

MinebeaMitsumi Group Integrated Report 2022 72

Status of main activities of Nomination and Compensation Committee (seven meetings held in fiscal year ended March 2022)

In terms of nomination of Directors, the committee considered proposals for candidates for Director (new election and reappointments). Following interviews with the candidates for Director, the committee deliberated their eligibility as Directors of the Company and recommended their conclusions to the Board of Directors. The committee, in regard to the succession plan for CEO, etc., is continuing to hold discussion on the ideal successor for driving the growth of the Company, the selection method for candidate successors, as well as their development plan.

In terms of remuneration to Directors, the committee conducted interviews with Directors, deliberated the appropriateness of remuneration to individual Directors, and recommended their conclusions to the Board of Directors. The committee has continued to discuss reviews of the performance-linked compensation system, as an incentive towards achieving the fiscal year ending March 2029 goal of net sales of 2.5 trillion yen and operating income of 250 billion yen.

Remuneration to Directors and Audit & Supervisory Board Members of MinebeaMitsumi

The policy on determining remuneration for individual Directors is deliberated upon in the Nomination and Compensation Committee and is decided by the Board of Directors, respecting the recommendations of the committee. The remuneration to individual Directors is determined by a resolution of the Board of Directors after careful deliberation by the Nomination and Compensation Committee, which is based on the following remuneration composition and calculation methods that fall within the maximum amount authorized at the General Meeting of the Shareholders.

<Basic remuneration>

The basic remuneration includes position-based remuneration which takes into consideration the Directors' individual position(s). It also includes performance-based remuneration which is revised each fiscal year taking into consideration the individual performance, the performance of the Company and other factors, which equates to in a reasonable and appropriate amount. As for remuneration for Outside Directors, a fixed monthly amount is set which is the basic remuneration, taking into consideration expected roles played by each Outside Director, etc.

<Performance-linked bonuses for Directors>

These bonuses are linked to short-term performance compensation in an effort to enhance incentives regarding improvement of business performance and corporate value by achieving the Midterm Business Plan, inclusive of corporate value as expressed by stock prices along with focusing on profit for the year, which is the final financial results of each fiscal year. However, Outside Directors are not eligible for performance-linked bonuses for Directors. Performance indicators: Consolidated financial results, centered on profit for the year and stock price levels, including market capitalization, etc. Results: Consolidated profit for the year: 68.9 billion yen, consolidated net sales growth rate: +13.7%, consolidated operating margin: 8.2%, ratio of the Company's stock price to performance of the Nikkei stock average: +0.01%, market capitalization of 1,150.5 billion yen at the end of the fiscal year.

Calculation method: Payment amount to be paid is calculated based on the bonus calculation table determined by actual performance results. Details of handling the remuneration are stipulated in the "Directors' and Corporate Auditors' Compensation Regulations," which is decided by the Nomination and Compensation Committee and as agreed upon by the Board of Directors meeting.

<Performance-linked stock compensation>

Performance-linked stock compensation is a medium- to long-term performance-linked compensation. Its aim is to clearly link the Company's Director's compensation with corporate earnings and the share value of the Company, and to expose the Company's Directors to the same benefits and risks associated with share price fluctuations that the shareholders may experience, in order to enhance the awareness of contribution to the improvement of corporate earnings over the medium and long term, as well as to the increase of corporate value. Upon retirement, Directors will receive the number of shares of the Company's stock equivalent to the number of points awarded to them in accordance with their individual contribution levels, the evaluation of their efforts related to the Company's consolidated profit as well as their efforts related to non-financial Company indicators such as ESG (environment, social efforts, and corporate governance). Outside Directors are not eligible to receive performance-linked stock compensation. Performance indicators: Consolidated profit for the year Results: Consolidated profit for the year of 68.9 billion yen Calculation method: The number of shares (points) to be provided is calculated based on the point calculation table, which takes into account the evaluation of the Director's individual level of contribution (including the evaluation of initiatives relating to non-financial indicators, such as ESG) coupled with the achievement of consolidated profit. Details of the handling the shares are stipulated in the "Share Grant Regulations," which is reviewed by the Nomination and Compensation Committee with the final determination being decided in the Board of Directors meeting.

<Policy for determining the ratio of each type of compensation, etc.>

Compensation for Executive Directors is designed to be based heavily on performance-links that are geared to incentivize achievement of performance targets. The ratio of basic compensation to performance-linked compensation varies depending on the degree of the Company's business achievement at the end of each fiscal year, however, the compensation system aims for a ratio of at least 1:2 for basic compensation to performance-linked compensation to endeavor to emphasize performance enhancement. In addition, by aiming for performance-linked compensation to account for at least 10% of total compensation, the Company aims to align the interests of shareholders and Directors which in turn will motivate the Directors to achieve continuous improved performance.

Actual remuneration to Directors and Audit & Supervisory Board Members (fiscal year ended March 2022)

Categories	Number of payees	Amount of remuneration (millions of yen)			
		Basic remuneration	Performance-linked bonuses for Directors	Performance-linked stock compensation	Total
Directors (Outside Directors)	13 (5)	289 (54)	467 (Not applicable)	70 (Not applicable)	827 (54)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	4 (3)	48 (33)	Not applicable (Not applicable)	Not applicable (Not applicable)	48 (33)
Total	17	338	467	70	876

The above table includes amounts paid to Mr. Tetsuya Tsuruta who retired from the position as Director at the conclusion of the 75th Ordinary General Meeting of Shareholders held on June 29, 2021.

Message from New Outside Director (Yuko Miyazaki, Outside Director)

I was elected as Outside Director at the Ordinary General Meeting of Shareholders this June. In July, I had the opportunity to visit nine plants in Thailand and the plant in Cambodia, providing me with first-hand experience of the atmosphere on site. On these visits, a new discovery for me was that each plant had a different atmosphere, even though all are MinebeaMitsumi group members. This is perhaps due to the products manufactured and histories being different for each plant.

After nearly 40 years of experience as an attorney in international transactions, financial transactions, corporate legal affairs, and tax disputes, for Japanese and overseas companies I served as a justice of the Supreme Court of Japan from 2018 to 2021. As an attorney, my experience included advising in a broad spectrum of industries, including the finance and securities industry in Japan and overseas (primarily the U.S.), various manufacturing industries, real estate, retail, logistics, IT (including computer hardware and software technologies and startups), and investment funds. The importance of identifying and understanding the facts when analyzing and judging legal issues cannot be stressed enough. This is because there is a risk of making mistakes in analyzing legal issues if the facts are not accurately understood. In many cases, knowing the type of business carried out by the client is crucial to understanding the facts necessary to analyze legal issues. For lawsuits, in particular, a lack of proper investigation of the facts can lead to surprises at the trial making a winnable unwinnable.

Through this kind of work as an attorney, my honest feeling is that we grow through learning from our clients. While

companies in the same sector do share common elements, I always feel each of those companies have differences in how they conduct business and their business philosophy as well as differences in business models, and regardless of the industry, each company has its own individuality, character, and mentality. All these differences make up what I call a company's DNA. Although some differences in a company's individuality and character stem from its sector, I believe that a larger portion arises from differences in the business philosophies of the people shaping the company. Learning from clients has helped me with my job as judge, and I believe the same will be true in supervising and giving advice regarding corporate management as an Outside Director.

I have taken over as an Outside Director of the Company and Chairperson of the Nomination and Compensation Committee, but the importance of identifying and understanding the facts will not change for this job. I am looking forward to not only finding out what individualities, mentalities and abilities the Company will have, but also seeing up close how the Company will grow in this age, exciting times lie ahead for manufacturing due to the fusion of AI and new electronic technologies. I, too, will strive to contribute to the Company's sustainable growth and improvement of corporate value.

Outside Director
Yuko Miyazaki



Skills matrix of Directors and Audit & Supervisory Board Members

Name	Position	Expertise and background especially expected									
		Corporate management	M&A	Global	Manufacturing	Sales	Technological development	Environment and social	Legal affairs	Finance and accounting	Tax affairs
Directors	Yoshihisa Kainuma	○	○	○	○	○			○		○
	Shigeru Moribe	○		○		○					
	Ryozo Iwaya	○		○	○	○					
	Shigeru None	○		○		○					
	Michiya Kagami	○		○			○				
	Katsuhiko Yoshida	○	○	○				○		○	
	Yuko Miyazaki			○					○		○
	Atsuko Matsumura			○				○			
	Yuko Haga	○	○	○							
	Hirofumi Katase	○		○				○			
	Takashi Matsuoka	○						○			
Audit & Supervisory Board Members	Naoyuki Kimura			○							
	Koichi Yoshino	○	○	○						○	
	Shinichiro Shibasaki								○		
	Makoto Hoshino									○	○

The skills matrix is used not only for considering officer candidates, but also maintaining a skill balance in the whole Board of Directors.

Chapter IV Initiatives to Support Value Creation

Corporate Governance

List of Officers (As of August 2022)

Directors



Attendance at the Board of Directors Meeting
100% (13/13)

Representative Director,
Chairman & President (CEO & COO)

Yoshihisa Kainuma

Apr. 1983 Member of Daini Tokyo Bar Association
Dec. 1988 Director, General Manager of Legal Department of the Company
Sep. 1989 Member of New York State Bar Association
Dec. 1992 Managing Director and Deputy General Manager of Operations Headquarters
Dec. 1994 Senior Managing Director, General Manager of European and American Regional Sales Headquarters, Deputy General Manager of Operations Headquarters
Jun. 2003 Director, Senior Managing Executive Officer
Apr. 2009 Representative Director, President and Chief Executive Officer
Jan. 2017 Director, Chairman of the Board of Directors, MITSUMI ELECTRIC CO., LTD.
Jun. 2017 Representative Director, Chairman & President (CEO & COO) (Present)
Dec. 2018 Member of the Nomination and Compensation Committee (Present)

Reason for appointment

Mr. Yoshihisa Kainuma has been in command of management of the entire Group since 2009, expanding the Group's operations and steadily implementing and achieving an improvement in corporate value. He was appointed because the Company considered that his management skills would further sustainable growth of the Group.



Attendance at the Board of Directors Meeting
100% (13/13)

Director, Vice President Executive Officer

Ryozyo Iwaya

Apr. 1981 Joined the Company
Dec. 1989 Head of Tokyo Sales Division at Tokyo Branch
Jun. 2009 Executive Officer, Head of Lighting Device Business Unit at Electronic Device & Component Business Headquarters
Jun. 2013 Managing Executive Officer
Jun. 2015 Director (Present), Senior Managing Executive Officer
Jan. 2017 Chief of MITSUMI Business Headquarters of the Company (Present), Representative Director, Vice President and Chief Executive Officer, MITSUMI ELECTRIC CO., LTD.
Apr. 2017 Representative Director, President and Chief Executive Officer, MITSUMI ELECTRIC CO., LTD. (Present)
Jun. 2017 Chief of Electronic Device & Component Manufacturing Headquarters
Aug. 2019 Director, U-Shin Ltd. (Present)
Oct. 2019 Vice President Executive Officer, Officer in charge of Electronic Device & Component related Business (Present)
Apr. 2020 Director, ABLC Inc. (Present)
Apr. 2021 Chief of Electronic Device & Component Business Headquarters (Present)

Reason for appointment

Mr. Ryozyo Iwaya has held important positions in the Sales Division and the electronic devices and components manufacturing business for many years, and he has a wealth of experience and keen insight. He was appointed because, as Director, Officer in Charge of Electronic Device & Component related Business, he supervises Electronic Device & Component Business Headquarters, MITSUMI Business Headquarters, and U-Shin Business Headquarters and properly fulfills his role.



Attendance at the Board of Directors Meeting
100% (13/13)

Director, Senior Managing Executive Officer

Michiya Kagami

Jan. 1989 Joined the Company
Jul. 2005 Head of Electronics Development Division at Engineering Headquarters
Jun. 2009 Deputy Chief of Electronic Device & Component Business Headquarters
Jun. 2011 Executive Officer
Mar. 2013 Head of Engineering Development Department of Electronic Device Division at Electronic Device & Component Manufacturing Headquarters
Jun. 2015 Managing Executive Officer
Aug. 2015 Deputy Chief of Electronic Device & Component Manufacturing Headquarters, Officer in charge of Engineering Development Division at Electronic Device & Component Manufacturing Headquarters
Jun. 2017 Director, Chief of Engineering Headquarters (Present)
May 2018 Senior Managing Executive Officer (Present)
Apr. 2021 Head of Engineering Development Division at Electronic Device & Component Business Headquarters (Present)

Reason for appointment

Mr. Michiya Kagami has held important positions in the development branches of the electronic devices and components business for many years, and he has a wealth of experience and keen insight in research and development. He was appointed because he properly fulfills his role as Director and Chief of Engineering Headquarters.



Attendance at the Board of Directors Meeting
100% (13/13)

Representative Director, Vice Chairman

Shigeru Moribe

Mar. 1980 Joined MITSUMI ELECTRIC CO., LTD.
May 1990 General Manager of Development Headquarters, MITSUMI ELECTRIC CO., LTD.
Apr. 1991 Director, Head of Singapore branch, MITSUMI ELECTRIC CO., LTD.
Apr. 1994 Managing Director, MITSUMI ELECTRIC CO., LTD.
Oct. 1999 Senior Managing Director, General Manager of Sales Headquarters, MITSUMI ELECTRIC CO., LTD.
Apr. 2002 Representative Director, President, MITSUMI ELECTRIC CO., LTD.
Jan. 2017 Adviser of the Company
Apr. 2017 Director, Chairman of the Board of Directors, MITSUMI ELECTRIC CO., LTD. (Present)
Jun. 2017 Representative Director, Vice Chairman (Present)

Reason for appointment

Mr. Shigeru Moribe served as Representative Director, President of MITSUMI ELECTRIC CO., LTD. for many years until the business integration with the Company in 2017, and he has a wealth of experience and keen insight as a corporate manager. He was appointed because he properly oversees the management of the Group as Representative Director, Vice Chairman.



Attendance at the Board of Directors Meeting
100% (13/13)

Director, Senior Managing Executive Officer

Shigeru None

Apr. 1982 Joined the Company
Sep. 1999 Manager of Osaka Branch
Jun. 2007 Executive Officer
Apr. 2011 Deputy Officer in charge of Sales Division
Jun. 2012 Managing Executive Officer
Jun. 2015 Director (Present)
Jun. 2016 Senior Managing Executive Officer (Present)
Jun. 2017 Officer in charge of Sales Division
May 2018 Chief of Sales Headquarters (Present)

Reason for appointment

Mr. Shigeru None has held important positions in the Sales Division for many years, and he has a wealth of experience and keen insight. He was appointed because he oversees the entire sales division as Director, Chief of Sales Headquarters and properly fulfills his role.



Attendance at the Board of Directors Meeting
100% (13/13)

Director, Senior Managing Executive Officer

Katsuhiko Yoshida

Apr. 1984 Joined the Company
Dec. 2013 Head of Operation Department at Electronic Device & Component Manufacturing Headquarters, General Manager of Vertical Integration Improvement Office, General Manager of Business Support Office
Jun. 2014 Executive Officer
Jun. 2016 Deputy Chief of Business Administration Headquarters, General Manager of Business Administration Department (Present)
Jun. 2017 Managing Executive Officer
Apr. 2019 Officer in charge of Business Administration and Corporate Planning Division, Deputy Officer in charge of Accounting & Corporate Finance Division, Deputy Officer in charge of Sustainability Management Division
Oct. 2019 Senior Managing Executive Officer (Present)
Apr. 2020 Director, ABLC Inc. (Present)
Jun. 2020 Director, Chief of Tokyo Head Office (Present), Officer in charge of Sustainability Management Division
Director, Vice President Executive Officer, MITSUMI ELECTRIC CO., LTD. (Present)
Director, U-Shin Ltd. (Present)
Head of Business Administration and Corporate Planning Division, Head of Sustainability Management Division (Present)

Reason for appointment

Mr. Katsuhiko Yoshida has held important positions in the business administration division, the corporate planning division, the procurement division, etc. for many years, and he has a wealth of experience and keen insight. He was appointed because he oversees the entire administration division, including corporate planning and investor relations, as Director, Chief of Tokyo Head Office and properly fulfills his role.

Independent Outside Directors



Assumed the office on June 29, 2022

Outside Director

Yuko Miyazaki

Apr. 1979 Registered as attorney-at-law, member of Dai-Ichi Tokyo Bar Association
Aug. 1984 Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)
Jan. 1988 Legal Counsel, Legal Department, The World Bank
Jun. 2012 Partner, Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)
Jun. 2015 Outside Director, Seven Bank, Ltd.
Jan. 2018 Outside Audit & Supervisory Board Member, Oji Holdings Corporation
Jul. 2021 Justice, The Supreme Court of Japan
Sep. 2021 Re-registered as attorney-at-law, member of Dai-Ichi Tokyo Bar Association
Jan. 2022 Special Advisor, Nagashima Ohno & Tsunematsu (Present)
Jun. 2022 International Judge, Singapore International Commercial Court (Present)
Outside Director of the Company (Present)
Chairperson of the Nomination and Compensation Committee (Present)

Reason for appointment

Ms. Yuko Miyazaki has expertise in corporate legal affairs and tax affairs as well as a wealth of experience and keen insight as an attorney-at-law and a justice of The Supreme Court of Japan. She was appointed to provide supervision and advice that utilizes her knowledge and experience.



Attendance at the Board of Directors Meeting
100% (13/13)

Outside Director

Yuko Haga

Apr. 1989 Senior Consultant, Tokyo Office, Price Waterhouse Consultants
Apr. 1991 Representative, Haga Management Consulting Office (Present)
Apr. 2008 Executive Officer, Sampo Japan Healthcare Services Inc.
Feb. 2010 Director, Social Welfare Corporation Fujikenikukai (Present)
Apr. 2010 Visiting Professor, Department of Policy Management, Faculty of Policy Management, Shobi University
Apr. 2017 Associate Professor, Graduate School of Management, NUCB Business School
Jun. 2017 Board Member, Non-Profit Organization Japan Abilities Association (Present)
Mar. 2019 Outside Director of the Board, Kyowa Hakkō Kirin Co., Ltd. (currently Kyowa Kirin Co., Ltd.) (Present)
Apr. 2020 Professor, Graduate School of Management, NUCB Business School (Present)
Jun. 2020 Outside Director of the Company (Present)
Member of the Nomination and Compensation Committee (Present)

Reason for appointment

Ms. Yuko Haga has expertise in corporate strategy as well as broad knowledge and experience accumulated as a management consultant. She was appointed to provide supervision and advice that utilizes her knowledge and experience.



Attendance at the Board of Directors Meeting
100% (13/13)

Outside Director

Takashi Matsuoka

Apr. 2003 General Manager of Planning Division, KEIAISHA Co., Ltd.
Jun. 2003 Director, KEIAISHA Co., Ltd.
Jun. 2004 Managing Director, KEIAISHA Co., Ltd.
Jun. 2005 Outside Director of the Company (Present)
Jun. 2007 Senior Managing Director, KEIAISHA Co., Ltd.
Jun. 2011 Director and Senior Managing Executive Officer, KEIAISHA Co., Ltd.
Jun. 2014 Director, Vice President Executive Officer, KEIAISHA Co., Ltd. (Present)

Reason for appointment

Mr. Takashi Matsuoka has been in charge of the Planning Division, etc. of KEIAISHA Co., Ltd. for many years, and he has broad insight and experience in business operation. He was appointed to provide supervision and advice that utilizes his insight and experience.



Attendance at the Board of Directors Meeting
100% (13/13)

Outside Director

Atsuko Matsumura

Apr. 1978 Joined Japan Center for Economic Research
Apr. 1981 Visiting research fellow, Economic Research Institute, Economic Planning Agency (currently Economic and Social Research Institute)
Apr. 1987 Part-time Lecturer, Jissen Women's Junior College
Apr. 1988 Full-time Lecturer, OTSUMA WOMEN'S UNIVERSITY
Apr. 1991 Full-time Lecturer, Faculty of Economics, Tokyo International University
Apr. 1999 Associate Professor, Faculty of Economics, Tokyo International University
Apr. 2006 Professor, Faculty of Economics, Tokyo International University (Present)
Apr. 2010 Part-time Lecturer, Department of Social and Family Economy, Faculty of Human Sciences and Design, Japan Women's University (Present)
Apr. 2015 Part-time Lecturer, Department of Politics, Faculty of Law, Keio University
Jun. 2016 Outside Director, RENESAS EASTON Co., Ltd. (currently Glosel Co., Ltd.) (Present)
Jun. 2018 Outside Director of the Company (Present)
Dec. 2018 Member of the Nomination and Compensation Committee (Present)
Apr. 2022 Part-time Lecturer, Faculty of Economics, Kanagawa University (Present)

Reason for appointment

Ms. Atsuko Matsumura has expertise in international economics as well as broad knowledge and experience. She was appointed to provide supervision and advice that utilizes her knowledge and experience.



Attendance at the Board of Directors Meeting
100% (11/11)

Outside Director

Hirofumi Katase

(Assumed the office on June 29, 2021)

Apr. 1982 Joined Ministry of International Trade and Industry
Oct. 2000 Director, Economic Policy Unit, Minister's Secretariat, Ministry of International Trade and Industry
Jul. 2002 Director, Petroleum and Natural Gas Division, Agency for Natural Resources and Energy
Jul. 2006 Director, Aerospace and Defense Industry Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry
Aug. 2008 Director for International Industry Research, Minister's Secretariat, Trade Policy Bureau, Ministry of Economy, Trade and Industry
Jul. 2009 Deputy Director-General for Trade and Economic Cooperation Bureau and International Exhibitions, Minister's Secretariat, Ministry of Economy, Trade and Industry
Jul. 2010 Deputy Director-General, Secretariat of the Space Development Strategy Headquarters, Councilor, Cabinet Secretariat
Jul. 2012 Deputy Director-General for International Trade Policy, Minister's Secretariat, Ministry of Economy, Trade and Industry
Jun. 2013 Director-General, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry
Jul. 2015 Director-General, Trade Policy Bureau, Ministry of Economy, Trade and Industry
Jun. 2016 Vice-Minister for International Affairs
Jul. 2017 Special Advisor to the Ministry of Economy, Trade and Industry
Dec. 2017 Executive Vice Chairman & Director, I-Pulse Inc. (Present)
Jun. 2021 President and Chief Executive Officer, I-Pulse Japan Inc. (Present)
Jun. 2022 Outside Director of the Company (Present)
Member of the Nomination and Compensation Committee (Present)

Reason for appointment

Mr. Hirofumi Katase has expertise in economy, industry, technological development, international trading, energy, environment, and space development, as well as broad knowledge and experience nurtured through holding important posts in government agencies. He was appointed to provide supervision and advice that utilizes his knowledge and experience.

Audit & Supervisory Board Member



Attendance at the Board of Directors Meeting

100% (13/13)

Attendance at the Audit & Supervisory Board Meeting

100% (14/14)

Standing Audit & Supervisory Board Member

Naoyuki Kimura

Apr. 1983 May 2008 Sep. 2011 Jul. 2012 Jun. 2019
Joined the Company
Deputy General Manager of Personnel & General Affairs Department at Karuizawa Plant, Personnel & General Affairs Division
General Manager of Personnel & General Affairs Department at Operation and Planning Division
General Manager of Personnel Department and General Affairs Department at Personnel & General Affairs Division
Audit & Supervisory Board Member (Present)

Reason for appointment

Mr. Naoyuki Kimura has a wide range of business experience, including in personnel, labor affairs and overall general affairs, from serving at Personnel & General Affairs Division for many years. He is appointed so that his abundant experience and accumulated knowledge will be reflected in audits of the Company.

Independent Outside Audit & Supervisory Board Members



Attendance at the Board of Directors Meeting

100% (13/13)

Attendance at the Audit & Supervisory Board Meeting

100% (14/14)

Standing Outside Audit & Supervisory Board Member

Koichi Yoshino

Apr. 1985 Apr. 2000 Apr. 2002 Apr. 2007 Apr. 2010 Oct. 2010 Apr. 2015 Jul. 2018 Jun. 2019
Joined Marubeni Corporation
General Manager of Consumer Products Division, Marubeni (Shanghai) Co., Ltd.
General Manager of Textile Materials Division, Marubeni Textile (Hong Kong) Co. Ltd.
Vice President, Marubeni Textile (Shanghai) Co., Ltd.
Assistant to President, SUPER TOOL CO., LTD. (Temporary transferred)
President, Super Tool (Shanghai) Co., Ltd. (Temporary transferred)
Chief Examiner of Audit Department, Marubeni Corporation
Joined Kyoto Robotics Corporation, Acting CFO and General Manager of Internal Audit Office, Kyoto Robotics Corporation
Outside Audit & Supervisory Board Member of the Company (Present)

Reason for appointment

Mr. Koichi Yoshino has a wealth of overseas experience and practical management experience at a general trading company and in the manufacturing industry, as well as a qualification as a Certified Internal Auditor and considerable knowledge of finance and accounting. He was appointed so that his abundant experience and broad knowledge would be reflected in audits of the Company.

Independent Outside Audit & Supervisory Board Members



Attendance at the Board of Directors Meeting

100% (13/13)

Attendance at the Audit & Supervisory Board Meeting

100% (14/14)

Outside Audit & Supervisory Board Member

Shinichiro Shibasaki

Apr. 1989 Apr. 1993 Oct. 2010 Apr. 2012 Jun. 2014 Apr. 2015 Dec. 2018
Registered as attorney-at-law, joined Inami and Ota (currently Law Office Juricom)
Partner, Inami, Ota and Shibasaki (currently Law Office Juricom) (Present)
Member of Dispute Resolution Committee of The General Insurance Association of Japan (Present)
Part-time Professor, Tokai University School of Medicine
Outside Audit & Supervisory Board Member of the Company (Present)
Visiting Professor, Tokai University School of Medicine (Present)
Member of the Nomination and Compensation Committee of the Company (Present)

Reason for appointment

Mr. Shinichiro Shibasaki is well-versed in corporate legal affairs as an attorney-at-law. He was appointed so that his abundant experience and keen insight would be reflected in audits of the Company.



Attendance at the Board of Directors Meeting

100% (13/13)

Attendance at the Audit & Supervisory Board Meeting

100% (14/14)

Outside Audit & Supervisory Board Member

Makoto Hoshino

Apr. 1980 Jul. 2009 Jul. 2010 Jul. 2012 Jul. 2013 Jul. 2014 Jul. 2016 Jul. 2017 Jul. 2018 Aug. 2018 Jun. 2019
Joined Kantoshinetsu Regional Taxation Bureau
District Director, Fukagawa Tax Office
Senior Internal Inspector, Kantoshinetsu Regional Taxation Bureau, Commissioner's Secretariat of the National Tax Agency
District Director, Ota Tax Office
Director, Planning Division, Management and Co-ordination Department, Kantoshinetsu Regional Taxation Bureau
Chief Internal Inspector, Kantoshinetsu Regional Taxation Bureau, Commissioner's Secretariat of the National Tax Agency
Chief Internal Inspector, Osaka Regional Taxation Bureau, Commissioner's Secretariat of the National Tax Agency
Deputy Commissioner, Large Enterprise Examination and Criminal Investigation Department, Kantoshinetsu Regional Taxation Bureau
Retired from Kantoshinetsu Regional Taxation Bureau
Registered as a certified tax accountant, Representative of Makoto Hoshino Certified Tax Accountant Office (Present)
Outside Audit & Supervisory Board Member of the Company (Present)

Reason for appointment

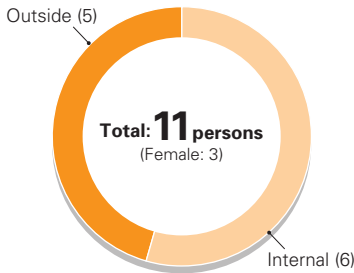
Mr. Makoto Hoshino has considerable knowledge of finance and accounting as well as abundant experience with tax services. He was appointed so that his abundant experience and keen insight would be reflected in audits of the Company.

Overview of organizational bodies (As of June 29, 2022)

Organization form: Company with Audit & Supervisory Board

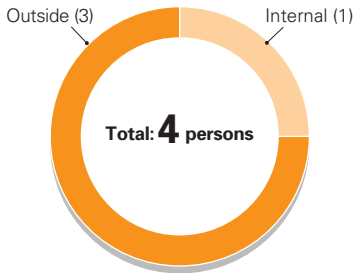
(established the voluntary Nomination and Compensation Committee)

Board of Directors



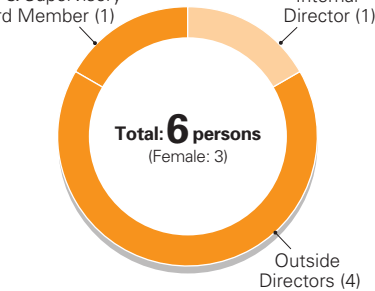
- Chairperson of Board of Directors
Yoshihisa Kainuma, Representative Director, Chairman & President (CEO & COO)

Audit & Supervisory Board



- Chairperson of Audit & Supervisory Board
Naoyuki Kimura, Standing Audit & Supervisory Board Member

Nomination and Compensation Committee



- Chairperson of the Nomination and Compensation Committee
Yuko Miyazaki, Outside Director

Compliance

Basic approach

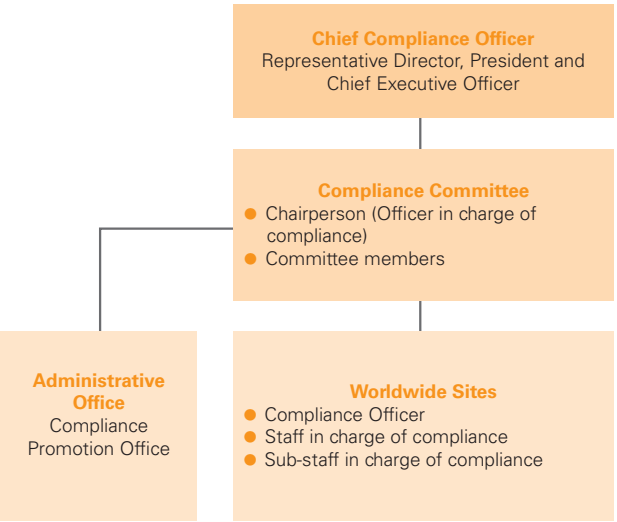
To continue to act appropriately as a corporate citizen, the Company has established the “MinebeaMitsumi Group Code of Conduct” and “MinebeaMitsumi Group Officer and Employee Compliance Guidelines,” and on the basis of these policies, we strive to achieve fair, appropriate and highly transparent management.

Compliance promotion structure

The President and Chief Executive Officer of the MinebeaMitsumi Group has ultimate responsibility for compliance. He is supported directly by the Compliance Committee. Meeting twice a year, the committee ensures implementation of the Code of Conduct and makes decisions on emergency response measures in the event of significant violations of the code. The Compliance Promotion Office, the administrative body for the Compliance Committee, implements policies for the promotion of compliance.

Additionally, we appoint a compliance officer as well as staff and sub-staff in charge of compliance at each of the Group's bases, including those overseas, to strengthen management of the Group overall.

Compliance framework



The details on initiatives for compliance promotion can be viewed from here.



Internal reporting system

In order to prevent and detect at an early stage any compliance violations, whistleblowing contact points have been established both internally and externally within our Group. These can be used by any officer and employee (including fixed term contract employees and dispatched employees) to report any of their or other officers' and employees' decisions or actions that could potentially violate laws and regulations or internal rules, including the MinebeaMitsumi Group Code of Conduct, or that lacks corporate ethics, or related suspicions. Reports can be filed either by using one's real name or anonymously. To ensure the independence of the whistleblowing contact point, all whistleblowing reports are received by Standing Audit & Supervisory Board Members, and the operation and maintenance of the system are monitored.

The “MinebeaMitsumi Group Code of Conduct” prohibits disadvantageous treatment on the grounds of whistleblowing, and requires maintaining confidentiality and anonymity of information providers. If after a thorough investigation a whistleblowing report is found to be true, appropriate measures are taken. In Japan we have established and operate Internal Reporting Rules based on the Whistleblower Protection Act.

To assure use of the whistleblowing system, we provide awareness raising activities, such as through internal databases, internal reports, internal training sessions, and the distribution of business card-sized guidance.

Anti-corruption initiatives

In order to strengthen its response to the prevention of corruption at a global scale, the Group has supplemented the “MinebeaMitsumi Group Anti-Corruption Policy,” which applies to the entire Group, with the “Anti-Corruption/Anti-Bribery Rules,” which prohibit acts of bribery (including the acceptance of small sum facilitation payments) in all countries and regions where it is engaged in business. The Group has established and implemented the “Internal Standards and Procedures Relating to Entertainment and Gifts, Etc., for Public Officials” for the Asia region, where business practices are particularly complicated. We give utmost attention to risk management to ensure that there is no involvement in corruption, and we do not engage in any entertainment or gift-giving, perceived to carry risk. Furthermore, we have established the “CSR Procurement Guidelines,” and require our business partners to prohibit bribery.

In addition, the Internal Auditing Office conducts regular checks on these initiatives from the perspective of the prevention of corruption.

It should be noted that in fiscal 2021 there were no officers or employees who committed corruption prevention violations, and there were no fines, surcharges, or settlements paid in relation to corruption.

Risk management

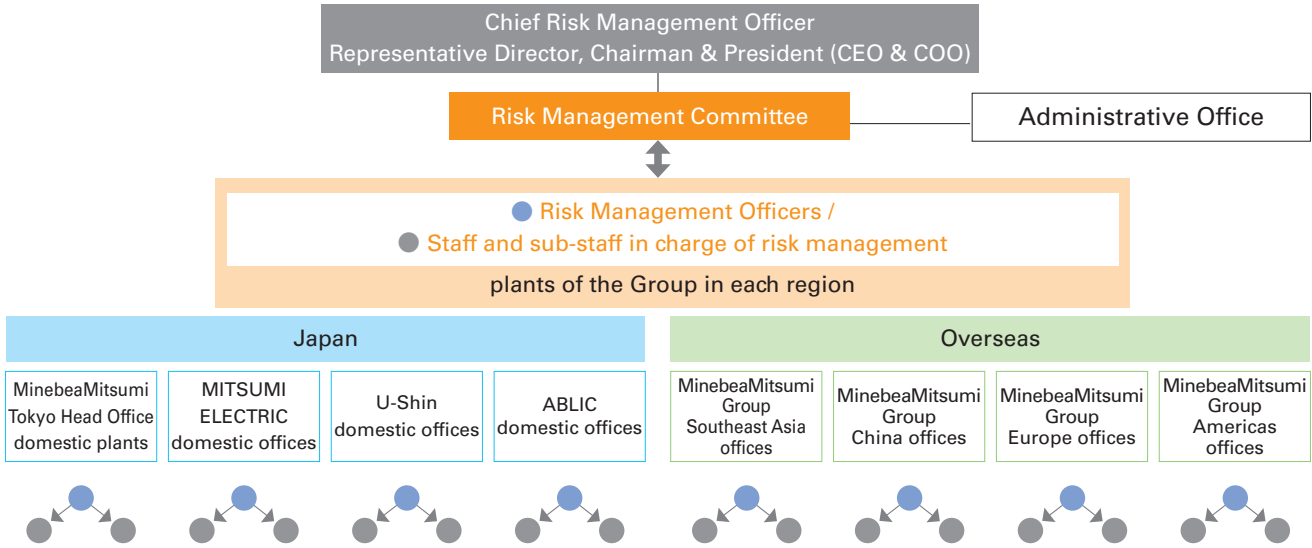
Basic approach

Because our response to risk could profoundly affect the MinebeaMitsumi Group's business fundamentals, we believe that risk management is vital to the management of the company. We are prepared for various risks based on the "MinebeaMitsumi Group Basic Rules for Risk Management" which define preventive measures we should have in place, our response in crisis situations, and the type of system the Group should put in place.

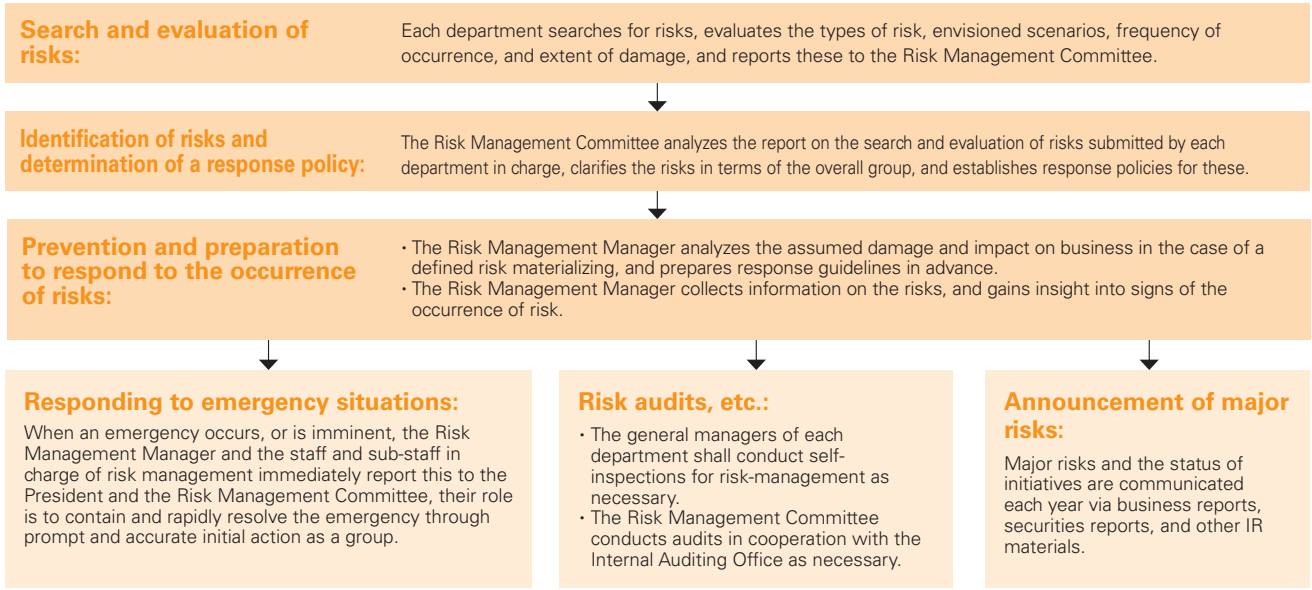
Risk management system

The President and Chief Executive Officer of the MinebeaMitsumi Group is the Chief Risk Management Officer and makes important decision regarding risk management at the Risk Management Committee. As a precautionary measure, MinebeaMitsumi attempts to predict and classify tangible risks in advance, and remains vigilant against such risks. In the unlikely event that an incident occurs, a management headquarters and local countermeasures office will be established in accordance with the severity category stipulated in the Rules to respond rapidly and effectively to the situation. MinebeaMitsumi has established a system under which, depending on the nature of the risk, a supervisory division can be appointed to handle a situation and to draft and implement risk prevention measures.

Risk management system diagram



Method of Identification and response to risks



Risk management example 1 BCP

In the event of a major disaster, infectious diseases, act of terrorism or other emergency, we believe that our social responsibility includes confirming the safety of our employees and their families with top priority, as well as ensuring that, as a components manufacturer of products with world-leading market shares, we continue to supply our customers and minimize the impact to our business. For that reason, we have formulated business continuity plans (BCP) for major business sites in and outside Japan and are implementing training drills, etc. In order to reduce risks relating to climate change, the "Aqueduct Water Risk Atlas," published by the World Resources Institute

(WRI), and other sources are used to identify sites with high levels of water-related risk such as floods and droughts, and efforts are made to expand BCP. In Thailand, which has the MinebeaMitsumi Group's core plants, we acquired certification to the international standard ISO 22301 for our business continuity management system (BCMS) at the Bang Pa-in Plant, Lop Buri Plant, Rojana Plant and Navanakorn Plant, followed by the Ayutthaya Plant and Ban Wa Plant. In the future, we will strengthen our measures against water-related risks in Southeast Asian bases other than China and Thailand, and will work to further reduce and minimize risks.

Risk management example 2 Information security

The utilization of information has become a management issue for survival and sustainable growth of the company. The company is working on the use of information to achieve growth with the promotion of DX as its focal point, and not only it collects and analyzes data, but also it promptly responds to market changes by utilizing the results of such analysis. On the other hand, cyberattacks against companies have continued to increase both in terms of quantity and technical sophistication, and the development of a system to prevent such attacks is an urgent issue. In order to strengthen the information security promotion system, the Company uses

specialists in ICT as CISO, and has established the Security Promotion Office. Furthermore, a system for identifying and assessing security measures has been put in place at the Information Security Committee, which is chaired by the CISO, and includes a company-wide security task force. In addition, annual information security training is provided for all employees who use information devices. Our security system for responding to cyberattacks constantly monitors terminals and networks, and can respond rapidly to accidents. We will continue to reinforce our system in anticipation of increasing threats.

Risk management example 3 Security trade control

Due to international tension and military actions, economic sanctions and export control regulations are being changed and strengthened on a daily basis globally. In these circumstances, the Group, which has a global production system, will need to engage in strategic business development, and remain focused on the economic and political situation in each country. This will allow us to fulfill our social responsibilities as a company, and maintain an international competitive advantage. Our Group, which has expanded globally, engages in thorough security trade control at each base in accordance with the laws and regulations of the respective country. In order to further

enhance the security trade control system, and to manage risks relating to economic security for the Group as a whole, this year we formulated the "Group Company Policy on Economic Security" and the "Economic Security Risk Management Manual." Based on this policy, in order to engage in strategic and steady business development, we established the "Transaction Validity Judgment Subcommittee" as a subordinate body to the Risk Management Committee (refer to page 79), and have established a system for appropriately and promptly determining the validity of transactions based on economic security risks.