



Sustainably Supporting Factory Automation During These Challenging Times

A message from, Yoshiki Takada, SMC Executive Vice-President.

To our Valued Customers:

As we face the COVID-19 crisis together, everyone is dealing with unprecedented challenges. Every day, the situation continues to evolve, and things change so rapidly, that no Company could anticipate issues that have arisen.

One thing that has NOT changed, is SMC Corporation's commitment to sustainably supporting automation, as your reliable partner.

For several years, SMC has taken a leadership role of social responsibility, to promote a sustainable society, by minimizing our impact on the environment in every way possible. Our top focus area is the reduction of CO₂, where we have become the leader in the pneumatic industry. Our comprehensive approach focuses on consuming less raw materials in our manufacturing process by making our products smaller, lighter and extending the operating life. We also place a strong focus on reducing our components energy consumption, in some cases by up to up to 70%. Our efforts go beyond our own company, as we continue to partner with our end user customers, to discover creative ways to reduce overall compressed air and electrical consumption much more than anyone else in the industry.

It has recently become more apparent, that our customers conduct business in essential industries, such as food and life sustaining medical equipment, that is more vital now, than ever before. There has been an unprecedented increase from our customer base in the number of requests for support with the huge challenges they are facing to rapidly manufacture life sustaining products such as ventilators. We are humbled by the opportunity to support these efforts, and we are doing this in any way possible.

SMC will remain a stable, reliable partner, by ensuring that all 19,000+ team members support our common vision and understanding of the role we play in these challenging times. Our rigorous business continuity plan has been challenged, and has proven to



be very effective, even with the unforeseen challenges that we are facing. Please be assured, that we are continually adapting and will quickly make any changes required to ensure safety, reliability of our products and timely, essential supply.

SMC has operations in over 80 countries, and not one of us have been untouched by this crisis. However, our global presence has enabled us to shift resources and support one another, as the hot spots continue to change. We are happy to inform you that, our service levels have not changed. We have experienced field support teams ready to support you on-site for critical needs. In addition, we are using remote tools to quickly provide any technical support needed, while minimizing human contact. We are taking all possible and practical measures to ensure increased sanitation, temperature checks, social distancing and appropriate PPE, inside and outside of our organization. In times as difficult as these, we are all working to ensure the security of our supply chain. It is prudent to ask how SMC is doing financially and I can say without question that SMC is on solid financial footing. We have the resources needed to assure you that we will remain a strong and stable partner.

As experience has taught us, the human spirit will enable us to overcome any challenge that lies ahead. SMC remains committed and honored to fulfill our social responsibility, as we have been entrusted by our stakeholders including customers, suppliers, shareholders, investors, employees and local communities.

We will never stop, in our efforts to sustainably support the global community in its triumph over of this and any future crisis, which we will surely do together.