

Improving Reliability and Contributing to Customers through Quality

The Shinko Group has focused on developing and manufacturing superior products that meet customers' expectations, aiming to be No. 1 in *monozukuri* (the art of manufacturing) in the industry and to offer the best quality in the world. We always make customers the starting point of our ideas and actions, aiming to be a trusted business partner of our customers around the world by contributing to their success and growing together with them.

Supporting Customer and Societal Trust with Quality

The Shinko Group seeks to contribute to the development of society and enrich people's lives through manufacturing. In pursuit of this goal, we focus on providing products that offer satisfaction to customers and earn their trust. The Shinko Group regards quality as fundamental to our business operations, and we work unceasingly each day to maintain and enhance quality.

Quality Policy

Based on our Quality Policy, we will continue to be a company trusted by customers and society by providing highly valued products and services.

Quality Policy

The Shinko Group is based on the Corporate Vision of the Shinko Way, which derives the trust of our customers and society through quality and continuing to truly provide the level of products and services that they expect. To accomplish this, all employees will act on the following guiding principles.

Guiding Principles

1. We pursue quality as a customer first priority.
2. We build in quality that anticipates change.
3. We achieve quality consistent with our social responsibilities.
4. We strive for continuous quality improvement through the concept of Gogen Shugi (Onsite, Products, Reality, Principles, Rules).
5. We foster employees who think about quality.

Representative Director of Board, President
SHINKO ELECTRIC INDUSTRIES CO., LTD.

Fostering a Quality Compliance Mindset

Shinko focuses on quality as part of its products and services, and conducts Quality Compliance Education every November in conjunction with Quality Month (organized by the Union of Japanese Scientists and Engineers, the Japanese Standards Association, and the Japan Productivity Center) to foster and establish a quality compliance mindset in all employees. "Motivation," "justification," and "opportunity" are said to be the three elements that lead to quality misconduct. Since 2019, we have been preparing our own educational materials and providing education that reflects current trends with the particular intention of restraining the two of these three elements that are directly connected to the quality mindset: motivation and justification. Participating in this education provides an opportunity to review our own behavior and pose questions to our conscience.

This training is offered to all employees, and has been extended to mid-career employees since 2020 and to foreign technical interns since 2021. Through these measures, we are continuously striving to ensure that employees involved in manufacturing work together to address quality compliance issues.

In addition, since 2021, we have conducted a quality awareness survey for all employees to spread and establish a quality mindset. We will continue to provide all employees with the opportunity to reaffirm the importance of customer trust through quality enlightenment activities such as quality compliance education and quality awareness surveys so that we can continue to deliver our company's important products and services in a safe, secure and honest manner.

Participation in Exhibitions

To capture the needs of our customers and the market, and to provide easy-to-understand explanations of the Shinko Group's products, especially new products and technologies, we have continually participated in exhibitions held in and outside Japan. In FY2022, our products under development were mainly exhibited at the following exhibitions.

No.	Date	Exhibition Name	Products Exhibited
(1)	20-21 April, 2022	MEMS Engineer Forum 2022	Sensing Edge Device*
(2)	14-16 September, 2022	SENSOR EXPO JAPAN 2022	Sensing Edge Device*
(3)	23-27 October, 2022	The 4th International Workshop on Gallium Oxide and Related Materials	Power Device Package (POL)*
(4)	11-13 November, 2022	The 12th International Suppliers Fair	Power Device Package (POL)* Motor Core
(5)	14-16 December, 2022	APCS (Advanced Packaging and Chiplet Summit) 2022	2.3D Package Substrate (i-THOP®) * Substrate with Optical Waveguides* Carbon Nanotube Thermal Interface Materia* etc.
(6)	25-27 January, 2023	15th Automotive World	Power Device Package (POL)* 2.3D Package Substrate (i-THOP®) * Substrate with Optical Waveguides* Carbon Nanotube Thermal Interface Materia* etc.

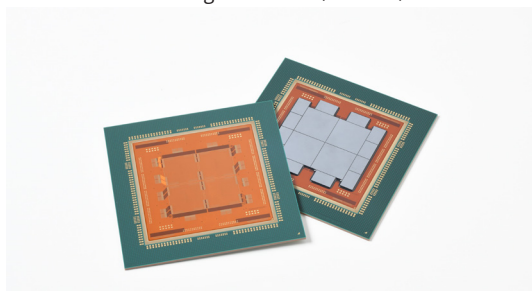
* Products under development

Exhibits at shows

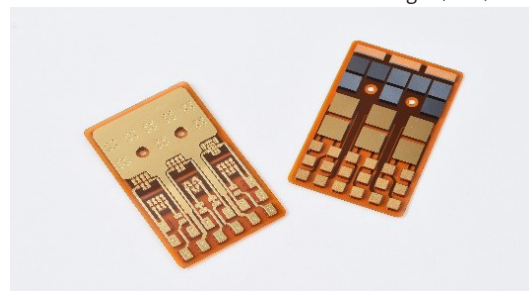


Some of products exhibited

APCS2022 etc.
2.3D Package Substrate (i-THOP®)



15th Automotive World etc.
Product exhibited: Power Device Package (POL)



Note: i-THOP is a registered trademark of Shinko Electric Industries Co., Ltd.

Customer Support

As the COVID-19 pandemic subsides, Shinko has been conducting a complete review of our infection control measures in accordance with the response policies of the national and local governments. However, the risk of renewed spread of infection continues to persist. Shinko is responding to customer's requests to prepare for the resurgence of the virus through voluntary infection control measures, using ad hoc means to communicate with customers. Furthermore, in order to prepare not only for the novel coronavirus but also for the kinds of large-scale natural disasters and pandemics that have recently occurred, we will work together with our customers to ensure business continuity and avoid supply insecurity by further strengthening our Business Continuity Management (BCM).

Initiatives for Safety and Reliability

Security Trade Control

Shinko complies with laws and ordinances related to security trade control. We have established a Security Trade Control Compliance Program as internal rules for preventing violations and have implemented appropriate security trade control. We raise awareness of compliance through training given regularly to new hires, new managers, and employees involved with export products.

Overseas manufacturing subsidiaries are also subject to this management, and similar training is being provided.

AEO Business Certification

The Authorized Economic Operator (AEO) system is a global framework of cooperation among national customs offices. By obtaining certification under this system, we are able to improve our credibility as an export company and to expedite customs clearance procedures.

We have been certified as an AEO Exporter since 2008.

Acquisition of Quality Management System Certification

The Shinko Group is actively working to obtain certification for its quality management system so that customers can adopt our Group's products with confidence. All of our manufacturing sites, including overseas sites, have ISO 9001 certification, an international standard for quality management systems. In automotive parts, an area in which market need is expected to increase, we have in recent years expanded the number of products certified under IATF 16949, an international quality management system standard for the automotive industry.