The IDEC Way

As a step towards becoming a truly global company, the IDEC Group has established a new philosophy – “The IDEC Way”.

Vision

Pioneer the new norm for a safer and sustainable world.

We will drive the future of manufacturing by creating new possibilities and establishing new standards that will become the “new norm” of tomorrow’s world. Through our efforts, we envision a safer and more sustainable world, bringing happiness and peace of mind for all.

Mission

To create the optimum environment for humans and machines.

Our mission is to make the point of contact where people interface with machines easy, safe, and secure. We will introduce new products and services to respond to a diverse set of customer demands beyond those of our industrial customers, including increased safety, reliability, operability and environmental awareness.

Core Values

<table>
<thead>
<tr>
<th>Harmony</th>
<th>In Harmony with our co-workers, our customers and society.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passion</td>
<td>Joy in fulfilling our mission,</td>
</tr>
<tr>
<td>Innovation</td>
<td>Take on new challenges and embrace change,</td>
</tr>
<tr>
<td>Integrity</td>
<td>Exhibit honestly, fairness and respect at all times,</td>
</tr>
<tr>
<td>Commitment</td>
<td>Be the person everyone can count on.</td>
</tr>
</tbody>
</table>

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Accelerating initiatives to ensure sustainable growth and to become a truly global company

Performance for FY2019

Through the first half of the year, factors such as the demand for capital spending, and the rise in needs for the automation of production facilities led us on a good course. However, the trade conflict between the U.S. and China during the second half of the year left us with a more challenging business environment. Despite this, we saw contributions from our new group companies in Japan, as well as a steady trend in sales from our safety and explosion protection solutions. Also, our core business, Human-Machine Interface (HMI), expanded due to the positive progress made by APIM, which we acquired in 2017, and we saw an increase in sales for our automation solutions in the Americas.

As a result, our consolidated fiscal year-end sales came to be $565 million (up 0.5% from the previous year). However, operating income and operating income margin came to be $52 million (down 10.3% from the previous year) and 9.1% respectively. This was due to the increase in SG&A expenses from the new acquisitions as well as an acceleration of business restructuring in Japan and overseas in light of a harsher external environment.

* The fiscal year 2019 is covered the period from April 2018 to March 2019.

Business development

2020 will mark IDEC’s 75th year in business. We will further promote expansion of our global business, enhance coordination between our group companies, and improve our global management quality in order to achieve our FY2020 and 2023 goals. At the same time, we are accelerating our efforts to transform into a truly profitable company by prioritizing system efficiencies and enhancements.

In addition, in 2019, we established “The IDEC Way” to strengthen the “One IDEC” sense of values among our employees globally to help us achieve our mission.

In order to become a truly global company and continue our growth towards our 100th founding anniversary, each and every one of our employees is putting “The IDEC Way” into practice, striving to meet challenges and help reshape our organization towards sustainable growth and improved corporate value.

$1,000 million
15.0%

Transforming into a truly global company

- Become a leading company in the global Human-Machine Interface (HMI) market
- Become a company that pursues and realizes world-class safety and peace of mind
- Promote new businesses to take on social issues

Our fundamental strategies to achieve our medium- to long-term growth targets

1. [Core businesses] Further expansion of our global businesses

   - Develop product strategies and improve synergy with APIM to lead us closer to achieving top position in the global HMI market
   - Increase market share through the global sales of products that adopt push-in connections
   - Develop Asian market to further sales expansion in the Asia Pacific region
   - Accelerate global deployment of Safety2.0 and Vision Zero initiatives, and develop products and human resources that can help ensure safety and peace of mind
   - Implement a global marketing platform and an operations model to maximize the platform
   - Accelerate initiatives to increase profitability and improve quality, lead time and productivity

2. [New businesses] Enhanced coordination between our Group companies

   - Expand a collaborative safety robot system which incorporates collaborative robots and IDEC’s safety-related devices
   - Propose state solutions focused on automation throughout the entire supply chain
   - Drive change from mega solar to self-consumption solar power and energy management systems in the environmental energy-related business

3. [Management base] Improvement of management quality on a global level

   - Establish a global human resources management system
   - Develop training and secure human resources that drive corporate reform
   - Implement work style reforms to achieve a better “Nowork balance”
   - Improve productivity through the promotion of diversity
   - Develop organizations that can strengthen our global business system
Further global expansion in our core businesses

Drawing on the knowledge and know-how in Factory Automation (FA) that we have cultivated over many years, we are focusing on 9 industries in which the IDEC Group has strengths and is expected to grow in the future. We will strengthen our core businesses by providing a broad range of solutions and driving regional strategies to expand our global business in these industries. We are promoting digital marketing in order to improve efficiency and improve sales. This involves gathering and analyzing customer attributes and behavioral data to be shared to provide information and services that meet their needs.

In addition to these initiatives, as of 2019, we will release a variety of control products that make use of new wiring methods and push-in connectors. These connectors are highly reliable, offer space savings and reduce wiring work. This will lead to an expansion of our global share as well as an improvement in convenience and safety at manufacturing sites.

We are also working to transform the company to be truly profitable. This includes optimizing our logistics system and manufacturing bases, automating and streamlining production, and cutting costs by reorganizing our materials and reducing the amount of parts involved. We are also making overall improvements in quality, lead times and productivity.

Expansion of new businesses by improving coordination between our group companies

By improving coordination between our group companies and putting their respective strengths to work, we are able to engage in a wide variety of new businesses. We are driving the expansion of our collaborative safety robot system business, which incorporates collaborative robots with IDEC’s own safety-related devices, optimal vision sensors, AI automatic guided vehicles, and others. By promoting the utilization of control and safety technologies, we are creating new value for society and contributing towards resolving a multitude of issues.

Improvement of management quality on a global level

As a manufacturer, we feel that it is not only an essential need to improve product quality, but we also believe in improving management quality through our CSR activities. We are proactively building a global human resources management system, training and securing employees that drive corporate reform. This includes improvement in work styles that support a better life-work balance, while establishing a diverse corporate environment.

By improving both products and management quality, we can achieve improvements in our company, maximizing our corporate value.

Regional Strategies

Americas
- Expand Automation and Safety sales through introduction of renewed products and solution enhancements
- Strengthen IDEC-APM synergy to expand in-House solutions with a broadened customer base
- Optimize opportunity generation through digital marketing
- Maximize presence through focusing on selling solutions to key verticals

EMEA (Europe, Middle East, Africa)
- Drive switches, indicators and components growth through APIM’s various sales channels
- Build IDEC product growth around a core of safety products
- Further develop the IDEC brand via exhibitions & digital marketing
- Continue to promote IDEC customers in selected vertical industries
- Optimize distribution and add more sales channels especially for IDEC products

Japan
- New Utica panel by leveraging push-in technology and new services
- Further strengthen Safety business by promoting Collaborative Safety (Safety32) and AVS2N concept
- Emphasize promotion of IDEC products by leveraging APEM products
- Focus on key vertical industries
- Launch innovative ICT solutions for specific applications

Asia Pacific
- Expand presence geographically, especially in India and Indonesia
- Focus on key verticals such as Automotive and Machine Tools
- Enhance collaboration with channel partners
- Strengthen technical support and local staff education
- Optimize operation in Asia Pacific region

Greater China
- Provide solutions to industries impacted by China Manufacturing 2025 Initiative
- Introduce new products designed for the Chinese market
- Enhance the sales network and enhance collaboration with our sales partners
- Enhance response for standardization of machine safety in China and safety needs
- Enhance support for customer service by improving technical support

Company Quality
- Improve both PQ and QM as two sides of the same coin
- QCDS (Quality, Cost, Delivery, Support)
- CSR (Corporate Social Responsibility)

Product Quality (PQ) + Quality of Management (QOM)
Global Network

Greater China

Sales bases: 20  
Manufacturing bases: 5  
Distributors: 140  
No. of employees: 907

- IDEC (SHANGHAI CORPORATION [PRC])
- IDEC (HUNAN CORPORATION [PRC])
- IDEC (BEIJING CORPORATION [PRC])
- IDEC (TIANJIN CORPORATION [China])
- IDEC KUMI (HK) CO., LTD, Hong Kong
- APIM Ltd., (PRC)
- TAIWAN GOMET ELECTRONICS CO., LTD, (PRC)
- CONET TAIWAN CO., LTD, (Taiwan)
- APIM Wujie Electronics Co., Ltd (PRC)
- IDEC (GUANGDONG) CORPORATION [PRC]
- IDEC KUMI KAIKOU CO., LTD, (PRC)
- IDEC KUMI TAIWAN CORPORATION [Taiwan]

Asia Pacific

Sales bases: 3  
Manufacturing base: 1  
Distributors: 40  
No. of employees: 173

- IDEC KUMI APEX PTE LTD, (Singapore)
- IDEC Australia Pty. Ltd, (Australia)
- IDEC KIFU (THAILAND) CO., LTD, (Thailand)

Japan

Sales bases: 35  
Manufacturing bases: 7  
Distributors: 100  
No. of employees: 1,071

- IDEC CORPORATION
- IDEC FACTORY SOLUTIONS CORPORATION
- Walek Inc.
- IDEC SYSTEMS & CONTROLS CORPORATION
- IDEC AUTO-ID SOLUTIONS CORPORATION
- IDEC LOGISTICS SERVICE CORPORATION

Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in each Financial Year.  
Note: Exchange rates U.S.D to JPY: FY2017 (111.208, 2016 (109.25), FY2015 (111.208).  

Americas

EMEA (Europe, Middle East, Africa)

- IDEC CORPORATION (US)
- APIM Inc., (US)
- IDEC CORPORATION (UK)

Sales trends (Billions of U.S. dollars)

2017  2018  2019  2020

- IDEC SAS (France)
- APIM Components Ltd (UK)
- MEC Asia (Chairman)
- APIM Italia Srl (Italy)
- APIM GmbH (Germany)
- APIM AS (Norway)
- APIM Scandinavia (Netherlands)
- APIM BV (The Netherlands)
- SAGEVA (Taiwan) and one other base

Sales: 16%  
Development: 17%  
Manufacturing: 20%

Japan

Sales trends (Billions of U.S. dollars)

2017  2018  2019  2020

Sales ratio: 47%  
Sales bases: 35  
Manufacturing bases: 7  
Distributors: 100  
No. of employees: 1,071

Note: Amounts in U.S. dollars are calculated at the prevailing exchange rate as of March 31 in each Financial Year.  
Note: Exchange rates U.S.D to JPY: FY2017 (111.208, 2016 (109.25), FY2015 (111.208).
Value Creation Process

Leveraging the core technologies cultivated through the manufacture of products that deliver safety and peace of mind, IDEC supports the creation of an optimum environment for humans and machines. At the same time, we contribute to labor-savings and efficiency improvements through automation, and the reduction of environmental impact from manufacturing sites to daily life scenes around the world.

Business Overview

We have determined the most important fields in our CSR activities with environment (E), social (S), and governance (G), as well as our traditional strengths of safety (Sa), and quality (Q)—and in this way, we are working to resolve societal issues and contribute to the achievement of the UN’s Sustainable Development Goals (SDGs).

<table>
<thead>
<tr>
<th>Business category / Major products</th>
<th>Social value of products / businesses</th>
<th>Net sales / Year-on-year (JPY 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMI Solutions</td>
<td>• Pursuing safety and ease of use</td>
<td>$267 million +1%</td>
</tr>
<tr>
<td></td>
<td>• Quality assurance</td>
<td></td>
</tr>
<tr>
<td>Panel Solutions</td>
<td>• Reducing consumed energy</td>
<td>$103 million -3%</td>
</tr>
<tr>
<td></td>
<td>• Providing optimal light for various applications</td>
<td></td>
</tr>
<tr>
<td>Automation Solutions</td>
<td>• Solutions to shortage of workers</td>
<td>$79 million +2%</td>
</tr>
<tr>
<td></td>
<td>• Advancing rationalized management control in medical facilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Solutions for achieving automation in cases of personnel in logistics</td>
<td></td>
</tr>
<tr>
<td>Safety and Explosion Protection Solutions</td>
<td>• Eliminating industrial accidents</td>
<td>$62 million +4%</td>
</tr>
<tr>
<td>Systems</td>
<td>• Constructing optimal systems by combining control devices and technologies</td>
<td>$30 million +7%</td>
</tr>
<tr>
<td>New Businesses</td>
<td>• Utilizing natural energy</td>
<td>$24 million -8%</td>
</tr>
<tr>
<td></td>
<td>• Promoting the use of renewable energy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Promoting the healthy growth of vegetation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Creating a safe and comfortable environment in global society</td>
<td></td>
</tr>
</tbody>
</table>

Note: Amounts in Korean Won are calculated at the prevailing exchange rate as of March 31 in every year.
Note: Exchange rates: USD/KRW (2018 1171.95)
Providing the most suitable products and solutions to meet the needs of the times.

1. New Businesses
2. Panel Solutions
3. HMI Solutions
4. Safety and Explosion Protection Solutions
5. Automation Solutions

Product Groups

Our Business
Creating an optimum environment for humans and machines as a leading company in the field of Human-Machine Interface (HMI)

Leveraging control technologies accumulated since its founding, IDEC contributes to realizing a safer and sustainable society by providing innovative solutions globally, not only for the factory automation (FA) industry but also in unfamiliar daily-life situations.

In 2017, the French industrial switch manufacturer APEM Group was added to the IDEC Group, expanding its product lineup in the I/O field. This addition to the IDEC brand enabled market expansion via APEM-brand products that featured superior designability and environmental resistance, allowing the IDEC Group to provide a variety of products and solutions to customers in a broader range of industries.

We are aiming at nothing less than becoming the number one global HMI company, through our dedicated pursuit of quality, durability, and safety in our products, and through a lineup that boasts a designability and an ease of use that anyone can understand. Through our product lineup, we are able to provide countless solutions that bring together humans and machines.

Application Scenes

- Stylish control panels for a variety of devices and special purposes
- Emergency-stop switches demand a high degree of safety

TOPICS

We are bringing push-in style 422 control units that allow for safe and simple use to the market. These units are optimal for this era where a vast variety of human resources is in the workforce. (Planned launch: July 2019)

The adoption of novel push-in style wiring methods is on the rise in the global market. In addition to control switches, a wide variety of products incorporating this wiring offer better wire saving, space saving, and reliability.

We have developed a new push-in style of 422 control unit that serves as our company’s primary model. We are able to offer products for an increasingly diversified workforce—products of reliable quality that are easy for anyone to work with, and which are directly linked to a reduction in man-hours spent in wiring and secondary tightening.
Panel Solutions

Resolving customers’ challenges with a full lineup of products for inside the panel

Our “panel solutions” represent a catch-all name for the various electronic devices incorporated inside control panels and control boxes that are used to control and manipulate machinery and manufacturing lines. These panel solutions are in use in a wide variety of settings such as those for building facilities, management or elevator controls, not to mention in industrial settings.

Due to increasing need for space-saving and cost-reduction devices, the miniaturization of control panels has received considerable attention. IDEC solves this problem by providing customers with a varied lineup of IP-rated products that enable space saving and increase operational efficiency.

These variations include relays that switch electronic signals on and off, circuit protectors that offer defense against current surges above rated capacities, switching power supplies that convert the alternating current in commercial power supplies to a more stable direct current voltage, and the LED illumination units equipped inside machine tools and control panels that emit a clear and uniform illumination.

Application Scenes

- Control panels for elevators, etc.
- Products that enable enhanced space-saving inside of control panels
- LED illumination units

TOPICS

Efficiency – Push-in-style terminal blocks for innovative connection solutions.

With the increasingly diversified workforce of the modern world, there is a demand for products of reliable quality that are not only easy for anyone to use, but which offer space-saving and a reduction in man-hours needed for work. To that end, we offer a broad lineup of push-in-style terminal blocks that allow for the more effective, practical use of the space within the thin-type control panels than do conventional screw-based systems, and which also allow a significant reduction in the amount of inspection work that needs to be performed after wiring or operational checks, all while maintaining a high level of safety.

In 2019, IDEC entered into a partnership agreement with Weidmüller initating the sale of “Riken® Connect” terminal blocks in Japan.

Innovation by Weidmüller
Offering a broad range of optimal solutions in the era of IoT and Industry 4.0, while promoting Connected Industries

As IoT is exhibiting growth in a variety of industrial sites and daily-life scenes, we are seeing a growing demand for support for remote monitoring and operations. Since there is also a rising demand for products that can serve as key devices in the need for high working efficiency and the drive towards automation that is going hand-in-hand with a reduced working population and advancing technology, we have a multi-faceted and diverse variety of products available. In 2017, we added Welcat Inc. to the IDEC Group. Welcat is known for its advanced technical skill in the field of automatic identification devices such as code scanners, which is aiding us in expanding our product lineup and making increased market introductions. IDEC contributes to greater production automation and efficiency by providing a variety of products and solutions. These include programmable logic controllers, used to control machine equipment and assembly lines, operator interfaces, for more comfortable operating environments; sensors that can identify physical objects and changes in conditions; and code scanners and RFID systems whose demand is expanding in traceability applications.

Programmable logic controllers
Operator interfaces
Teaching pendant
EOR Trafficsight
Sensors
Automatic identification devices
Barcodes

TOPICS
Sensors that offer durability and laser-enhanced legibility, with the capacity to discriminate distances on a sub-millimeter scale.

In December of 2018, we began to market the durable and environmentally resistant SATO® model CMOS laser sensor with a built-in amplifier. The sensor employs a stainless-steel housing that gives it both anti-impact and anti-corrosion properties, enabling IP67, IP68, and IP69K protective ratings. Its incorporation of CMOS line sensors in its photodetectors reduces the brightness of the background color, impacting the visibility of the object being looked at, and it is capable of making out both distance and height. The sensor also has an on-board dual mode capable of discriminating distance and brightness together, and it can stably detect transparent objects. We also offer a line of products compatible with 10-Link, a key IoT technology, allowing us to better contribute towards the spread of IoT.
Our Business

Safety and Explosion Protection Solutions

Providing solutions that enhance safety and productivity, as a leading company in safety

Since our founding, we have focused on safe environments for humans interacting with machines, and to that end we have developed safety-related devices that are thoroughly dedicated to safety, reliability, and ease of use. We are on the cutting edge of providing solutions that enhance safety and productivity. Automation and the use of robotics is on the rise at manufacturing sites. We have come up with our next-generation safety philosophy “Collaborative Safety (Safety(0,0),)”, which is aimed at coordinating safety between humans and machines. This philosophy doesn’t just deal with keeping humans out of harm’s way; it also allows us to provide cooperative safety equipment applications that allow the machines to sense any dangers for humans in order to better regulate the safety environment. At the same time, we are pouring our efforts into outreach programs such as the creation of new safety standards and safety consulting.

With our products such as safety laser scanners that are able to detect the presence or incursion of humans in work areas or within the bounds of safety tamps, and interlock switches that can detect whether device doors or safety tamps are opened or closed, or enabling devices that are compliant with international safety standards, we provide comprehensive environments where safety is always the number one consideration. We offer support for all manner of safety architecture in mechanical devices that conform to international standards, and we are actively promoting Vision Zero*. 

* For further details about Vision Zero, please refer to P.13.

Business overview for FY2019

As a result of rising concerns regarding safety, our global sales of safety-related devices steadily trended upward. In addition, there were also sales contributions from Tokyo Sensor Co., Ltd., another member of the IDEC Group, from July 2018. Our sales of explosion protection devices primarily expanded in Japan.

Sales trend sales of USD million

Sales ratio

Creating explosion protection environments with enhanced safety and security

We have been responding to our customers’ needs through our more than 70 years of research and development into explosion protection technologies. We have adapted to social changes such as factory automation and internationalization, and we have been able to develop a wide variety of equipment associated with explosion protection that can be used at sites such as petroleum plants and chemical factories that handle explosive gases, or warehouses.

We fulfill more detailed customer requests for control boxes, such as their layouts, sizes, and operability, while promoting the acquisition of overseas explosion protection certifications such as EExd (International explosion protection product certification) and ATEX (the European directive for explosion protection) directives, and North American UL standards. Ours is a product line that is able to respond on a global scale. We have an abundant variety of LED illumination units available that can take the place of conventional mercury lamps, offering illumination from high ceilings or for protective in-tank inspections. These lights benefit our customers with energy savings and low maintenance. In addition, optimal networked camera systems for monitoring in sites such as manufacturing plants enable an enhanced degree of freedom for installation sites via wireless LANs, as well as monitoring via remote operation. These systems also contribute towards improved safety in explosion protection environments and towards energy savings and reduced maintenance.

Relay boxes*  
Controllers  
Photometric LED  
Operator interfaces  
Network camera systems

* A device that limits the voltage and current that can reach a hazardous area under overcurrent conditions
Our Business

New Businesses

Contributing to resolving social issues through a variety of solutions utilizing control technologies

One of the group members, IDEC FACTORY SOLUTIONS CORPORATION, is developing a collaborative safety robot systems business that will act as a robotic systems integrator for the cooperation of humans and machines. In recent years, industrial sites have seen rapid progress in the introduction of collaborative robots in response to manpower shortages and in order to improve productivity and efficiency. These robots are capable of working at the same sites as humans without the need for safety fences. To that end, we are able to focus on one of IDEC’s strengths—safety-related devices and safety systems that allow us to propose systems that incorporate elements such as collaborative robots and vision sensors, AI, and automatic guided vehicles from multiple manufacturers and to put together a wide variety of application packages that let us match optimal collaborative safety robot systems to our customers’ needs. In addition, through our efforts towards the promotion of such initiatives as mega-solar power generation, renewable energy, and next-generation agricultural plants, we are able to cut the control technologies, environmental technologies, and in-house technologies that we have cultivated over many years into motion, and we can contribute towards resolving a variety of social issues that are advancing on a global level.

Business overview for FY2019

Regarding our environmental energy EPC, and electricity sales, we are gradually moving away from energy generation through mega-solar plants, towards markets that are predicted to expand—the energy production business for self-consumption and energy management systems.

Our business in the area of solutions for collaborative safety robot systems is seeing more and more examples of Introduction due to factors such as a rising need for the automation of manufacturing equipment. *EPC is an abbreviation for Engineering, Procurement, and Construction.*

<table>
<thead>
<tr>
<th>Sales trends summary (%)</th>
<th>Sales ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2%</td>
</tr>
<tr>
<td>2018</td>
<td>4%</td>
</tr>
<tr>
<td>2019</td>
<td>6%</td>
</tr>
</tbody>
</table>

Note: Amounts in US dollars are calculated by the prevailing exchange rates at March 31 in every fiscal year.
Note: Exchange rate: 1 JPY = 0.00978 USD (10/31/2017), 0.00974 USD (11/31/2017), 0.00938 USD (12/31/2017)

TOPICS

Developing store solutions as an ESG-compliant partner.

Through a mutual network of applying the multiple products and solutions offered by our various group companies, centered on IDEC SYSTEMS & CONTROLS CORPORATION, we are able to offer “Store Solutions” that encompass the overall supply chain from manufacturing, logistics, and to storefronts.

In terms of manufacturing and processing, we offer total packages in next-generation agricultural plant design and planning, construction, and sales support, as well as practical applications of collaborative robots at food processing sites. In addition, we can advance automation schemes by offering proposals for logistics and store management systems that make use of automatic identification devices with our equipment such as code scanners, RFID, and wearable terminals. With the improvement of business operations and efficiency in mind, we can also provide solutions for a variety of operational needs, including the introduction of solar power systems and energy management for storefronts, logistics facilities, and factories, which can cut operational expenditures through more easily comprehensible and efficient use of natural energy sources.
We are dedicated to the pursuit and realization of world-class concepts in safety through the creation of the optimum environment for humans and machines.

Safety Concept
A leading company in collaborative safety (Safety2.0)
When people and things work in harmony with their environment, it allows a higher level of safety to be maintained in areas where both humans and machines share a space. In our pursuit of our next-generation safety philosophy “Collaborative Safety (Safety2.0),” we hope to enhance both safety and productivity, while furthering a revolution in robotics and helping to usher in truly connected industries.

We are putting our efforts not only into the development and improvement of an array of safety-related devices, but also into performing risk assessments, training professional safety evangelists, and holding a variety of seminars, all with the intention of promoting our “Safety2.0” international standardization activities.

Promotion of occupational health and safety through Vision Zero
Vision Zero is an occupational safety and health concept promoted by the International Social Security Association (ISSA) under the auspices of the United Nations International Labour Organization (ILO) that promotes ISO 45001. It is spearheaded by top management as an approach towards the pursuit of corporate safety, health, and well-being. In January of 2019, IDEC was the first company in Japan to register with Vision Zero.

As part of our Vision Zero promotional activities, in March of 2019 one of our main factories, the Tokyo Plant, became the first in the Japanese electric industry to obtain occupational health and safety management system ISO 45001 certification from the Japan Industrial Safety and Health Association. Through our collection of risk data and our risk assessment initiatives, we are working to create a workplace environment that is safe and more pleasant to work in.

Safety Integration
Proposing optimal collaborative safety robot systems
We have established Collaborative Safety Robot Technical Centers in both Ashi Prefecture and Tokyo, where we offer exhibits on collaborative robots both from Japan and abroad. A combination of optimal collaborative robots and a variety of IDEC’s safety-related devices is helping to bring about a new collaboration between humans and robots, and we are working hard to put systems in place that will allow for secure contact with robotics. Via proposals for sale systems architecture strategies and safety consulting delivered by a qualified robotics safety assessor, we are bringing about improved productivity at manufacturing sites and reduced occupational injuries.

Safety Components
Development of equipment that ensures safety and peace of mind
Tokyo Sensor Co., Ltd., one of the major Japanese manufacturers of touch sensors, joined the IDEC Group in 2019. Along with them we are putting our safety- and explosion protection-related knowledge to work to proactively advance the certification of a variety of products. In 2019, we will put the first explosion protection melt switches in the world on the market.

Our promotion of this expansion and reinforcement of equipment that is bringing enhanced safety and peace of mind to the workplace is furthering the expansion of our ANSHIN business and is creating untold new market opportunities.

* Tokyo Sensor Co., Ltd. joined IDEC in April of 2019.
2018.4 ▶ 2019.3

TOPICS

Primary topics from April 2018 to March 2019

2018

4 Starting sales of Welcot products

We began Japanese domestic sales of automatic identification devices manufactured by Welcot Inc., a member of the IDEC Group. By taking advantage of IDEC’s market trends, we are able to continue the enhanced visibility of information and towards work efficiency in the areas of logistics, metal, and the factory automation (FA) industry. In all of these, a growing demand for automatic identification devices,

5 Released the SC1P ionizer

Ionizers, which eliminate static electricity, help to prevent foreign substances from adhering to products and prevent damage to those products. During processing in the semiconductor, electronics parts, foodstuffs, and packaging industries, improving product quality and increasing yields.

Our lineup includes top-wilt-line Ionizers that are available in both cable- and compact models that can offer high-speed static electricity elimination.

We have started Japanese domestic sales of the tape switches and bumper switches for which our group member Tokyo Sensor Co., Ltd. These switches are employed in a wide variety of applications and can enable capabilities such as collision detection.

Our expanded lineup of safety-related equipment puts us in a position where we are better able to respond to a broad range of demands. (Tokyo Sensor Co., Ltd. joined IDEC in April 2018).

6 April

Established CSR Communication of IDEC’s founder with our “Comrade to Business Partner”

7 May

8 June

9 July

10 August

11 September

12 October

11 November

12 December

November Exhibition at the ELEX trade show in Munich, Germany

2018

2 Released the H1S1T interlock switches

H1S1T interlock switches are the smallest in their class in the world, with still offering a bursting strength of 5,000 N. Installation of these interlock switches on the front panel of machine tools or on safety gate doors in dangerous areas where industrial robots operate allows for detection of whether doors are opened or closed. Using these switches in places helps contribute towards better safety measures that can prevent industrial accidents.

3 March

2019

1 January

2 February

March IDEC signs a partnership agreement with Welcot Inc.

2019

1 Released the H1S1T interlock switches

These distance-detecting sensors offer high precision, stable detection in a wide range of fields including automotive, semiconductors, and machine tools, and are unparalleled in terms of their durability and environmental resistance.

By connecting a programmable logic controller to devices that are compatible with E2Link, the key IoT technology, it enables predictive maintenance that can warn of malfunctions before problems occur, greatly contributing to a reduction in production costs.

1 Released the SA1Q CMOS laser sensor

We have added a new non-illuminated type of buzzer to the HW12 illuminated buzzer.

4 LED illumination units LGH1H-300 series

LED illumination units, designed for high ceilings, are optimum products for spaces such as factories and warehouses. These LED illumination units come standard with dimmer functionality that allows for brightness to be adjusted and their improved luminescence efficiency allows for greater energy savings than that of conventional lighting. Their lightweight design reduces structural loads in places such as ceilings, allowing constructs to continue.

10 Released the SA1Q CMOS laser sensor

We have started our sales of the HGSQ-V, which is equipped with a large, 10-inch screen. Our broad lineup of these operator interfaces ranges from a compact model to a high-performance model.

The high-performance model comes equipped with a high-resolution monitor and a large memory capacity, which offer enhanced support for implementing H1T at sites with increasing data volumes.
Corporate Social Responsibility (CSR) Activities Integrated with Management

We have established the IDEC Group CSR Charter that places outstanding priority on “Management with respect for humanity” as its most important basis, so that we can better maximize the happiness of everyone who is engaged with the IDEC Group—our employees, our customers, our shareholders and investors, business associates, and even global and local communities. Our CSR activity is focused on endeavors that promote this principle, and we have constructed a CSR management system that allows us to prioritize important management topics. As we turn our eyes towards global-scale social issues, we are faced with many problems including climate change and natural disasters. The IDEC Group has a strong foundation in the field of safety; and, we are using that to proactively utilize business enterprises to resolve social issues. We have a social responsibility to fulfill in our pursuit and realization of world-class concepts in safety.

CSR Promotion System

CSR Committee

We have established our own CSR Committee as an entity that will help formulate the CSR Activities plan for the IDEC Group. The Chairperson of the Board of the company is the CEO, and the company’s senior executive vice president presides over the director and executive committee as committee members. We have established “CSR-SaYoG” specialized committees under the umbrella of the CSR Committee, which incorporates the issues of “Environment,” “Global,” and “Governance” with the IDEC Group’s strengths of “Safety” and “Quality.” These committees secure the positions of “Safety” and “Quality.”

DSGs Workshop

We have held DSGs workshops for all departments since October 2017, providing participants with the opportunity to deepen their understanding of DSGs and find ways to help solve social issues through their business activities. A total of 379 people participated in these workshops, from new employees to executives, and the ideas resulting from these sessions have been incorporated into a proposal for use as a reference during CSR Committee meetings.

SDGs Workshops

SDGs workshops, a chance to come together for solving social issues

United Nations Global Compact

We joined the United Nations Global Compact (UNGC) in February 2009, and have declared our resolve to contribute to the international community in accordance with the Ten Principles of UNGC.

CSR throughout the supply chain

The IDEC Group aims to build a firm supply chain based on international norms amid the global spread of supply chains stemming from the globalization of manufacturing. In order to achieve this, we are promoting CSR procurement together with suppliers in a bid to create relationships of trust which result in mutual growth in a fair and healthy business environment.

In order to enjoy mutual prosperity as a partner, we have set out our Purchasing Policy as the basis of CSR procurement. It contains four areas: “Global,” “Fair,” and “Responsible.”

CSR Procurement Guidelines

In August 2018, we drew up the IDEC Group CSR Procurement Guidelines so as to provide specific details on our vision for CSR procurement. These guidelines contain items covering labor, health, safety, the environment, ethics, product safety, and management systems.

CSR Procurement Briefing

On August 7, 2019, we invited 50 major suppliers to our head office to attend a CSR procurement briefing. Our CEO began by discussing the importance of CSR procurement, appealing for the understanding and cooperation of suppliers. Next, the executive officer in charge of strategic human resources and CSR talked about the IDEC Group’s CSR initiatives, followed by the executive officer in charge of manufacturing and SCM, who discussed our global supply chain.
Reducing CO₂ emissions

We actively promote activities to reduce power use and switch to energy-saving devices in our offices. We also strive to reduce our carbon footprint by using electricity that we have generated from our own solar energy sources for our own consumption, with the goal of preventing global warming. For instance, in the Kanagawa area, we have established solar power plants, and in March 2017, we installed solar panels to the rooftops of our new facility in Hayama Prefecture. In addition, all of EIDC CORPORATION's JDL solar panels have been installed on our office roofs since 2008. In 2018, we introduced LED lighting throughout our offices. Other steps we have taken to reduce our carbon footprint through energy-saving measures include switching to more efficient air conditioners that maintain the room temperature in our offices by regulating the effects of air flow and sunlight.

Disaster relief

In recent years, many major natural disasters have occurred throughout the world, causing great damage. The EIDC Group calls on its employees to become involved in fundraising activities to encourage everyone to be more aware of disasters and to think about what they would do in the event of a major disaster. In addition to donations from the company, we have introduced a matching gift system whereby we match the amount donated by employees as an additional donation. In order to ensure that donations from the company and employees reach the disaster-stricken areas promptly and are used to help support relief efforts, we drew up a set of rules for making donations in 2017, which we use as the basis for our ongoing fundraising activities.

Promotion of environmental education and awareness activities for employees

Our Environmental Management Committee conducts cross-departmental environmental activities, consisting of members from every department in our company. The members of this committee, who possess a diverse range of perspectives and strengths, debate issues concerning areas such as internal awareness-raising, the communication of information outside the company, green procurement, and the development of eco-friendly products, and create and implement plans based on their findings. The committee has also started displaying environmental awareness posters at our domestic and overseas offices as a means of promoting global environmental action.

Development of certified safety assessors

To achieve manufacturing environments that ensure both safety and productivity at a high level, e.g., by way of collaborative safety "Safety 2.0," the EIDC Group encourages employees to acquire safety assessor certification, as well as robot safety assessor certification (both launched in 2018) in order to attain the knowledge of international safety standards, to develop safe products, and to be able to provide safety advice and consultation to our customers.

Expanding measures to strengthen governance

We create opportunities to actively exchange opinions and information on corporate governance with an external lawyer, a public accountant and outside directors. In order for management-level employees to recognize the importance of corporate governance, outside director Mikiro Kanai, who is also a lawyer, gave a lecture which was attended by 66 people, including executive officers, department heads, and representatives from group companies.

Reinforcement of global quality assurance systems

In the EIDC Group, departments connected with manufacturing work together globally. In monthly quality meetings to ensure effective quality control, we hold regular meetings to keep up the quality of quality first. Since FY2018, representatives from our manufacturing bases in Japan, Taiwan, Thailand, China and Colombia have gathered in one place to attend our Global Quality Conference, a venue for debating and exchanging opinions with a view to improving our global quality assurance systems. At these meetings, we share and discuss issues and knowledge to help achieve the group's goal of improving our quality management capabilities in the ever-expanding global market.
We pursue sound, transparent and efficient management.
Over 70 Years of Innovation

EDC was founded under its original name of D&M Shitsui Co., Ltd. in 1945. Recognizing the shortage of switch boxes that were essential for machines, EDC began developing high-quality switch boxes, which were highly praised by the industry. The switch boxes have remained EDC's top-selling product line. Along with our explosion protective products that were widely used in petrochemical complexes and other industrial facilities, these switch boxes supported Japanese manufacturing in the postwar reconstruction period.

In response to the increasing demand for measurement/control technologies resulting from rapid economic growth, EDC ventured into a comprehensive control device manufacturer. With the progress of automation and mechanization of plant equipment, EDC expanded into the fields of electronics and system products. Also, in response to the increased scale of operations and mass production, EDC established production and sales bases overseas.

1945
- Development of high-quality switch boxes
- Founding of EDC

1960
- Flame protection control box
- Introducing the concept of composite control devices such as industrial sites with new equipment

1990
- Programmable logic controllers Micro series
- Operator interface HD series

2019
- Programmable logic controllers FC4A
- APEN products

Supporting manufacturing in the postwar era

Efforts to solve global social issues

Creation of an "optimum environment for humans and machines"

In commemorating its 60th anniversary in 2005, the company name was changed to IDEC. As part of its strategy to expand its global business, IDEC acquired the French manufacturer of industrial switches APEN Group in 2017. We are also working to expand our businesses that contribute to the resolution of social issues. Aiming to achieve sustainable growth toward our centennial anniversary and beyond, we will strive to meet diversifying social needs by developing innovative solutions that leverage IDEC’s proprietary technologies.

A manufacturing environment in which people and machines cooperate became mainstream. To respond to the increasing need for products to ensure safety when operating machines, IDEC launched the development of various safety-related devices, including Japan’s first pantograph switches. While expanding its operation bases in Japan and overseas, IDEC installed automated and labor-saving equipment that realized productivity at our main manufacturing site, the Tamba Plant.

A major milestone in recent years was reached at the end of 2021 in commemoration of the 60th anniversary of the company’s founding.

IDEC Corporation (America) established
Company Information

Our Principles

Our Principles, stemmed directly from our Core Values, articulate our unique approach to work, shaping the way we think and act within the company.

**Harmony**
- Customer-Focus: We put our customers first in everything we do. We are committed to achieving the highest level of customer satisfaction.
- Collaborate: "None of us is as smart as all of us." We collaborate together as a team because individually, no one has all the answers.
- Environmentally Aware: We believe that each one of us plays a role and has the responsibility to contribute to society.

**Passion**
- Enjoy: We believe that joy inspires us to do our best. We find happiness in our work and celebrate our accomplishments, allowing us to enjoy what we do and having fun doing it.
- Be Positive: We actively promote a positive work environment, and bleed off of each other's energy.
- Have Ambitions: We strive to be the best by proactively taking the initiative to learn. Continuous self-improvement and personal growth will help you realize your full potential.

**Innovation**
- Learn from Mistakes: Making mistakes doesn't mean failure. Mistakes are fundamental to growth and a chance to learn. However, we never make the same mistakes twice.
- Embrace Change: We take on challenges and embrace change with an open mind. Our own ability to adapt will translate to our company's ability to evolve.
- Value Differences: Our differences and individuality are our strengths. Diversity in the workplace is the foundation for creativity and new ideas.
- "Kodawari": We are dedicated to quality, reliability, and safety. With our attention to detail and our relentless pursuit of perfection, our products will always exceed the highest industry standards.

**Integrity**
- Be Honest: Trust is never given, but earned through our actions. Honesty is essential to building lasting relationships internally, as well as with our customers and stakeholders.
- Show Respect: We should always treat others the way we want to be treated.
- Do the right thing: We act ethically and responsibly in all circumstances. We will follow applicable laws and our rules, and will always be guided by the effort to do the right thing.

**Commitment**
- Walk the talk: We keep ourselves accountable for our actions, and we take pride in what we deliver. We follow through on all of our commitments because we understand that others depend on the result of our work.
- Work smarter, not harder: It's not about the hours we've worked, but the value we bring to the table. We always work with a sense of urgency, whether it's to meet deadlines or to simply existing processes.
- "Acting more by doing less."
- Focus on leading 20% of tasks that are most valuable that lead to high-impact results.