

Intellectual Property

Initiatives for Intellectual Property Management

Since our establishment, the Shinko Group has adopted technological development as one of the most important guidelines of its management. We recognize intellectual property (IP) as an important company management resource and consider research and development (R&D), the source of our intellectual property, to be indispensable. (R&D: <https://www.shinko.co.jp/english/rd/rd/>)

The IP coming from R&D is protected by patent rights, and technologies that are secret are kept strictly confidential and protected from public disclosure. With the globalization of business, we obtain patent rights not only in Japan but also in major overseas markets. To stimulate the creation of intellectual property, we have appointed a manager in charge of promoting IP in each manufacturing division and R&D division to systematically promote technological development. The Shinko Group has also set respect for intellectual property as part of the Shinko Way Code of Conduct. We are committed to obtaining, protecting, and using our own intellectual property, as well as to respecting the intellectual property of others and ensuring that their rights are not infringed upon.

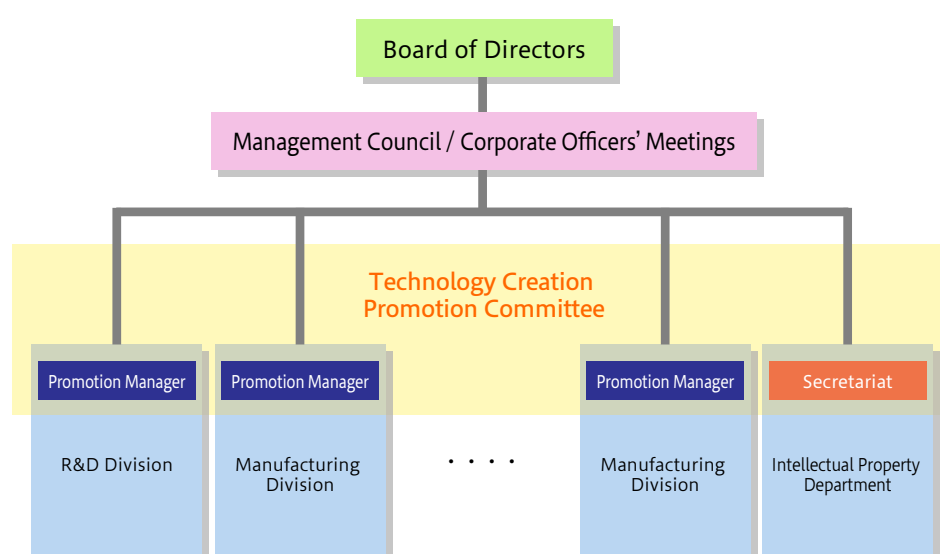
Technology Creation Program

Shinko has long been engaged in Company-wide programs that create technology with the aim of “strengthening our technological development and creating new products that will lead to the development of our business.”

Under the Committee for the Promotion of Technology Creation, which consists of a chairperson appointed by the president and the persons in charge of promotion in the R&D Division and manufacturing division, multiple activity groups are organized to continuously carry out activities such as invention creation.

In addition, we hold an R&D workshop and other events every year to encourage technical exchanges among engineers and to share technical information, which leads to the more efficient development of new technologies and products as well as invention and creation.

The policies and results of the activities of the Technology Creation Program are regularly reported at the Corporate Officers’ Meetings and also reported to the Board of Directors as intellectual property initiatives. The Board of Directors has established a system to appropriately supervise investment in intellectual property activities.



Intellectual Property Education

To deepen our engineers' understanding of intellectual property, Shinko regularly provides education that focuses on patent-related issues. This education includes wide-ranging content aligned with the skills of the engineers, as well as an overview of the patent system, invention discovery, how to comprehend patent gazettes, and how to use patent search tools so that engineers can conduct their own searches. We believe that these educational programs motivate engineers to create inventions, develop their ability to comprehend patents in depth, and encourage them to create high-quality inventions. In addition to our engineers, our IP Department also improves their practical skills through external training programs.

Invention Incentives

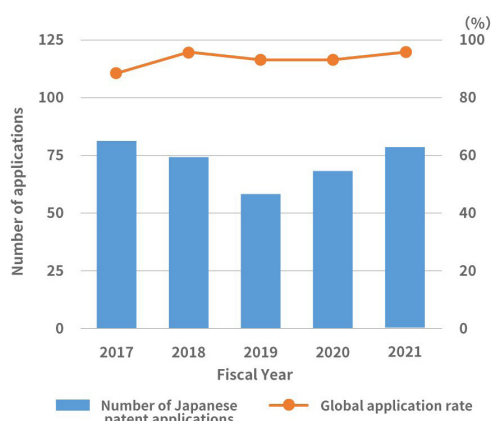
Shinko has an inhouse system to give incentives to persons who have developed inventions. Incentives are paid not only when a patent application is filed, but also on performance, based on the sale of patented products. For performance incentives, etc., the inventor is notified of the results after deliberation at an invention and innovation review meeting, and an appeal period is provided to ensure the fairness of the results.

Intellectual Property Data

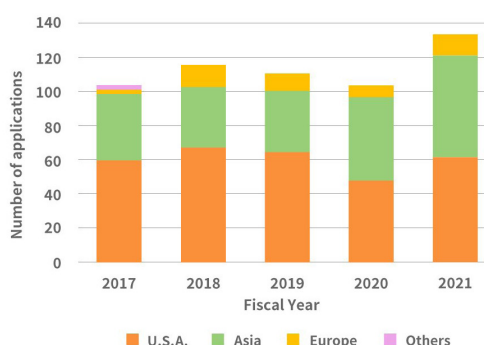
Number of Patent Applications

We strive to protect our intellectual property by filing applications overseas where patented products are distributed.

Number of Japanese patent applications and global application rate¹



Number of Overseas Patent Applications by Region



¹ Global application rate: Percentage of Japanese patent applications that were also filed overseas.

Number of Patents

We go all-out to maintain effective patent rights based on a comprehensive assessment of our business strategy, patent value evaluations, cost effectiveness, and other factors.

Percentage of Patents in each Region at the end of FY2022

