These responsibilities include fair business practices, product quality improvements, environmental consideration, and helping to build a sustainable society for the future.

Origin of Company Name

湯之盤銘曰 苟日新 日日新 又日新

Source: Great Learning, one of the Four Books of Confucianism

The name "Nissin" is derived from the inscription on the basin used by Emperor Tang, the founder of the Yin Dynasty (17th – 11th century B.C.). This inscription means: "Truly new each day. New each and every day. Again, new each day." According to the Great Learning, one of the Confucian classics known as the Four Books, the noble and benevolent ruler engraved these words on the basin, which he used every morning, as a constant reminder of the importance of making continuous and untiring efforts to improve himself every day.

Combining the two Chinese characters, *nichi* (day) and *shin* (new), used in this inscription, the company name was created so that, following this precept, we would strive to develop original and innovative techniques each and every day to forge a bright future for both people and technology.



Conjectural replica of Emperor Tang's basin

Editorial Policy

This report presents an overview of the Nissin Electric Group and its business activities from fiscal 2013, as well as its approach to corporate social responsibility (CSR). The results of our core CSR activities from fiscal 2013 can be found in the table on page 16. Our responsibility and actions with stakeholders are summarized around the Five Trusts of our Code of Conduct. Photographs of our employees, who form the front lines of our CSR efforts, are used throughout the report to convey our activities in a clear and concise manner.

Reporting period: April 1, 2013 to March 31, 2014

Published: June 2014 **Previous edition:** June 2013

Next edition: June 2015

Reporting Areas and Scope

● **Society**

Nissin Electric Co., Ltd. and the following seven affiliates in Japan
 NHV Corporation / Nissin Business Promote Co., Ltd. /
 Nissin Denki Shouji Co., Ltd. / Nissin Systems Co., Ltd. /
 Nissin Ion Equipment Co., Ltd. / Nippon ITF Inc. /
 Nissin Pulse Electronics Co., Ltd.

● **The environment**

Nissin Electric Co., Ltd. and the following five affiliates in Japan
 NHV Corporation / Nissin Business Promote Co., Ltd. /
 Nissin Ion Equipment Co., Ltd. / Nippon ITF Inc. /
 Nissin Pulse Electronics Co., Ltd.

*The initiatives of certain overseas affiliates are also highlighted.

GLOBAL This mark denotes a section on our overseas initiatives.

Reference Guidelines

Environmental Reporting Guidelines 2012 by the Ministry of the Environment, Japan
 Sustainability Reporting Guidelines G3.1 by the Global Reporting Initiative (GRI)

Message from the President

Contributing to a better society with our business spirit: “New each day”

This year marks the second publication since we began publishing our CSR report as the Nissin Report. The reason for this change was because we wanted to convey to all stakeholders the Nissin Electric Group’s activities as a contributing member of society that include our business overview, social contributions through our business activities and unique community-centered contributions. I sincerely hope that readers will be able to have a much broader and more in-depth understanding of the Nissin Electric Group’s activities through this report.

Already 104 years have passed since the Nissin Electric Group first began as a manufacturer of electric instruments in Kyoto. I believe the growth we have achieved over the past century can be attributed to our ability to continually deliver products, technologies and services that contribute to society while also receiving the support of countless stakeholders. The driving force behind this success can also be found in the meaning of our company name, which can be interpreted as “New each day.”

The name Nissin embodies a commitment to continually and seamlessly make efforts toward creating something new, no matter how small or trivial. Since its founding, the Nissin Electric Group has placed this commitment at the very core of its activities, incorporating emerging trends in business environments and markets, developing new technologies, supplying new products to customers, and continually making efforts to constantly change as a corporate group and start anew. I believe this process forms the very essence of the driving force behind our growth for the past century.

Nissin Electric Group employees today continue to wear a company pin that bears the name of the company at its founding as a reminder to build experience and help create a new company by constantly taking on the challenges of new jobs with a new, fresh mindset. This is because they believe working hard like this will help them to contribute to the development of a better society, despite the various changes taking place in our environment, and in turn lead to their personal growth.

I conclude my message for the Nissin Report 2014 by humbly asking for your continued support and patronage of the Nissin Electric Group as we move forward with our efforts to continually tackle new challenges each and every day under our business spirit of “New each day.”

June 2014

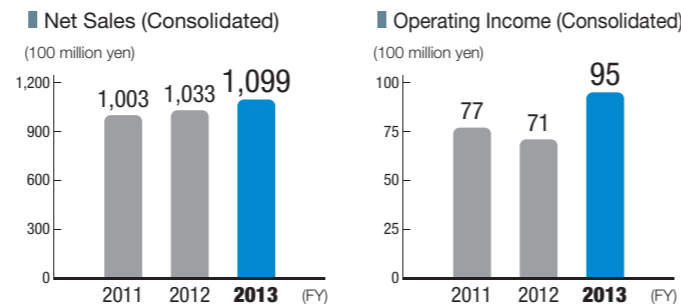


Hideaki Obata
 Hideaki Obata
 President

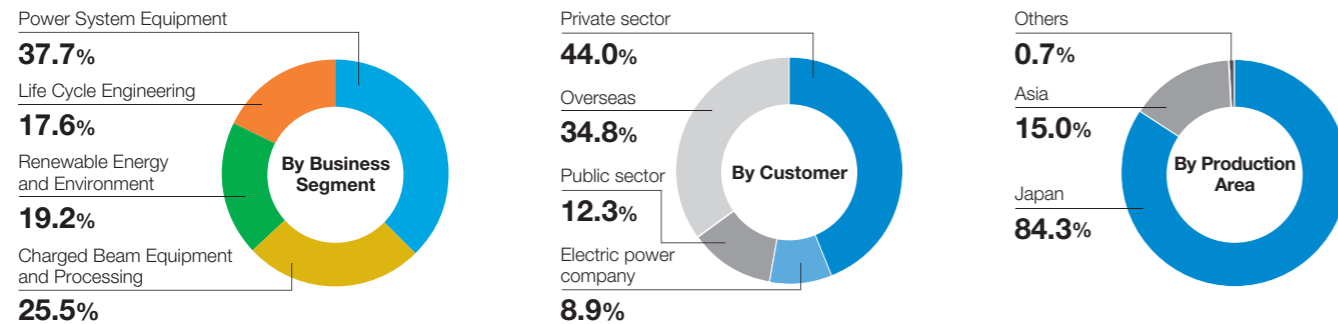
Aspiring for greater growth as a multinational company that supports society and industry

Company Outline (as of March 31, 2014)

Company Name Nissin Electric Co., Ltd.
Incorporated April 11, 1917
Stated Capital 10,252,840,000 yen
Employees 4,720 (consolidated)
Issued Shares 107,832,445 shares
Stock Code 6641 (First Section of the Tokyo Stock Exchange)
Operations Manufacture and sales of electrical equipment and instruments as well as ancillary construction works



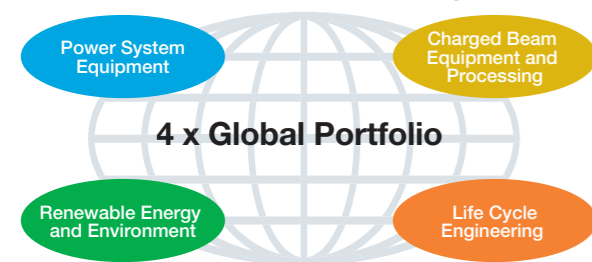
Composition of Net Sales (Consolidated; fiscal 2013)



Medium-to-Long-Term Business Plan "VISION 2015"

The Nissin Electric Group is currently implementing initiatives under a five-year medium-to-long-term business plan called "VISION 2015" that was launched in fiscal 2011. Under this plan, we are working to achieve the numerical targets of 150 billion yen in net sales and 12 billion yen in operating income by fiscal 2015, marking a 150% increase, respectively, over the five-year period. The main focus of this plan is to leverage our core technologies to make our operations more multifaceted and more global in nature. To that end, we have added two new segments, Renewable Energy and Environment, and Life Cycle Engineering, to our existing core businesses of Power System Equipment, and Charged Beam Equipment and Processing. We will take a balanced approach to growing each of these four segments and exert our best efforts to expand each segment globally. By doing so, our aim will be to transform ourselves into a group of companies that can achieve more stable and sustainable growth.

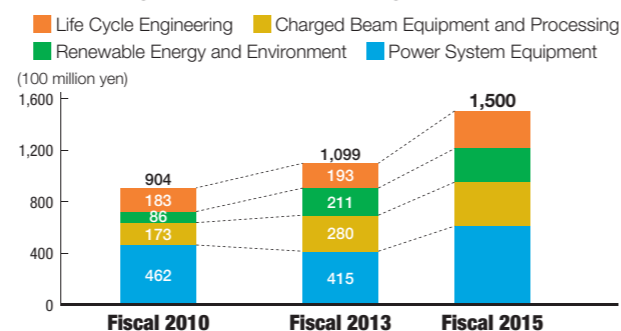
Global Expansion in 4 Business Segments



Numerical Targets for Fiscal 2015

Consolidated Net Sales	Consolidated Operating Income	Consolidated ROA	Dividend per Share
150 billion yen	12 billion yen	8% or above	15 yen or more per year

Sales Targets by Business Segment



Ratio of Overseas Sales

34% → Approx. 50%



History

- 1910** Founded as Nissin Kogyo.
 - 1917** Incorporated as Nissin Electric Co., Ltd.
 - 1937** Constructed head office plant in Ukyo-ku, Kyoto (current location).
 - 1945** Took over the capacitor production business of Sumitomo Electric Industries, Ltd.
 - 1963** Built the Maebashi Works.
 - 1968** Merged with Rissei Electric Co., Ltd. Built new works at Kuze and Kujo.
 - 1970** Started business of charged particle accelerators, and established Nissin High Voltage. (2003, NHV Corporation took over the business of Nissin High Voltage.)
 - 1984** Established Nissin Systems Co., Ltd. for software development and systems design.
 - 1987** Established Nissin Electric (Thailand) Co., Ltd. to manufacture and sell medium-voltage capacitors and electronic components.
 - 1991** Established Nissin Allis Electric Co., Ltd. in Taiwan to manufacture and sell SF6 gas insulated capacitors and gas insulated switchgears.
 - 1995** Established Nissin Electric Wuxi Co., Ltd., the company's first joint venture in China, and commenced manufacturing and sales of capacitor voltage transformers.
 - 1999** Established Nissin Ion Equipment Co., Ltd. for the manufacture, installation, and servicing of ion implanters for manufacturing semiconductors and FPD.
 - 2001** Established Nissin Electric Wuxi Power Capacitor Co., Ltd. in China to manufacture and sell power capacitors. (2004, Changed the name to Nissin Electric (Wuxi) Co., Ltd.)
 - 2002** Established Nissin Electric Wuxi Co., Ltd. in China to manufacture and sell voltage transformers for gas insulated switchgears. (2006, Changed the name to Beijing Hongda Nissin Electric Co., Ltd.)
 - 2005** Nippon ITF Inc., an affiliated company conducting thin-film coating services, became a subsidiary of Nissin.
 - 2007** Became a consolidated subsidiary of Sumitomo Electric Industries, Ltd.
 - 2010** Established Nissin Ion Equipment USA, Inc. to carry out installation, adjustment, modification, maintenance and inspection work for semiconductor manufacturing equipment.
 - 2011** Established Nissin Ion Hightech (Yangzhou) Co., Ltd. in China to manufacture and sell semiconductor manufacturing equipment.
- Established NHV Accelerator Technologies Shanghai in China to manufacture and sell electron-beam processing systems.
- Established Beijing Beikai Nissin Electric HV Switchgear Equipment Co., Ltd. in China to manufacture and sell

Research and Development (R&D)

Making use of the R&D results that we have accumulated over a long period, we are working to create stable energy systems, manufacture products that contribute to reductions in CO₂ emissions and develop next generation products applying our charged particle beam-oriented techniques. We are also committed to developing new techniques on a daily basis so that we can continue to grow as a global company that provides environmental and energy solutions while contributing to society.

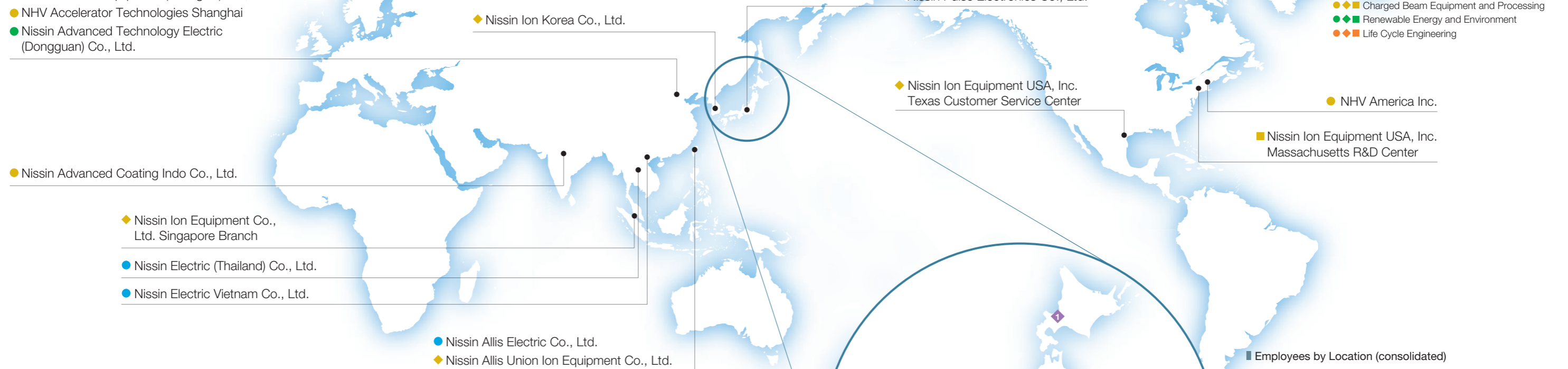
Expanding globally by establishing manufacturing sites in areas where our core technologies can contribute to the development of the local economy

List of Group Companies

- Nissin Hengtong Electric Co., Ltd.
- Nissin Advanced Coating (Shenyang) Co., Ltd.
- Beijing Hongda Nissin Electric Co., Ltd.
- Nissin Advanced Coating (Tianjin) Co., Ltd.
- Nissin Ion Hightech (Yangzhou) Co., Ltd.
- Nissin Electric (Wuxi) Co., Ltd.
- Nissin Electric Wuxi Co., Ltd.
- ◆ Nissin Allis Ion Equipment (Shanghai) Co., Ltd.
- NHV Accelerator Technologies Shanghai
- Nissin Advanced Technology Electric (Dongguan) Co., Ltd.

- NHV Corporation
- Nissin Ion Equipment Co., Ltd.
- Nissin Systems Co., Ltd.
- ◆ Nissin Business Promote Co., Ltd.
- Nippon ITF Inc.
- ◆ Nissin Denki Shouji Co., Ltd.
- Nissin Pulse Electronics Co., Ltd.

- *Core businesses of each company denoted by color.
- Manufacturing companies
 - ◆ Service companies
 - Research laboratories
 - Power System Equipment
 - ◆ Charged Beam Equipment and Processing
 - Renewable Energy and Environment
 - Life Cycle Engineering



Manufacturing Sites in Japan

1 Head Office & Works (Ukyo-ku, Kyoto)

(Nissin Electric Co., Ltd.)
(NHV Corporation)
Nippon ITF, Inc.

Major Products:

Switchgear, power transformer, capacitor, power conditioner for photovoltaic system, photovoltaic system, reactor, voltage dip compensator, supervisory control system, vehicle recognition system, electron-beam processing system, electron-beam processing service, thin-film coating system, and thin-film coating service

2 Maebashi Works (Maebashi City, Gunma Prefecture)

Major Products:

Gas insulated switchgear, circuit breaker, instrument transformer (voltage transformer, current transformer, combined instrument transformer, etc.), electron-beam processing service, and thin-film coating service

3 Kuze Works (Minami-ku, Kyoto)

(Nissin Ion Equipment Co., Ltd.)
(Nippon ITF Inc.)

Major Products:

Ion implanters for semiconductor, ion implanter for Flat Panel Display (FPD), and thin-film coating service

4 Kujo Works (Minami-ku, Kyoto)

Major Products:

Switchgear and power conditioner for photovoltaic system

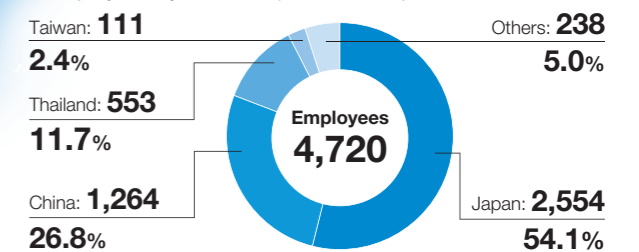
5 Nissin Ion Equipment Co., Ltd. Shiga Plant / Plasma Technology R&D Center (Koka City, Shiga Prefecture)

Major Products:

Ion implanter for semiconductor and ion implanter for Flat Panel Display (FPD)



Employees by Location (consolidated)



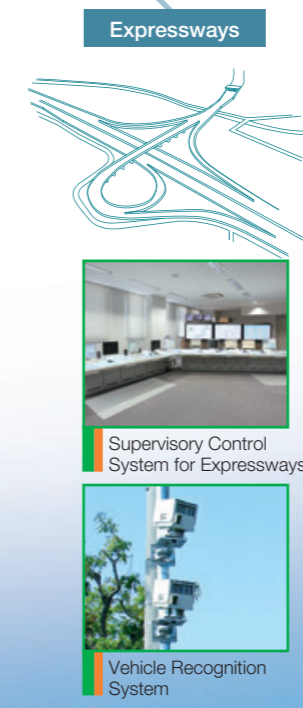
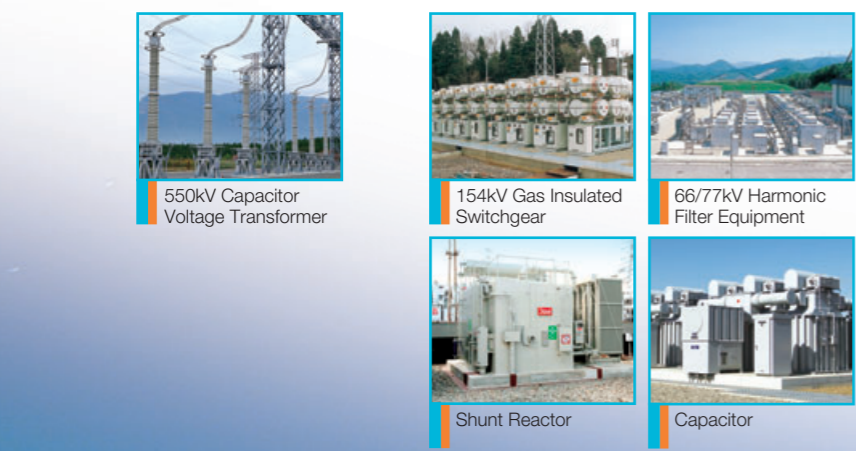
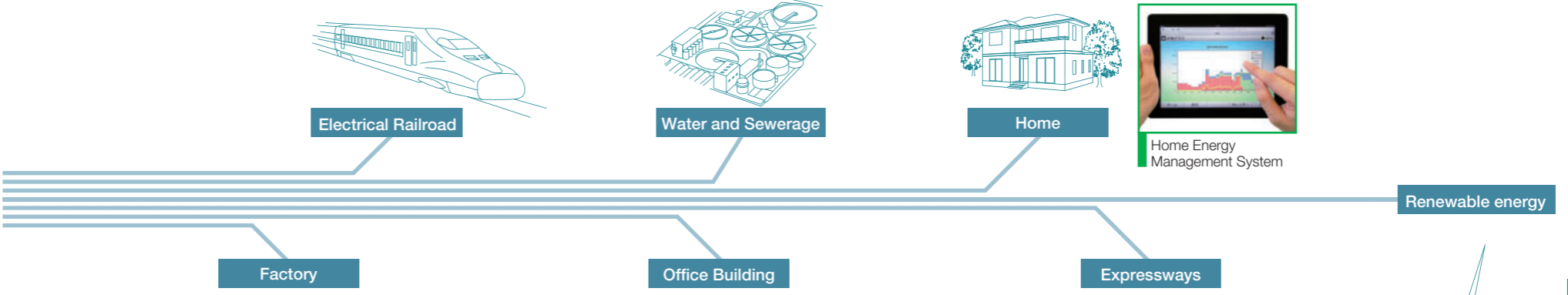
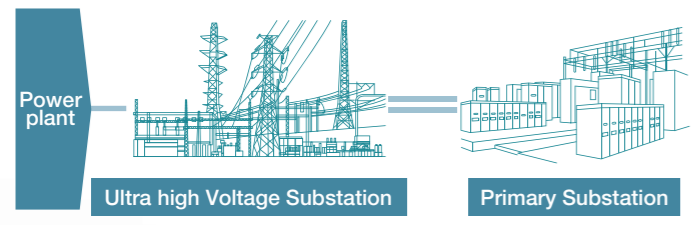
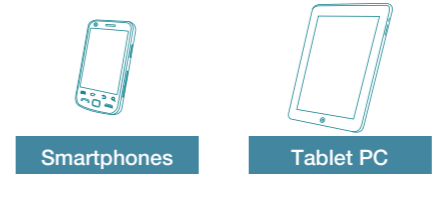
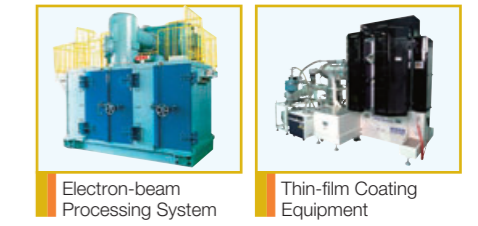
Major Sales Sites in Japan

- 1 Hokkaido Office
- 2 Tohoku Office
- 3 Tokyo Office
- 4 Chubu Office
- 5 Kansai Office
- 6 Okinawa Office

Pursuing safety, stability, and efficiency as a leader in the electrical infrastructure supporting industry and society

The Nissin Electric Group supplies a wide range of products and services that support well-rounded social and industrial infrastructure, with an emphasis on power system and energy equipment. We will constantly create products and technologies essential for the world by leveraging our proprietary high voltage, vacuum, as well as monitoring and control technologies developed over the course of our more than 100-year history.

- Power System Equipment** 9P
- Charged Beam Equipment and Processing** 10P
- Renewable Energy and Environment** 11P
- Life Cycle Engineering** 12P



Ensuring safe and efficient supply of electricity



66kV Substation Equipment

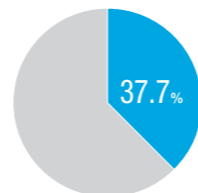
Segment Overview

Pursuing stable supply systems and thriving in renewable energy

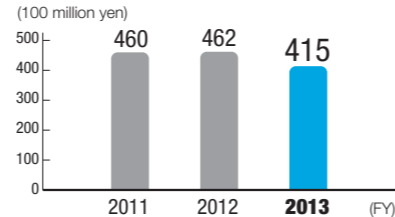
This business segment focuses mainly on substation equipment, which converts power voltage to a level suitable for equipment. The equipment monitors and controls the voltage level to ensure safe and efficient energy supply from a power station. Our 66/77kV Gas Insulated Switchgear, which enjoys the top market share in Japan for nine consecutive years running, demonstrates unparalleled compactness thanks to Nissin Electric's unique high-voltage technology. Power capacitors designed for use by electric power companies have in recent years accounted for close to a 100% share of the domestic market, for which the company is called "Nissin for Power Capacitors."

In fiscal 2013, in addition to our conventional substation equipment, we delivered a large volume of grid connection equipment that connects generated electricity to the grid of electric power companies, given the increase seen in renewable energy generated from mega solar and other facilities. Outside of Japan, we are accelerating our sales activities in the ASEAN region where further economic growth is expected and where many Japanese companies are making inroads.

Share of Total Sales



Net Sales



Gas Insulated Switchgear (GIS)

GIS receive incoming electricity from electric power companies and protect electrical equipment inside substations. GIS have become even more compact and space saving because they are directly connected to transformers.



Power Capacitor

Power capacitors are connected to power grids for power factor corrections or voltage regulations. Power capacitors help to promote the effective use of energy by improving the quality and reliability of power systems.



Switchgear (SWG)

Switchgears deliver electricity throughout a substation, switching power sources and protecting equipment. We supply a broad range of switchgears ideally suited to each individual installation site.



Capacitor Voltage Transformer (CVT)

A CVT is installed to accurately convert high voltage and large current into the applicable voltage and current for electric instruments or relays.

Contributing to higher performance of state-of-the-art equipment



Arc Coating Machine

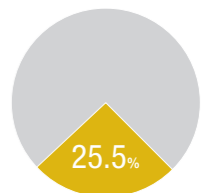
Segment Overview

Supplying amassed technologies to global growth markets

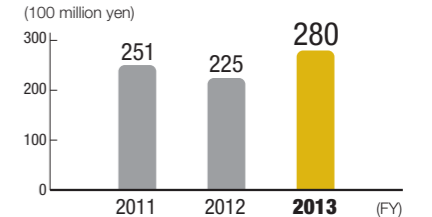
In the charged beam equipment and processing business, we apply our long nurtured high-voltage and charged particle technologies to manufacturing equipment for cutting edge products. These include ion implanters used for manufacturing semi-conductors and small/medium high-definition flat panel displays, electron beam processing systems used for improving the quality of automobile tires and electric wires, and thin-film coating services designed to improve the performance of tools and automobile parts. This business segment offers potential for future growth.

In fiscal 2013, we shipped nearly 100 ion implanters for FPD, once again earning us the top share of the international market. Additionally, we carried out sales activities for electron beam processing systems in China, where demand is growing, Russia, and Latin America, and expanded our delivery destinations to 28 countries around the world.

Share of Total Sales



Net Sales



Ion Implanter for FPD

Ion implanters for small/medium high-definition FPD are essential for manufacturing small/medium high-definition displays used in high end mobile devices such as smartphones.



Electron-beam Processing System

An electron-beam processing system is used to manufacture heat resistant coated electric wires, heat-shrinkable tubing, polyethylene foam, and automobile tires. Electron-beam processing systems are also being widely used in an increasing number of other applications, such as for sterilization of medical equipment, and in environmental protection.



Ion Implanter for Semiconductor

An ion implanter for semiconductors is an essential piece of manufacturing equipment used to make semiconductor devices found in computers, mobile devices, and a host of other digital products. They use the same technologies as an ion implanter for FPDs.



Thin-film Coating Service

Thin-film coating services are provided using equipment designed for surface coating work on automobile parts, tools and molds, among others. The latest equipment is able to form coatings quicker and at a lower cost than conventional equipment, enabling roughly double the production volume.

Coping with global social needs



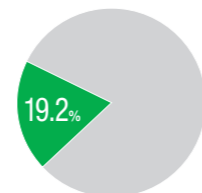
Segment Overview

Exceeding the expectations of users with our technological prowess

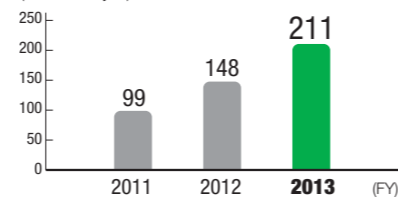
This business segment addresses social needs identified on a global scale, such as use of renewable energy sources, subsequent need for more stable electric power systems, electricity infrastructure improvement and shortage of water resources. In the renewable energy business, we provide power conditioners and photovoltaic generation systems, as well as products used for construction of next-generation power transmission and distribution systems (Smart Grid). In the environment business, we offer electrical equipment and energy management system (EMS) related products for water treatment facilities.

In fiscal 2013, we saw strong orders of electrical equipment for water treatment facilities and continuing robust demand for power conditioners thanks to Japan's feed-in-tariff system for renewable energy. Given this demand, we developed new models to match the needs of users and expanded our lineup.

Share of Total Sales



Net Sales (100 million yen)



Power Conditioner for Photovoltaic System

A power conditioner transforms direct current electricity generated in the photovoltaic module into alternating current electricity. Our newly developed outdoor power conditioners are easy to install, which facilitates the photovoltaic system installation process and reduces costs.



Supervisory Control System for Waterworks

A supervisory control system for waterworks monitors and controls the operations of waterworks facilities, key lifelines in society, to improve water quality in various applications and reduce energy consumption. Supervisory control systems for rainwater storage facilities used to combat flooding help to protect urban areas from floods.



Photovoltaic System

A photovoltaic system requires a photovoltaic module, power conditioner, grid connection facilities, and instrumentation for monitoring generation and operation statuses. We deliver photovoltaic systems that maximize the amount of power generated based on installation conditions and configuration optimization.



HEMS (Home Energy Management System)

A Home Energy Management System, or HEMS, controls electrical appliances such as air conditioning units and displays a home's total power usage on applications for smartphones and tablet devices. An HEMS can automatically and manually cut a consumer's electricity usage based on their lifestyle habits because of its compatibility with demand response.

Delivering trust and peace of mind with a focus on the customer



Segment Overview

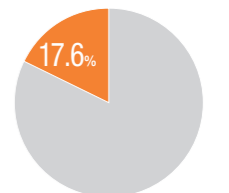
Providing support at every stage of the equipment life cycle

Over the entire life cycle of Nissin Electric Group products delivered to our customers, we provide comprehensive support services, spanning from installation work to on-site testing, maintenance, facility assessment, and renewal.

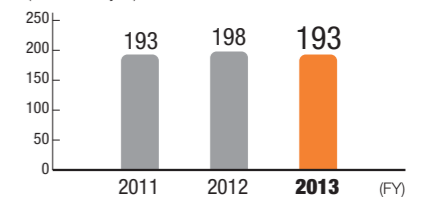
Our basic philosophy is defined by the phrases "safety and quality first" and "trust and peace of mind from the customer." Our many years of experience and excellent technological prowess enable us to supply the optimal service to each individual customer. Going forward, we will expand our life cycle engineering business and further enhance customer satisfaction by developing new services.



Share of Total Sales



Net Sales (100 million yen)



1. Installation Work

With safety and quality being our number one priority, we carry out delivery, installation, assembly, and cable connection work in full compliance with various standards, regulations, and laws, and in an environmentally friendly manner.



3. Maintenance

We carry out regular maintenance inspections and replace parts at the end of their life to prevent damage or accidents before they happen and to extend service life. Our commitment to the customer covers the entire life cycle of their equipment.



2. On-site Testing

We carry out testing and adjustments for each facility and also comprehensive testing of all plant facilities to ensure our electrical equipment is installed and used correctly. Our equipment is then handed over to the customer after fulfilling any requests for systemization.



4. Facility Assessment

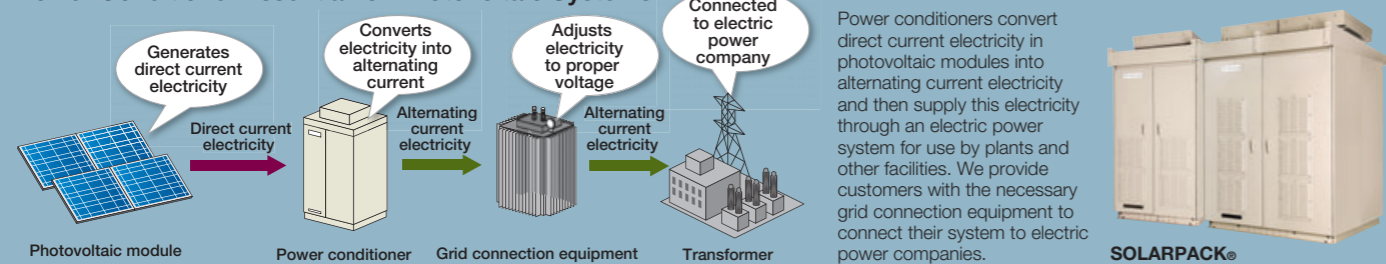
Facility assessments are carried out to evaluate the entire equipment system to check for aging electrical equipment after a prolonged period of use. This enables us to propose renewal plans, replace parts and extend service life, while coordinating with the service life of plant facilities.



Power conditioners — advanced power conversion equipment supporting the spread of photovoltaic systems

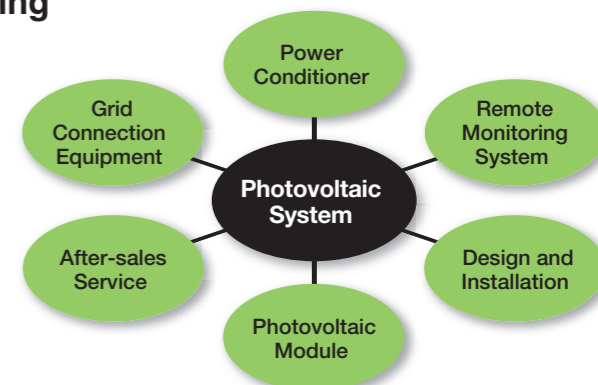
Development and Provision of SOLARPACK®

Power Conditioner Essential for Photovoltaic Systems



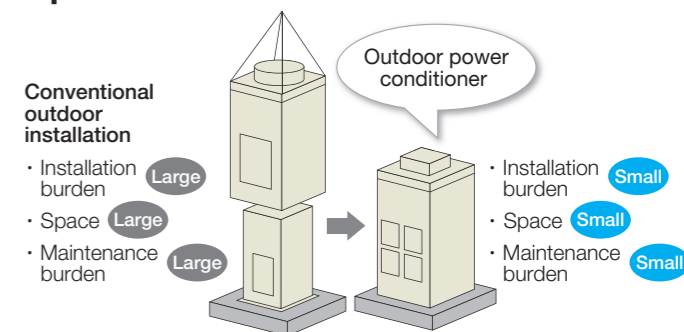
Supporting photovoltaic systems that meet the needs of society and customers with total engineering

Large capacity photovoltaic systems require systemization and grid connection equipment. Nissin Electric retains a broad range of products and expertise unique to a heavy electric machinery manufacturer, including 66/77kV Compact Type Gas Insulated Switchgear and an Islanding Phenomenon Detection Device. Our total engineering services based on our solid track record span from proposal to design and installation, and after-sales services. This enables us to deliver peace of mind to customers and fulfill their requirements.



Outdoor power conditioner facilitating easier photovoltaic system installation newly added to our lineup

Most power conditioners for photovoltaic systems are installed outdoors. Previously, however, indoor power conditioners were the mainstream and these were placed inside an outdoor installation. We found that having to supply both the outdoor installation and power conditioner was a major inconvenience for installation work. This is why we developed a standalone outdoor power conditioner in fiscal 2013. With both indoor and outdoor models in our lineup we are able to facilitate the smooth and easy installation of photovoltaic system equipment.



▼ Achieves Greater than 95% Conversion Efficiency, Conserving Resources and Reducing CO₂ Emissions

Power Generation Approx. 100,000 kWh	Amount of CO ₂ Reduced Approx. 30 tons	Amount of Oil Reduced Approx. 25,000 ℓ
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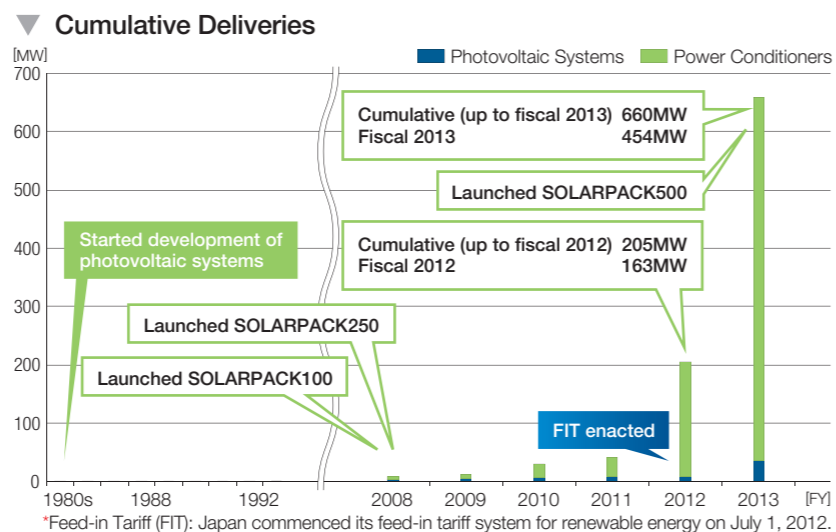
SOLARPACK achieves greater than 95% conversion efficiency and is able to reduce the loss of generated electricity. By curbing this electricity loss, it can generate and store more electricity, which helps conserve energy and resources.

*When using a 100kW photovoltaic system for a one-year period Location: Kyoto Orientation: South Angle: 20 degrees

Contributing to the spread of photovoltaic systems since the 1980s

In Japan interest grew in alternative energy sources to oil following the oil shock of 1973. With national policy buoying efforts, we launched the development of photovoltaic systems and over the years we have systemized the business by adding power conditioners as well as installation and maintenance work to our portfolio.

In fiscal 2013, we increased production of power conditioners and were able to deliver a host of different products, contributing to the spread of photovoltaic systems. Moving forward, we will strive to continually improve the technology to respond to the needs of society.



Examples of Delivered Photovoltaic Systems

<p>Japan</p> <p>Mega solar project considerate of the surrounding scenery</p> <p>Delivered to: Tohoku Electric Power Co., Inc. Sendai Solar Power Station</p> <p>Start of operations: May 2012</p> <p>Generating capacity: 2,000 kW</p>	<p>Japan</p> <p>Mega solar project constructed on the rooftop of a plant</p> <p>Delivered to: Marusumi Paper Co., Ltd. Photovoltaic Systems for Umenoki Warehouse</p> <p>Start of operations: March 2014</p> <p>Generating capacity: 1,750 kW</p>	<p>Overseas</p> <p>Megawatt class system supplied to Latin America</p> <p>Delivered to: Republic of Costa Rica Instituto Costarricense de Electricidad (ICE)</p> <p>Start of operations: October 2012</p> <p>Generating capacity: 1,000 kW</p>
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Pursuing a systematic approach to CSR activities with a focus on the autonomous involvement of each and every employee

Corporate Principles and Five Trusts

Combining our fundamental approach and unwavering commitment to business

Since its founding in 1910, the Nissin Electric Group has constantly refined its original technologies and delivered high quality products and services to its customers. Through this, we have earned the trust of customers and continually strived to make contributions to the fundamental needs of society and industry.

The Corporate Principles of the Nissin Electric Group and the Five Trusts, both drawn up in November 2005, represent the combination of our fundamental approach and unwavering commitment to business.

Corporate Principles of the Nissin Electric Group

Mission – Forge a bright future for both people and technology

With the aim of realizing a sustainable society, gentle to humans and the environment, Nissin Electric develops original technology to meet the fundamental needs of society and industry.

Company Code of Conduct – Integrity, Trust and Long-term Relationships

We take the following Five Trusts as the point of origin for our activities. Through these Trusts, we strive to promote the growth of the company and foster the personal development of its employees.



Basic Policies

The Nissin Electric Group's Basic Policies for CSR Activities

- Accomplish our Mission, "Forge a bright future for both people and technology," and the Company Code of Conduct, "Integrity, Trust and Long-term Relationships."
- Empower each and every employee to get involved willingly and steadily in CSR activities, based on the approach above.

Domains of CSR Activities

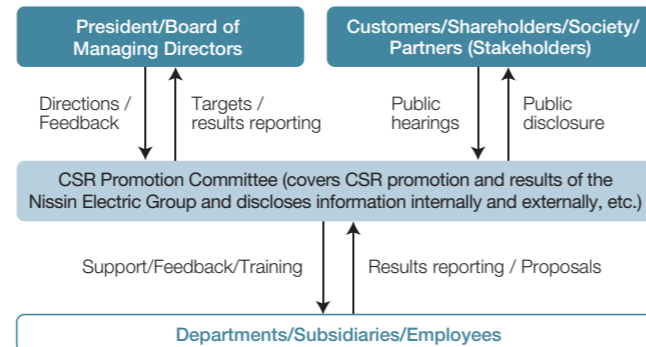
- Trust**: Earn the trust of customers, shareholders, society and partners, and employee mutual trust
- Corporate Management**: Pursue fair and transparent corporate management
- The Environment**: Take the initiative in protecting the environment through our core businesses

Promotion Structure

Promoting activities through the CSR Promotion Committee

The CSR Promotion Committee is a company-wide organization that forms the heart of our CSR activities. The committee exchanges information with overseas subsidiaries and implements activities tailored to individual issues found in each respective country. The results of the committee's initiatives are reported to senior management, including board of managing directors meetings, for appropriate directions and feedback, enabling the committee to conduct ongoing CSR activities.

Nissin Electric Group CSR Promotion Structure



Targets, Results and Plans of CSR Activities

Domain / Target	Core Focus Areas	Fiscal 2013 Results	Fiscal 2014 Plans
Trust	Customers Enhance satisfaction	Quality improvement activities	Implemented and raised awareness about the 3H (Hajimete, Henkou, Hisashiburi) perspective and improved quality of design reviews
		Customer satisfaction enhancement activities	Carried out customer evaluation survey (questionnaire) on e-mail newsletter "Techno-Letter" and set up toll free hot line 24-hours a day
		Promotion of life cycle engineering	Expanded facility assessment business for new equipment, examined/liberalized facility assessment technologies, and introduced life cycle engineering business activities to employees
	Shareholders Enhance satisfaction	Proactive information disclosure	Expanded information disclosures and revamped the shareholder/investor information page of our corporate website
		Support development of the next generation	Organized on-site science classes for elementary school students, hosted trainees, dispatched speakers to the Kyoto Industrial Association, donated scholarship funds to an elementary school in Hue, Vietnam, and supported the activities of local elementary and junior high schools
	Society Help make local communities a better place	Support environmental protection activities	Supported the activities of the Kyoto Modelforest Association, and took part in clean-up activities for rivers around our offices
		Support sports and cultural activities	Sponsored Kyoto Sanga F.C. of the J-League (professional soccer) and the Kyoto Marathon, maintained Junichiro Tanizaki's Sekison-tei heritage residence and hosted researchers
		Promotion of CSR procurement	Created a draft version of CSR procurement guidelines and thoroughly conveyed information about CSR procurement guidelines
	Partners Enhance satisfaction	Optimize diverse workforce	Utilized job rotations, maintained statutory employment rate of persons with disabilities, and hired talented foreign engineers
			Utilized job rotations, maintained statutory employment rate of persons with disabilities, and hired talented foreign engineers
Promote educational and training opportunities that support personal and professional growth		Increased human resource development opportunities, supported company-wide and department-level human resource development, promoted development through job rotations, passed down and cultivated core technologies and skills	
Employees Foster and enhance job satisfaction		Encourage a work-life balance	Formulated comprehensive measures on work-life balance, advertised work-life balance support system, promoted Eco Work Day, and promoted a company-wide "leave work on time" day
		Strengthen communication	Shared information through internal public relations, and conducted employee satisfaction survey and utilized results
Corporate Management	Fair and Transparent Corporate Management	Sound compliance practices	Built and maintained the compliance implementation system and carried out various measures, strengthened and enhanced compliance at overseas subsidiaries, and raised awareness about compliance on a daily basis using the company newsletter and intranet, etc.
		Sound risk management practices	Revised the business continuity plan (BCP), carried out disaster preparedness drills, identified company-wide risks
		Sound information security measures	Revised measures at the head office and domestic subsidiaries and carried out various measures for overseas subsidiaries
The Environment	Environmental Initiatives	Please see pages 25 and 26.	

Glossary

- Eco Work Day: One type of work-life balance initiative implemented in the electrical equipment sector.
- Business Continuity Plan (BCP): A plan for ensuring the continuity and quick restoration of business operations during an emergency.



Mitsunari Mori
Manager
Quality Assurance Administration Department

Providing Expertise and Technologies

Supporting improved maintenance techniques by helping develop electrical engineers

The NISSIN Techno Academy (NTA), which opened in 2006 as an in-house training center, is a technological training facility with demonstration equipment that focuses on the concept of learning with the five senses in order to pass down technologies and skills.

Since 2008, NTA has assisted customers with the development of electrical engineers and as of March 31, 2014, NTA had held the popular substation equipment maintenance class for customers a total of 40 times for close to 400 participants. Lectures combine classroom learning with hands on experiences and are led by Nissin Electric's veteran engineers with in-depth experience in maintenance and who are able to provide answers to questions and concerns of participants.

To further enhance the quality of training, feedback is collected through a survey held after every session and used to make improvements to the curriculum. For example, in response to feedback about how it was difficult to experience a fault current analysis, we created equipment that simulates an electrical accident and teaches participants to identify a fault current visually.

Moving forward, we will aim to make the training curriculum easier to understand to accommodate feedback provided by customers.



Training using demonstration equipment

Global Quality GLOBAL

Sharing and standardizing quality information from every production area

We organize quality workshops to standardize management methods and tools as well as share quality management information of domestic and overseas subsidiaries, complaints and preventive measures, and examples of improvements to maintain the same level of quality achieved in Japan at all of our production bases. The entire Nissin Electric Group is working together to achieve global quality.



Quality workshop held in China

Preventing Accidents and Failures before They Happen

Introduction of the 3H activities

We launched 3H activities to incorporate perspectives on how to prevent risks even in accident-prone or failure-prone situations before they occur. To ensure effective practice of these measures, we distributed manuals to every subsidiary and organized briefings for the person in charge of manufacturing departments. The 3H activities represent an initiative aimed at further stabilizing quality.



Requesting all workplaces to assist in the effort at a briefing

Glossary

● 3H activities:
3H stands for Hajimete [first time], Henkou [change], and Hisashiburi [long interval]. This refers to a situation where frequent mistakes or failures on the job are confirmed and steps are taken to prevent such mistakes or failures from happening.



Naoto Yoshida
CB & GIS Division

Developing Globally-minded Human Resources GLOBAL

Launch of the "Overseas Short-term Trainees System" for junior and mid-career employees

In August 2013 we launched the "Overseas Short-term Trainees System" to increase opportunities for junior and mid-career employees to gain international experience and develop the global leaders of tomorrow. Training takes place for a period of between three and six months at overseas subsidiaries and focuses on different business practices and the local culture.

Trainees create their own learning tasks and pursue these through activities arranged with the assistance of the host company, providing trainees with actual experiencing working overseas. Training not only fosters a global perspective in trainees, but also provides solutions to the host company, resulting in a win-win relationship that bridges human resources and develops stronger collaboration.

Employees that have completed their training have remarked that, despite the language and customs barrier, they were impressed a great deal by the hard work of the employees at the host company, they expanded their professional horizons, and they understood global issues the company is facing. It is our hope that this training will develop human resources that are dependable and will play an important role at Nissin Electric in the future.



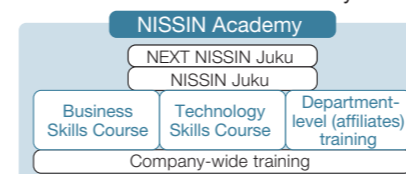
Providing instructions on how to assemble a gas insulated switchgear

Fostering Job Satisfaction

Enhancing employees' skill sets through systematic training

The Nissin Electric Group's human resource development programs have been consolidated and systemized in a single platform called NISSIN Academy, in order to further enhance systematic training that enhances the skill sets of every individual working at the Nissin Electric Group. By running these programs essentially as a single school and providing group-wide access, our goal is to increase the number of participants and enhance the effectiveness of our training programs.

■ Structure of the NISSIN Academy



Utilizing a Diverse Pool of Human Resources

WING-NET – network for female employees led by female employees

WING-NET is a network for establishing horizontal connections between female employees. Events and networking sessions are held at each business site and once every year the entire network meets. Relationships and connections that transcend organizations have proven very beneficial in fostering female-friendly workplace environments.



Communication Seminar

Glossary

● Trainee
An employee receiving occupational training.



Partner Trust

Striving to accommodate our business partners in a fair and honest manner, and recognizing that growing together with our business partners will help enhance customer value and our competitiveness



Yoshio Kano
Manager
Procurement Department

Building Win-Win Relationships

Maximizing return loads by sharing vehicle deployment plans

Maebashi Works' Transportation Group provides its monthly vehicle deployment plan to its business partners that it contracts to transport products. Although this is a very rare initiative for a company that manufactures products after receiving an order, it does help business partners to maximize return loads after our products have been delivered, providing benefits for both parties. We also hold round table discussions regularly with our shipping and packaging business partners as well. During these discussions, we brief them on our business plan for the next fiscal year and share analysis and measures for accidents or complaints that occurred during shipping or packaging. The active talks ensure that products are surely and safely delivered to customers.

I believe this innovative approach and our combined efforts are helping us to build long-term relationships of trust with business partners.



Business meeting with a shipping company

Communicating with Distributors

Strengthening collaboration through detailed exchange of information

Our distributors represent an important partner who sells our products across every region of Japan. We hold nationwide meetings of our distributors where we brief them on our new technologies and product strategy, while also providing additional information on individual products. This nationwide meeting allows us to engage our distributors in detailed information exchanges and build relationships as a partner.



Introducing a new project at the nationwide meeting of distributors

Partnerships with Business Partners

Collaboration with the Nissin Electric Cooperative Association

The Nissin Electric Cooperative Association was first established in 1951 as a processor mainly for suppliers with which the company maintained deep relationships. In 1964, it received approval as a cooperative business association and today there are 30 member companies. From its beginnings in the post-war period, the association has grown into a group of companies with technologies that can fully accommodate the diverse needs and demands of today. In the future, we will engage in friendly competition to emphasize mutual trust.



President Hideaki Obata touring one of the Nissin Electric Cooperative Association's parts assembly plants



Shareholder Trust

Maintaining an appropriate dividend in line with earnings, enhancing corporate value over the mid to long term, and strengthening direct engagement with shareholders and information disclosures



Satoshi Koshiro
Legal Department

Yuka Imasato
Financial & Accounting Department

A More Open General Shareholders' Meeting

Promoting two-way engagement with shareholders

Nissin Electric considers general shareholders' meetings as an ideal platform for direct engagement with its shareholders, and has implemented a variety of measures geared toward these meetings to ensure that shareholders can better understand the business situation of Nissin Electric Group. We schedule our general shareholders' meetings to avoid dates when many other companies hold their meetings to ensure more of our shareholders can attend. At these meetings, the president himself discusses the Nissin Electric Group's issues and management policy using his own words in an easy-to-understand manner. We also use a large screen to ensure that everyone in attendance can see and set up small screens in the back and LCD monitors to the right and left of the venue that display the meeting simultaneously. Leveraging the location of the venue at our head office and works, we offer a plant tour after the meeting. In June 2013, the group visited the inspection line and warehouse for power conditioners used in photovoltaic systems, a major growth sector for us, as well as the plant for supervisory control equipment.

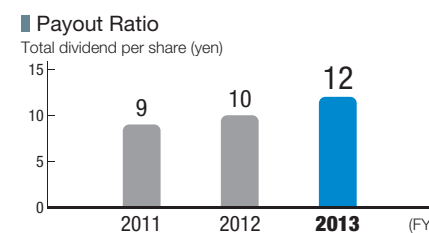


Plant tour held after the general shareholders' meeting

Dividend Policy

Enhancing corporate value and turning profits to shareholders

Nissin Electric recognizes that one of its most important management tasks is to produce appropriate shareholder returns, while also fulfilling its responsibility to shareholders to continually enhance corporate value of the mid to long term. Our commitment is to provide a stable dividend based on our imposed payout ratio and amount of retained earnings commensurate with earnings results and future outlooks.



Company Presentations for Individual Investors

Aiming to increase the number of individual investors

We held company presentations where our executive officer in charge of IR made a presentation on the company's businesses and earnings performance to individual investors, aiming to broaden understanding in the Nissin Electric Group and encourage people to become shareholders. In fiscal 2013, we held these presentations in September 2013 and February 2014, drawing a combined total of approximately 120 individual investors.



Company Presentation

Information disclosure / Dialogue

- Shareholder plant tours (held annually)
- Investor Relations section of website (as needed)
- Publication of To Our Shareholders in Japanese (biannually)
- Publication of Annual Report (annually)



Collection of letters written by elementary school students about their experience

Maya Hasegawa
Instrument Transformer Division

Supporting Youth Development

Expanding the size of the science classes that feature a solar car

We began organizing on-site science classes at local elementary schools in fiscal 2010 in order to increase the number of elementary school students interested in science by utilizing our technologies. In fiscal 2013, we organized classes at a total of 15 schools, which included 10 schools in the area near our head office and works in Kyoto and five schools near Maebashi Works.

These on-site science classes are held for fourth graders that already learned about photovoltaic power at school and involve having everyone test drive a small solar car designed and assembled by employees. During the class, students learn about how a solar car works and about its photovoltaic panels, battery and motor. The children are always impressed, saying now they like science even more and one day they want make and drive their own solar car. We believe that these on-site science classes provide an opportunity to spark children's interest in science through experience, while also imparting the importance of using and storing photovoltaic and other renewable energy.



Test driving a solar car during an on-site science class

Community Fellowship Activities

Clean-up activities around Kujo Works

Every morning different groups of two employees help clean up the area surrounding Kujo Works (Minami-ku, Kyoto) for 30 minutes before the work day. We plan on continuing this initiative as we believe clean-up efforts form an important part of our engagement with the local community.



Clean-up activities around the works

Toward a More Open Company

50-year anniversary celebration held for the Maebashi Works

The Maebashi Works, which commenced operations in 1963, employs a workforce of around 650 people that manufacture gas insulated switchgears and transformers. On April 14, 2013, the Maebashi Works held an event commemorating its 50th anniversary. Local residents and elementary school students were invited to attend the event, which featured displays of products and a show by local performers.



A fun-filled event with the local community

Glossary

● **Solar car:**
An electric vehicle powered by solar energy. Sunlight is transformed into electricity using a solar cell, which in turn is used to power the electric motor.

Corporate Governance Structure

Strengthening governance with audits

As the ultimate management decision making body, the board of directors determines and approves important matters and supervises the execution of business operations. Nissin Electric also appoints a board of corporate auditors. Additionally, the Internal Audit Department has been established as an organization that reports directly to the president and it carries out internal audits on the entire Nissin Electric Group while collaborating with corporate auditors and the accounting auditor.

Compliance

Establishing a promotion structure for compliance measures

The Compliance Committee, a company-wide cross-functional organization chaired by the president and Area Compliance Managers (ACM) from each workplace and domestic subsidiary work closely together to implement necessary measures for developing and strengthening systems. ACMs support the implementation of compliance measures in their respective areas and regularly check compliance with laws and corporate ethics to prevent violations before they occur.

Promotion of compliance training

In order to raise awareness about compliance, every year round table discussions are held between the Compliance Committee Secretariat and sales representatives covering public sector customers. In fiscal 2013, presentations were made on cartel regulations under Japan's Anti-monopoly Act and regulations against international corruption. After the presentation, a discussion was held on questions from daily sales activities and other topics.

In addition, compliance training was also held as usual. This year curriculum for business sites, branch offices, branches, and subsidiaries in Japan focused on cartel regulations and regulations against international corruption, while the curriculum for executive officer training addressed anti-corruption regulations in China.

Help Line Desk

In 2004, the Nissin Electric Group launched a Help Line Desk for employee comments and consultations regarding compliance issues in order to promote early detection as well as voluntary correction and resolution of compliance issues. Since 2007, we have strived to further augment this program by launching the Women's Help Line Desk staffed with dedicated female consultants, making it more approachable for female employees to seek consultation concerning harassment matters. Both hot lines have seen an increase in consultations and are being utilized more. We are also considering setting up a consultation hot line with an outside legal expert.

Risk Management

Making further enhancements to our risk management structure

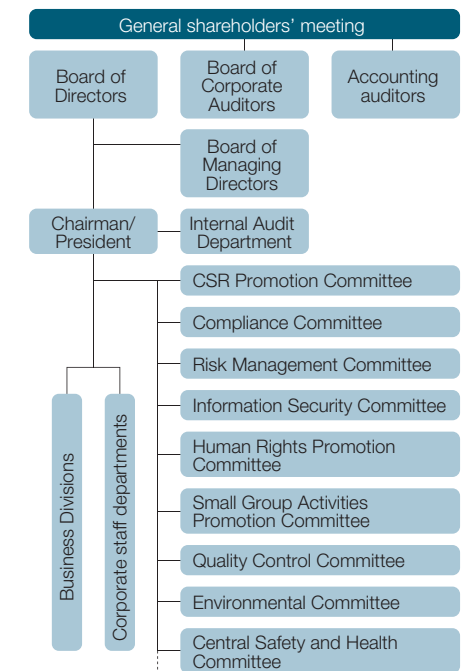
We set up the Risk Management Working Level Committee under the Risk Management Committee in order to establish a system for examining risk management and measures for the entire Nissin Electric Group, including business risk. Given the basic policy stated by the Risk Management Committee, the Risk Management Working Level Committee ensures the validity of discussed matters.

Respect for Human Rights

Continuing to raise awareness and provide training

The company-wide and cross functional Human Rights Promotion Committee continually conducts human rights education and training aimed at the resolution of human rights issues. In fiscal 2013, training curriculum for newly appointed managers, new hires, as well as all employees focused on mental health and human rights.

Corporate Governance Structure

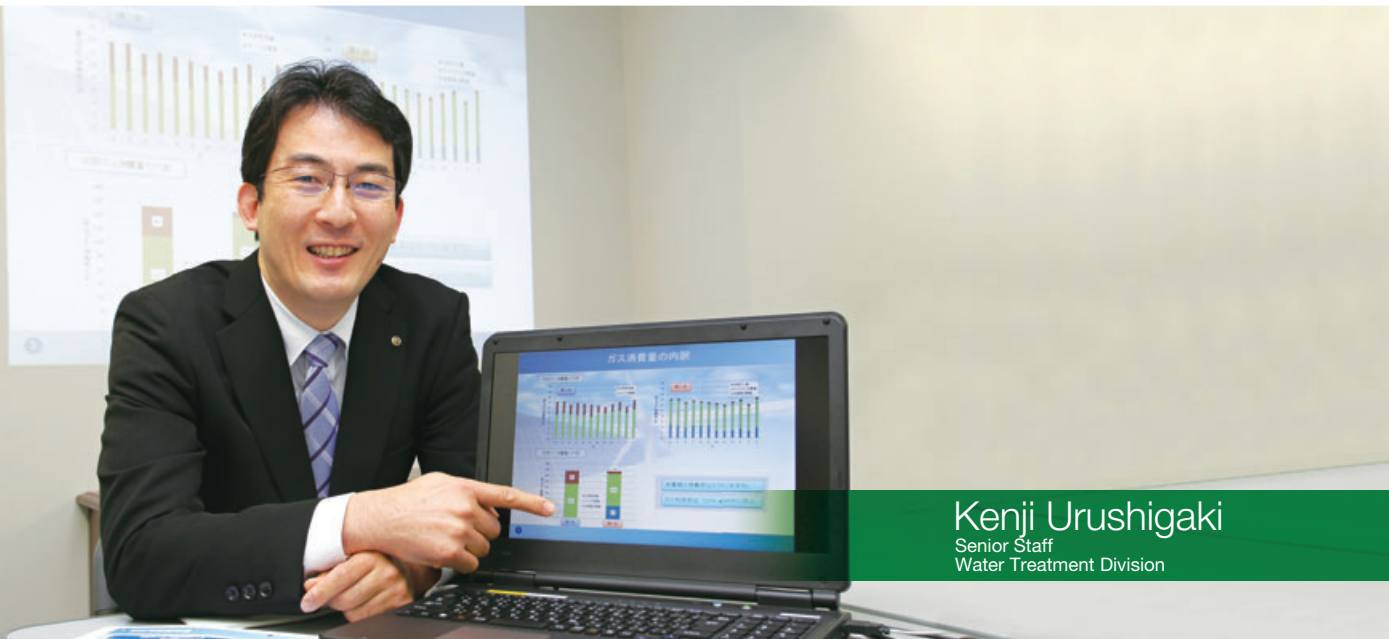


Glossary

● **Compliance:**
The observance of all types of rules including laws and regulations as well as social norms in all business activities. The adherence to laws and business ethics.

● **Area Compliance Manager:**
A person from each workplace who is in charge of ensuring that sound compliance practices are followed. A division general manager or president of a subsidiary or affiliate is nominated for Area Compliance Manager.

● **Cartel:**
An agreement reached between companies to set prices in order to secure profits while avoiding competition with one another. This not only damages the interests of consumers, but can also delay technological innovation and cause economic stagnation.



Kenji Urushigaki
Senior Staff
Water Treatment Division

Proposing Environmentally Conscious Products

Proposing technologies that help water and sewerage facilities reduce their environmental impacts

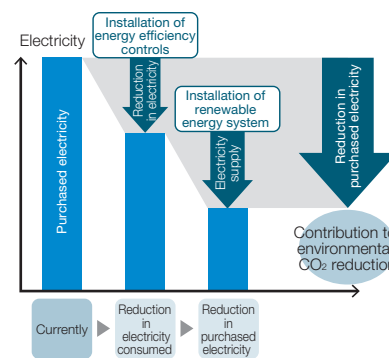
Water and sewerage facilities are an important piece of social infrastructure and they need to be operated in a safe and secure manner.

In recent years, there have been calls for these facilities to be operated in a more environmentally conscious manner to respond to changing socioeconomic conditions. This includes becoming more energy efficient, reusing resources, and implementing renewable energy.

Nissin Electric, using its long-standing experience in water and sewerage facility power conversion, operations, and supervisory control, is proposing a variety of solutions for customers to achieve optimal operational management and control.

We analyze the operations of customer facilities and propose operational methods that are more energy efficient. Furthermore, we propose energy generating products powered by renewable energy produced from the unique resources of water treatment plants, which include water and methane gas, among others. These efforts are helping customers to reduce the impacts their facilities have on the environment.

Purchased Electricity and Reduced Environmental Impacts



Overseas Initiatives GLOBAL

Subsidiary in China acquires ISO14001 certification

Nissin Hengtong Electric Co., Ltd. (NHE) acquired ISO14001 certification in fiscal 2013. NHE will continue to promote environmentally friendly management by continually providing training to raise employee awareness about the environment, conserving electricity and water, and reducing the use of office supplies.



Employees taking part in an environmental training session

Overseas Initiatives GLOBAL

Reducing CO₂ emissions from company-owned cars at our subsidiary in Thailand

Nissin Electric (Thailand) Co., Ltd. (NET) modified its entire fleet of product delivery trucks and sales vehicles to run on natural gas or LPG, curbing CO₂ emissions. In particular, NET completely eliminated black smoke exhaust after switching from diesel engines to natural gas engines, which has greatly reduced its impact on the environment.



A truck that is powered by LPG

Glossary

- ISO14001: An international standard on the environment established to minimize the impact that corporate and production activities have on the environment.
- Life cycle assessment: A method of objectively and quantitatively evaluating and measuring environmental impacts through every stage of a product, from resource extraction to manufacture and final disposal.

Initiatives for Promoting the Spread of Environmentally Conscious Products

Developed a simple global warming assessment method using product improvement activities

Life cycle assessments are critical for promoting global warming measures, and for companies such as Nissin Electric that primarily manufacture after receiving an order, applying life cycle assessments to every single product represents a major time consuming process.

Therefore, in 2010 we established methods to measure greenhouse gases from the basic design of the product, such as weight or the amount of electricity consumed. Using this method, we established quantitative mid-term targets for the environmental consciousness of our products and have carried out activities. With these quantitative targets in hand, we have been able to address global warming from a more comprehensive perspective. Additionally, this has also taught us about the importance of not only improving products but also promoting the spread of environmentally conscious products, and we are now focusing efforts on the sales of developed products.

*Further details about these initiatives can be found in the Nissin Electric Review (No. 142) published in April 2014.

■ Calculation Method for Indirect Emissions Caused by Each Product
Σ (product design item x coefficient 1 x coefficient 2)

Product Design Item	Coefficient 1	Coefficient 2
Weight per unit	GHS coefficient of the product (2kg-CO ₂ /kg)	[Total number of units]
Chlorofluorocarbon emitted per unit	Greenhouse effect coefficient of chlorofluorocarbon, etc.	
Electricity loss per unit	Electricity conversion coefficient x hours used during the life cycle	

Measures against Air Pollution GLOBAL

Air pollution mitigation measures at our subsidiary in China

Nissin Electric (Wuxi) Co., Ltd. (NW) in China continues to carry out ISO14001-compliant environmental activities. In fiscal 2013, NW installed new air collectors at its lubrication workplaces, product painting and drying rooms and product case cleaning facilities as a measure against air pollution. These air collectors are augmented with active carbon devices, which helped NW achieve its targets. Moving forward, NW will continue to carry out activities that are considerate of the environment.



Product cleaning system with a simple active carbon air collector



Painting line with the addition of an active carbon air collector

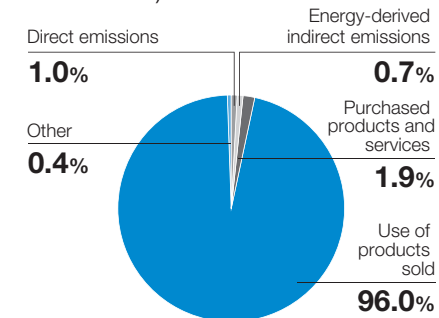
Reducing Greenhouse Gases

Calculating indirect greenhouse gas emissions

We measured the amount of indirect greenhouse gas emissions from Nissin Electric subsidiaries in Japan following the national government's Basic Guidelines on Calculating Greenhouse Gas Emissions in the Supply Chain Ver. 2.0.

As a result, we found that a large amount of greenhouse gas emissions are produced from the use of products sold. For this reason, moving forward we will focus on developing and promoting the spread of energy efficient products in order to reduce indirect greenhouse gases.

■ CO₂ Emissions in the Entire Supply Chain Total: 1.64 million t-CO₂ (fiscal 2013; Nissin Electric and domestic subsidiaries)



Biodiversity Initiatives

Using FSC®-certified paper to print our public relations magazine

We are now using FSC-certified paper to print our largest public relations magazines as part of our biodiversity initiatives.

FSC-certified paper is paper that receives certification for being made with wood products sourced from responsibly managed forests both from an environmental and societal perspective. The use of this paper promotes the protection of forests around the world.

FSC-certified paper is currently used to print the NISSIN REPORT, which combines our company profile and CSR report, our technology report called the Nissin Electric Review and our in-house magazine called Nissin, among others. We plan on increasing our use of FSC-certified paper going forward.



Public relations magazines printed on FSC-certified paper

Environmental Policy

In accordance with our ISO14001-compliant environmental management system, we will strive to continually reduce our environmental impacts and improve our systems as well as prevent environmental pollution.

We will assess the impact that all of our business activities have on the environment, stipulate environmental objectives and targets, and regularly revise these objectives and targets. We will comply with all environmental laws, regulations, agreements and other accepted requirements, as well as manage our compliance with each using a voluntary set of standards.

We will prioritize the next activities that aim to reduce environmental impacts.

1. Create Environmentally Conscious Products

Develop products that are considerate of the environment throughout their entire life cycle, from product design to usage and disposal.

2. Mitigation of Climate Change

(1) Energy Conservation

Reduce energy usage and CO₂ emissions through energy conservation activities.

(2) Control SF₆ Emissions into the Atmosphere

Control the emission of electrical insulating gas (SF₆) into the atmosphere. (Recovering a majority of SF₆ will have a greater effect on CO₂ reduction owing to equipment downsizing.)

3. Discharge Limitation

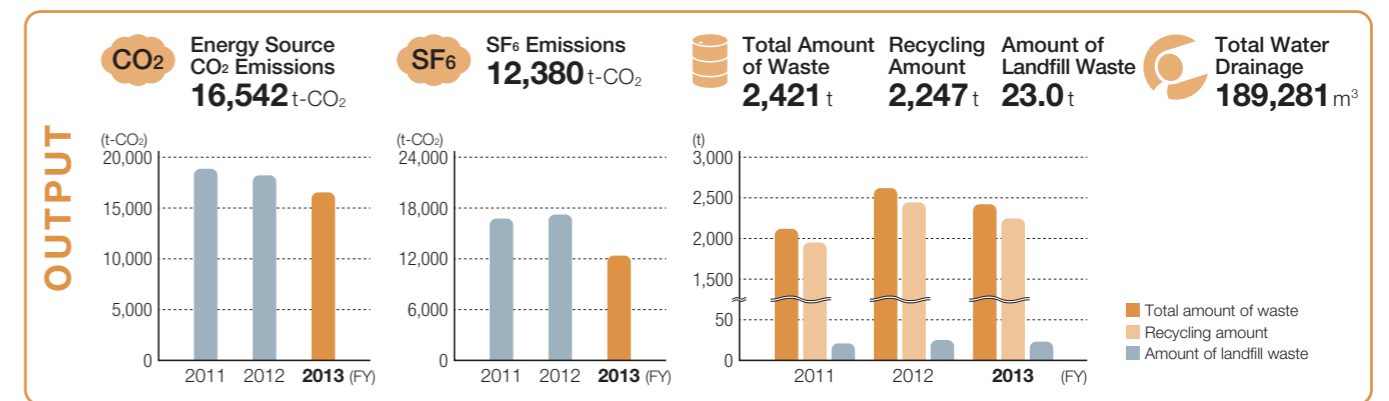
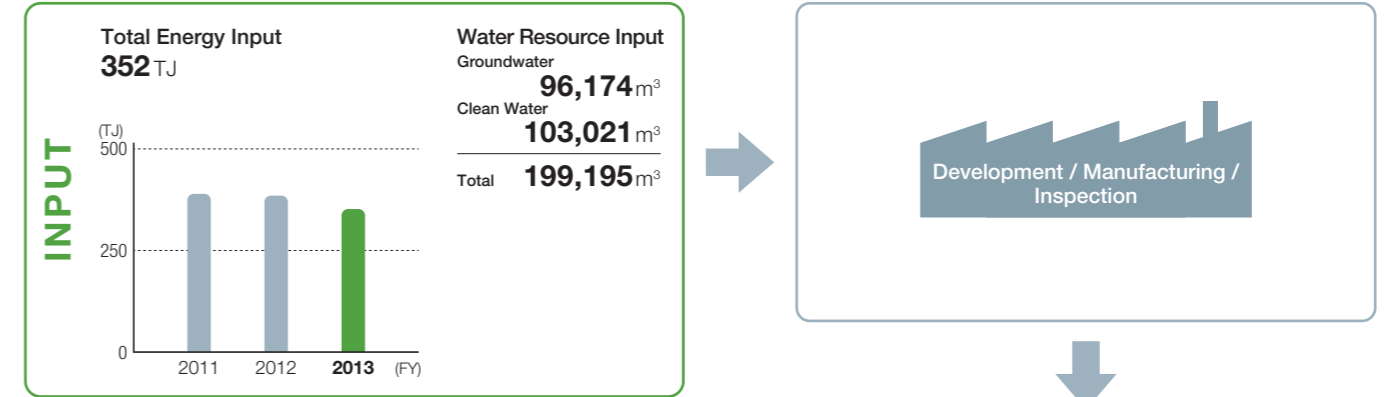
(1) Resource Conservation and Recycling

Promote conservation of resources as well as the reduction and recycling of waste for effective use of resources.

(2) Prevent Environmental Pollution

Prevent environmental pollution due to emission and leakage of volatile organic compounds (VOCs), effluent, oil, and chemical substances.

INPUT-OUTPUT (FY2013)



Targets and Results

Target of Environmental Policy	Fiscal 2015		Fiscal 2013		
	Mid- to Long-Term Environmental Target	Environmental Target for Fiscal Year	Results	Evaluation	Example of Activities
1. Create environmentally conscious products	Contribute to reduction in greenhouse gas emissions for society through products and services (amount of indirect emissions) • 20% reduction in CO ₂ emissions compared to fiscal 2000	• Implement measures for 20% reduction in fiscal 2015 compared to fiscal 2000	Implemented measures for 20% reduction in fiscal 2015 compared to fiscal 2000 (product energy efficiency, reduced product weight, and prepared public relations materials, etc.)	○	<ul style="list-style-type: none"> Manufactured high efficiency products Designed and commercialized lighter weight equipment Reduced CO₂ emissions through more compact and smaller designs Carried out sales activities for environmental products
2. Mitigation of climate change. (Energy conservation)	Reduce greenhouse gas emissions from business activities (amount of direct emissions) • 5% reduction in energy-derived CO ₂ emissions compared to fiscal 2010.	Reduce greenhouse gas emissions from business activities (amount of direct emissions) • 3% reduction in energy-derived CO ₂ emissions compared to fiscal 2010	Reduced energy-derived CO ₂ emissions by 29% compared to fiscal 2010	○	<ul style="list-style-type: none"> Improved average fuel economy of company vehicles Turned off non-essential lighting Strictly managed temperature of heating and cooling Achieved environmentally-conscious driving practices (turn off engine when stopped and prevented sudden starts and acceleration) Reduced the number of times employees used automobiles to travel somewhere on company business Reduced energy usage by cutting back on overtime hours
3. Mitigation of climate change. (Control SF₆ emissions into the atmosphere)	Reduce greenhouse gas emissions from business activities (amount of direct emissions) • Keep ratio of SF ₆ gas airborne emissions at 2.0% or below	Reduce greenhouse gas emissions from business activities (amount of direct emissions) • Keep ratio of SF ₆ gas airborne emissions at 2.0% or below	Ratio of SF ₆ gas airborne emissions was 1.3%	○	<ul style="list-style-type: none"> Carried out air sealing checks for delivery inspections Inspected and maintained recovery equipment
4. Discharge limitation (Resources conservation and Recycling)	Reduce volume of waste to total production by 5% compared to fiscal 2010	Reduce volume of waste to total production by 3% compared to fiscal 2010	Reduced volume of waste to total production by 3% compared to fiscal 2010	○	<ul style="list-style-type: none"> Carried out investigations into cause of emissions and proposed specific measures Effectively utilized cardboard boxes and cushioning materials Reduced the discarding of waste wood
	Keep ratio of land filled waste at less than 1.0%	Keep ratio of land filled waste at less than 1.0%	Ratio of land filled waste was 0.9%	○	<ul style="list-style-type: none"> Thoroughly sorted Optimized use of materials
5. Discharge limitation (Prevent environmental pollution)	Reduce emissions of volatile organic compounds (VOC) into the atmosphere -5% reduction compared to fiscal 2010	Implement measures for 5% reduction compared to fiscal 2010 (capital investment projects, etc.)	Created proposal of measures for 5% reduction in fiscal 2015 compared to fiscal 2010 (choose alternative solvent, installed electrostatic painting equipment, etc.)	○	<ul style="list-style-type: none"> Installed electrostatic painting equipment Controlled paint coat thickness Recycling of solvent

*In addition to the above, "5% reduction in water usage compared to fiscal 2010," "2.5% reduction in energy and water usage by main overseas plants compared to fiscal 2010," "plant vegetation to conserve biodiversity," "maintain green procurement system," and "use FSC-certified printing paper" were added in fiscal 2014 as new mid-term environmental targets for fiscal 2015.

○ Target achieved △ Target not achieved (improved since previous year) ▲ Target not achieved (declined since previous year)