Be a Part of Innovation

Our small products have a big part in shaping the future.

With our mission of contributing to automation and labor-saving operations in industries, we at SMC continue to deliver high-quality and high-performance automatic control equipment to customers in all kinds of industrial sectors throughout the world.

Going forward, we will further refine our technological capabilities that we have built up over the years together with our global product supply system, which enable our automatic control equipment to tackle each new challenge that arises with the changing of the times.

Be a Part of Innovation

To be an ideal partner supporting your future at any time needed.

We listen sincerely to our customers’ voices, and the needs of the times, and adapt accordingly whenever necessary, so that we are always supporting the world’s innovation.
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Pioneering a sustainable future with automated, labor-saving operations within a variety of industries

We are striving to achieve sustainable growth and technological innovation with our core philosophy and Sustainable Development Goals (SDGs).

Along with climate change we now face a variety of societal issues. In order to resolve these issues and build a society with a rich natural environment that can be handed down to the next generation, commercial enterprises are expected to take on SDGs.

SMC takes pride in having contributed to sustainable growth and technological innovation within the society at large by continuing to supply environmentally friendly products and promoting automated, labor-saving operations in a variety of industries. Recently, we conducted a materiality analysis and identified 4 Material Issues that are strongly linked to the resolutions of problems we face as a society and drive our corporate activities as the core pillars of our management philosophy.

We will link these material issues to specific activities as defined in each SMC “SDGs Target.” Each of these material issues will be taken on in a unified manner by the entire corporate group in order to create a sustainable future.

SMC Corporation
President & CEO
Yoshiki Takada
Management Philosophy

Contributing to automated, labor-saving operations
Focusing on the main business
Supplying products globally

Management Vision

The Company shall strive to develop products capable of accurately capturing customer needs and to create a framework capable of responding to customer requests for delivery dates, quality, prices, etc.

◆ The Company shall focus on newly expanding production facilities and replacing existing facilities, establish a globally optimal production system with future vision in mind, and shall accelerate rationalization and cost reduction.

◆ The Company shall aim to thrive amid the competitive global market and acquire a higher market share.

Material Issues

I. Respect for human rights, promotion of diversity, and ensuring safety and security

II. Respond to climate change and other environmental issues

III. Provide a stable supply of products globally

IV. Development of human resources and diffusion of automatic control technology
Four SDGs projects that seek to resolve issues by utilizing SMC’s uniqueness as a motivating force.
SMC has formulated each of its SDGs initiatives to achieve a sustainable society as “SMC’s SDGs Targets.” These targets were determined after repeated deliberations regarding what we are doing now and what we should be doing in the future in order to resolve the problems that society confronts today, by utilizing our main business of automatic control technology.

TARGET 03
Healthy, safe and secure working environment
Utilize diverse talent in order to make changes in society, starting from the workplace.

TARGET 04
Social contribution activities
Give careful consideration and support to overcome each and every tough challenge.

We Support Sustainability and Automation during These Challenging Times.
SMC SDGs TARGET 01

Sustainable measures to prevent climate change

1. Factory CO₂ reduction proposals for our customers all over the world

2. Introduce SMC’s eco-factory: Environmental Impact Reduction

3. Creation of factories that exist in harmony with the natural environment

Participate in the creation of a sustainable society with the use of automatic control technology.

Contribute efforts for the creation of a sustainable society by meeting the needs of our global customers. SMC has taken on the challenge of these important goals. This is our main business. We feel that the diffusion and improvement of automatic control technology with a minimal impact on the environment will create a path that will lead to the creation of an ideal society.

Moving onward, SMC shall thoroughly reduce its environmental impact with contributions to automation and labor-saving operations in all industries. We will also promote manufacturing practices that are in harmony with the natural environment in order to prevent climate change.
**Action 01**

Conduct activities to proliferate CO₂ reduction through the introduction of compact and lightweight products and energy-saving proposals

Promote the reduction of CO₂ emissions through the introduction of lightweight products and energy-savings proposals (energy saving systems, and product proposals to reduce CO₂ emissions during manufacture and usage).

**Action 02**

Make accurate situation assessments to reduce CO₂ emissions during manufacturing and the use of environmentally hazardous substances

Achieve a 90% or higher ISO14001 product assessment target score by the year 2030.

Complete 100% construction of a CO₂ emission monitoring system (from product development to disposal) based on the product life cycle assessment, by the year 2030.

**Action 03**

Work to reduce CO₂ emissions by adopting reduction initiatives in the office and in the normal conduct of business

Eliminate gasoline powered vehicles in our fleet by switching to hybrid or electric.

Consolidate locations and reduce consumption of electricity, gas, and paper, as well as introduce satellite offices, utilize rental spaces, and implement remote working.

Define the completion of the above two initiatives as 50% each, and achieve the total 100% by the year 2030.

**Action 04**

Participate in local preservation activities organized by municipalities and conduct activities to protect the natural environment

Continue participation in local municipal conservation activities around various SMC plants in Japan. Also contribute to forest preservation activities at least twice a year by the year 2030.
SMC SDGs TARGET 02

Human resource development and dissemination of automatic control technology knowledge to create a foundation for innovative product development

1. Donation of automatic control equipment to children’s classrooms around the world
2. Develop a high school education scholarship system
3. Create a global talent management system
4. Create a global award system

Encourage the growth of every individual in support of a sustainable future.

We will convey the joy of learning through educational activities, incorporating the value of automatic control technology with low environmental impacts, in order to motivate children around the world to take the future into their hands.

Furthermore, we will meet face-to-face with each individual employee and thoroughly implement human resource development, incorporate fair and impartial employee appraisal standards, and introduce a commendation system in order to further develop professionals.

We will also support the growth of those assisting in the development of automatic control technologies to support a sustainable future.
**Action 01**

**Conduct activities to raise awareness of SMC and automatic control equipment among children**

SMC will produce and donate booklets and other materials to elementary school students related to automation and other subjects utilizing SMC’s automatic control equipment.

SMC will conduct children’s workshops to raise awareness of SMC while allowing them to get hands-on experience with automatic control equipment.

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**Action 02**

**SMC supports higher education with scholarships and loans. These provide educational opportunities to allow young people to focus on their studies.**

SMC will provide economic assistance with engineering scholarships (in science and technology) to students who wish to enroll in institutions of higher education (universities and graduate schools).

SMC’s goal is to achieve a 10% ratio of its technical staff who enter the company after graduation with this scholarship plan by the year 2030.

*The ratio for each year shall be calculated as an average of the most recent 3 years (unit: %).*

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**Action 03**

**SMC will create a global scale talent management system with the goal of human resource development and group-wide resource utilization**

SMC will create standards (rules) for talent acquisition based on the standard occupational group category. In addition, SMC will implement human resource development (within manufacturing, engineering, sales, and management) via talent management.

SMC will make use of talent management in order to develop human resources that can play an active role with the corporation on a global scale.

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**Action 04**

**SMC will organize global departmental contests. This will, in turn, lead to improvements in motivation, retention rates, and the technical capabilities of our employees.**

SMC will organize global contests to commend exemplary employees and their departments that have achieved significant improvements in divisions according to a common evaluation standard.
SMC SDGs TARGET 03

Healthy, safe and secure working environment

1. Creation of a workplace where employees can work healthily, safely, and securely
2. Creation of a positive work environment with no human rights infringements
3. Creation of an inclusive workplace environment that permits persons with disabilities and the elderly to be active

Utilize diverse talent in order to make changes in society, starting from the workplace.

Achieving a sustainable society depends on creating workplaces where people can make the most of their individuality and work enthusiastically. Based on this desire, SMC shall strive to create an environment where employees are able to continue to work safely, securely, and healthily.

By listening to the voice of each and every person, and turning these voices into something tangible, we aim to make SMC a company that allows everyone to play an active role regardless of gender, nationality, age, or disability status.
**Action 01**

Construct an industrial health and safety system to eliminate workplace accidents

Safety: SMC will measure the severity rate* of accidents and achieve 0 days of work loss by the year 2030.

*The total number of days lost in working time per 1,000 actual working hours,

Health: SMC shall establish an organization of experts to actively study work activities in order to correct unhealthy work practices and halve the number of related medical issues (compared to 2020) found during physical examinations by 2030.

**Action 02**

Create opportunities to maintain healthy bodies and minds, and facilitate communication with other departments by conducting exercises and related events

Conduct events to raise employee awareness about working safely and healthily.

**Action 03**

Conduct harassment awareness education and conduct surveys with all employees for encouraging understanding and prevention

SMC plans and conducts harassment training along with other training according to hierarchy during management training. We will also conduct harassment training utilizing online training.

**Action 04**

Strengthen ties with special assistance schools and expand employment opportunities for disabled persons

Continuously recruit among the disabled community to maintain the company’s set employment ratio.

Support training initiatives with the donation of endowments, books, automatic control equipment, and other teaching materials.

Create an accepting workplace with the use of external support services to promote the employment of persons with disabilities.

Host informal social gatherings with disabled persons, their families, and with special assistance schools.
SMC SDGs TARGET 04

Social contribution activities

1. Social contribution activities
2. Disaster countermeasures and support activities

Give careful consideration and support to overcome each and every tough challenge.

What can SMC do for people that are facing hardships?
SMC will always consider what should be done to fulfill its responsibilities as a global enterprise. We will also continue to provide support that transcends national and regional boundaries.
For the prevention of disasters and the support of social welfare projects, SMC will sincerely confront a wide array of challenges.
These will include supporting research on incurable diseases and doing our best to create a world in which no one will be left behind.
Action 01
SMC will establish an apprenticeship system to develop global trainee technical skills and disseminate technological knowledge

SMC will expand its framework incorporating technical trainees from around the world to create a manufacturing process that effectively utilizes the diverse and developed technical skills that they’ve learned in Japan, transferring this knowledge to their local factories once they have returned to their home countries.

SMC will select transferable manufacturing process technical skills and formulate non-draining apprenticeship certification standards.

Action 02
SMC will design a global internship and training system to provide global training opportunities for its employees

SMC will design a global internship and training system to provide employee global training opportunities. The goal is to take in 60 or more internship trainees by the year 2030.

Action 03
To support research in incurable diseases and other initiatives, SMC will make donations to social welfare, hospitals, and other enterprises

SMC will donate a portion of its product revenue and profits to social welfare, hospitals, and other enterprises to support research combating incurable diseases and other efforts.

Action 04
SMC will donate emergency provisions to local municipalities in support of disaster preparations

SMC will donate emergency provisions (solar panels, emergency food rations, etc.) to support disaster preparations.

Each year, SMC sets aside social contribution activity expenditures to support disaster preparedness. Since 2021, SMC has evaluated this yearly expenditure ratio, using the previous year’s value as the future target value.*

*Calculation example: 2025 evaluation = 100% of expenditure ratio (2025 expenditure / average expenditure from 2021 to 2024) achieved