



MinebeaMitsumi Group
Integrated Report 2023



MINEBEA MITSUMI Inc.

Copyright 2023 MINEBEA MITSUMI Inc.

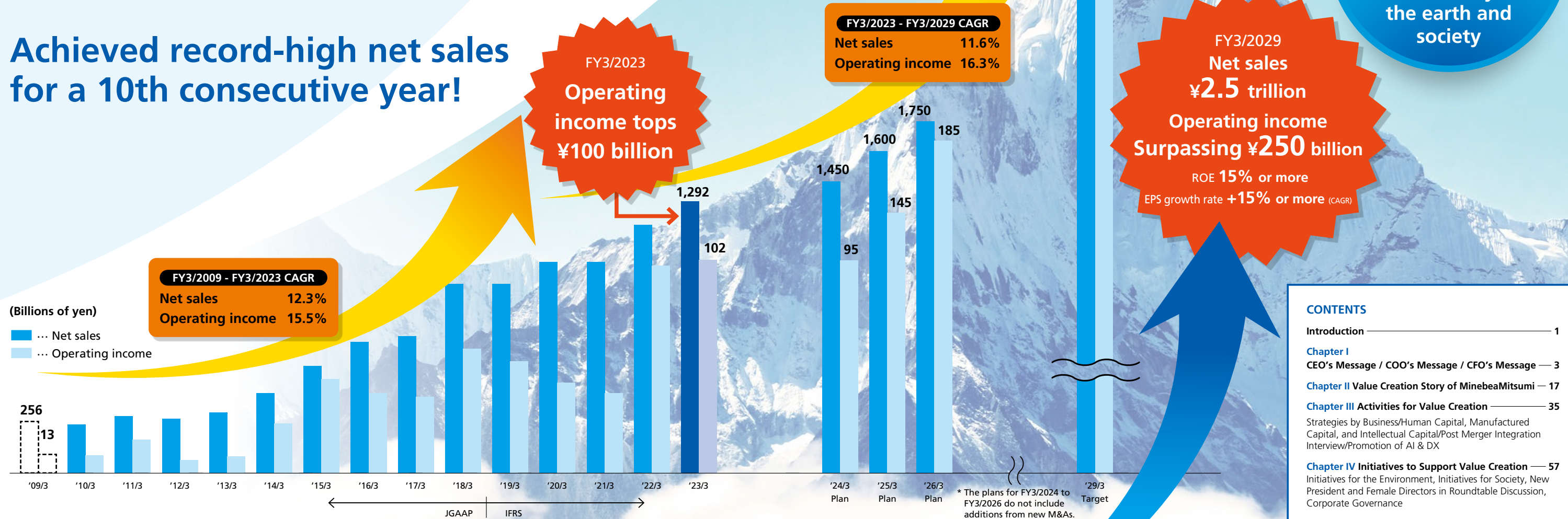
Printed in Japan

August 2023

Introduction

Net sales of 2.5 trillion yen, operating income of 250 billion yen within range

Achieved record-high net sales for a 10th consecutive year!



Drivers of accelerated growth

Real operating margin to reach 15% level thanks to product mix improvement!

Constructing a launch pad to take a leap forward

Further momentum as a growth driver

Strengthening the base toward the next generation
Swift momentum toward future growth

Organic growth



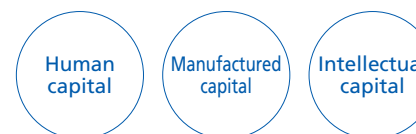
Growth through M&A



Securing talented human resources
Tempering the "Eight Spears" of our core businesses
Thoroughly pursuing technological synergies

Utilizing the Tokyo X Tech Garden

Further strengthening non-financial capital underpinning business growth while prompting INTEGRATION of people and knowledge



Attaining sustainable growth and increasing operational speed

Reinforcing management structure

Gradually implementing division of roles for strategy and execution toward the next generation

Succession

Developing management professionals who will take charge in the next generation

Accelerating growth as the world's only "INTEGRATION manufacturer of precision components"

Helping to resolve social issues through
INTEGRATION of global niche top products

Conviction to achieve net sales of 2.5 trillion yen and operating income of 250 billion yen

During the fiscal year ended March 2023, we achieved record highs across the board in net sales, operating income, and profit for the year, with net sales having attained a record high for ten consecutive years. Despite unforeseen circumstances that included lagging recovery in the automotive market and slowdown in data storage-related business, we managed to achieve our 100 billion yen operating income target due in part to one-time gains associated with M&As and gain on sale of the former Tokyo Head Office.

Given that my mission was that of (1) maximizing share value and (2) laying a solid foundation for our 100th anniversary back when I assumed the position of CEO in April 2009, we set challenging targets for the fiscal year ending March 2029 of net sales and operating income of 2.5 trillion yen and 250 billion yen, respectively, which is emblematic of our commitment to growth underpinned by our belief that "sustainability is the essence of management." Net sales amounted to 230 billion yen 14 years ago and have grown to approximately 1.3 trillion yen for the fiscal year ended March 2023. Meanwhile, we anticipate sales of 1.8 trillion yen through organic growth alone under the Midterm Business Plan. We believe that achieving net sales of 2.5 trillion yen is by no means an impossible feat given our pace of growth thus far combined with M&As.

We have also striven to maximize profits and manage risk while pursuing continuous growth and sustainability. As we expanded our business, we strengthened our risk mitigation system, which is multifaceted and covers business management, human resources and production, seeking synergies by "selection and concentration" strategies. Such business portfolios have given rise to the basis for a solid management framework capable of withstanding adversity and offering room for growth.

We conducted four M&A deals in areas that include connectors, access solutions, and semiconductors during the fiscal year ended March 2023, thereby paving the way for structural reform and finishing construction of a launch pad for a big leap enlisting the "Eight Spears" of our core businesses.

Although effects of the data center market, macroeconomic uncertainty, and market volatility are unavoidable over the short term, I am confident that the Eight Spears of core businesses we have built thus far will offset such effects, thereby enabling us to achieve the medium- to long-term growth targets currently in place.

*INTEGRATION means "combining" rather than "simple gathering" of the Company's proprietary technologies to evolve the "Eight Spears" of our core businesses and to create new products in various fields through the INTEGRATION of our advanced technology.

MinebeaMitsumi At a Glance
Pages 17 to 18

Representative Director, Chairman CEO
Yoshihisa Kainuma



Corporate philosophy

Corporate philosophy (Basic approach to growth and contribution to sustainability)

To contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means.

Basic management policy (Action guidelines for employees to realize the corporate philosophy)

Transparent management based on our company credo "The Five Principles"

The Five Principles

1. Be a company where our employees are proud to work
2. Earn and preserve the trust of our valued customers
3. Respond to our shareholders' expectations
4. Work in harmony with the local community
5. Promote and contribute to global society

Corporate slogan (Measures to achieve growth and sustainability)

Passion to Create Value through Difference – Create new value through "difference" that transcends conventional wisdom

Eight Spears of our core businesses essential to worldwide growth domains underpinning society

Having identified the realms of “EVs, renewable energy, AI, and extended reality (XR)” as prominent domains of growth in the global market going forward, we believe that technologies essential in these growth domains consist of the key elements: “high voltage, high current, high frequency, and high speed,” which we refer to as the “four highs.” Meanwhile, we take pride in the “Eight Spears” of our core businesses, which entail products essential to such technologies.

For instance, applications of our IGBT, SiC and other power semiconductors with respect to EVs, include electrical control of motor rotation and charging. They are used across an extensive range of applications, including use involving EVs, given their robust design for high voltage and high current. Meanwhile, improvements we make to power semiconductor performance culminate in less power loss, thereby contributing to energy conservation. In addition, given that this technology has applications not only with EVs but also in various end products, we believe we will increasingly encounter opportunities for entry into markets with considerable potential, which aligns with our global niche top aims.

In addition to power supplies enlisting such power semiconductor technology, nearly all of the Company's Eight Spears will benefit from this in some respect, with applications such as connectors capable of handling high current and high voltage, sensors, motors and bearings used for rotation of motors, and access products. We accordingly believe that prompting INTEGRATION of such products will further heighten the value of our presence as the world's only “INTEGRATION manufacturer of precision components.”

We have established a launch pad capable of keeping up with the rapid pace of market growth. We will develop and supply components aligned with various customer requirements, while seeking to achieve our net sales and operating income targets of 2.5 trillion yen and 250 billion yen, respectively, by organic growth, M&As, and by developing products looking toward resolving social issues.

Enhancing profitability with global niche top products

Our Midterm Business Plan sets forth a new internal real operating margin target of 15%, which constitutes an operating margin excluding supplied parts and other items from sales. First off, we need to increase top-line sales to generate profits. Next, it is important that we focus on products that boost profit margins. The Company derives 50% of its net sales from products that have no less than a 50% market share in global niche fields. I would like to draw attention to our bearings, motors, analog semiconductors, and access solutions in terms of our Eight Spear products that ultimately drive our profit margin gains. Meanwhile, domains currently subject to low profit margins are a cause for concern in that they are currently generating insufficient profits due to factors including semiconductor shortages and effects of the COVID-19 pandemic. This contrasts to net sales of around 300 billion yen in access products amid a rising proportion of sales involving automotive applications due to business integration. Nevertheless, I am convinced that a turnaround is inevitable going forward considering that previously low-profit spindle motors now generate earnings and also taking into account our track record of achieving growth whilst also capturing substantial market share. In fact, we are beginning to receive orders to the tune of more than 100 billion yen in multiyear cumulative sales involving new projects in the realms of flush handles and LED backlights. Furthermore, we continued our efforts to elevate the companies we have acquired through M&As to the top positions in global niche fields while contending with the external business environment. For instance, we have brought about INTEGRATION of motors, connectors, sensors, and door handles of the MinebeaMitsumi Group amidst the accelerating electrification of automobiles. As such, we are convinced that we will not lag behind our competitors in any area if we focus on products that leverage our distinctive technologies - unmatched by our competitors - in the domain of access products such as flush handles, latches, compact spindle drives, and charge port doors. Moreover, we sense that these INTEGRATION products will give rise to a gradually increasing presence as time goes on.

Given that motors have also grown into a business capable of consistently generating revenue, the Company's profit drivers now comprise three pillars, consisting of not only bearings but also motors and analog semiconductors. It is imperative that we also prompt growth of our other businesses so that they follow suit in coming to serve as profit drivers. Although the pace at which we achieve these objectives may vary due to factors such as the external business environment and allocations of internal resources, I am confident that the Company has a lineup of very enticing products.

M&A principles

- 1 M&As that can strengthen our existing businesses and/or provide INTEGRATION
- 2 Only agree to an appropriate price (never acquiring at a high price)

| Target | Characteristics of the system for promoting M&As | M&A sources of capital and financial discipline |
|--|---|---|
| <ul style="list-style-type: none"> ✓ Temper the Eight Spear products ✓ Focus on valuation ✓ Shared values ✓ No distinction between domestic and international ✓ No distinction between listed and unlisted | <ul style="list-style-type: none"> ✓ Use of accumulated PMI expertise → Effectively promote PMI enlisting formulated project formation ✓ Global platform → Possibilities for simultaneous execution of multiple M&As depending on region and business segment ✓ Financially sound → Ability to generate cash backed by the earnings power of our core businesses enables substantial M&As | <ul style="list-style-type: none"> ✓ 50% of free cash flows + Leverage ✓ Budget of 1 yen to several tens of billions of yen (Maximum of 200 billion yen/M&A) ✓ Maintaining ratings However, capital transaction options are not ruled out |

PMI essential to M&A success

The Company has completed a total of 55 M&A deals thus far, 24 of which have been concluded during my tenure as CEO. They have been carried out enlisting key principles of strengthening and providing INTEGRATION with respect to the Eight Spears (existing business) and rigorously ensuring agreement to an appropriate price (up to 10 times operating income). Ensuring success of these M&As is contingent upon achieving INTEGRATION between the people of both parties and meticulously engaging in Post Merger Integration (PMI), while establishing a mutual understanding based on a general consensus amongst both parties as to their corporate aspirations.

Whereas our respective corporate cultures are not subject to drastic change, we seek to ensure that we are able to proceed down a common path with entities that become our partners through M&As by promptly determining specifics of post-integration growth policy and product focus, and by articulating targets through sharing of company-wide rules. Engaging in this process is not an easy task given that it involves actions between people of both entities. The Company's M&A approach entails forming an integration preparation committee at the pre-integration phase, which we enlist to develop camaraderie by requiring all persons involved to convene and holding dinner gatherings. We are consequently able to embark upon operations with a sense of cohesion immediately after integration given that everyone has already become well-acquainted in the course of having held engaging discussions.

I also think it is important that both sides visit on-site operations. In the spirit of seeing is believing, we have our partners visit the Company's factories in Thailand, for instance, so that they can get a first-hand look at what constitutes the Company's mass production strengths. We also have people from the Company visit on-site operations of our partners, where they thoroughly explain the Company's beliefs and rules. We believe that valuing human-to-human interaction ultimately serves as a crucial factor in achieving rapid M&A success, although it requires significant effort.

New management structure for the next generation

The Company engages in management in a manner that aligns with its corporate philosophy and implements a management strategy based on its management policy, along with a corresponding framework of executive matters, executive strategies, and executive actions for achieving such aims. I have historically engaged in all aspects of operations in that regard. Going forward, however, I will gradually hand over executive responsibilities to President and COO, Katsuhiko Yoshida, while I shift my focus to formulating management strategy. This does not mean that the CEO will immediately cease to be involved in aspects of execution. I will continue to step in with respect to executing tasks that warrant my involvement when necessary.

Our execution capabilities, rather than our structure and organization, are a cause for concern. In that regard, it is imperative our efforts that involve rallying various business units in carrying out INTEGRATION initiatives, which is an approach particularly relevant to the Company, enlist the

Post Merger Integration Interview
Pages 53 to 54

involvement of other business units. In other words, it is important that we avoid an approach that involves unilaterally compartmentalizing tasks and practising zone defense. This also holds true for the CEO, COO & CFO structure in that those capable of addressing issues at hand should be the ones who promptly take action in a manner unconstrained by their assigned positions.

Developing the next generation of management

As the Company approaches its 100th anniversary, I believe that developing the next generation of management is a matter of great importance for the sake of achieving further sustainable growth into the future and continuing to serve as a company on whom society depends. I will accordingly focus on initiatives to develop the next generation of human resources while entrusting aspects of execution to the COO & CFO.

We have already embarked upon various initiatives. For instance, this includes standardized tests of logical reasoning skills for our junior employees to avoid over-reliance on workplace evaluations, and also involves assessing employee self-awareness and subsequently preparing long-term career plans spanning two decades ahead. Meanwhile, with a seminar hall having been set up in the basement floor of the Tokyo X Tech Garden upon its relocation in March 2023, I am considering to create a direct educational setting for a select group of around 50 to 80 exceptional and motivated junior employees. This will hopefully enable me to repeatedly convey my past experiences and perspectives on management. Additionally, we are using thriving companies that excel in human resources development across different industries as benchmarks in our prevailing efforts to enhance internal personnel education by steering away from the notion of achieving employee growth through OJT and moving more toward the notion of employee growth through enlisting education and HR systems.

Meanwhile, the Company upholds the “spirit of equality” when it comes to promoting employees and provides opportunities for career success to its best talent, irrespective of their former employment, whether they are new graduate or mid-career hires, and their background. I ask that individuals step forward in taking the initiative to stand out rather than resorting to a zone defense approach, as is the case in baseball where even the catcher might go after a fly ball in center field.

Significance and outcomes of the Tokyo X Tech Garden

The Tokyo X Tech Garden was established to serve as a platform for facilitating the Company's growth strategies consisting of “organic growth,” “growth driven by M&A,” and “developing and selling products that contribute to solving social issues,” and furthermore to pursue aims that include securing talented human resources for the future, stimulating interaction in-house, tempering the “Eight Spears” of our core businesses, thoroughly pursuing technological synergy and carrying out PMI.

The task of INTEGRATION is performed by the people who work at the given entities. As such INTEGRATION among people engaged at the given entities must precede sales activities enlisting INTEGRATION of technologies and products. Given the need for a solid foundation to tap into customer data, providing feedback on R&D, and manufacturing products, we need firm tangible support (physical location) and accordingly view the Tokyo X Tech Garden as a “gateway” toward achieving net sales of 2.5 trillion yen. Amidst Japan's progressively declining birthrate and aging population, parts manufacturers are bound to increasingly encounter difficulties in acquiring talented human resources if such manufacturers downplay their roles as “unsung heroes.” As such, I think this new Tokyo X Tech Garden facility will exhibit definitive strengths - particularly with regard to acquiring talented human resources. Incidentally, although it may take time for our investment in the Tokyo X Tech Garden to yield tangible results, positive changes are already emerging in that we are attracting a higher caliber of employment candidates with regard to both new graduate hires and mid-career hires. I believe that this investment will yield sufficient returns assuming that in the course of time it will enable us to attract talented human resources who go on to serve as successors to our current top management.

However, I believe that our challenge with regard to the Tokyo X Tech Garden is that of not only preparing the “vessel,” but also infusing it with the proper “spirit.” The Tokyo X Tech Garden serves as a venue for actively holding networking sessions and has been established as a platform for facilitating initiatives for INTEGRATION of people and knowledge, whereby employees reach out beyond divisional boundaries amid the Group's rapid expansion through M&As thus far.

Furthermore, we seek to inspire children with dreams of a future in Japan's manufacturing sector



amid the scenario of Japan's declining birthrate and aging population. With the aim of contributing to society to such ends, we plan to open a showroom which facilitates understanding of components in a way that appeals to our primary target audience of elementary school students.

Further growth through initiatives for sustainability

Our corporate philosophy expresses our intention to balance initiatives for both the Company growth and the sustainable growth of society, vigorously working on both. It reads: “To contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means.”

As for environmental measures, we have been bolstering our efforts by promoting MMI Beyond Zero which aims at taking on the challenges of carbon neutrality and contributing to reduction of worldwide CO₂ emissions through our products. When it comes to renewable energy in particular, we have been engaging in new initiatives including installing extensive solar power generation facilities at our Bang Pa-in and Lop Buri plants in Thailand, arranging power purchase agreements (PPAs) in the Philippines and Europe, and generating electricity on-site in Thailand and Cambodia.

In addition, we place “employees” first in “The Five Principles” company credo. With approximately 100,000 employees in 28 countries worldwide, the diversity of our workforce serves as a strength of the Group. On a global basis, more than 60% of our employees are women, who account for approximately 18.8% of our managers. Amidst a scenario where our proportion of female managers is gradually increasing in Japan as well, we are establishing systems to offer more extensive opportunities for career success among our talented human resources - irrespective of gender.

We have been promoting members of our overseas workforce to top management positions, and there are now seven non-Japanese members in head office management. We have adopted a group executive officer system, for which executives are selected from the management of group companies, and meetings are held regularly to facilitate communication. By this we have established a system to promptly address issues identified in each region.

We will persist with our commitment to growth serving as an “INTEGRATION manufacturer of precision components” which supports manufacturing and people's lives around the world by enlisting our employees with diverse backgrounds, sharing the passion of our corporate slogan and advancing INTEGRATION initiatives. We sincerely appreciate your continued support going forward.



Director, President COO & CFO
Katsuhiko Yoshida

Gradually passing the baton over to the younger generation while hastening corporate growth with a focus on “execution”

My name is Katsuhiko Yoshida and I have been appointed to serve as Director, President COO & CFO effective April 2, 2023, after having previously served as Director, Senior Managing Executive Officer, CFO.

Under the new structure, I will take over the role of COO from Chairman Yoshihisa Kainuma and will concurrently serve as CFO as stated in the CEO's Message. I will assume responsibility for aspects of execution as the COO, based on the management strategy formulated by the CEO. However, this does not mean that clear distinctions will be imposed on the scope of duties from the outset of the new structure, but instead I will assume responsibilities gradually over time, as depicted by the color gradient in the diagram shown on the right. At the same time, when it comes to responsibilities within the executive domain, Chairman Kainuma will continue to handle duties going forward in terms of tasks unique to or best suited to Chairman Kainuma.

Next, I will briefly describe my background. I joined Minebea Co., Ltd. as a new graduate and initially gained experience in its administration department. Subsequently, I worked as an expatriate for about 10 years in mass production plants located in Singapore and Thailand. I furthermore handled a wide range of business including that of motors, and was involved in numerous M&As that involved my taking on various roles. The experience I gained through my involvement with numerous business operations - and many employees in those settings - equipped me with a profound understanding regarding the Company's extensive range of business activities and enabled me to become acquainted with employees working in a multitude of departments. In recent years, I assumed the role of CFO and subsequently took charge of financial management of accounting and corporate finance for the entire MinebeaMitsumi Group.

Serving as the officer in charge of M&A, I have overseen the entire M&A process from planning to closing, including the subsequent Post Merger Integration (PMI) over the process of business integration. PMI entails challenges above and beyond working with companies subject to integration - extending from practical aspects of business integration and creating synergies to formulating and implementing a growth strategy. As such, it is important to ensure candid exchange of opinions on an equal footing with employees who have become new members of the Group.

I am proud of the strengths I have amassed through my extensive and profound hands-on involvement in PMI in the rapidly growing MinebeaMitsumi Group, both in terms of its progress in achieving organic growth and expansion over numerous instances of business integration. Moreover, I believe these strengths serve as a significant asset in enhancing our execution capabilities toward achieving our management targets.

Meanwhile, I will also focus on creating mechanisms that enable us to pass down such assets and expertise to the next generation of management. In conjunction with Chairman Kainuma, I will identify and develop young talent who have potential to assume leadership of the MinebeaMitsumi Group over the generations to come. I will actively have such talent assume key positions that constitute tough assignments, thereby providing them with various experiences including not only success but also the opportunity to learn from failure at an early stage. Through this, I hope to prompt development of many employees who go on to assume the next generation of management. I also seek to hand over the role of CFO to new individuals relatively early on. I am creating a pool of capable individuals who are able to take on such roles. I have accordingly initiated opportunities that entail

mirroring of CFO tasks.

As the COO, I am determined to achieve the net sales and operating income targets for the fiscal year ending March 2029 of 2.5 trillion yen and 250 billion yen, respectively. I have a clear vision of what it will take to achieve that objective. By harnessing the INTEGRATION capabilities of the entire Group, I will accordingly ensure completion of each of the executive matters. Moreover, given that the business environment in which we

operate has been subject to constant change, we have entered an era where everyone encounters difficulty in forecasting the direction of such change. Amidst this scenario of drastic change, I believe that my mission is that of enhancing the INTEGRATION capabilities of the MinebeaMitsumi Group under the new structure, thereby handing over to the next generation a company that fulfills its corporate social responsibilities and consistently achieves increasing corporate value.





We will steadily implement financial strategy and capital policy to maximize MinebeaMitsumi's corporate value

We will clearly set financial strategy and capital policy, and aim to achieve business growth and maximize capital efficiency

Director, President COO & CFO
Katsuhiko Yoshida

By the fiscal year ending March 2029, we aim to achieve net sales and operating income of 2.5 trillion yen and 250 billion yen, respectively. Meanwhile, we have set an ROE of 15% or more and EPS growth rate of 15% or more (10-year CAGR) as our target KPIs in alignment with achieving such growth. To achieve our long-term target and Midterm Business Plan, as the person in charge of such matters, I will steadily implement the financial strategy and capital policy.

We greatly improve our ability to generate cash by establishing various forms of financial discipline and rigorously strengthening

our financial position. Additionally, I will strengthen the financial base by appropriately managing the cash generated by clearly setting a cash allocation policy, and implement returns to shareholders which will satisfy investors.

Furthermore, in considering our medium- to long-term portfolio, I will identify appropriate businesses in which to invest, depending on profitability, with a focus on the cost of capital, such as ROIC. I will aim to maximize investment efficiency and optimize allocation of management resources in order to increase corporate value.

Financial strategy and capital policy

Capital efficiency and EPS growth rate

On profitability, we have set ROE of 15% or more and EPS growth rate of 15% or more (10-year CAGR) as our target KPIs. Having made "strengthening our financial position" a basic policy, the MinebeaMitsumi Group has taken various steps that include engaging in efficient capital expenditure, managing assets, and reducing interest-bearing debt.

The Company's ROE for the fiscal year ended March 2023 was 13.1%, thereby nearing the 15% threshold. Meanwhile, ROIC stood at 9.5%, thereby surpassing the hurdle rate of 8%.

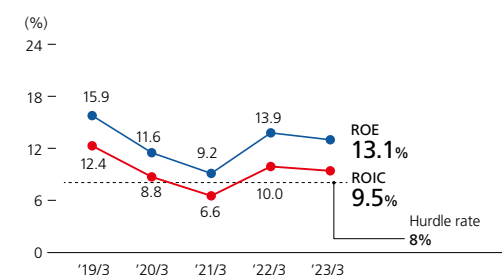
Moreover, EPS for the fiscal year ended March 2023 was 187.62 yen. In the fiscal year ending March 2029, we are poised

to achieve the operating income of 250 billion yen and the EPS growth rate of 15% CAGR.

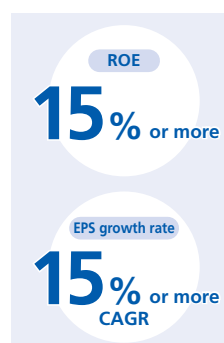
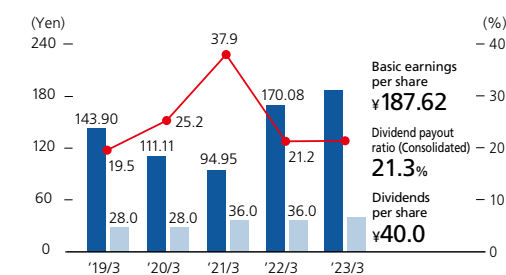
At the same time, we are achieving both organic growth and growth driven by the global M&A carried out by leveraging our superior ability to generate cash. In addition, we will focus on capturing new business opportunities, such as the development of products which contribute to resolving social issues.

In so doing, we will enhance profitability and growth potential, maximize our ability to generate cash, and further strengthen our financial position.

ROE and ROIC



EPS and dividends

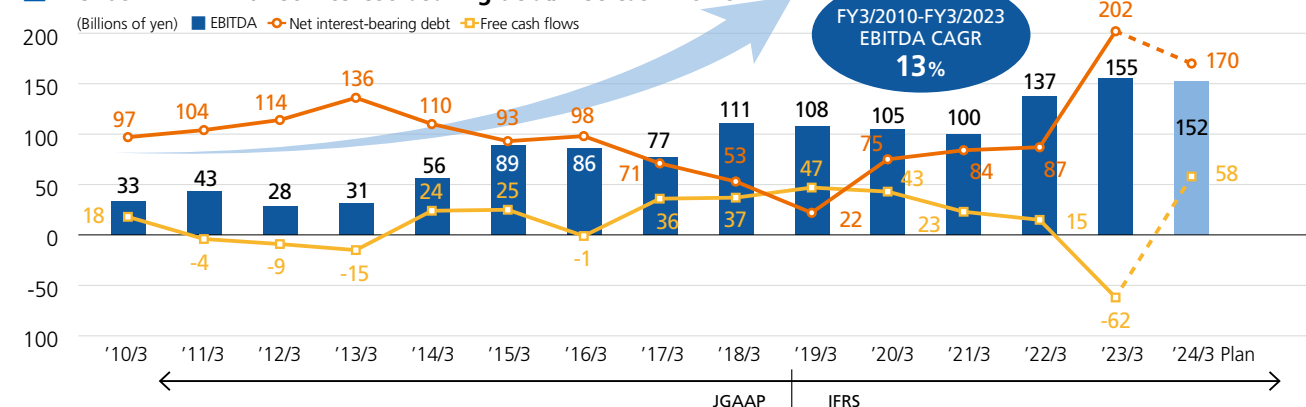


Cash-generating ability

In the fiscal year ended March 2023, the Company achieved record-high results with net sales of 1.2922 trillion yen and operating income of 101.5 billion yen. Meanwhile, EBITDA has also been on the rise thanks to our having undertaken capital expenditure based on prudent assessment of recoverability. Back in the fiscal year ended March 2010, we achieved growth

of 13% (CAGR). We project that net interest-bearing debt will amount to 170.0 billion yen in the fiscal year ending March 2024. The Company's ability to generate cash has steadily improved, allowing us to expand our business while maintaining net interest-bearing debt at appropriate levels.

Trends in EBITDA/net interest-bearing debt/free cash flows



Cash allocation and security of the financial base

Cash allocation

50% of generated operating cash flows are to be allocated to capital expenditure to act as a driver of organic growth. Of the remaining 50%, while half will be allocated to appropriate and flexible shareholder returns, we are proactively considering options to carry out effective M&As enlisting the other half, together with borrowings, premised on the notion of maintaining financial discipline such that the net debt equity ratio falls within the 0.2 times range.

Capital expenditures and shareholder returns

Underpinned by such medium- to long-term policy, capital expenditure amounted to 147 billion yen in the fiscal year ended March 2023, which includes one-time investment in relocation to the Tokyo X Tech Garden. During the fiscal year ending March 2024, our plans call for capital expenditure of 73 billion yen, primarily for investments in semiconductor-related facilities.

In addition, regarding the annual dividend, having undertaken a comprehensive review of the business environment, MinebeaMitsumi aims to continue to pay out stable dividends, targeting a dividend payout ratio of around 20% on a consolidated basis, in principle, in order to enhance returns to its shareholders.

In the fiscal year ended March 2023, annual dividends per share amounted to 40 yen, an increase of 4 yen over the 36 yen for the previous fiscal year. In February 2023, the Company announced and carried out share buybacks of 10 billion yen.

As for shareholder returns going forward, the Company will provide dividends and carry out share buybacks under similar policy.

Security of the financial base

It is our belief that accelerating the pace of business expansion whilst simultaneously ensuring stability of our financial base is of the utmost importance. We have received very favorable credit ratings from two credit rating agencies, having been assigned an "A+" rating from Japan Credit Rating Agency, Ltd. (JCR) and an "A+" rating from Rating and Investment Information, Inc. (R&I) in November 2022.

Although our equity ratio may vary in the short term depending on status of M&A implementation, we aim to achieve a stable financial base by accordingly maintaining an equity ratio of at least 50% over the medium to long term.



Allocating capital backed by ability to generate cash

Operating cash flows

We will allocate capital with the aim of achieving organic growth, backed by our ability to generate cash accompanying profit growth.

Organic growth CAPEX → 50% of operating cash flows

Free cash flows

We will flexibly allocate capital having secured the resources necessary to achieve organic growth.

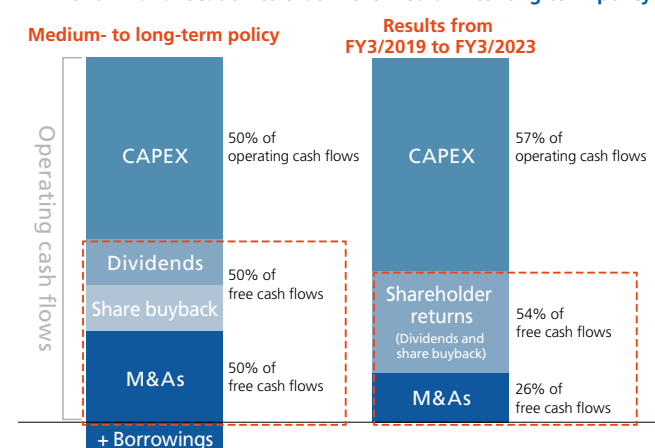
M&A growth

M&As geared to reducing earnings volatility of free cash flows
50% + Borrowings
Maintaining financial discipline (within 0.2 times D/E ratio)

Shareholder returns

Dividends and share buyback of free cash flows 50%
(Adjustments made to ratio of dividends to share buybacks depending on stock price levels; Share buybacks are to involve purchasing shares at appropriate thresholds)

Over the past five years, steady execution of capital allocation with similar allocation to that in the medium- to long-term policy



Midterm Business Plan toward further growth

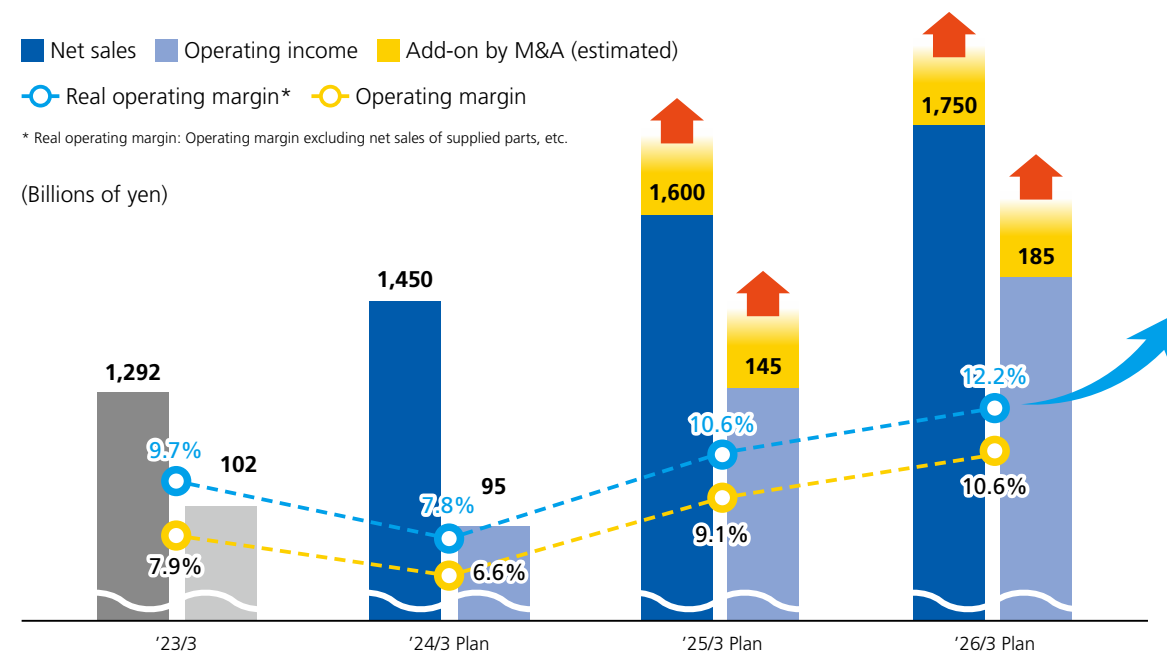
In May 2023, the Company released its new Midterm Business Plan, which serves as a concrete roadmap for achieving further growth in pursuit of its long-term targets for the fiscal year ending March 2029. In the Midterm Business Plan, our targets for the fiscal year ending March 2026, are set at net sales of 1.75 trillion yen and operating income of 185 billion yen. We have accordingly established a platform for our Eight Spear products to achieve growth at a pace surpassing that of past years, drawing on a lineup of global niche top products that generate high profitability centered around bearings, rod-ends, motors, analog semiconductors, access products, and INTEGRATION products.

We have also established a target of achieving real operating margin (operating margin excluding net sales of supplied parts, etc.) in the 15% range by improving our product mix. We have concluded four M&A deals for the fiscal year ended March 2023. Given our accumulated PMI expertise and solid financial base, we are in a favorable position to swiftly achieve the objectives of the Midterm Business Plan.

We will attain certain growth toward achieving our long-term targets by forging ahead in developing products that contribute to resolving social issues, while also pursuing organic growth and M&As.

Real operating margin to reach 15% level thanks to product mix improvement

Increase in sales of bearings, rod-ends, analog semiconductors, as well as improvement in profit margins of other products



Initiatives for improving profitability

The Company's efforts to enhance profitability entail rigorously cutting costs in part by lowering the materials cost ratio and the factory overhead ratio. We are also focusing on transforming fixed costs into variable costs, thereby increasing profitability through greater flexibility in cost management.

Furthermore, although we have carried out numerous M&As including large-scale M&As over the last several years, the Company's S.G.&A. expense ratio has remained in the 11%

range, which reveals plenty of room for improvement. Labor costs account for approximately half of our S.G.&A. expenses, followed by logistics costs and outsourcing expenses. Given that we regard this as one of our key management issues, we will move forward with projects enlisting a 2% S.G.&A. expense ratio reduction target, which is to be achieved in part by increasing white collar productivity and improving transport efficiency.

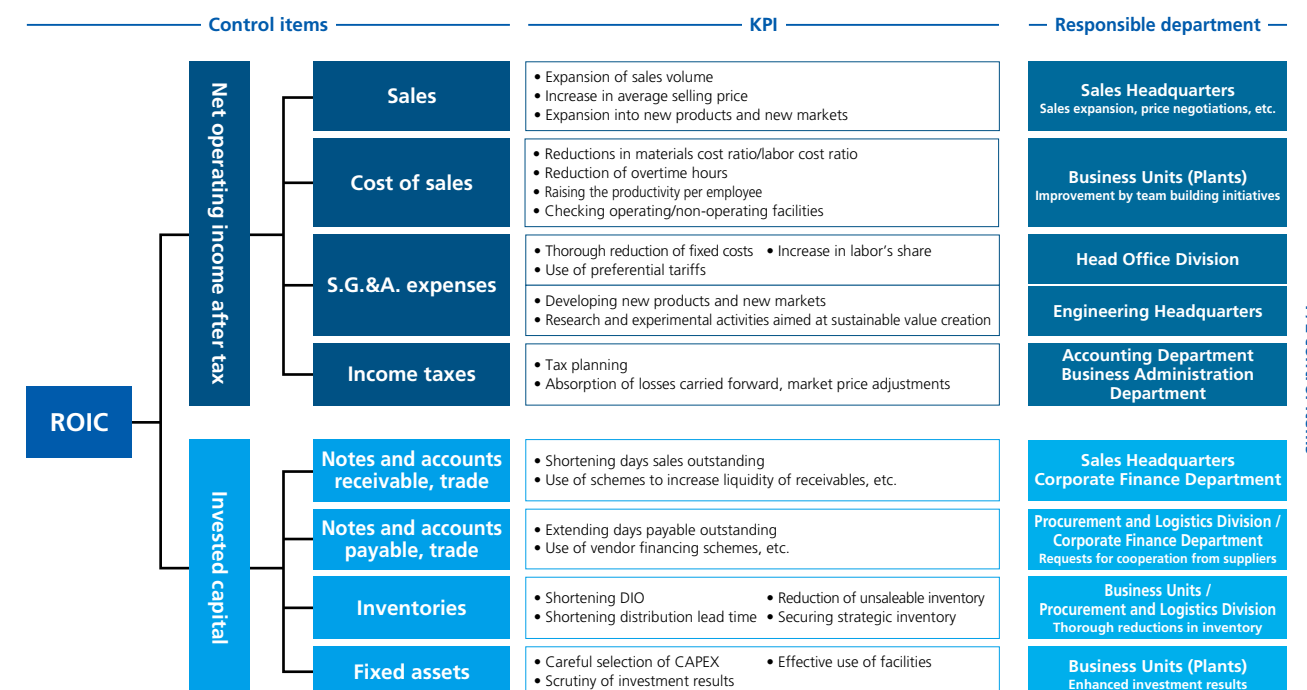
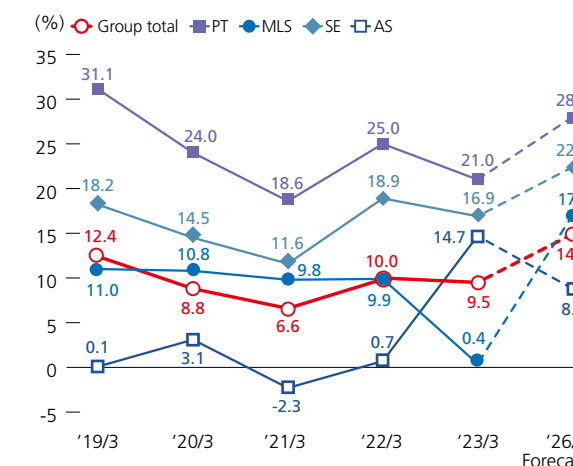
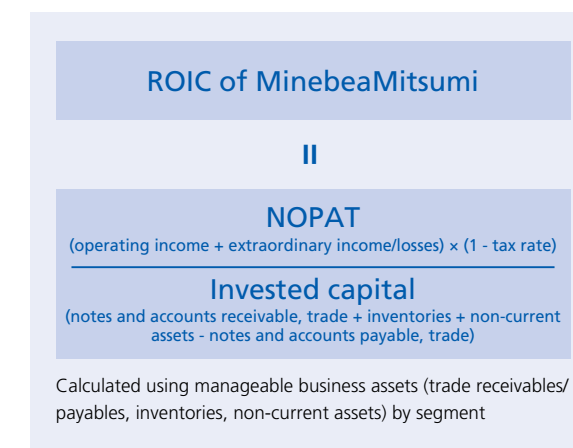
Management for value creation

The MinebeaMitsumi Group has established a hurdle rate of 8% for investment decisions, 2% higher than the estimated cost of capital of 6%. We are working to improve capital efficiency by appropriately implementing financial strategy, which involves identifying capital cost for each business. In backing its efforts to achieve net sales of 2.5 trillion yen and operating income of 250 billion yen, the Company enlists as benchmarks not only return on equity (ROE) but also return on invested capital (ROIC), which is used as an indicator of profitability for each business. The Company conducts R&D, M&As, and business withdrawal by checking whether or not the target profitability exceeds its capital cost and furthermore verifying current status and outlook of individual businesses.

Our approach to increasing profitability of individual businesses has involved improving profit margins and reducing invested capital enlisting a reverse ROIC tree approach. By enhancing profitability of each business portfolio, we strive to optimize invested capital on a Company-wide basis. As a result of working on profitability improvement under this policy, ROIC for the fiscal year ended March 2023 came to 9.5%.

Going forward, we will seek to draw up business strategies and engage in business operations in alignment with initiatives for achieving sustainable growth and increasing corporate value over the medium to long term. In our efforts to increase corporate value, we will engage in risk management practices for reducing capital cost, and implement financial strategy which helps to enhance the competitive strengths of our products. Moreover, in seeking to ensure an optimum business portfolio, we hold management meetings twice per year to discuss business continuity of those businesses that fall short of the hurdle rate.

ROIC



Business portfolio strategy

Focusing on growth of net sales and ROIC by business segment, we view the current state and the potential of the Company's business portfolio as indicated below. With regard to invested capital, we seek to optimize management resources in the fields of A to D defined in the figure below. To do this we plan to implement capital

expenditures efficiently while utilizing grants and other funds. We will also focus on controlling inventories and other assets on a business segment basis in order to maintain working capital within an appropriate range.

Precision Technologies (PT; former Machined Components)

In Precision Technologies (PT), we expect an increase in net sales due to various factors including recovery of the data center market, shift to EVs and a shift to high functionality in the automobile market, and increasing demand for aircraft applications. In addition, we anticipate

improvement in return on invested capital (ROIC) due to higher profits associated with the increase in sales. We aim for PT to achieve further expansion as a core business of the Company going forward.

Motor, Lighting & Sensing (MLS; former Electronic Devices and Components)

In Motor, Lighting & Sensing (MLS), we expect significant increase amidst the likelihood of further growth in motors centered on automotive use and expansion of applications particularly with respect to automotive backlights. We will enhance profitability centered on

global niche top products. We will also expand MLS to serve as a pillar for company-wide earnings surpassing that of the target growth rate and hurdle rate.

Semiconductors & Electronics (SE; former MITSUMI Business)

In Semiconductors & Electronics (SE), we seek to strengthen the Eight Spears through expansion of business including that of semiconductors and the connector business that had been subject to business integration. Although at this point in time we envision a slowdown in the rate of net sales growth in optical devices and

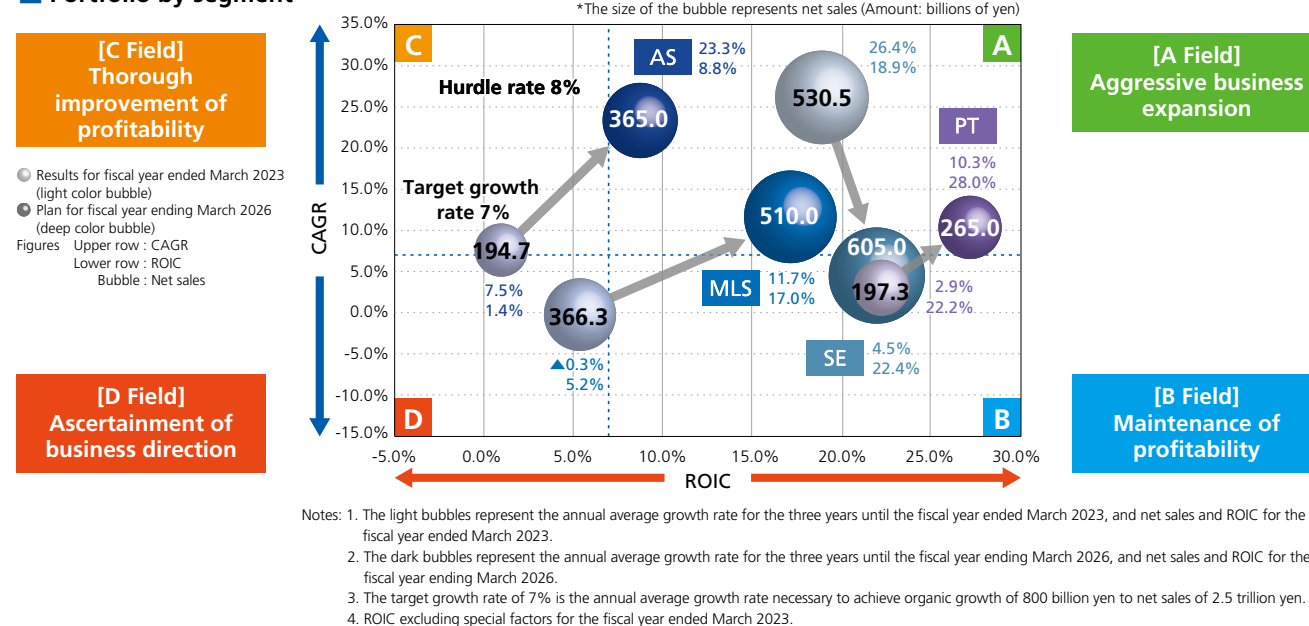
mechanical components, which have contributed to sales gains thus far, we will prompt a return to a growth trajectory in part by tapping into new products. We will improve profitability by rigorously cutting costs and increasing productivity.

Access Solutions (AS; former U-Shin Business)

Access Solutions (AS) has long encountered challenges with profitability, but has achieved certain results in terms of improving profitability as a consequence of focusing on PMI in the U-Shin business and proceeding with structural reforms in the European

business. We will strive to increase sales and profitability by making the most of our favorable position as a Tier-1 business, including that of the newly integrated Minebea AccessSolutions.

Portfolio by segment



Strategies by Business

Precision Technologies Pages 37 to 38

Motor, Lighting & Sensing Pages 39 to 40

Semiconductors & Electronics Pages 41 to 42

Access Solutions Pages 43 to 44

Progress of Green Bond Framework

In November 2022, the Company issued its first series of green bonds to provide proceeds for production of high-quality bearings that contribute to greater power savings and groundbreaking precision, research and development, and procurement of decarbonized power sources. The Company will achieve its environmental targets by

taking on the challenge of carbon neutrality and promoting MMI Beyond Zero. Going forward, we will continue to further promote initiatives to realize a sustainable global environment.

Initiatives for the Environment Page 59

Risk management

Due to such factors as the shift towards a decarbonized society and heightened geopolitical risk, the business environment in which the Company operates is changing at dizzying speed on a day-to-day basis. In order to respond to such changes quickly and appropriately, we must strengthen our "defensive" approach to risk management in addition to taking an "aggressive" approach to maximizing profit.

The Representative Director, Chairman CEO of MinebeaMitsumi is the chief risk management officer and makes important decisions regarding risk management at the Risk Management Committee. It is also the role of the committee to assume specific risks and action plans for such risks and conduct continuous monitoring of the situation. As the CFO, I am focused on recognizing and forecasting our business environment, analyzing the impact of individual events on our business and performance, examining the likelihood of occurrence, urgency and impact of risks and opportunities, and formulating strategies and measures. I also execute those strategies and measures in a concrete and steady manner.

Risks and Opportunities Pages 29 to 30

BCP constitutes one of the urgent issues facing the MinebeaMitsumi Group. This particularly includes initiatives for

mitigating water risk. As such, we identify sites subject to substantial water-related risk, such as that involving flooding or drought, and then focus accordingly on developing and strengthening disaster prevention manuals and BCPs.

Corporate Governance / Risk management example 1 BCP Page 80

Furthermore, we address the significant challenge of establishing systems for deterring and preventing cyberattacks against companies.

We stringently reinforce such systems for deterring and preventing cyberattacks, which entails establishing a company-wide security task force encompassing our overseas operations, providing information security training to employees, and strategically augmenting our security systems.

Corporate Governance / Risk management example 2 Information security Page 80

In addition, in order to respond promptly to the strengthening of economic sanctions and export control regulation in various countries, and to take a more strategic approach to expanding the business, we have drawn up internal regulations regarding economic security, and established a system for management of economic security risk.

Corporate Governance / Risk management example 3 Security trade control Page 80

FAQ 1 ▶ What is your view on results for the fiscal year ending March 2024?

We anticipate record-high earnings on an operational basis excluding special factors in terms of a full-year results forecast for net sales of 1.45 trillion yen and operating income of 95 billion yen. This takes into account prevailing circumstances in terms of this fiscal year's macroeconomic trends and uncertainty regarding the prospect of data center recovery. In Precision Technologies, we expect to see recovery in the automotive and aircraft markets in the second half, offset by uncertainties regarding the prospect of recovery in the

data center market. In Motor, Lighting & Sensing, growth in motors prompted by recovery in the automotive market will significantly contribute to earnings. In Semiconductors & Electronics, strong performance in optical devices and analog semiconductors will offset a decline in mechanical component revenue. In Access Solutions, we are aiming to achieve positive outcomes from business integration with growth in sales and profit accompanying market recovery.

MinebeaMitsumi At a Glance

What is MinebeaMitsumi?

The world's only "INTEGRATION" manufacturer of precision components with the core of Eight Spears

MinebeaMitsumi is an INTEGRATION manufacturer of precision components which produces various machines and electronic components, including motors, sensors, and semiconductors, mainly by using its core technologies that represent ultra-precision machining techniques. Specifically, it produces 1-cell lithium-ion battery protection ICs as well as miniature and small-sized ball bearings to make machines rotate smoothly, for which it has the largest market share in the world (according to the Company's research). Our ultra-precision machining technologies are used for products and machines in a wide range of fields, including home electrical appliances such as air-conditioners, vacuum cleaners, hair-dryers, and game consoles; information equipment such as smartphones and PCs; car, aviation and space products; and medical devices, to support every person's life in an invisible way.

Eight Spears

We have positioned products that can display the strengths of the Company, such as ultra-precision machining technologies and mass production technologies, and cannot be easily lost as the "Eight Spears" of our core businesses.

Core businesses Page 26



INTEGRATION

INTEGRATION means "combining" rather than "simple gathering" of the Company's proprietary technologies to evolve the "Eight Spears" of our core businesses and to create new products in various fields through the INTEGRATION of our advanced technology.

MinebeaMitsumi's core technologies

Ten core technologies, including ultra-precision machining technologies, create value beyond conventional wisdom

We create cutting-edge solutions by integrating production technology centered on ultra-precision machining technology, and a variety of underlying technologies such as sensors and optics.

Ultra-precision machining technology

Advanced machined components need cutting, grinding, and polishing with high precision in sub-microns. Our ultra-precision machining technologies accumulated over many years realize micromachining for various types of components. Those techniques are utilized for a variety of MinebeaMitsumi products, including motors and lighting devices, not only machined components.

Mass production technology

We will realize stable supply of precision components of high precision and quality by balancing ultra-precision machining technology and mass production technology. We have introduced large-scale automatic assembly lines for products capable of being mass-produced. At our mother factories mainly in Karuizawa, Hamamatsu, Fujisawa, and Yonago, we develop and produce automatic assembly lines for major products, which are introduced in Group factories as lines of high precision and efficiency that can be produced only by MinebeaMitsumi.

Vertically-integrated manufacturing system

We have established a "vertically-integrated manufacturing system" in which processes from development to assembly are integrated, and organically connected our mother factories with mass-production bases throughout the world to prepare a system of supplying products in global markets.

Underlying technologies

| | |
|---|---------------------------------|
| Sensor technology (e.g. load and pressure) | Optical technology |
| MEMS technology | High-frequency technology |
| Electronic circuit technology | Semiconductor design technology |
| Mechanism design technology | System design technology |

MinebeaMitsumi's growth axes

Third growth axis derived from developing products that contribute to resolving social issues, which is in addition to organic growth and M&As

In addition to organic growth and M&As in the markets we serve today, which have been our growth drivers thus far, "developing products and supplying components for resolving social issues" will be our axis to continue to accelerate corporate growth.

1

Organic growth

- Market disposable income per capita will rise in line with the growth in global GDP
- The sale of high-end functional products = The necessity of parts for high-end functional products

2

M&A

- Integration of synergistic companies, with a focus on MinebeaMitsumi's Eight Spear products that make up its core business

3

Developing products and supplying components for resolving social issues

- Synergistic and close alliances with the Eight Spears

Strategies by Business Pages 37 to 44

New trend 3

Development of products for resolving social issues listed below

Energy

Bearings with 3 times the precision of today's products to create extreme reduction of electric power consumption!

Environment

Smart city solutions To centralized control of street light luminance, etc., through wireless communication

Declining birthrate and aging population

Bed Sensor System™

Disaster countermeasures

Integrated environmental sensors To allow visualization of meteorological data in real time

Autonomous driving

Actuators for laser scanners Innovate the LiDAR image quality and function

Traditional trends 1 2

Organic growth + M&A

Convenience and comfort

Automotive precision components Contribute to safety, comfort, and energy saving of automobiles

High functioning

Precision components for mobile devices Contribute to the functionality and slimness of smartphones

Value created by MinebeaMitsumi products

Meet "high voltage, high current, high frequency, and high speed" needed in the world

Having identified the realms of "EVs, renewable energy, AI, and extended reality (XR)" as prominent domains of growth in the global market, we believe that technologies essential in these growth domains consist of the key elements: "high voltage, high current, high frequency, and high speed," which we refer to as the "four highs." Meanwhile, we take pride in the "Eight Spears" of our core businesses, which entail products essential to such technologies.

Social issues to be addressed

- Declining birthrate and aging population
- Population issues
- Healthcare issues
- Promotion of telemedicine
- Electric Vehicles ("EV")
- Autonomous driving
- Energy issues
- Global warming etc.

4 fields of growth 4 technologies

EV

+

Renewable energy

+

AI

+

XR

High voltage

High current

High frequency

High speed

History of MinebeaMitsumi

Organic growth
×
M&A growth

The Company was established in Itabashi-ku, Tokyo in July 1951 as Japan's first specialized manufacturer of miniature ball bearings. After the war, engineers from the former Manchuria Airplane Manufacturing Company returned from Manchuria and established the company with dreams and passion for the development of the aircraft industry.

In over 70 years since then, we have expanded into the field of electronic devices, and since our founding, through management integration with 55 companies (as of August 31, 2023), have grown into an INTEGRATION manufacturer of precision components with a unique business portfolio that is unmatched in the world, ranging from ball bearings to motors, sensors, access products, and semiconductors.

We will continue to grow through both organic growth and M&As, and also by product development contributing to the resolution of social issues, to create new value that supports manufacturing and people's lives around the world.

Founded in 1951

Nippon Miniature Bearing Co., Ltd., Japan's first specialized manufacturer of miniature ball bearings, is incorporated in Azusawa, Itabashi-ku, Tokyo



Karuizawa Plant (Japan)

1963 Plant is relocated from Kawaguchi, Saitama, to Miyota-machi, Nagano, and operations begin at **the Karuizawa Plant, to become the mother plant of all the MinebeaMitsumi Group's plants worldwide**

1970

Organic growth

1972 Our first own overseas plant is constructed in Singapore

M&As

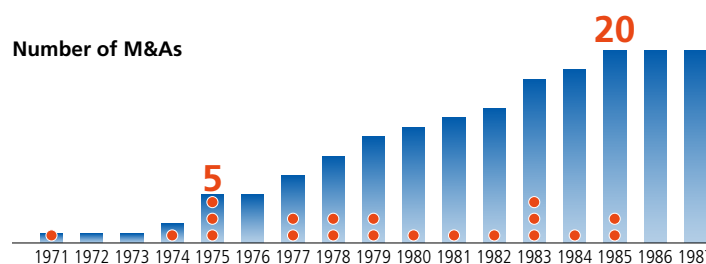
1971 Production overseas is commenced for the first time in the U.S.

1974 The Company embarks on the electronic devices and components area (measuring components: the present Sensing Device BU)



The corporate profile can be viewed from here.

Number of M&As



From 1951 Founding period

Unchanging ideas since the founding period
Ultra-precision machining technology and mass production

We have pursued high quality and low costs since our establishment in order to strengthen our miniature ball bearing products. In 1964, the Company introduced the latest machinery and equipment to the Karuizawa Plant and received guidance from overseas engineers, which dramatically improved the level of technology. As exports to overseas markets increased and sales grew, the Company introduced a series of cutting-edge machines to the Karuizawa Plant, increasing its competitiveness through ultra-precision machining technology and mass production technology.



From 1970 Diversification

Expanding our business domain through overseas expansion and diversification

Based on a sense of crisis that bearings might disappear in the future, we started the motor business in 1973, and in the 1980s, we expanded into the semiconductor business and electronic components business.

In 1971, we acquired the U.S. Reed Instrument Corp. and began production overseas. We also started overseas production at our own plants in Singapore in 1972 and in Thailand in 1980. In addition to actively conducting domestic and overseas M&As to acquire engineers and increase production capacity, the Company also acquired non-manufacturing companies such as cosmetics and kimono door-to-door sales companies and pig-farming-related companies to expand the scale of its business.

The U.S. Reed Instrument Corp. (Currently NHBB Chatsworth Plant)



1980

1980 Ayutthaya Plant is established
The Company advances for the first time into Thailand, the Group's largest facility

1984 Bang Pa-in Plant is established as the second facility in Thailand

1986 Hamamatsu Plant is established
Development in the electronic devices and components area is expanded

1988 Lop Buri Plant is established in Thailand
Production in the electronic devices and components area is expanded

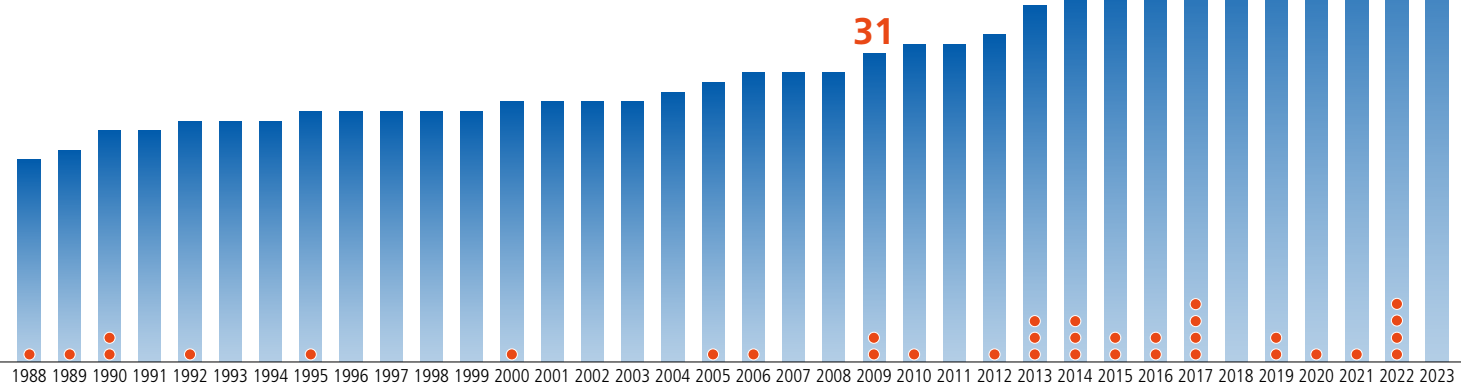
1994 MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD., (our first plant in China) is established, which produces bearings and fan motors from parts in a vertically-integrated manner

1980 The Company commences the production of small-sized ball bearings

1985 The U.S. ball bearing manufacturer is acquired
Supply to the U.S. market is expanded

1988 The U.K. rod-end bearing manufacturer is acquired
Supply to Europe market is expanded

1990 The Company establishes a subsidiary to develop HDD spindle motors in Germany



From 1990 Return to manufacturing

Streamlining management by promoting selection and concentration of businesses

In the 1990s, as the negative effects of diversification began to mount, we sought to restore our profitability by reorganizing businesses that were not closely related to manufacturing and concentrating management resources on our core businesses of bearings and electronic devices.

We started integrated production of ball bearings in Shanghai, China. Production of high-precision components for HDDs started in earnest, as we further refined our ultra-precision machining technology and vertically-integrated manufacturing system.



From 2000 Becoming an INTEGRATION manufacturer of precision components

Pursuing synergies to solidify our strength as a company

As we entered the 2000s, the technological changes in the world became even more drastic, and IoT came to be the norm. We further expanded our production bases in Cambodia and Slovakia, and accelerated our M&A activities. Since Chairman Kainuma took office as CEO in 2009, the Company has conducted 24 M&As. In 2017, the Company conducted a business integration with MITSUMI ELECTRIC and changed the company name to MinebeaMitsumi Inc.

In the 2000s, the world was hit by a variety of disasters, including the Lehman bankruptcy, U.S.-China trade frictions and other financial crises, the Great East Japan Earthquake, the flooding in Thailand, and the spread of COVID-19. Nonetheless, with the strength of our diversified business portfolio and risk diversification system, we have strongly overcome adversity and continue to grow as an INTEGRATION manufacturer of precision components.



2020

2020 New building is completed at the Akita Business Division
Development of automotive business is strengthened

2021 New multi-purpose plant building is constructed on the Bang Pa-in Plant in Thailand
Production capacity for a variety of future products is increased

2022 Karuizawa Technology Center is established
Development of machined components is strengthened

2023 The Tokyo X Tech Garden is established
INTEGRATION of talents and developing new products are strengthened

2020 Business integration with ABLIC through acquisition of its shares
The Company's presence in the analog semiconductor market is strengthened

2021 8-inch analog semiconductor plant (fab) and MEMS business are acquired from OMRON Corporation
Production of analog semiconductors is expanded

2022 Business integration with Honda Tsushin Kogyo and SUMIKO TEC (currently Minebea Connect) through acquisition of their shares
Product lineup of connectors is expanded

2023 Business integration with Honda Lock (currently Minebea AccessSolutions) through acquisition of its shares
Access product business is strengthened

Total of
55
M&As!

MinebeaMitsumi Today

With ultra-precision machining technology at the core, we are able to **leverage our strengths** in a diverse range of business, production, and talents while diversifying risk



Business

The Company set a new record high in net sales and operating income for the fiscal year ended March 2023 thanks to its diversified business portfolio.

Access Solutions

Net sales
¥194.7 billion
Net sales composition
15.1%

Semiconductors & Electronics

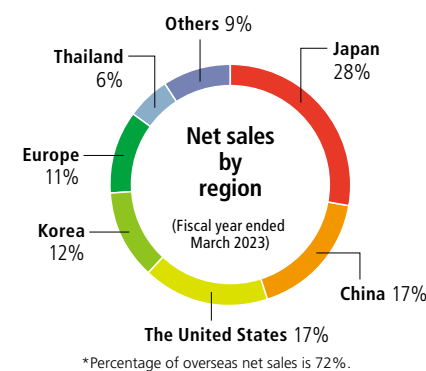
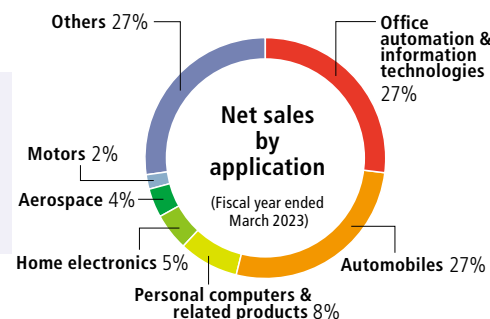
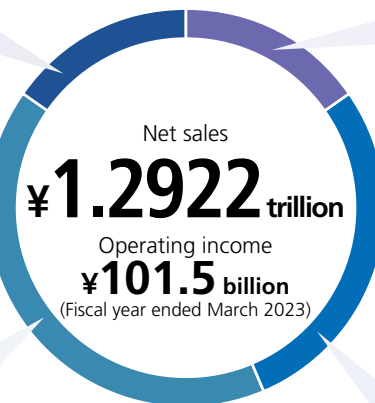
Net sales
¥530.5 billion
Net sales composition
41.2%

Precision Technologies

Net sales
¥197.3 billion
Net sales composition
15.3%

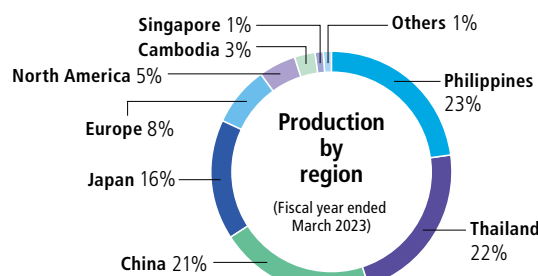
Motor, Lighting & Sensing

Net sales
¥366.3 billion
Net sales composition
28.4%



Production

We created a global production framework and reduced exchange, disaster and geopolitical risks.



28
countries

125
production and R&D bases

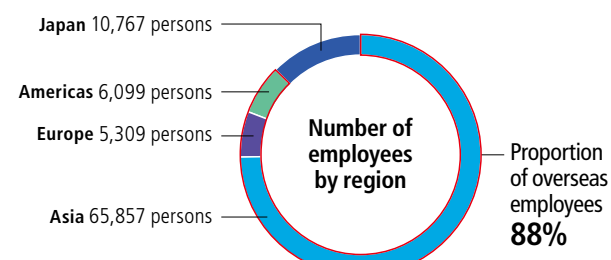
101
sales offices

(As of August 1, 2023)



People

The Company serves as a global enterprise that carries out and employs 90% of its diversified workforce abroad.



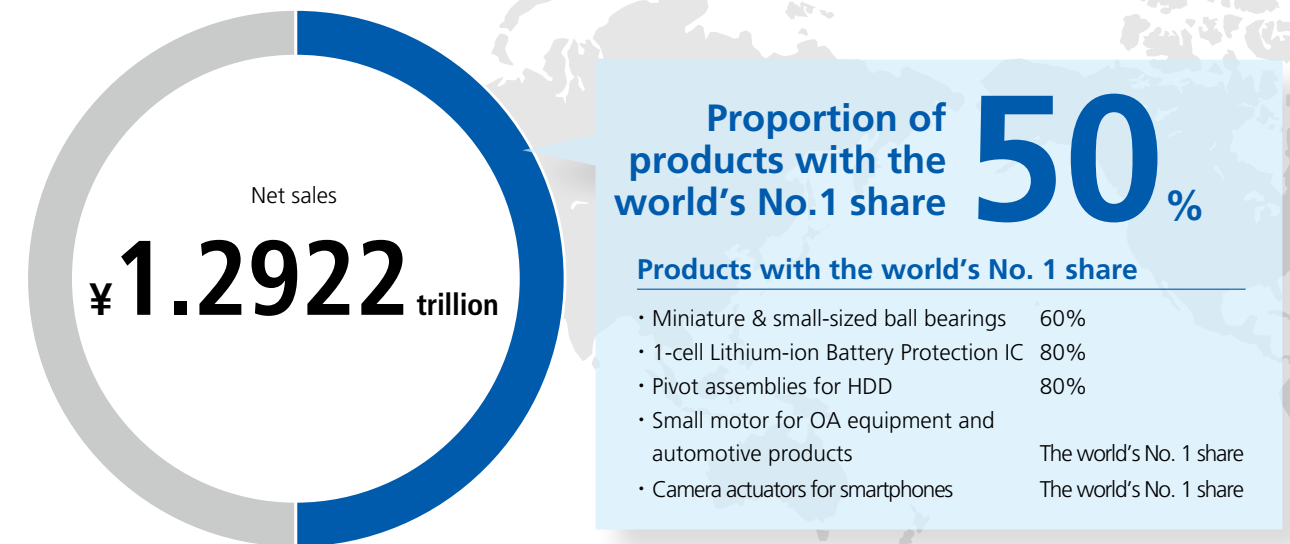
Consolidated number of employees

88,032

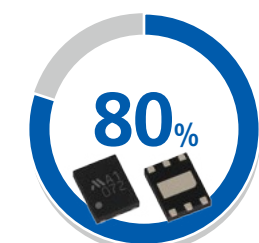
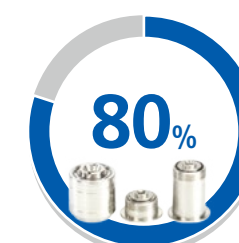
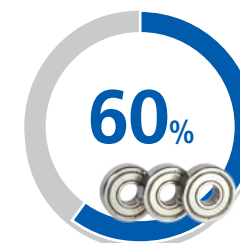
(As of June 30, 2023)

* The consolidated number of employees comprises full-time employees only and accordingly does not include part-time employees or temporary workers.

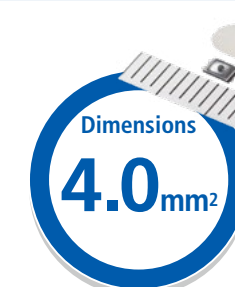
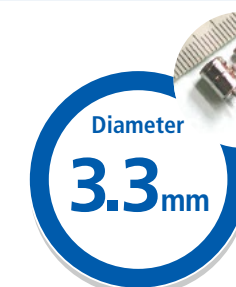
MinebeaMitsumi boasts a 60% share of the global market for miniature and small-sized ball bearings with an outer diameter of 22 mm or less. Furthermore, by applying the **ultra-precision machining technology** and mass production technology we have cultivated through our bearing business to a variety of fields, we have created products with the No. 1 share* in the global market, as well as the world's smallest and thinnest products. Our global No. 1-share products account for approximately 50% of our net sales. In addition, wide-ranging applications including automobiles, aircraft, smartphones, medical devices, and infrastructure, as well as a complementary system of global production bases in Japan, the U.S., Europe, and Asia provide us with an excellent risk diversification system and a wide range of talent to create synergies. **The diversity of our business, production, and people is the source of our strength.**



The world's No. 1 share



The world's smallest



The world's thinnest

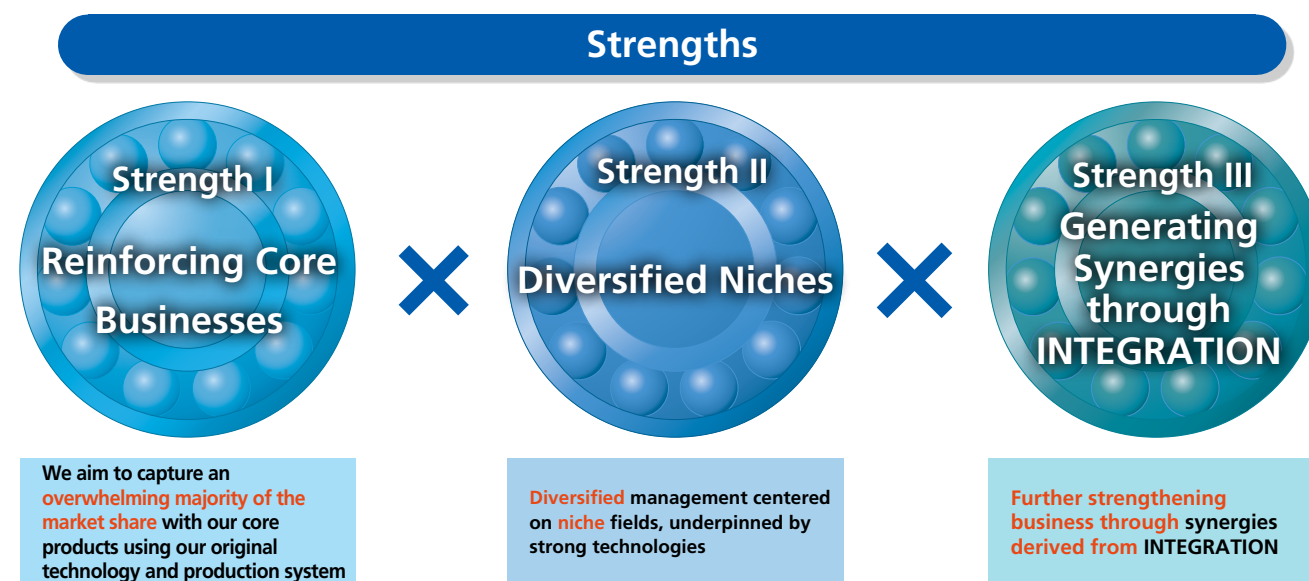


*According to MinebeaMitsumi

Value Creation Model of MinebeaMitsumi

Sustainable growth based on three strengths and non-financial capital

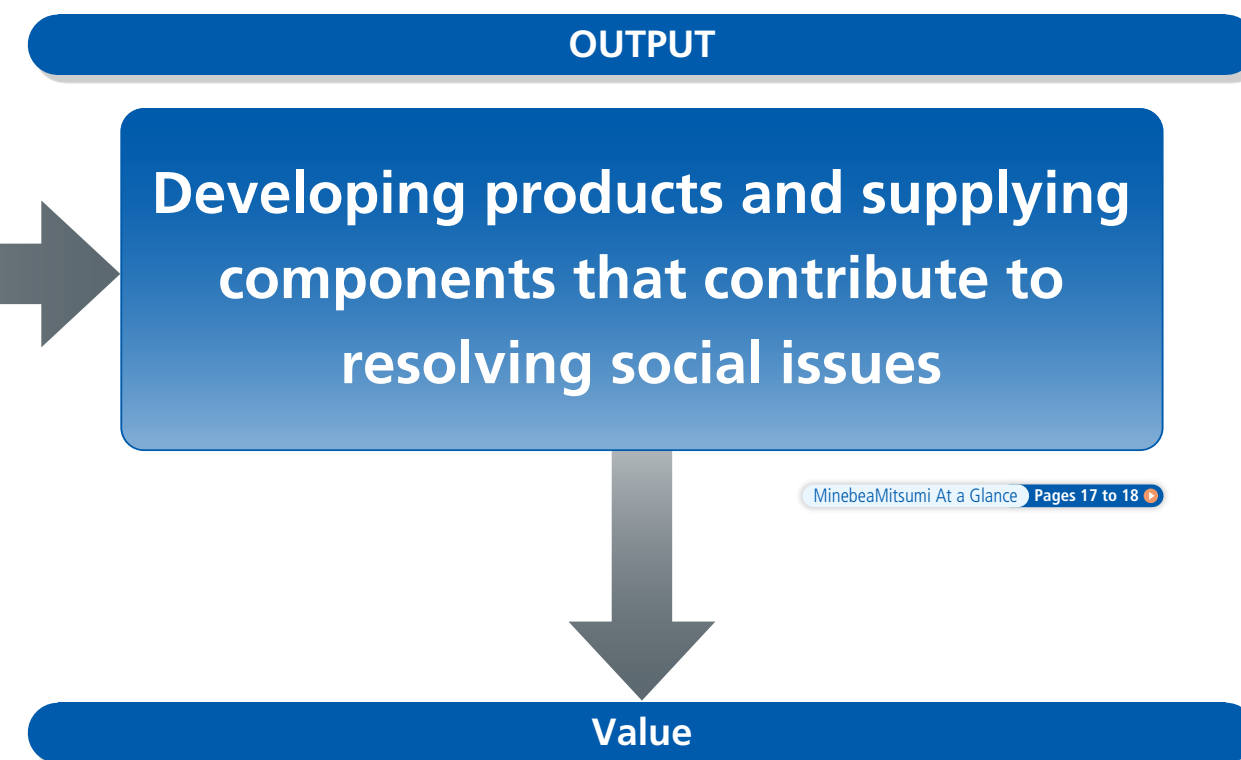
MinebeaMitsumi's Strengths Pages 25 to 26



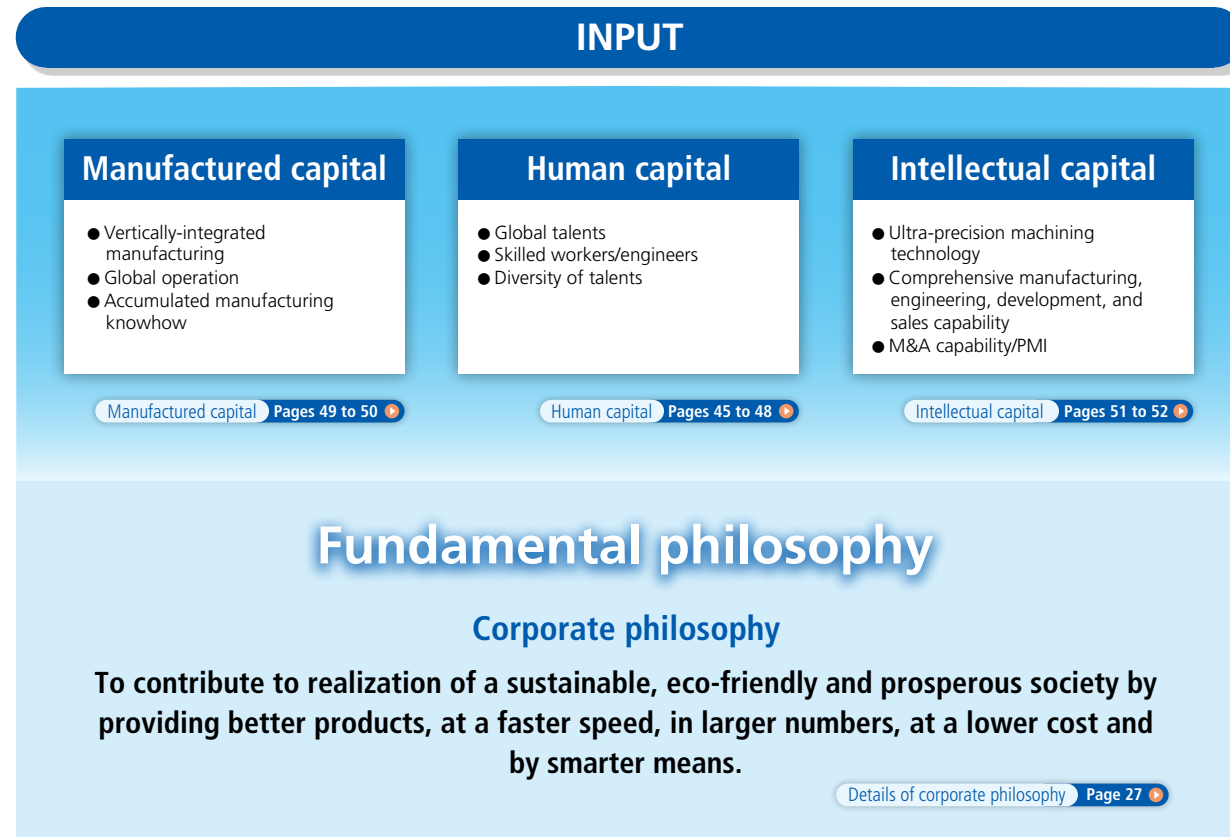
MinebeaMitsumi's three strengths are "Reinforcing Core Businesses," "Diversified Niches," and "Generating Synergies through INTEGRATION."

By combining these three strengths and creating synergies, we have created economic value as well as environmental and social value, and have accumulated financial and non-financial capital.

By leveraging these synergies and further refining our three strengths, we will contribute to resolving social issues and aim to achieve sustainability as a company as well as sustainability for the earth and society.



MinebeaMitsumi At a Glance Pages 17 to 18



Corporate activities themselves contribute to resolving social issues and developing a sustainable society

- Accelerate growth in core businesses that are vital for resolving social issues
- Further deepening core technologies to meet the world's demand for "high voltage, high current, high frequency, and high speed"

Business value / Economic impact

- Environmentally friendly products that support manufacturing around the world
- Achieve and maintain the world's No.1 market share and the world's smallest and thinnest technology
- High operating margin
- Ability to generate cash backed by high earning power
- Return on equity (ROE)
- Return on invested capital (ROIC)



Social value / Social impact

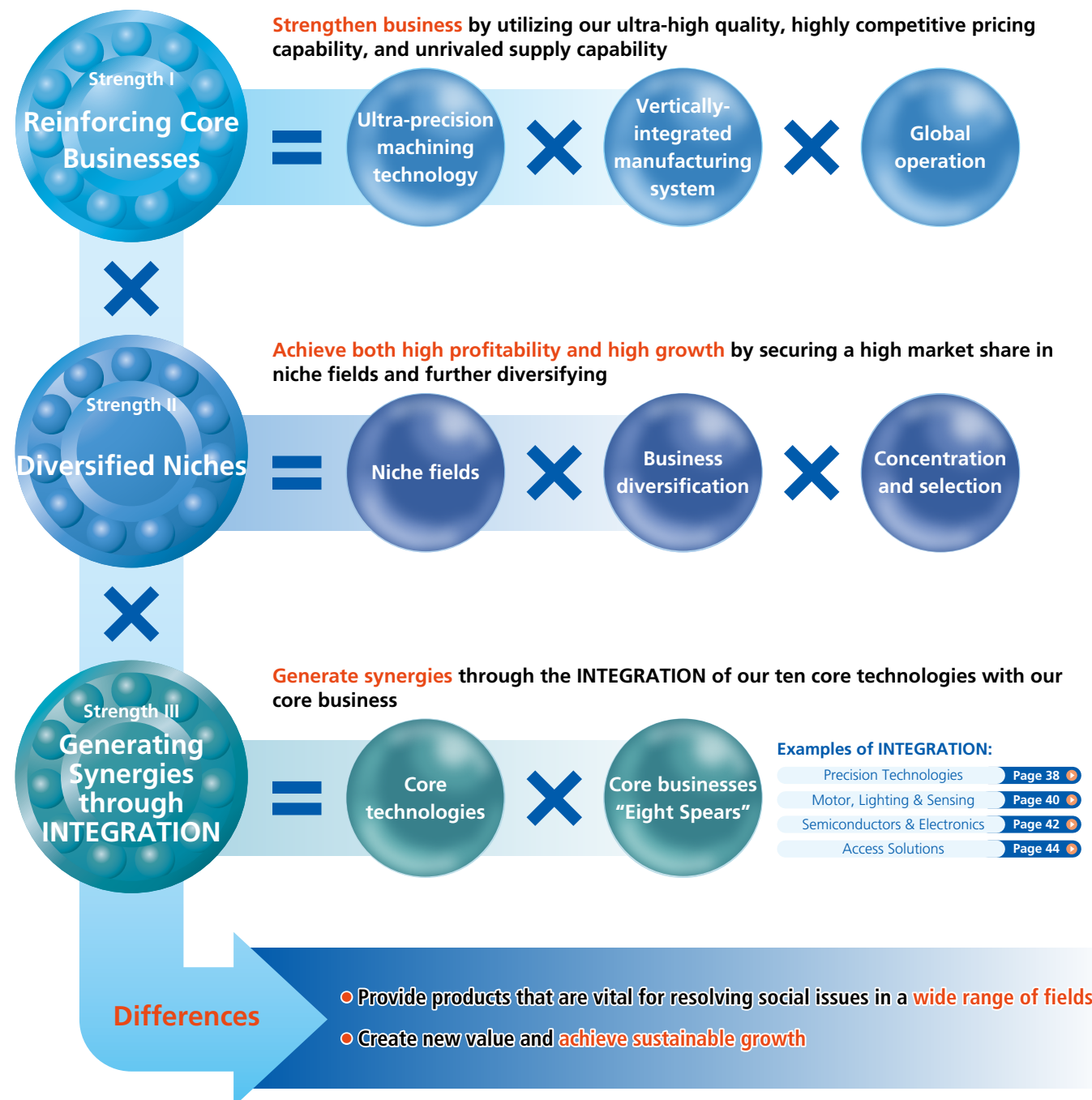
- Contribution to the global environment through our products
- Social trust through provision of high-quality products and fair trade
- Mass production with minimum environmental impact
- Contribution to technological innovation through cutting-edge technology
- Diversity in talents
- Employment and employee training in emerging countries



MinebeaMitsumi's Strengths

Three strengths create "difference" - expanding the realm of possibility

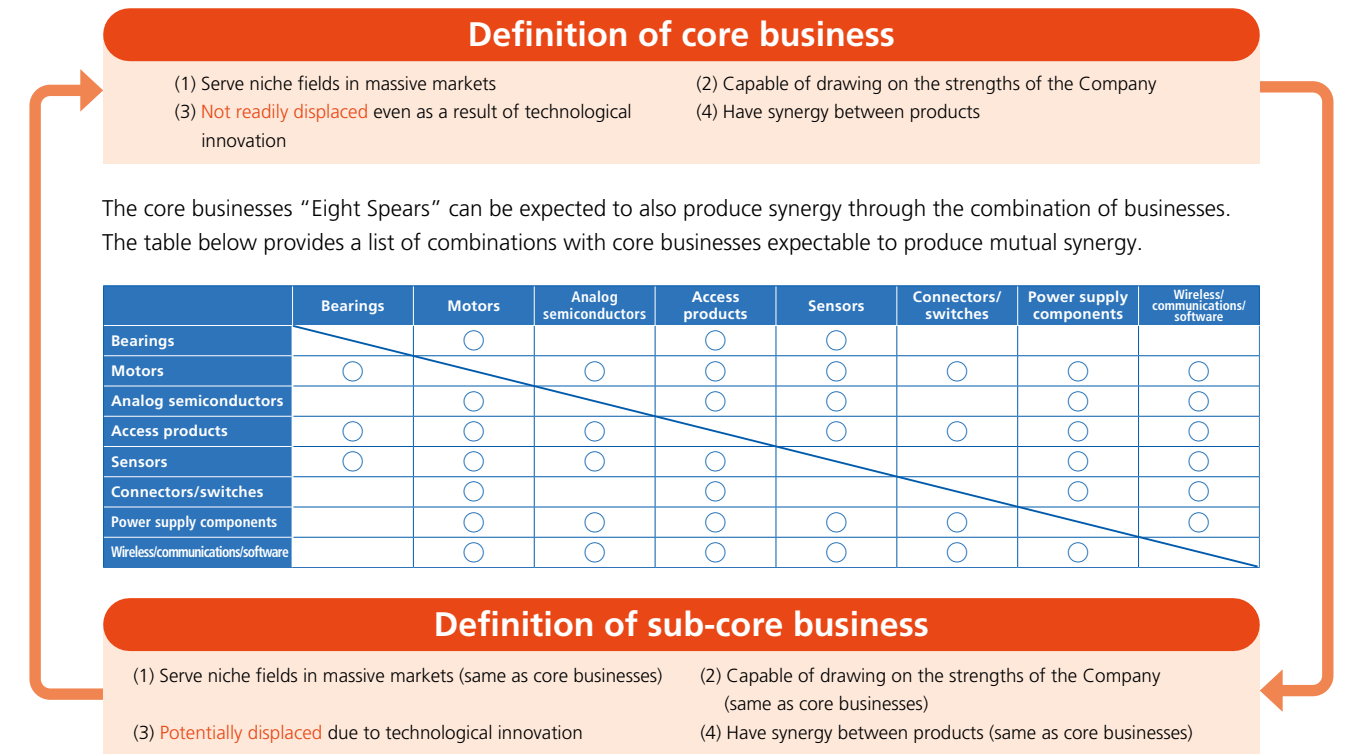
MinebeaMitsumi's sustainable growth is achieved through the three strengths we have cultivated since our foundation. These strengths have been supported and strengthened by our respective competitive advantages. By further combining these, we produce "differences" that cannot be found at other companies, and achieve sustainable growth.



Organic growth pursued with core and sub-core strategies

Our business can be divided into core businesses, sub-core businesses, and non-core businesses.

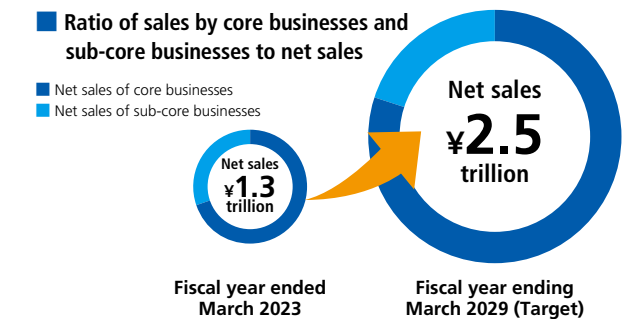
The definitions of core business and sub-core business are as shown below. We have already withdrawn from non-core businesses not applicable as core businesses or sub-core businesses, and at present do not have any business applicable as non-core.



Our current sub-core businesses include game-related and smartphone-related businesses.

Sub-core businesses contribute to the further strengthening and growth of the core businesses through the improvement of technological capabilities, the acquisition of new technologies, and the maximization of earnings as a cash cow. In addition, we are minimizing risk through initiatives including keeping fixed costs to a minimum and taking accelerated depreciation method on investment, given potential for future displacement of such business.

We will shift to core businesses in the long term, aiming to achieve both the reduction of earnings volatility and the improvement of risk management.



INTEGRATION of Eight Spears (automotive example)

HMI
Human Machine Interface
Systems for tactile feedback

LATM
Limited Angle Torque Motor
High-speed, high-precision control of LiDAR mirrors

INTEGRATED Eight Spears

| | Bearings | Motors | Analog semiconductors | Access products | Sensors | Connectors/switches | Power supply components | Wireless/communications/software |
|-------------------|----------|--------|-----------------------|-----------------|---------|---------------------|-------------------------|----------------------------------|
| HMI | | ○ | ○ | | ○ | ○ | | |
| LATM | ○ | ○ | ○ | | ○ | ○ | | |
| HVAC LIN | ○ | ○ | ○ | | | | | ○ |
| Camera connectors | | | | | | ○ | | |

Camera connectors
Provide total solutions by addition of Honda Tsushin Kogyo, Minebea Connect, and MITSUMI

HVAC LIN
Heating, Ventilation, and Air Conditioning with Local Interconnect Network
Enhancing comfort features and efficiency of air conditioners

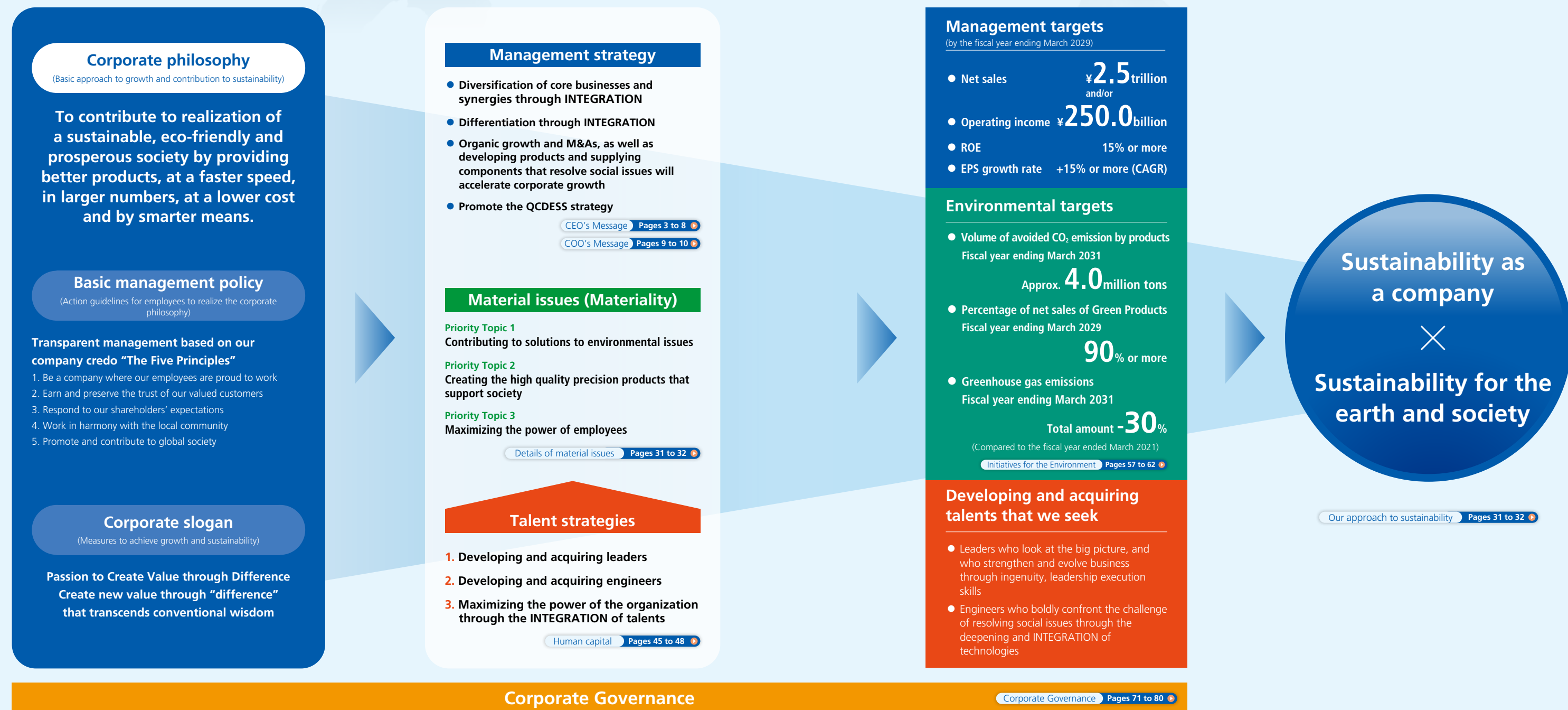
Achieving Long-term Management Goals

The road to an eco-friendly and prosperous society

Contribute to resolving social issues and the realization of a sustainable society through MinebeaMitsumi's corporate activities themselves

Based on the belief that "sustainability" is a key objective of management, MinebeaMitsumi's corporate philosophy aims to achieve both future further growth for the Company and sustainable development for the earth and society. In terms of management strategies, we have adopted the QCDESS® strategy, which emphasizes "eco and efficiency," as a solid foundation for MinebeaMitsumi's 100th anniversary.

Under the theme of "Materiality," key management issues, we will promote bottom-up activities such as talent development and promotion of diversity under the themes of "contributing to solutions to environmental issues," "creating the high quality precision products that support society," and "maximizing the power of employees." By these measures, and through our corporate activities themselves, we will endeavor to resolve social issues and to develop a sustainable society.



Risks and Opportunities

Megatrends

Emergence of geopolitical conflict
(Trade friction and Ukraine Issue)

Global climate change and shift to a carbon-free society

Acceleration and diversification of technological innovation

Digital shifts & cybersecurity

Society in the post-COVID era

Demographic change
(Shrinking labor force & super-aged society)

Mounting international demands concerning human rights and human rights legislation

| | Impact on the Company (▲: Risks ○: Opportunities) | Probability of occurrence | Degree of urgency* |
|---------------------------|--|---------------------------|--------------------|
| Manufacturing | ▲ Suspension of production and reduction in capacity utilization of the Group's production sites due to natural disaster, etc. | Moderate | Within 3 years |
| | ▲ Suspension of production and reduction in capacity utilization of the Group production sites due to social confusion, including geopolitical risks | | |
| | ▲ Increase in production cost due to rising raw material prices | High | Within 1 year |
| Quality control | ▲ Incurrence of significant expenses and loss of public confidence resulting from serious accident or product recall caused by a defective product | Low | Indefinite |
| Technological innovations | ▲ Loss of markets and competitiveness due to obsolescence of existing technologies and products as well as failure in result creation from R&D, etc. | Moderate | Within 5 years |
| | ▲ Rise of low-cost competitors in emerging countries | Moderate | Within 5 years |
| | ▲ Disputes concerning intellectual property (infringement proceedings, flooding of the market with counterfeit products) | Low | Indefinite |
| | ○ New business opportunities brought about by new technologies and new models | High | Within 3 years |
| | ○ Active use of AI and DX | High | Within 1 year |
| Environment | ▲ Actions toward reducing greenhouse gas (GHG) emissions | High | Within 1 year |
| | ▲ Escalation of environmental protection costs | High | Within 3 years |
| | ▲ Loss due to the occurrence of environmental pollution | Low | Indefinite |
| | ○ Mounting demand for resource- and energy-saving, low-carbon products | High | Within 1 year |
| Society | ▲ Challenges in securing talents due to decreasing size of labor force | High | Within 5 years |
| | ▲ Challenges with respect to successorship and imparting knowhow | Moderate | Within 5 years |
| | ▲ Loss of existing business and damage to reputation due to human rights violations | Low | Within 3 years |
| | ○ Enhancing corporate value through management practices that emphasize human rights | Moderate | Within 3 years |
| | ○ Corporate growth as a result of improving the working environment for employees | Moderate | Within 3 years |
| | ○ Emergence of new social issues | High | Within 1 year |
| Governance | ▲ Information leaks, computer virus infections, cyber attacks | Moderate | Indefinite |
| | ▲ Loss of existing business and damage to reputation due to non-compliance | Low | Indefinite |
| Finance | ▲ Impairment owing to the occurrence of contingent liabilities, etc., a downturn in earnings greater than expected, and minus synergy in M&As | Moderate | Within 3 years |
| | ▲ An unexpected drop in earnings or a deterioration in cash flow owing to a rapid fluctuation in foreign exchange and the financial market | Moderate | Within 1 year |

The Group formulates strategies and measures depending on degree of urgency by: recognizing the business environment and anticipating its developments; analyzing impacts of individual events on the Group's business and performance: and further analyzing probabilities of occurrence and degrees of impact of risks and opportunities. The table below provides an overview of the Group's risk and opportunity assessment.

| Degree of impact | Strategies/measures | Reference |
|------------------|---|--|
| Large | ● Formulating BCPs and implementing training drills at major business sites in Japan and overseas with a focus on locations subject to substantial water risks ● Keeping a risk management manual ● Global production framework | Manufactured capital ▶ Pages 49 to 50 Initiatives for the Environment ▶ Pages 57 to 62 BCP ▶ Page 80 |
| | ● Effective product mix and global production system for changing external environment ● Regularly performing political and economic risk assessments ● Promoting multi-sources (purchase from several suppliers) | Manufactured capital ▶ Pages 49 to 50 Security Trade Control ▶ Page 80 |
| | ● More stringent monitoring of supply-demand balance ● Logistics optimization | CFO's Message ▶ Pages 11 to 16 Strategies by Business ▶ Pages 35 to 44 |
| Moderate | ● Product price optimization | |
| | ● Rigorously implementing the MinebeaMitsumi Group Quality Policy ● Investigation and verification in design stage and strengthening of management structure within supply chain | Reinforcement of quality control systems ▶ Page 63 |
| Moderate | ● Strengthening and diversifying the core businesses "Eight Spears" ● Managing research effectively and efficiently in conformity with the R&D management rules | MinebeaMitsumi's Strengths ▶ Pages 25 to 26 Intellectual capital ▶ Pages 51 to 52 |
| | ● Continuous development of an intellectual property portfolio | |
| Moderate | ● Reducing costs and strengthening competitiveness | Strategies by Business ▶ Pages 35 to 44 Manufactured capital ▶ Pages 49 to 50 |
| | ● Differentiation by high-quality, high value-added products | |
| Moderate | ● Thoroughly researching into other companies' intellectual property rights during development and design ● Border control measures by registering trademarks with customs | Intellectual capital ▶ Pages 51 to 52 |
| | ● Active acquisition of intellectual property rights to newly developed products | |
| Large | ● Gaining new business through INTEGRATION, M&As, and alliances ● Continuously strengthening the vertically-integrated manufacturing system through automation of equipment and in-house manufacturing of components ● Promoting open innovation through industry-government-academia partnership | MinebeaMitsumi's Strengths ▶ Pages 25 to 26 Strategies by Business ▶ Pages 35 to 44 Manufactured capital ▶ Pages 49 to 50 Intellectual capital ▶ Pages 51 to 52 |
| | ● Transfer of the Tokyo Headquarters to the Tokyo X Tech Garden ● Promoting R&D by X Tech | |
| | ● Promoting DX in-house | Promotion of AI & DX ▶ Pages 55 to 56 |
| Moderate | ● Building a new sales platform | |
| | ● Performing scenario analysis of climate change-related risks and opportunities, formulating and executing action plans ● Expanding "MMI Beyond Zero" ● Installing solar power generation systems for in-house use and procuring renewable energy | Value Creation Story ▶ Pages 27 to 28 Strategies by Business ▶ Pages 35 to 44 Initiatives for the Environment ▶ Pages 57 to 62 |
| Moderate | ● Automating manufacturing processes and reducing production time ● Reorganizing and streamlining production sites | |
| | ● Installing high-efficiency, energy-saving equipment | |
| Moderate | ● Promoting strict activities to prevent environmental pollution under the Environmental Management Committee | |
| | ● Promoting MinebeaMitsumi Green Products | |
| Moderate | ● Securing diverse talents through active recruitment ● Recruiting talents through M&As ● Transfer of the Tokyo Headquarters to the Tokyo X Tech Garden | CEO's Message ▶ Pages 3 to 8 Human capital ▶ Pages 45 to 48 |
| | ● Establishing our corporate brand through various advertisements ● Implementing measures for employee health maintenance and improvement to augment productivity and increase employee retention | |
| Moderate | ● Conducting next generation candidate selections and development programs and specific in-house training ● Team building activities to facilitate sharing of knowhow such that expertise does not remain the sole domain of certain individuals | |
| | ● Furthering the adherence to responsible procurement ● Periodic monitoring of supply chain ● Compliance with the Human Rights Policy and thorough education regarding respect for human rights ● Ensuring stable operation of whistle-blowing system | Practicing responsible procurement ▶ Page 64 Policies and initiatives related to human rights ▶ Page 65 Internal reporting system ▶ Page 78 |
| Large | ● Enhancing the personnel system and measures geared towards employee work-life balance | Human capital ▶ Pages 45 to 48 |
| | ● Promoting efforts to prevent long working hours and increase the use of paid annual leave ● Promotion of diversity & inclusion | |
| Moderate | ● Development of products to cope with and contribute to solving new social issues through a diverse portfolio of technologies and products | Strategies by Business ▶ Pages 35 to 44 |
| | ● Building and operating a global security monitoring and crisis response system ● Penetrating a sense of information security into employees through training and drills | Risk management ▶ Pages 79 to 80 |
| Large | ● Enhancement of corporate governance ● Strengthening compliance and risk management framework | Corporate Governance ▶ Pages 71 to 80 |
| | ● Ensuring stable operation of whistle-blowing system | |
| Large | ● Creating synergy through INTEGRATION of talents and organizations ● Promoting PMI by establishing an integration preparation committee | CEO's Message ▶ Pages 3 to 8 CFO's Message ▶ Pages 11 to 16 Intellectual capital ▶ Pages 51 to 52 Post-Merger Integration Interview ▶ Pages 53 to 54 |
| | ● Risk hedge through foreign exchange forward contracts ● Promoting local production for local consumption | |
| Large | ● Strengthening well-disciplined financial operation and securing fund liquidity | |
| | | |

*The "degree of urgency" is a measure of when an individual event is expected to occur, based on a time horizon of within five years from the present. The degree of urgency of events for which specific timing is difficult to specify due to their nature is indicated as indefinite.



Our Approach to Sustainability

Sustainability as a company

Sustainability for the earth and society

Sustainability as a company

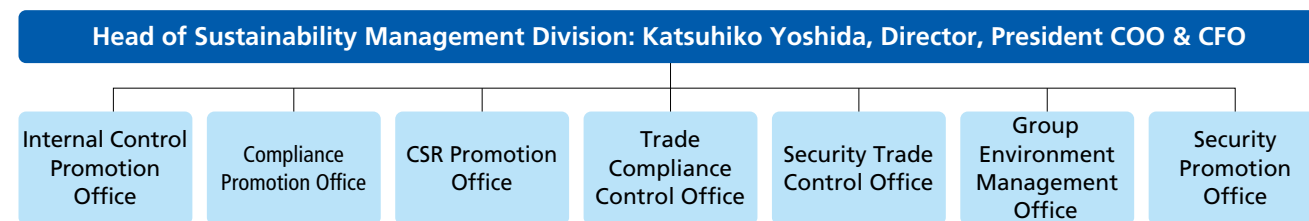
Embracing the belief that sustainability is the essence of management, MinebeaMitsumi has been pursuing continuous growth and sustainability. The Company builds and refines multifaceted and decentralized frameworks, including those for products as well as for manufacturing sites, markets and technological development, that act as a source of the Company's competitiveness. Our policy is to boldly invest our business resources in a manner that strengthens our efforts relating to the environment, society and corporate governance in order to facilitate sustainable growth.

Sustainability for the earth and society

As a manufacturer of precision products that supports society, we are "working towards providing a stable supply of reliable products with low energy consumption that are widely available" to be a company that contributes to the sustainable development of the global environment and of humanity.

*We are taking a two-pronged approach consisting of sustainability as a company and sustainability for the earth and society.

System for promoting sustainability



Priority topics/Material issues (Materiality)

In 2019, the Company identified material issues focused on fulfillment of corporate social responsibility (CSR). Due to changes in the external environment, including heightened interest in environmental issues in recent years, we revised the material issues from the standpoint of CSR as important "management issues" for implementing strategies from a company-wide perspective.

| | |
|---|---|
| Priority Topic 1 Contributing to solutions to environmental issues | <p>"Contributing to solutions to environmental issues" refers to "reduction of global greenhouse gas emissions through environmentally friendly products" leveraging INTEGRATION and the ultra-precision machining technology that is our biggest strength. We are working on this as a company, "minimizing the environmental impact of business activities."</p> |
| Priority Topic 2 Creating the high quality precision products that support society | <p>"To create the high quality ultra-precision products that support society," thereby contributing to the environment, we work to "strengthen the mass and stable supply system for ultra-precision components" and "practice responsible procurement" while also promoting "coexistence with local communities" at manufacturing and other business sites by job creation and collaboration with local residents.</p> |
| Priority Topic 3 Maximizing the power of employees | <p>The source of this value creation is our human resource management effort. Aiming to "maximize the power of employees," we seek to "enhance training by our human resources departments and promote diversity on a global scale" while working to "create a positive and rewarding work environment" for employees and promote "employee health and safety."</p> |

Initiatives for material issues

| Priority Topic 1 | Material issues | Primary medium-term targets (with an approximate timetable of fiscal year 2025) |
|------------------|--|---|
| | 1 Reduction of global CO ₂ emissions through environmentally friendly products | <ul style="list-style-type: none"> Volume of avoided CO₂ emissions by products: 4.0 million tons (fiscal year ending March 2031) Percentage of net sales of Green Products: 90% or more (fiscal year ending March 2029) |
| | 2 Minimizing the environmental impact of business activities | <ul style="list-style-type: none"> 10% reduction of greenhouse gas emissions per unit sales compared to the fiscal year ended March 2020 (fiscal year ending March 2026) 30% reduction of total greenhouse gas emissions compared to the fiscal year ended March 2021 (fiscal year ending March 2031) |

1 Reduction of global CO₂ emissions through environmentally friendly products [Page 59](#)

2 Minimizing the environmental impact of business activities [Pages 57 to 58](#)

| Priority Topic 2 | Material issues | Primary medium-term targets (with an approximate timetable of fiscal year 2025) |
|------------------|---|--|
| | 3 Strengthening the mass and stable supply system for ultra-precision components | <ul style="list-style-type: none"> Development of mass production system for ultra-high-performance bearings and other products through substantial improvement in precision Strengthen product safety management system capable of supporting products in new fields through business expansion |
| | 4 Practicing responsible procurement | <ul style="list-style-type: none"> Enhancement of CSR procurement guidelines considering environmental and human rights issues (introduction of Responsible Business Alliance (RBA) standards in guidelines and implementation of self-audits based on them) |
| | 5 Coexistence with local communities | <ul style="list-style-type: none"> Ongoing communication with local communities |

3 Strengthening the mass and stable supply system for ultra-precision components [Pages 38 and 63](#)

4 Practicing responsible procurement [Page 64](#)

5 Coexistence with local communities [Page 66](#)

| Priority Topic 3 | Material issues | Primary medium-term targets (with an approximate timetable of fiscal year 2025) |
|------------------|---|--|
| | 6 Global talent development | <ul style="list-style-type: none"> Strengthen talent development to actively promote expansion and development of business operations worldwide by leveraging benefits of the integration synergy of the MinebeaMitsumi Group |
| | 7 Global promotion of diversity | <ul style="list-style-type: none"> Increased percentage of diversity in the new graduate recruitment: 20% or more |
| | 8 Creating a positive and rewarding work environment | <ul style="list-style-type: none"> Achieve diverse work styles that enable employees to work enthusiastically |
| | 9 Employee health and safety | <ul style="list-style-type: none"> 0 incidents of serious workplace injuries (fatal accidents) 100% compliance with regular health checkups |

Maximizing the power of employees (Material issues **6** to **9**) [Pages 45 to 48](#)

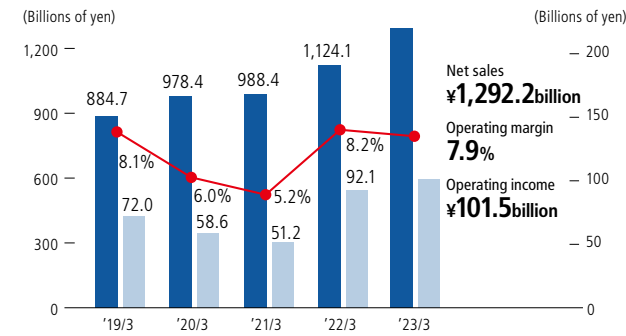
Results vs. targets, short-term targets, and all medium-term targets can be viewed from here.



Financial & Non-financial Highlights

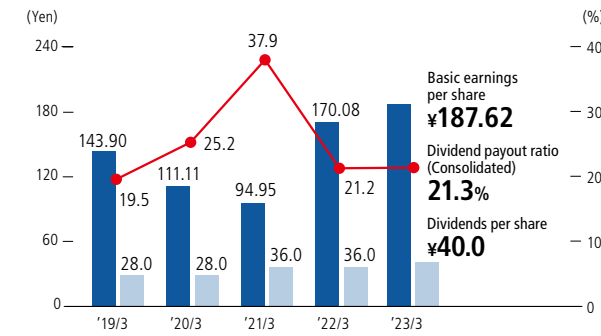
Financial highlights

Net sales, operating income and operating margin



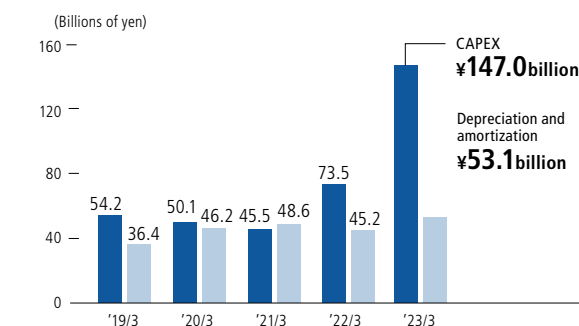
All figures, including net sales and operating income, were the highest ever. Net sales increased for the eleventh consecutive year, and operating income for the second consecutive years.

EPS and dividends



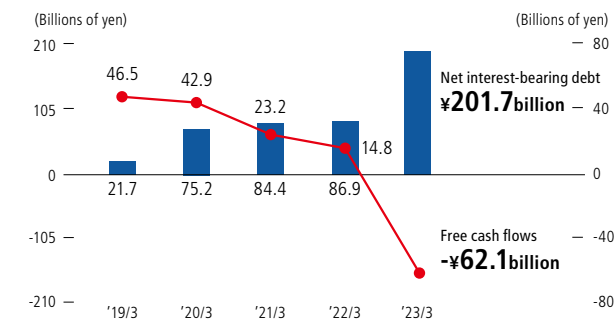
Dividend per share for the fiscal year ended March 2023 was 40 yen, an increase of 4 yen from the previous fiscal year.

CAPEX, depreciation and amortization



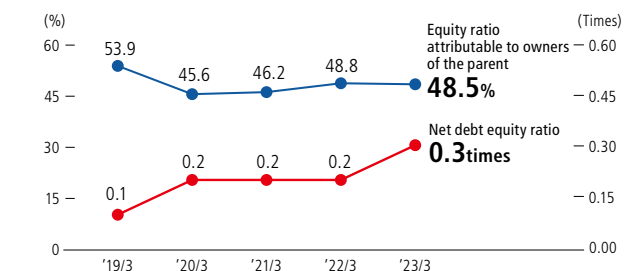
CAPEX was incurred mainly due to that related to the Tokyo X Tech Garden. *CAPEX in the fiscal years ended March 2022 and 2023 include a portion of acquisition expenses for the Tokyo X Tech Garden.

Net interest-bearing debt and free cash flows



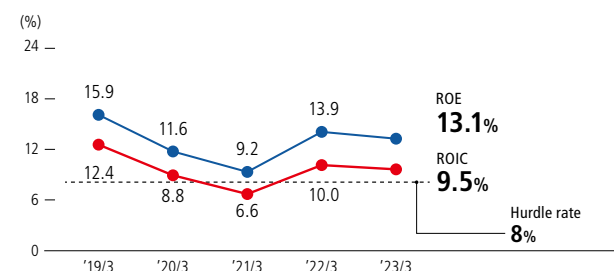
Free cash flows turned to negative owing to an increase in working capital because of the acquisition of the Tokyo X Tech Garden, expenses for M&As, and an increase in inventories. Then net interest-bearing debt increased.

Equity ratio attributable to owners of the parent and net debt equity (D/E) ratio



Equity ratio attributable to owners of the parent was at the same level as that for the previous fiscal year. Net debt equity ratio was 0.3 times, as such factors as the acquisition of the Tokyo X Tech Garden, expenses for M&As and an increase in working capital resulted in increased net interest-bearing debt.

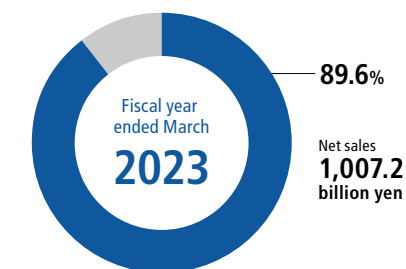
ROE and ROIC



Both ROE and ROIC are maintained at high levels. ROIC has stayed above our hurdle rate, and we have been enhancing our corporate value while increasing capital efficiency.

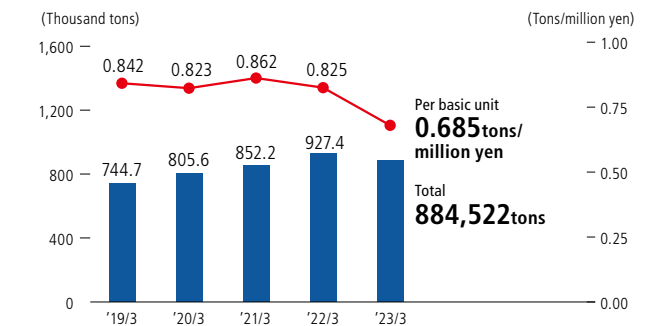
Non-financial highlights

Percentage of net sales of Green Products



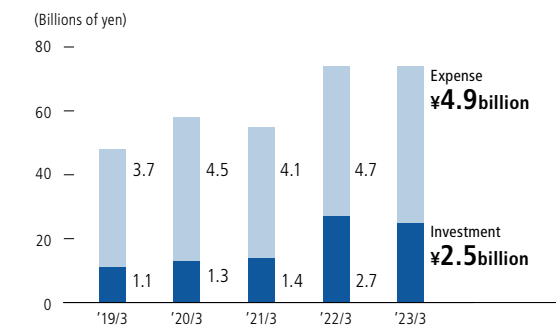
The net sales of Green Products in the fiscal year ended March 2023 amounted to 1,007.2 billion yen, which was 89.6% of the total net sales (excluding products that cannot be designed in-house).

CO₂ equivalent greenhouse gas emissions



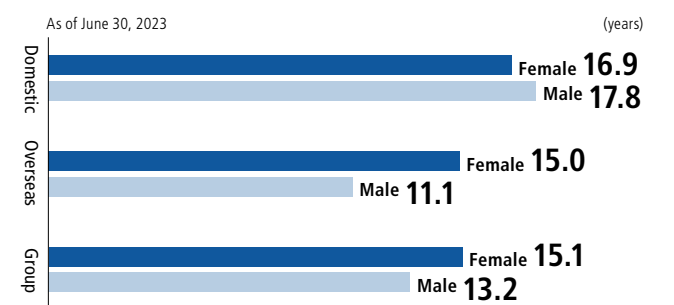
Since greenhouse gases are considered to be a cause of climate change, we examine total emissions and emissions per unit sales. In the fiscal year ended March 2023, our greenhouse gas emissions decreased 4.6% in total volume and decreased 17.0% per unit sales, in comparison with the previous fiscal year.

Environmental conservation costs



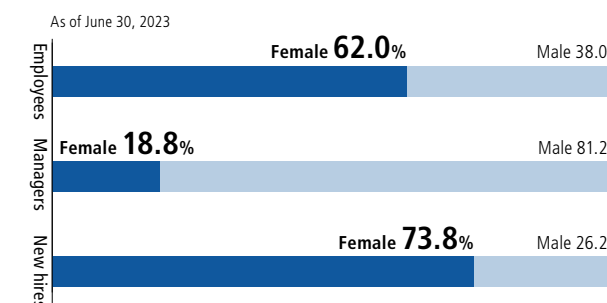
Environmental conservation costs are calculated as the total of investment and expense on the basis of the "Environmental Accounting Guidelines 2005" published by Japan's Ministry of the Environment. We incurred 7.4 billion yen in environmental conservation costs, including investment and expense combined, in the fiscal year ended March 2023.

Average of working years by gender



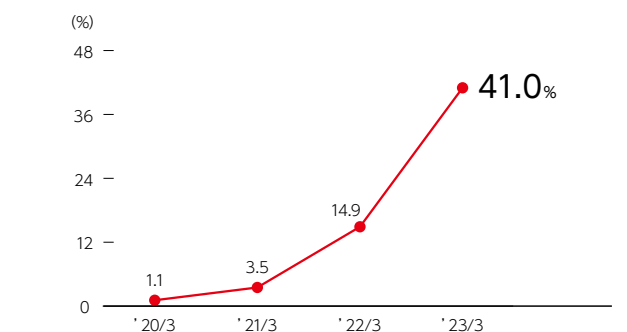
The average years of service for female employees of the overall Group is high, and there are no substantial differences between genders. To support this, we are taking steps to enhance our workplace where possible to support working families.

Proportion of female employees (employees, managers, and new hires)



We have fostered workplace environments where our diverse group of employees are able to maximize their talents and are empowered to create new values and competitiveness. Female accounted for 62.0% of our employees and 18.8% of our managers as of June 30, 2023. (Aggregate total worldwide)

Percentage of male employees taking childcare leave



In the fiscal year ended March 2023, the percentage of male employees taking childcare leave was 41.0%. (Aggregate total on a non-consolidated basis)

Strategies by Business

MinebeaMitsumi has built a unique reputation as an INTEGRATION manufacturer of precision components, with a multifaceted business portfolio and risk diversification unlike any other in the world.

Effective April 2023, we changed our business segment names. This was to better reflect the nature of each business, improving clarity and enhancing corporate value. There will be no change in the business activities of each segment.



| | | | | |
|---|---|-------------------------------|---|--|
| <div>PT</div> <div>Precision Technologies Segment</div> | <div>Major products</div> <div>Main products</div> <p>Ball bearings, rod-end bearings, spherical bearings, fasteners, pivot assemblies</p> | <div>Major applications</div> | <div>Highlights</div> <p>Sales of ball bearings increased for automotive applications, while those for home appliances and data centers decreased. Sales of rod-end bearings, which were adversely affected by the COVID-19 pandemic, recovered steadily.</p> <div> <div>ROIC</div> <div>21%</div> </div> <div> <div>The world's</div> <div>No.1 share</div> </div> <div> <div>Production capacity</div> <div>Increased</div> </div> <div> <div>Aircraft demand</div> <div>Recovering</div> </div> | <div>Net sales</div> <p>(Billions of yen)</p> <div>Operating income/operating margin</div> <p>(Billions of yen) Operating income (left axis) (%) Operating margin (right axis)</p> <div>ROIC highlights</div> <p>*Excluding special factors.</p> <p>ROIC decreased due to inventory adjustments and weak sales to data centers of products, mainly ball bearings. Improvement to 28.0% is projected in the fiscal year ending March 2026 from 20.4% in the fiscal year ended March 2023.</p> |
| <div>MLS</div> <div>Motor, Lighting & Sensing Segment</div> | <div>Major products</div> <div>Main products</div> <p>HDD spindle motors, stepping motors, fan motors, DC motors, LED backlights, resonant devices, sensing devices</p> | <div>Major applications</div> | <div>Highlights</div> <p>Although sales of HDD motors decreased, motors for automotive and other applications remained solid.</p> <div> <div>Motor sales</div> <div>Increase in Niche Top Products</div> </div> <div> <div>Motors</div> <div>Increased Profitability</div> </div> <div> <div>Electrification leading to</div> <div>Expansion of Business Opportunities</div> </div> <div> <div>Electronic devices</div> <div>Expanding Applications</div> </div> | <div>Net sales</div> <p>(Billions of yen)</p> <div>Operating income/operating margin</div> <p>(Billions of yen) Operating income (left axis) (%) Operating margin (right axis)</p> <div>ROIC highlights</div> <p>*Excluding special factors.</p> <p>ROIC decreased, due mainly to weak sales of HDD motors. Improvement to 17.0% is projected in the fiscal year ending March 2026 from 4.8% in the fiscal year ended March 2023.</p> |
| <div>SE</div> <div>Semiconductors & Electronics Segment</div> | <div>Major products</div> <div>Main products</div> <p>Analog semiconductors, optical devices, mechanical components, precision components, power supplies, smart products, components for home security units</p> | <div>Major applications</div> | <div>Highlights</div> <p>Achieved record high profits. Analog semiconductors maintain high profitability. Optical devices saw increase in sales and profit. For connectors, PMI is underway with Honda Tsushin Kogyo and Minebea Connect (formerly SUMIKO TEC).</p> <div> <div>ROIC</div> <div>17%</div> </div> <div> <div>Operating income</div> <div>Record High</div> </div> <div> <div>Analog semiconductors</div> <div>High Profitability Maintained</div> </div> <div> <div>Connectors</div> <div>PMI Underway</div> </div> | <div>Net sales</div> <p>(Billions of yen)</p> <div>Operating income/operating margin</div> <p>(Billions of yen) Operating income (left axis) (%) Operating margin (right axis)</p> <div>ROIC highlights</div> <p>*Excluding special factors.</p> <p>Although record profits were achieved, ROIC declined slightly due to lower profit margins. Improvement to 22.4% is projected in the fiscal year ending March 2026 from 17.4% in the fiscal year ended March 2023.</p> |
| <div>AS</div> <div>Access Solutions Segment</div> | <div>Major products</div> <div>Main products</div> <p>Automotive components (door latches, door handles, door mirrors, etc.), wireless communication devices, industrial machinery components</p> | <div>Major applications</div> | <div>Highlights</div> <p>MinebeaMitsumi merged with Minebea AccessSolutions (formerly Honda Lock). Recovery in automobile production is expected to drive earnings growth.</p> <div> <div>Business integration</div> <div>PMI Underway</div> </div> <div> <div>Locations, production and products</div> <div>Synergy Increased</div> </div> <div> <div>INTEGRATION products leading to</div> <div>High Added Value</div> </div> <div> <div>New businesses</div> <div>Received Orders for Large-Scale Projects</div> </div> | <div>Net sales</div> <p>(Billions of yen)</p> <div>Operating income/operating margin</div> <p>(Billions of yen) Operating income (left axis) (%) Operating margin (right axis)</p> <div>ROIC highlights</div> <p>*Excluding special factors.</p> <p>ROIC improved due to recovery in automobile production and business integration. Improvement to 8.8% is projected in the fiscal year ending March 2026 from 1.3% in the fiscal year ended March 2023.</p> |

Precision Technologies (PT)

Strong growth potential due to increasing structural demand, particularly for ultra-high quality products creating an overwhelming competitive edge

Director, Senior Managing Executive Officer
Chief of Precision Technologies Business Headquarters

Satoshi Mizuma



Core competencies

Through the fundamental strength of the Company's DNA, including ultra-precision machining, vertical integration, global development, and mass production, we are securing a dominant market share and achieving a high-level QCDESS*. By pursuing overseas development early and strengthening our in-house manufacturing and maintenance capabilities for components and facilities, we have succeeded in balancing ultra-high quality and low costs. The accumulation of knowhow over many years, which cannot be measured in terms of capital investment, forms a barrier to entry.

* Abbreviation for quality, cost, delivery, ecology/efficiency, service and speed



Bang Pa-in Plant (Thailand)

Opportunities

- Increase in demand for high-quality bearings in general, which contribute to energy efficiency and the downsizing of end products.
- Increase in bearing usage per vehicle due to electrification and the shift to EVs.
- Increase in demand for bearing pivots for data centers due to increased generation of data.
- Shift to new aircraft equipped with energy-saving and high-efficiency engines by airline companies.

Risks

- Increased attractiveness for competitors to enter the miniature and small-sized ball bearing market.
- Medium- to long-term, downward trend in sales volume of pivot assemblies due to shrinking Hard Disk Drive ("HDD") market.
- Decline in production rate of new aircraft due to production adjustments by aircraft manufacturers and labor shortages.

Responding to opportunities and risks

- Strengthen competitiveness by promptly expanding capacity for ball bearings.
- Increase market share by leveraging our strength in bearings for aircraft.
- Establish new machined components capabilities through aggressive M&As.
- Further improve the precision of our products and provide new value to our existing and new customers.

Overview of the fiscal year ended March 2023

Although sales volume of miniature and small-sized ball bearings, our mainstay products, for data centers and home appliances decreased, those for automobiles increased, resulting in increased sales. Sales of rod-end bearings increased as the aircraft market recovered steadily from the impact of COVID-19. Sales of pivot assemblies fell due to the slowdown in the HDD market. As a result, net sales were 197.3 billion yen, operating income was 43.0 billion yen, and operating margin was 21.8%.

* Operating income excluding special factors of 45.4 billion yen, operating margin of 22.9%

Outlook for the fiscal year ending March 2024

We expect sales of ball bearings to increase as demand for automotive applications gradually recovers, with demand for server applications also expected to gradually recover from the second half of the fiscal year, despite the uncertain situation. Business for aircraft applications, including rod-end and fasteners, is expected to fully recover from the second half of the fiscal year. Demand for pivot assemblies is also expected to recover from the second half of the year.

Midterm Business Plan

Recovery and growth in aircraft production to drive ball bearing business growth

Main points

- 1 Sales of ball bearings
Despite current adjustments in automobiles and data centers inventories, steady growth is expected in the medium to long term.
- 2 Production of ball bearings
Production can be increased up to 370 million units per month when necessary.
- 3 Rod-end and fasteners
Recovery from the COVID-19 pandemic and further growth

Basic strategies for next 10 years

Our basic strategy for the PT segment is to maintain the stable and sustainable growth in our core business that has been in effect since the establishment of the Company, and to maximize growth areas by expanding our portfolio. To this end, we have been strengthening our miniature and small-sized ball bearings business, which already enjoys an overwhelming competitive advantage in the market. In addition, we have been taking steps to strengthen our earnings base by pursuing M&As aimed at new technologies and expansion of our business portfolio.

Strategy for "Becoming the one-of-a-kind supplier through INTEGRATION"

MinebeaMitsumi Aerospace (NMB, NHBB, C&A Tool, myonic, CEROBear, Mach Aero, Minebea Precision, MinebeaMitsumi), MinebeaMitsumi's aerospace product brand, manufactures and supplies machined components such as rod-end bearings, spherical bearings, fasteners, ball bearings, and roller bearings in all three of the major aircraft markets: Europe, North America, and Asia (Japan, Thailand and India).

MinebeaMitsumi is developing an extensive product lineup not only for the aircraft market, but also for the automotive market. Opportunities to supply products for next-generation mobility, such as eVTOL (flying vehicles), are expanding. We will contribute to sustainable flight, which is required in the future, by leveraging our experience of pursuing low fuel consumption, energy savings, electrification, and lightweight materials in both the aircraft and automobile markets.

eVTOL application examples

Power unit - fuel pump bearings, resolvers
Flight control - bearings, rod-ends

Landing gear - bearings, bushings
Airframe - latches, door handles
Cabin - antennas, various motors, HVAC, coils, strain gauges



INTEGRATION of entire Group's products



Creating solutions to social issues

In March 2023, we began mass production of super bearings that have enhanced rotational performance, achieved through innovative precision improvements, making full use of ultra-precision machined components and vertically-integrated manufacturing technologies.

Compared to conventional products, this product is expected to reduce rotational torque by about 40% and power value by about 4-5% at the motor, resulting in improved motor efficiency, improved quietness and product life, and reduction of CO₂ emissions. For data centers and other facilities where heat control is required, the improved motor efficiency from the super

bearings can help reduce CO₂ emissions. Furthermore, as a high value-added product that contributes to solving social issues, we expect them to be used in air conditioners, data center fan motors, and other applications that need to operate for long hours with high reliability. In the second half of the fiscal year ending March 2024, we plan to sell about 15 million units per month of super bearings for fan motors and 10 million units per month for air conditioners.

Rotational torque

Approx. **40%**
Reduction!

Differences
between our conventional products and **super bearing**



At motor
Power value

Approx. **4-5%**
Reduction!

Motor, Lighting & Sensing (MLS)

Develop new business areas by expanding our portfolio and achieve consistent growth over the long term

Executive Officer
Chief of Motor, Lighting & Sensing
Business Headquarters

Takahiro Shimura



Core competencies

In addition to the Company's DNA of ultra-precision machining, vertical integration, global development, and mass production, we are in the ongoing process of fusing our core technologies in the electronics field, including sensors, optics, and magnetics to develop motors, LED backlights, resonant devices, sensors, and measuring components. We are expanding our products to a wide range of markets, including the automotive industry, which requires strict quality characteristics, and the mobile device industry, which requires a vertical launch that balances quality and quantity in a short period of time. A dynamic base structure which responds to customer demands through manufacturing automation & semi-automation and employee education and training also enhances our competitiveness.



Hamamatsu Plant

Opportunities

- Increase in demand for small and precise motors that contribute to energy saving and noise reduction.
- Increase in opportunities to enter growth domains such as EVs, AI, and Big Data through participation in related motors.
- Expansion of LED backlight applications. (Automotive, tablet)
- Formation of new markets such as resonant devices.

Risks

- Rise of low-cost competitors in China.
- Impact on profit structure due to soaring prices of raw materials and components.
- New technologies are replacing existing technologies at a faster pace than expected. (HDD market, smartphone market)

Responding to opportunities and risks

- Correction of selling prices in response to soaring prices of raw materials and components.
- In growth markets, expanding sales in response to increased demand in focused fields.
- In mature markets, strengthening competitiveness by reducing costs, including design changes and material cost reductions.
- Capturing business opportunities by developing products ahead of competitors, taking advantage of our strengths through INTEGRATION.

Overview of the fiscal year ended March 2023

Despite a slowdown in spindle motors for HDDs, sales of motors increased, thanks to steady sales of other motors, mainly for automotive applications. Sales of LED backlights decreased, while those of sensing devices increased. As a result, net sales were 366.3 billion yen, operating income was 0.9 billion yen, and operating margin was 0.3%.

* Operating income excluding special factors of 11.8 billion yen, operating margin of 3.2%

Outlook for the fiscal year ending March 2024

Sales and profits from motors are expected to increase. This is because we anticipate expanding in motors for automobiles, as well as a recovery in motors for HDDs during the second half of the year, albeit with some uncertainty. As for electronic devices, we expect sales to remain virtually the same and profits to drop slightly. As for sensing devices, both net sales and operating income are expected to remain virtually the same.

Midterm Business Plan

Accelerating growth with motors as a pillar for earnings

Main points

- 1** Motors
Top-line growth in automotive motors such as HVAC, LiDAR, and actuators to further increase profitability
- 2** Electronic devices
Resonant devices to contribute to profits, and structural transformation of backlight business
- 3** Sensing devices
Growing demand for sensor products used in rechargeable batteries and vaccine production equipment

Strategy for "Becoming the one-of-a-kind supplier through INTEGRATION"

The increasing need for electrification and comfort in automobiles is driving demand for our HVAC (Heat Ventilation and Air Conditioning), AGA (Active Grill Shutter Actuator), and other compact and precision actuators for air conditioning control, aerodynamics, and battery thermal management. The AGA is used in the opening and closing of the front grille area, which not only contributes to efficient air exchange and improves fuel efficiency, but also reduces braking distance and improves aerodynamics. Additionally, with the promotion of electrification, the number of motors installed per vehicle is increasing. By INTEGRATION with the motor, bearing, parts machining groups, we develop in-house products that meet or exceed specifications. Equipping motor systems with our in-house products enhances motor competitiveness by improving motor characteristics, adding value, and reducing manufacturing costs. We will continue to gain substantial market share in niche fields and create new profit drivers.

HVAC

AGA



Creating solutions to social issues

MinebeaMitsumi's sensing products, centered on strain gauges that detect loads on minute products with high precision, are used in a wide range of applications. Their use is now contributing to solving social issues in EVs and medicine.

Measurement system for lithium-ion (Li-ion) batteries Substantial increase in production of Li-ion batteries to support EV automobiles and motorcycles

Li-ion batteries are necessary for automobile and motorcycle EVs. By combining a high-precision load cell and a digital indicator, this system achieves accurate weighing of raw materials and proper mixing ratios in the manufacturing of Li-ion batteries. This system is supporting the appropriate use of raw materials and quality assurance of Li-ion batteries.

MinebeaMitsumi At a Glance Page 18

Pressure sensor for dialysis machines Improved operability and safety performance of dialysis machines

As the number of dialysis patients increases, the need for dialysis machines that are easy to operate and have a high level of safety performance has increased. In order to meet the requirements for automated dialysis machines and monitoring systems, it is essential to provide higher precision sensors. The Company's pressure sensors have high corrosion resistance, and are highly functional with digital interfaces.



Load cell and digital indicator



Pressure sensor

Semiconductors & Electronics (SE)

Develop new products for future growth areas by taking an **INTEGRATION** approach using **Eight Spear** products to create business opportunities for the entire group

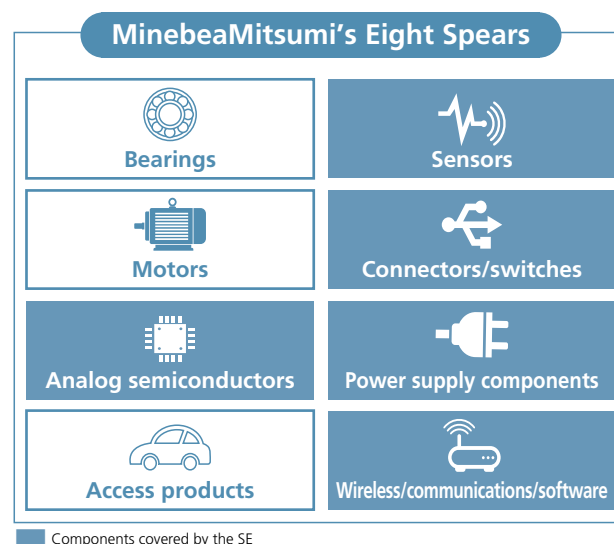
Managing Executive Officer
Chief of Semiconductors & Electronics Business Headquarters

Katsuyuki Iwakuma



Core competencies

The source of SE's competitiveness is our technological development capability in fields that require ultra-precision processing, such as sensors, optics, MEMS (microelectromechanical systems) high-frequency technology, electric circuit technology and semiconductor design technology. Furthermore, through the management integration of MITSUMI, ABLIC, Honda Tsushin Kogyo, and Minebea Connect (formerly SUMIKO TEC), MinebeaMitsumi's core technologies and DNA, such as ultra-precision machining and vertical integration, have been combined, allowing us to handle everything from development to mass production. We have established a system that allows us to respond to the detailed needs of our customers all at once. Five of the Eight Spear products, including analog semiconductors, belong to the SE segment, making the business the driving force behind **INTEGRATION** for the entire group.



Opportunities

- Expanding needs for even lower power consumption, smaller size, and higher precision in key fields such as automotive, communications, and medical.
- Expanding demand for analog semiconductors, connectors, power supply components, and other components that support high voltage, high current applications.
- Use of AI/Big Data will increase connectivity in automobiles, housing equipment, infrastructure, and other business sectors.

Risks

- Rise of new technologies and applications to replace existing technologies.
- Rise of low-cost competitors in China.
- Tighter regulations on high-tech industries due to U.S.-China trade friction.
- Large-scale M&As and lack of competition due to semiconductor industry restructuring.

Responding to opportunities and risks

- Focus on developing new products and cultivating new customers by leveraging our technological capabilities.
- Align capital investment plans with business growth phases.
- Strengthen competitiveness by expanding analog semiconductor capacity and creating synergies with internal resources.

Overview of the fiscal year ended March 2023

Sales increased due to strong orders for optical devices. The connector business was also strengthened with the addition of Honda Tsushin Kogyo and Minebea Connect. Net sales were 530.5 billion yen, operating income was 42.7 billion yen, and operating margin was 8.1%.

* Operating income excluding special factors of 47.8 billion yen, operating margin of 9.0%

Outlook for the fiscal year ending March 2024

Despite optical devices and semiconductors continuing to perform well, overall sales and profits are likely to decrease slightly because lower sales and profits are anticipated in mechanical components due to the product cycle.

Midterm Business Plan

Drive growth by semiconductors and actuators

| Main points | |
|-------------|---|
| 1 | Optical devices Steady growth due to increase in installation rate of the Company's products |
| 2 | Analog semiconductors Market recovery and contribution of Shiga Plant Hasten growth in niche markets centered on power semiconductors |
| 3 | Mechanical components Utilizing INTEGRATION to develop new OEM business |
| 4 | Connectors Growth underpinned by integration effect |

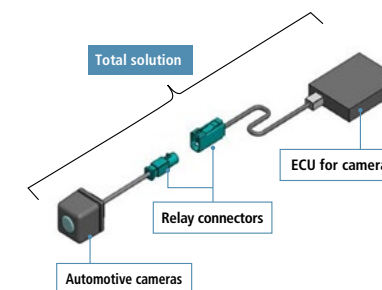
Strategy for "Becoming the one-of-a-kind supplier through **INTEGRATION**"

In 2023, MinebeaMitsumi integrated its business with Honda Tsushin Kogyo and Minebea Connect. Through this business integration, we will realize technology, production, and sales synergies, strengthen our connector business as one of the Eight Spears, and become a global niche top manufacturer. As devices become smarter, telemedicine and autonomous driving become widespread, and ultra-high-speed communications and high-speed transmissions progress, connections tailored to a variety of new applications will become necessary. In addition, we expect an increase in diversity and volume of product applications, as types of signals increase and devices become smaller and lighter. For example, in the field of autonomous driving we are able to provide complete solutions extending from cameras to electronic control units (ECUs), connectors, cables, and harnesses. This entails attaching Minebea Connect's relay connectors equipped with waterproof technology to Honda Tsushin Kogyo's automotive

Basic strategies for next 10 years

MinebeaMitsumi sees that the key challenge for the long-term viability of the SE segment is to ensure robust growth in the five areas of Eight Spear product groups as the future core businesses. To this end, our basic strategy is to use the cash generated by our sub-core businesses as growth capital to strengthen our Eight Spear products. This will be achieved through (1) organic growth, (2) development of new products, and (3) pursuing M&A of companies that can effectively utilize our products.

cameras, its specialty, and integrating MinebeaMitsumi's general-purpose products into the ECU. Our products are able to support high-speed transmission of video signals with no delay or degradation from the "viewing" and "sensing" camera to the analysis ECU. Using the integration of the three companies as a springboard, we will continue to create high value-added products like this in an effort to improve profitability.



Developing products and supplying components for solving social issues

In analog semiconductors, which are a major growth driver for our company, we have clarified not only the "INTEGRATION" products of MITSUMI and ABLIC, but also the responsibilities and roles of each. MITSUMI will strengthen its mass production business and power semiconductors (IGBT, SiC, and others.). ABLIC will focus on high-mix, small-lot manufactured products as growth drivers, such as highly integrated analog front end (AFE) products. Additionally, we will strengthen our semiconductor design capability by business integration with SSC in 2023.

These products not only raise our revenue, but also directly contribute to solving social issues.

IGBTs, a type of power semiconductors, are used in EVs and industrial machinery. We aim to develop high-performance IGBTs that approach the performance limits of silicon in anticipation of

the EV era. By utilizing our Shiga Plant and business development specializing in chip sales, we will achieve low loss, high speed, and high breakdown resistance, contributing to energy conservation in powered devices. Furthermore, by adding SiC, which has higher breakdown voltage than IGBT, to our lineup, we will further contribute to energy savings and carbon neutrality.



Access Solutions (AS)

Work to maximize synergies from business integration and boost competitiveness as a Tier-1 business

Director, Vice President Executive Officer
Chief of Access Solutions Business Headquarters

Ryozo Iwaya



Core competencies

Our core competency is our broad knowhow, from the development and design phases through production for systems, in a wide range of automotive applications—from mechanical structures to electronic technology and even software. The merger with Minebea AccessSolutions (formerly Honda Lock) has strengthened synergy in the access product business, expanded sales of Tier-1 business by tapping into different customer bases, and enhanced our global operations development.



Minebea AccessSolutions' Miyazaki Plant

Opportunities

- Shift to high value-added products in response to the electrification and advanced functionality of automobiles.
- Expansion of the digital key market due to the shift to connected cars.
- Increase in the number of parts per vehicle due to higher value-added door handles, latches, power closure systems, door mirrors, and similar applications.
- Expansion of Tier-1 business.

Risks

- Increased competition and its impact on pricing strategies.
- Production adjustment by automobile manufacturers due to economic trends and difficulty in procuring parts.
- Possibility that automobile manufacturers will prefer existing products due to factors such as safety and commonality of parts and functions.

Responding to opportunities and risks

- Implement structural reforms to shift from low-priced products to high value-added products.
- Accelerate the development of high-end products for luxury car manufacturers by increasing the presence of our technologies.
- Develop common engines through our unique modularization and actuator technology.

Overview of the fiscal year ended March 2023

Sales increased due mainly to the contributions from Minebea AccessSolutions, which became a consolidated subsidiary on January 27, 2023, as well as a recovery in sales to the automotive industry. Due to income from negative goodwill, net sales were 194.7 billion yen, operating income was 22.3 billion yen, and operating margin was 11.5%.

* Operating income excluding special factors of 2.1 billion yen, operating margin of 1.1%

Outlook for the fiscal year ending March 2024

We will make steady progress in structural reform of the European business, and increase sales and profitability by maximizing our Tier-1 business, including newly integrated Minebea AccessSolutions.

Midterm Business Plan

Significant earnings improvement due to market recovery and integration effects

Main points

- 1 Realization of structural reform effects supported by market recovery**
- 2 Cost reduction through integration**
- 3 Accelerate shift to high value-added products**
 - (1) Compact spindle drive
 - (2) Flush handle
 - (3) e-latch
 - (4) Charge port door

Strategy for "Becoming the one-of-a-kind supplier through INTEGRATION"

In MinebeaMitsumi's Access Solutions Business, business integration has enabled us to strengthen the lineup of products that we deliver directly to automotive OEMs as a Tier 1 manufacturer.

The increasing electrification of vehicles is also creating a wider range of applications that can benefit from the Company's product INTEGRATION. For example, the charge port door used to charge EVs combines actuator, strain gauge, and kinematics technologies to achieve high added value. Door handles have also been developed as a MinebeaMitsumi Group's INTEGRATION product, which include antennas, sensors, strain gauges, motors and other technologies, and this product has a proven track record in the market. In the development of door handles, spindle motor engineers in Germany worked together with U-Shin engineers to promote INTEGRATION of talents as well.

By increasing our offerings as a Tier-1 business, we are able to sell products together and provide a wide range of solutions to our customers' issues.



Charge port door



Actuators

Strain gauges

Developing products and supplying components for solving social issues

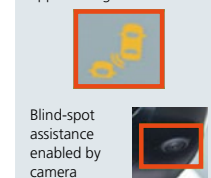
Door mirrors have been added to the lineup of the Access Solutions Business as a result of the merger with Minebea AccessSolutions. The door mirrors have high stiffness and vibration performance so that rearward visibility is not obstructed even when driving at high speeds or on rough roads. They also operate quietly when folding or adjusting the mirror surface. With the trend toward electrification and higher functionality in automobiles, particularly in high-end models, shifting from blind-spot monitoring with auxiliary cameras and indicators to blind-spot assistance with eMirrors, which utilizes cameras and other control devices, is attracting attention. As the need for improved safety performance is increasing in response to autonomous driving, the opportunities to use our sensors and actuators for sensing peripheral information and capturing digital visibility are also expanding. In addition, we have to strike a balance between the increasing number of components mounted on vehicles and energy conservation. We will leverage the Group's INTEGRATION capabilities to improve

aerodynamics by incorporating antennas and contribute to thinner bodies, cameras, and harnesses by utilizing our precision technologies.

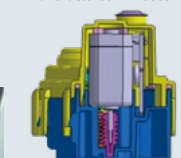


Promoting New Value Realization

Responding to safety needs
Blind-spot indicator alerts the driver to a vehicle approaching from behind



Responding to marketability needs
Silent sound actuator designed and manufactured in-house



Energy saving, etc.
Utilization of Group-owned technology

- Motors
- Connectors and harnesses
- Cameras
- Antennas
- Hardware and software

Human capital

The strength of our human capital is our global and diverse workforce cultivated through overseas expansion and M&A since the Company's founding, and the ongoing expansion and evolution of our manufacturing expertise. As we take on the challenge of rapid growth in pursuit of the Eight Spear strategy, and to solve social issues, we focus on developing and acquiring "leaders who look at the big picture, and who strengthen and evolve business through ingenuity, leadership execution skills" and "engineers who boldly confront the

challenge of solving social issues through the deepening and INTEGRATION of technologies." We strive to maximize organizational strength through team-building and X (cross) tech activities, fostering INTEGRATION of our diverse talents, a strength of our organization.

Human resources policy

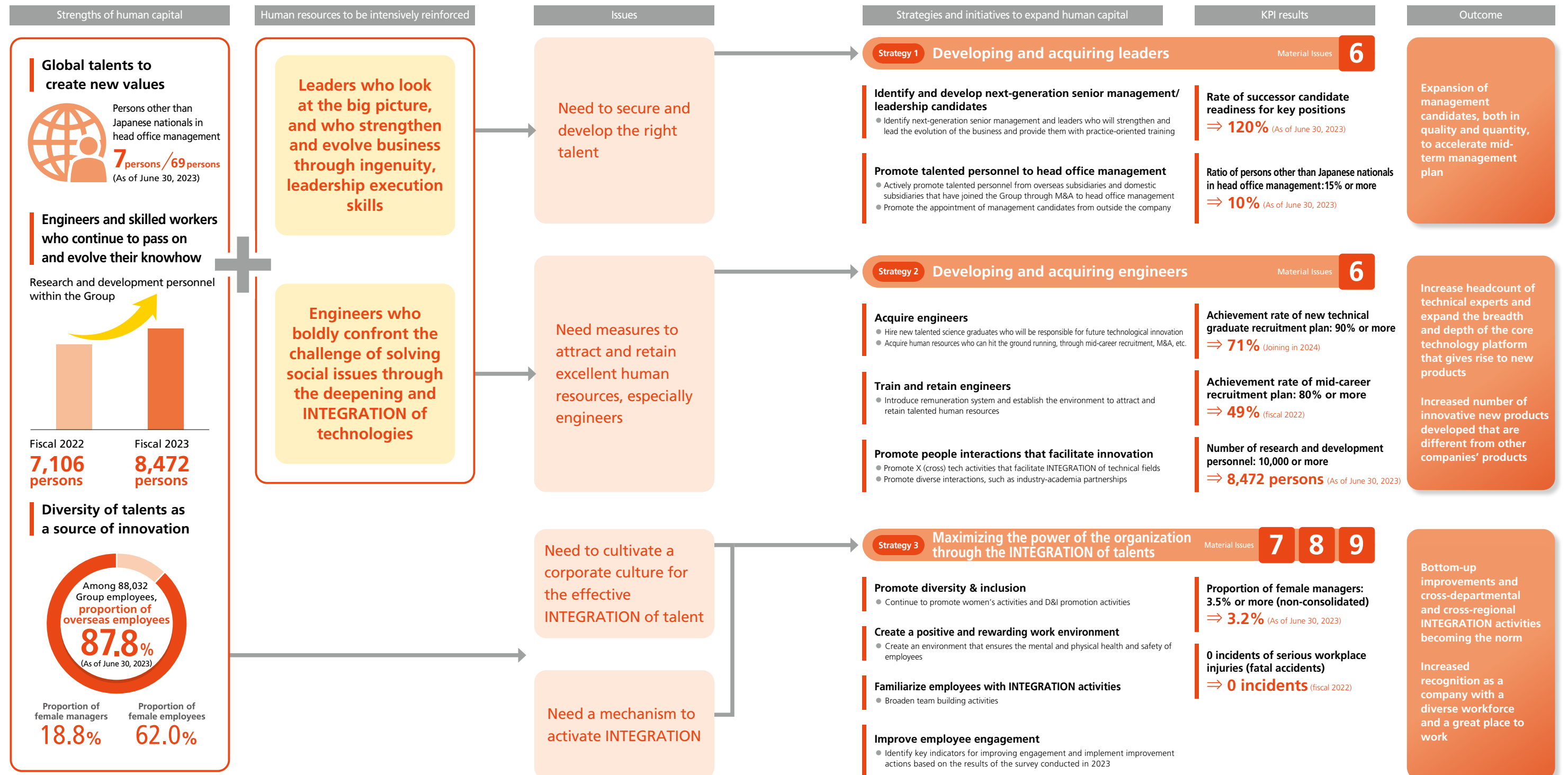
We create new value by actively accepting differences, and take on

the challenge of reform to increase corporate value and realize our management strategy.

Human resources strategy

We will discover, secure, and develop "sharp talents" individuals who can

drive the business forward on their own, take on new challenges, and continually grow the Company.



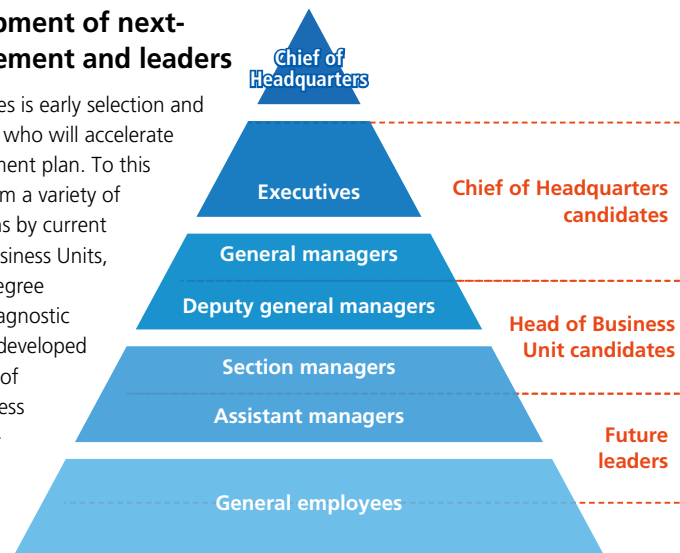
Examples of Human Capital Expansion Initiatives

Strategy 1

Developing and acquiring leaders

Identification and development of next-generation senior management and leaders

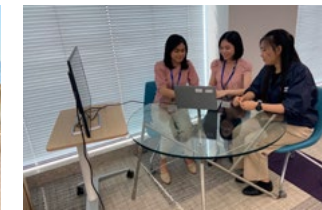
One of the important management issues is early selection and development of a leadership candidates who will accelerate the execution of the mid-term management plan. To this end, the Group identifies candidates from a variety of perspectives, including recommendations by current Chiefs of Headquarters and heads of Business Units, annual performance evaluations, 360-degree feedback of leadership behavior, and diagnostic tests of logical thinking skills. Then, we developed a three-tiered pool of candidates: Chief of Headquarters candidates, head of Business Unit candidates, and young and middle-ranking future leaders. We implement practice-oriented training based on the individual candidate's situation.



Training for locally hired leaders of overseas subsidiaries held at headquarters

In 2018, we started a one-year training program in Japan for talented employees of our overseas subsidiaries, as part of our efforts to produce human resources who will be responsible for local operations in the future. Thus far, a total of nine employees from Thailand, China, the Philippines and Germany have taken part in the program. During the program, trainees stay at the headquarters and multiple domestic offices where they develop a wide-ranging field of view and a managerial perspective by gaining an understanding of our primary business operations. We

also provide ongoing department-led training programs, each lasting from several months to a year, for local employees at major overseas plants in Thailand, China, the Philippines, and other countries.



Strategy 2

Developing and acquiring engineers

1 DAY Workshop, Faculty of Engineering, the University of Tokyo

In November 2022, we held a "1-DAY Workshop" for students from the Faculty of Engineering, the University of Tokyo, in order to convey the Company's appeal and technological strengths to students majoring in engineering, and to create new relationships with the university and opportunities for social collaboration. Thirty-four students from

the University of Tokyo and the Company's young engineers engaged in energetic discussions about idea generation and problem-solving measures based on the discussion themes. It was a valuable opportunity for students from the University of Tokyo, who are full of intellectual curiosity, and the Company's passionate young engineers to interact with each other.



Stimulating communication through X (cross) team activities

In March 2023, we started activities to promote people-to-people communications in order to enhance INTEGRATION in the technical field by making optimal use of the new Tokyo X Tech Garden venue. Starting with the "Development x Sales Theme Exchange Meeting," which aimed to activate mutual communications

among resident members and improve work efficiency by enhancing internal references, various measures to encourage human communications have been implemented to accelerate INTEGRATION.



Strategy 3

Maximizing the power of the organization through the INTEGRATION of talents

Team building activities

We build teams as the basis of our INTEGRATION initiatives by taking a bottom-up approach for improvement and by deploying best practices laterally within the Group. This activity started in fiscal 2019 and is now implemented world-wide.

The team from Thailand won the Gold Prize at the All-MinebeaMitsumi Team Building Awards in fiscal 2022 by improving productivity by sharing knowhow and optimizing resource allocation among growing demand products and shrinking demand products. The Chinese team, winner of the Silver Prize, used web conferencing tools to share ideas for improvement, analyze defects and improve jigs across the division, and successfully reduced scrap and improved productivity, despite disruption of support due to the COVID-19 pandemic.



Diversity & inclusion

Under our corporate slogan, "Create new value through 'difference' that transcends conventional wisdom," we uphold a spirit of equality when it comes to human resources, and promote talented people regardless of where they come from. We have adopted a group executive officer system, for which executives are selected from the management of overseas group companies, and meetings are held regularly to promote communication.

In Japan, our efforts center around our "women's empowerment and D&I promotion project." This prompts

us to establish and implement measures for hiring, training, and utilizing a diverse range of employees. It also promotes increasing the percentage of female managers, recruiting women for career positions and hiring women with STEM educational backgrounds. Believing that it is important for employees to be physically and mentally healthy and fulfilled in order to create new ideas, we have built a new massage room at the Tokyo X Tech Garden. We have hired visually impaired people as massage therapists to promote employment of people with disabilities and to improve the health of our employees.

Employee engagement

We conducted an engagement survey of approximately 9,000 employees of domestic group companies in June 2023. The survey participation rate was 85%. Based on the results, we are

working to identify key indicators for improving engagement and formulate action plans.

Manufactured capital

The strength of MinebeaMitsumi's manufactured capital, which is the source of its competitiveness, is its vertically integrated production system that combines ultra-precision machining technology and mass production. We are expanding our global production infrastructure and sharing our accumulated manufacturing knowhow throughout the entire Group. We have formed a dedicated team to support manufacturing, strengthening manufacturing capabilities across the Group, and contributing to the promotion of synergies.

Strengths of
manufactured capital

- Vertically-integrated manufacturing
- Global operation
- Accumulated manufacturing knowhow

Strengths of manufactured capital

Strength 1 Vertically-integrated manufacturing system

Many ultra-precision components, such as bearings, require processing precision to be at a micron (one millionth) or nano (one billionth) level, and are produced in volumes numbering in the hundreds of millions.

MinebeaMitsumi has established a vertically-integrated manufacturing system for managing everything from design and development to assembly and in-house inspection, reducing manufacturing costs and providing products with high precision and speed.

Our vertically-integrated manufacturing system enables us to achieve both ultra-precision machining technology and mass production



Strength 2 Global production system with 125 sites in 23 countries

The Company's strength in diverse products is also a strength in our manufactured capital. Among the 125 production and R&D sites spanning 23 countries, the mother plants in Japan closely work with mass production sites in Southeast Asia, such as its plants in Thailand, the Philippines, China, and Cambodia, as well as Europe and the United States, to swiftly and flexibly respond to diverse market needs.

We have strengthened our risk mitigation system by establishing sites in multiple countries for most of our business operations, including for bearings, motors, sensors, connectors, and access products. We also operate multiple locations within some countries. At every location, we promote "identical technologies and management," and develop systems that drive manufacturing of products with uniform quality, even if manufactured in different locations. This does not simply diversify risk, but enables us to truly avoid risk, supplying products meeting the standards demanded by our customers even when we might encounter production interruption in some regions.

We are also implementing risk diversification by promoting "manufacturing the same model at multiple factories" with an eye toward local production for local consumption.



Strength 3 Sharing of manufacturing knowhow and specialized team to support manufacturing

MinebeaMitsumi has honed its manufacturing capabilities by specializing in very small and miniature-sized bearings, and maintains productivity at a high level by pursuing performance, quality, and yields to the utmost. This manufacturing knowhow has been shared throughout the entire Group not only for

bearings, but also motors and electronic devices, leading to differentiation of our products. A specialized team has also been formed to support manufacturing and synergies have been quickly demonstrated with this business integration.

Basic policy for manufactured capital strategy to achieve management strategy

The Manufacturing Headquarters aims to share best practices, create vision for automated manufacturing, and pass on its "Monozukuri (Manufacturing) DNA" to the next generation. To achieve these goals, we are implementing a number of initiatives, including further improving supply capacity through team building, strengthening risk management, and reducing environmental impact.

Aim of
Manufactured capital

Building an unrivaled supply system, strengthening risk management, and reducing environmental impact

Current issues

Developing
and acquiring
human capital at
manufacturing
sites

Increased
geopolitical and
other risks

Environmental
issues

Measures

Strategy 1 Further improvement of our speedy and unrivaled supply capability through team building

The speed of technological innovation is accelerating and diversifying more than ever, and as a components manufacturer, we need to deliver our products to the market and to customers more quickly, in larger quantities, with greater flexibility.

Our path to superior supply capacity is through improved productivity. We share manufacturing knowhow for in-house components and production equipment, refined through vertically-integrated manufacturing across a wide range of businesses, generating synergies and increasing productivity.

Our manufacturing of parts and production equipment reduces cost, improves productivity, and enables fast and flexible response to sudden model changes, making our products more competitive. We will continue to increase the percentage of the parts and equipment we manufacture in-house, promote automation of our production equipment, and

optimize our production monitoring systems.

We are increasing our production capacity through efficient capital investment and M&A, ensuring that we maintain our position ahead of the trend and ahead of our competitors. In our mainstay ball bearing business, in addition to productivity improvements, we have established a supply base with a monthly production capacity of 370 million units in anticipation of future market growth.

We will continue to develop our supply capabilities by taking a variety of steps to increase productivity and expand production capacity through team building initiatives and the use of the Tokyo X Tech Garden, including sharing the manufacturing knowhow and best practices.

Team building Page 47

Strategy 2 Strengthening of risk management

As a components manufacturer with products that have the world's top market share, MinebeaMitsumi believes that fulfilling our responsibility to supply to our customers is our social responsibility, and we have worked to expand our risk management system on a global scale.

The Company's efforts to diversify business and manufacturing risk have proven effective not only with respect to the COVID-19 pandemic but also in terms of supply chain disruptions associated

with rising raw material prices and semiconductor shortages. These efforts have enabled us to minimize impacts on our operations and shipments to customers.

Our top management and employees will continue to work together to confront crises and do our best to strengthen our risk management, unwavering in the face of adversity.

Risks and Opportunities Pages 29 to 30 Risk management Pages 79 to 80

Strategy 3 Focus on reduction of environmental impact of manufacturing

MinebeaMitsumi has long been committed to environmentally friendly initiatives in accordance with its corporate philosophy and motto, including the operation of a Plant Wastewater Zero discharge system in the mass production facilities at its Thailand and Shanghai Plants. Our efforts to respond to the global focus on climate change and decarbonization started with the installation of solar power

generation systems at our main plants in Thailand and Philippines, and we are increasing efforts to reduce our environmental footprint, through PPAs (power purchase agreements) in the Philippines and Europe and in-house power generation in Thailand and Cambodia.

Initiatives for the Environment Pages 57 to 62

Intellectual capital

With ultra-precision processing technology at its core, MinebeaMitsumi works to maximize synergies by INTEGRATION of our strengths in manufacturing, technology, development, and sales. Furthermore, using M&A as a driver for rapid growth, we are producing synergies early on through our Post Merger Integration (PMI) endeavors. We continue to generate new and increased value by leveraging the strength of our intellectual capital.

Strengths of Intellectual Capital

- **Ultra-precision machining technology**
- **Capability by INTEGRATION of manufacturing, technology, development, and sales**
- **M&A capability/PMI**

Strengths of Intellectual Capital

Strength 1 Continually-refined ultra-precision machining technology



MinebeaMitsumi has devoted itself for more than seven decades to development of ultra-precision machining technology and has reached its goal of producing 370 million units of ball bearings per month. The Company has developed its cutting-edge machining technology in-house, including everything necessary to fully control processing measurements on the nanometer scale and maintain consistent machine precision and quality, from cutting tools for machining, specialty tools, and production equipment, to the environment.

The Company also has established an unparalleled manufacturing system able to meet market and customer needs by providing in-house development of new raw materials required for future products. Our experience in and accumulated performance data from ultra-precision machining we have developed thus far provide a vast database for the Company to draw on to apply to our machined components and other products.

At MinebeaMitsumi, we also contribute to the reduction of CO₂ emissions through our products. As a Company initiative, we are

focusing on the development of high-precision bearings which will assist in the achievement of this goal. By further refining our ultra-precision machining technology and increasing the precision of our bearings, we effectively reduce friction thus increasing the energy efficiency of the bearings.

For example, using precision ball bearings for fan motors, widely used to cool IT related electronic devices, could eliminate approximately 1.424 million tons* of CO₂ emissions. (According to the Company's research)

[Initiative to calculate volume of avoided CO₂ emissions by product](#) [Page 59](#)

To help solve social issues, we will continue to upgrade our ultra-precision machining technologies to expand opportunities to reduce CO₂ emissions and energy consumption in the products we provide to our customers and our own INTEGRATION products.

Strength 2 Power of INTEGRATION of manufacturing, technology, development, and sales

At MinebeaMitsumi, we develop new products and pioneer new markets to resolve social issues by INTEGRATION of manufacturing, technology, development, and sales, and by aggressive investment in research and development. As a foundation to support these strategies, we will secure talented human resources for the future, invigorate internal exchanges, and implement INTEGRATION and strengthen the Company's proprietary technologies at the Tokyo X Tech Garden.



Strength 3 Maximize synergies through M&A capabilities and PMI

As of August 2023, MinebeaMitsumi has acquired a total of 55 businesses, including 24 since April 2009, in an effort to strengthen its business portfolio. In the fiscal year ended March 31, 2023, the Company completed four M&A transactions: two in connectors, one in access products, and one in semiconductors.

The Company's ability to execute M&A is steadily increasing. Among them, we are focused on PMI, and by upholding a spirit of equality, we are able to motivate the Group's members to rapidly generate synergies.

Basic policy for intellectual capital strategy to achieve management strategy

In order to support rapid growth of our core businesses and increase competitiveness, we will strengthen basic and key technologies that improve the added value of our products, and by developing new products based on market needs. We will also generate synergies through INTEGRATION and focus on solving social issues and developing new products that meet the demands of the next generations.

Aim of Intellectual capital

Combining our ultra-precision machining technologies with our core technologies to promote development of new products that contribute to resolving social issues

Current issues

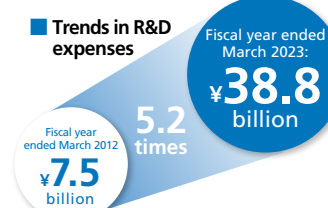
Development of new products that contribute to solving social issues

Measures

Strategy 1 Upgrade core technologies and roll out new products

MinebeaMitsumi's policy for development includes two key strategies:

- Expand key technologies (core technologies) essential for new product development that can win the market in the medium- to long-term.
- Create new products by leveraging Group synergies and promoting INTEGRATION initiatives. Moreover, in addition to these existing technology policies, we will engage in new product development with a heightened consciousness of social issues.



1. Expand the motor business
2. Bring about a paradigm shift with respect to the optical technology development product line
3. Expand the sensor business
4. Enter the robotics market
5. Promote connectivity with sights set on IoT
6. Improve added value of machined components
7. Increase value-added access products
8. Collaborate with ABLIC

New technology strategies to advance new product development

In the Company's previous technology strategy, the policy was to broaden and strengthen core businesses through differentiation of the product lineup with strong key technologies, and by using technology to improve performance. In order to ensure that we achieve our long-term goals of 2.5 trillion yen in net sales and 250 billion yen in operating income, we are now taking on the challenge of developing new technologies and new products. Specifically, the Technology Development Division will transform itself by optimizing its technology development policy. Our approach to date has involved fine-tuning core technologies and commercializing them through mass producing products. However, recent technological innovation and changing circumstances have made it necessary to achieve maximum results in a shorter period of time. In order to advance the development of new products and identify needs present in a wide range of markets, we have been not only

cultivating more powerful core technologies but also promoting product development based on anticipated market needs. We have expanded our perspective not only within the company but also outside the company, and established a new collaborative creation office in the Tokyo X Tech Garden to pursue and stimulate collaborative creation, including industry-academia collaboration, that looks

beyond traditional industrial boundaries. We have also strengthened the development proposal system for new products by young engineers, promoting an efficient and accelerated launch pace for new products and research and development of one-of-a-kind products, which are indispensable for achieving our goals.

Creating new value through collaborative creation

Collaborating with a wide range of stakeholders from industry, academia, government, and customers across every markets to create new value

Collaborative creation

MinebeaMitsumi
Ten Core Technologies and Eight Spears

Activities to create new value through sharing our knowledge, know-how, and technology

Corporates, universities, research institutes and others.

We established a new collaborative creation office as a place to promote the strength of INTEGRATION of technologies and stimulate collaborative creation activities.

Aiming to solve social issues and realize a larger vision

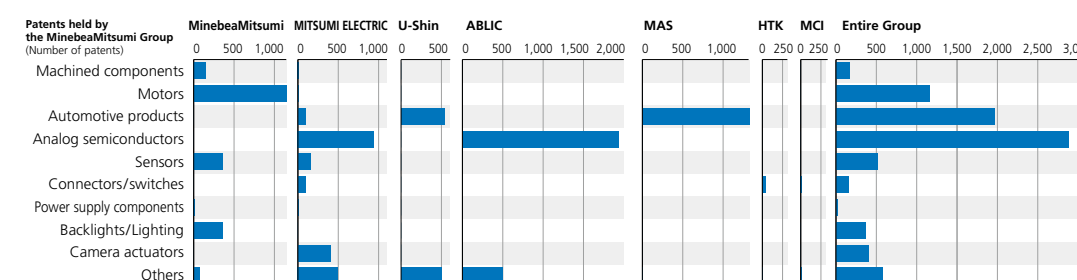
New value

Ideas that did not exist up until now that could not otherwise be pursued by one company

Collaborating to create new value

Strategy 2 Forming a portfolio of intellectual property that supports business growth

The MinebeaMitsumi Group maintains ownership of over 8,000 patents in its portfolio, as illustrated below. The Group companies complement each other to form a portfolio that effectively covers the Eight Spears and other major businesses.



Connectors

Precision Components Div.
General Manager of
Precision Components BU

Toshihiro Tago

Business Officer
General Manager of
Precision Components Div.
General Manager of
Honda Tsushin BU

Kinji Kashio

Deputy General Manager of
Precision Components Div.
General Manager of
Minebea Connect BU

Yoshiyuki Ebihara

Access Solutions

Managing Executive Officer
Deputy Chief of Access Solutions Business Headquarters
Deputy General Manager of U-Shin Business Div.

Hidenori Kawakami

Deputy Chief of Access Solutions
Business Headquarters and
General Manager of AccessSolutions Div.

Kaneo Saito

Becoming a global niche top connector manufacturer

— Please explain the characteristics of each of the connector businesses integrated in 2023.

Kashio: Honda Tsushin Kogyo has expanded its business in the area of connectors for telecommunications equipment, and boasts a 90-year history. With strengths in miniaturization, robustness, and reliability, we have expanded into the machine tool and automotive industries, and are proud of our 14-16% share of the automotive camera market. We also have a wide variety of products and a large share of the market for optical communication connectors, which will be in high demand for high-speed communications in the future. However, despite having the technology, there were issues with sales capabilities, especially overseas sales channels.

Ebihara: Minebea Connect started as a domestic distributor of Tyco Electronics AMP and later began manufacturing and selling its own products in Japan. It shifted away from a focus primarily on consumer connector products due to a deteriorating business environment, and instead expanded its business centered on customized products for the automotive market. Given that these products draw on strengths with respect to insert molding, which requires advanced molding and pressing technology, Minebea Connect has recently been working with larger components. However, it also found itself contending with the issue of cost competitiveness.

Tago: The connectors of the Precision Components BU, whose parent company was formerly MITSUMI, are mainly for automotive and consumer applications. The automotive connectors are for high-speed transmission. Those for consumer use such as Type-C and SD card connectors are characterized by mass production. They are manufactured mainly at the Cebu Plant. We have strong price competitiveness, leveraging our cost competitiveness achieved through vertical integration. However, it is difficult to be optimistic about the future of both consumer- and automotive-use connectors. We believe it is necessary to expand the scope of our business. The integration of the three companies has the great advantage of them complementing each other.

— Please tell us about PMI's current progress.

Kashio: The three companies have their respective strengths. Honda Tsushin Kogyo is strong in customized production of a wide variety of products in small quantities for telecommunications, industrial machinery, and automotive applications; Minebea Connect in composite formation of customized large connectors for automotive use; and MinebeaMitsumi in worldwide mass production of standardized products. After the business integration, development technologies have been gathered on one floor of the Tokyo X Tech Garden to start INTEGRATION activities. Minebea Connect's LED lights, turbocharger parts, and other large molded products have a great deal of potential for INTEGRATION of the three companies' technologies. With MinebeaMitsumi, we are improving production to increase competitiveness, expanding overseas sales channels, and jointly conducting sales and marketing activities. There are also many business opportunities within the Group. For example, we are talking to each business unit to have them use connectors we have jointly developed. The business integration has enabled us to do various

things that we would have given up on if we had gone at it alone. So it has increased the motivation of our employees.

Tago: A concrete result of the three companies' integration is the development of water- and oil-resistant Mini-FAKRA connectors for automotive use. We are now able to coordinate various technologies within the Tokyo X Tech Garden.

Ebihara: Mr. Kashio spoke about the INTEGRATION of technologies. The three companies are also working together on sales activities. Meanwhile, the Company has been approached with a number of potential non-automotive projects associated with its commercial expansion following the business integration. We have waterproof connectors for consumer use, such as those used in warm-water washing toilet seats. But we have not been able to market our technology to other industries on our own. After the business integration, we are now moving to sell our products to other industries.

— Please tell us about your future prospects.

Kashio: We will press ahead with the development of new products capitalizing on the INTEGRATION of strengths of our technologies, cross-selling of the three companies' products with different strengths, and productivity improvement. We had some issues with productivity at Honda Tsushin Kogyo, but with the help of MinebeaMitsumi's production engineering unit, we have been able to identify the issues onsite. To achieve our performance target of 50 billion yen in sales for the fiscal year ending March 31, 2029, we will advance our product development to become a global niche top manufacturer through INTEGRATION activities, focusing on growth areas such as high-speed transmission connectors and cameras in the automotive market, sales expansion in the overseas motorcycle market, and sensors for industrial machinery. We are also working on issues such as the establishment of a manufacturing system with a view to local production for local consumption in the midst of increasing geopolitical risks.

Tago: The weight of automotive components poses a risk. A heavy reliance on one industry can lead to large fluctuations in performance, as in the case of the recent IC shortage. We will work together with the other two companies to broaden the scope of applications of automotive components, while expanding into other areas such as consumer and industrial machinery sectors.

Ebihara: We will strengthen our ability to grasp our customers' issues. We are still working with a team of experienced sales and technical staff, but the lack of capacity to process the orders we were receiving had been a challenge. We are taking steps to improve our sales capability, centered around Mr. Kashio, the head of the business. When it comes to expansion in the area of general-purpose products, we have also been working on several initiatives. This includes complying with standards to expand our overseas business and promoting in-house production of equipment aimed at reducing costs. We have also been deploying products within the Group through our INTEGRATION initiatives. We are all working as one to solve these issues, through business integration.

Towards establishing a Tier-1 supplier position and further expanding our customer base

— Could you explain the background details of business integration with Minebea AccessSolutions (MAS) and your expectations in that regard?

Kawakami: Although MinebeaMitsumi's access products business features an extensive product line of devices, I feel its weak point has been that it has been unable to comprehend concerns of OEM manufacturers who serve as its ultimate customers, given its Tier-2 position within the automotive industry. However, this business integration has solidified our position as a Tier-1 manufacturer. I think it has further enhanced our ability to gather requests from OEM manufacturers and to propose products and technologies.

Saito: As OEM manufacturers move toward electrification, components suppliers are also required to change their business models. The business integration was realized because we found that the combination of MinebeaMitsumi's ultra-precision machining technology and mass production technology could generate considerable synergies which could lead to new products in the future in areas other than the automotive field. We also have many products that are highly likely to complement each other with U-Shin's products. Furthermore, we have the advantage of serving not only the automotive business but also the motorcycle business. We can maximize integration synergies by complementing the technologies, customer bases, and regions of operation of the both companies. Also, it is now possible to consider expanding local business in Europe and China while pursuing efficiency and balance in production.

Kawakami: For example, in Mexico, U-Shin and MAS have plants that are within an hour's travel of each other for OEMs who are major customers. In Mexico, China, and elsewhere, we can expect to reduce the burden on our factories and improve their operation rates by sharing product shipments and supply chain systems.

— Please tell us more about your PMI activities.

Kawakami: We are seeing a great response with the expansion of our product lineup. Since the announcement of the business integration, an OEM manufacturer has inquired about MAS' sensors, and discussions are underway towards the manufacturer adopting them. In addition, U-Shin and MAS have been working together to address the shortage of semiconductors at OEM manufacturers. We are also aiming to put forward some unprecedented proposals for sensor-related and other devices through INTEGRATION of the two companies' product lines. On the production front, we are considering complementing each other at each location. In order to maximize synergies, a strategy team was set up. Based on MinebeaMitsumi's management strategy, the team began to consider strengthening the product lines and production capacity of the two companies.

Saito: Before the announcement of the integration, we had already

established integration preparation committees with MinebeaMitsumi in respective regions. However, in some regions, discussions did not proceed smoothly from a compliance perspective. Efforts to create synergies began in full swing on January 27 after the announcement of the integration, and we are now six months into the process. With the establishment of the strategy team, specific studies were started on development, manufacturing, and sales. Furthermore, studies are underway to improve the efficiency of development bases and to curb outsourcing costs by complementing production lines among manufacturing bases.

Kawakami: The strategy team consists of members mainly from MinebeaMitsumi. The engineers are gathering at the Tokyo X Tech Garden to start discussions on how to proceed with advanced product development. It is possible for U-Shin and MAS to discuss efficiency improvements between plants. However, I think that we may find it difficult to establish a systematic development and production system, taking into account various changes which may occur going forward in the business environment. Based upon discussions at Tokyo X Tech Garden, led by the strategy team, a systematic, adaptable development and production system can be considered in a systematic manner, and advanced product development can be carried out.

— What is your outlook for the future of PMI activities?

Kawakami: As the electrification of access products accelerates, I think it is important to spend time discussing how to create high value-added products by utilizing MinebeaMitsumi's electric device technology, how to create products that only we can make. For example, on development, the strategy team is considering the possibility of cars without door handles using a motorized door latch activated by a smartphone. This kind of thinking is only possible because we have been able to build a broad product and technology base through the business integration, something that was not possible with the previous U-Shin and MAS.

Saito: In addition to door handles, we are also considering integrating automotive antennas with door mirrors through "INTEGRATION" of the production and technical capabilities of the group. U-Shin and MAS will work together to develop, propose, and build a production line to sell the product by utilizing MinebeaMitsumi's technology. We would be happy if OEM manufacturers recognize our ability to propose such next-generation products as a unique strength.



We will greatly enhance business productivity and efficiency through the effective use of advanced digital technology and data.

In order to realize its corporate philosophy, the MinebeaMitsumi Group has set the goal of improving business productivity and efficiency through the use of advanced digital technology as well as the effective use of data capitalizing on AI technology. Using AI and digital technology, we will carry out the following DX promotion measures.

Managing Executive Officer Chief Digital Transformation Officer (CDXO)
In charge of AI & DX Promotion Division and IT Services Division
Togo Sanai

01 Strategy

DX strategy in line with our corporate philosophy

- Continuing assessment of our strategy and its impact on our digital journey
- Qualitative and quantitative measurement of our progress

02 Organization & Resource

Acquisition of DX talent

- Market demand analysis from a broad perspective through industry-academia collaboration
- Uncovering potential business opportunities by leveraging academic knowledge
- Fostering human resources capable of working in industry through collaboration with educational institutions

Status of DX talent development

- Engineers with cloud computing certifications within the department: 69% (Those with multiple certifications: 33%)

03 Technology

Introduction of the latest digital solutions, process-building and shared insights

2023

- Launched "MinebeaMitsumi Human Capital"
- Launched "MinebeaMitsumi Customer Success"
- Launched "DX for Productivity Improvement at Manufacturing Sites"
- Improved sales forecasts (demand and sales forecasting) using AI
- Accelerated transformation of manufacturing sites through factory reform

3

August 2020-2021

- Established AI & DX Promotion Division (August 2020)
- Began full-scale use of the "Cisco Webex" video conferencing app
- Introduced the "Slack" digital workplace
- Launched the "MinebeaMitsumi Academy" e-learning platform
- Recommended security measures to support DX
- Began using the "Box" cloud storage service
- Launched an automated conversation program utilizing AI, "AI Chatbot for Recruiting"
- Launched "AI Chatbot for e-commerce"
- Began the introduction of "Okta" to support zero-trust security

1

2024 onward

Horizontal expansion planned for:

- "MinebeaMitsumi Human Capital"
- "MinebeaMitsumi Customer Success"
- "DX for Productivity Improvement at Manufacturing Sites"

Consideration of linking DX solutions with various mission-critical systems
Demand forecasting using AI, utilization of generative AI for business operations, etc.

4

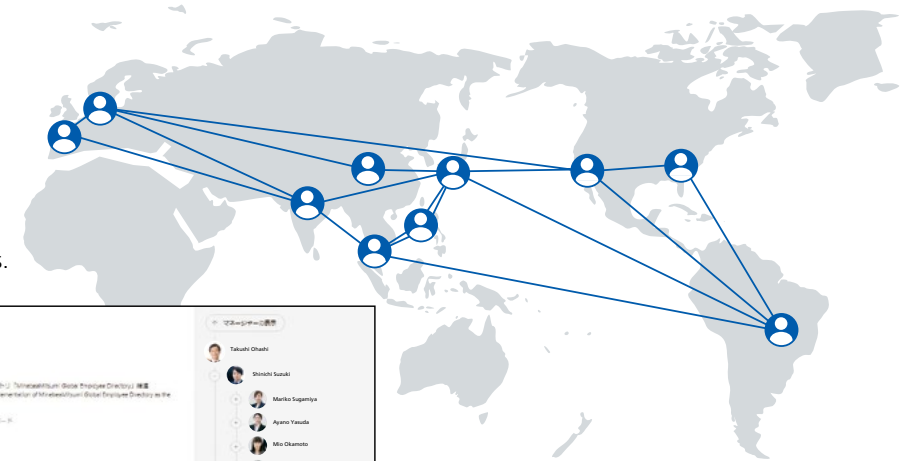
2022

- Began developing AI solution "MinebeaMitsumi Healthcare Platform"
- Began developing HR solution "MinebeaMitsumi Human Capital"
- Began developing "MinebeaMitsumi Customer Success" for more efficient sales operations
- Accelerated re-training of IT engineers through a specialist certification program

2

Facilitating "INTEGRATION" of talents using the "MM Global Employee Directory"

- We are currently building the "MM Global Employee Directory" to facilitate sharing of human resources information based on Workday personnel management solutions.
- We facilitate "INTEGRATION" by stimulating in-house communication transcending organizational boundaries.



Fundamentally upgrade sales capabilities through systematization of sales infrastructure and close collaboration between manufacturing and sales

Achieve net sales of 2.5 trillion yen and operating income of 250 billion yen by the fiscal year ending March 2029 through rigorous deal and sales representative management

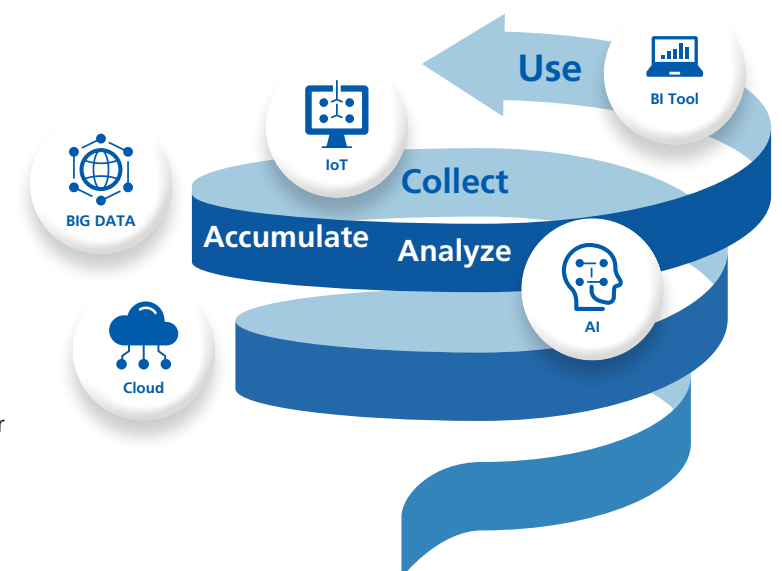
Analyze operations of the sales and manufacturing sites working closely with their respective contact persons, and create scenarios used by each operation to improve efficiency, thereby establishing a system that enables the site to realize benefits

Promote autonomous introduction and smooth operation of the system by appointing a person responsible for the introduction at each site

After introducing the system to all sales locations in Japan in fiscal 2024, start introducing to business locations around the world one by one

Prompt transformation of manufacturing sites using digital technologies

- We promote new forms of growth and strengthen competitiveness by drastically transforming manufacturing sites through incorporation of the latest information technologies such as AI-OCR and voice recognition. We promote new forms of growth and strengthen competitiveness by drastically transforming manufacturing sites through incorporation of the latest information technologies.
- We streamline operations and reduce headcounts by introducing solutions for achieving labor savings in back-office operations.



Initiatives for the Environment

Aiming at our corporate philosophy “To contribute to realization of a sustainable, eco-friendly, and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means,” we will work diligently on decarbonization and the reduction of environmental burden.



The environmental policy can be viewed from here.



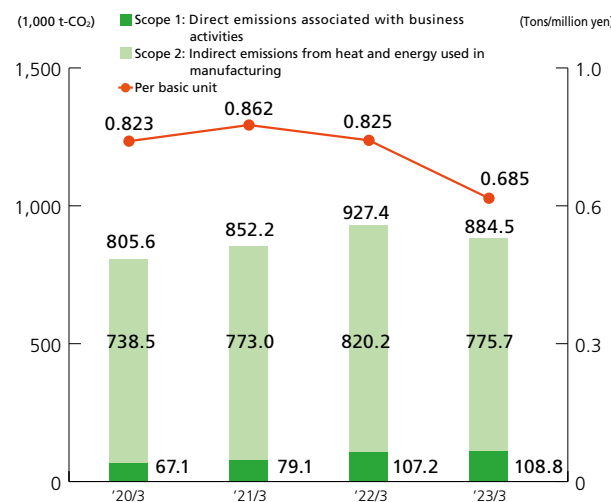
For acquisition of SBT certification

In July 2023, we submitted a commitment letter to the SBT Initiative (SBTi), an organization that certifies scientifically consistent greenhouse gas emission reduction targets as stipulated by the Paris Agreement. We announced that we aim to obtain SBT certification within two years. The Group identifies “Minimizing the environmental impact of

business activities” as one of its material issues and will aim at achieving a 30 percent reduction in greenhouse gas emissions by the fiscal year ending March 2031 (compared with the fiscal year ended March 2021) and at carbon neutrality in 2050 at the latest, in the whole Group.

Greenhouse gas emissions during the fiscal year ended March 2023

Scopes 1 and 2 emissions

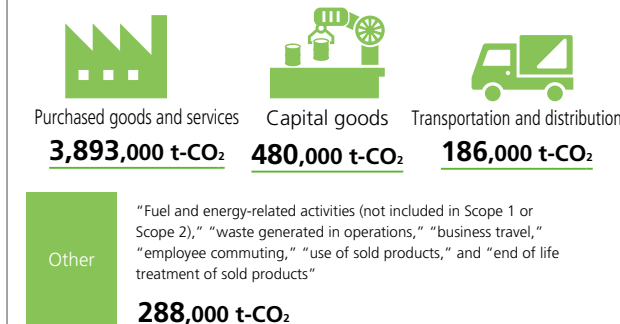


For Scopes 1 and 2, the Group has set a 10% reduction per unit sales compared with the fiscal year ended March 2020 by the fiscal year ending March 2026 as a medium-term target. In the fiscal year ended March 2023, we realized a 16.8% reduction per unit sales compared with the fiscal year ended March 2020 through more efficient productivity and introducing renewable energy, to achieve the target earlier than we had planned. Although PFC and SF6 emissions comprise a large percentage of the emissions in Scope 1, our emissions are expected to be reduced in the future as we installed new emissions removal equipment during the fiscal year ended March 2023. In this fiscal year, we are setting a new medium-term target toward 2050 carbon neutrality.

In Scope 3, emissions from Category 4 (transportation and

Scope 3

(Indirect supply chain emissions related to business activities)



* Out of the 15 categories in Scope 3, we use the nine categories above in our calculations.

The detailed environmental data can be viewed from here.



distribution) increased in the fiscal year ended March 2022 because it was difficult to secure sea freight owing to the spread of COVID-19, but emissions were improved in the fiscal year ended March 2023 as sea freight became more available.

As our Group's Scope 3 emissions are five times higher than Scopes 1 and 2, we will set Scope 3 targets in the fiscal year ending March 2024, and will work to reduce them going forward. For that purpose, we are conducting surveys in cooperation with our suppliers of greenhouse gas emissions in Category 1 (purchased goods and services), which account for 80% of all Scope 3 emissions. These surveys will allow us to understand current emissions and set appropriate reduction targets.

Initiative for carbon neutrality by 2050

Material Issues

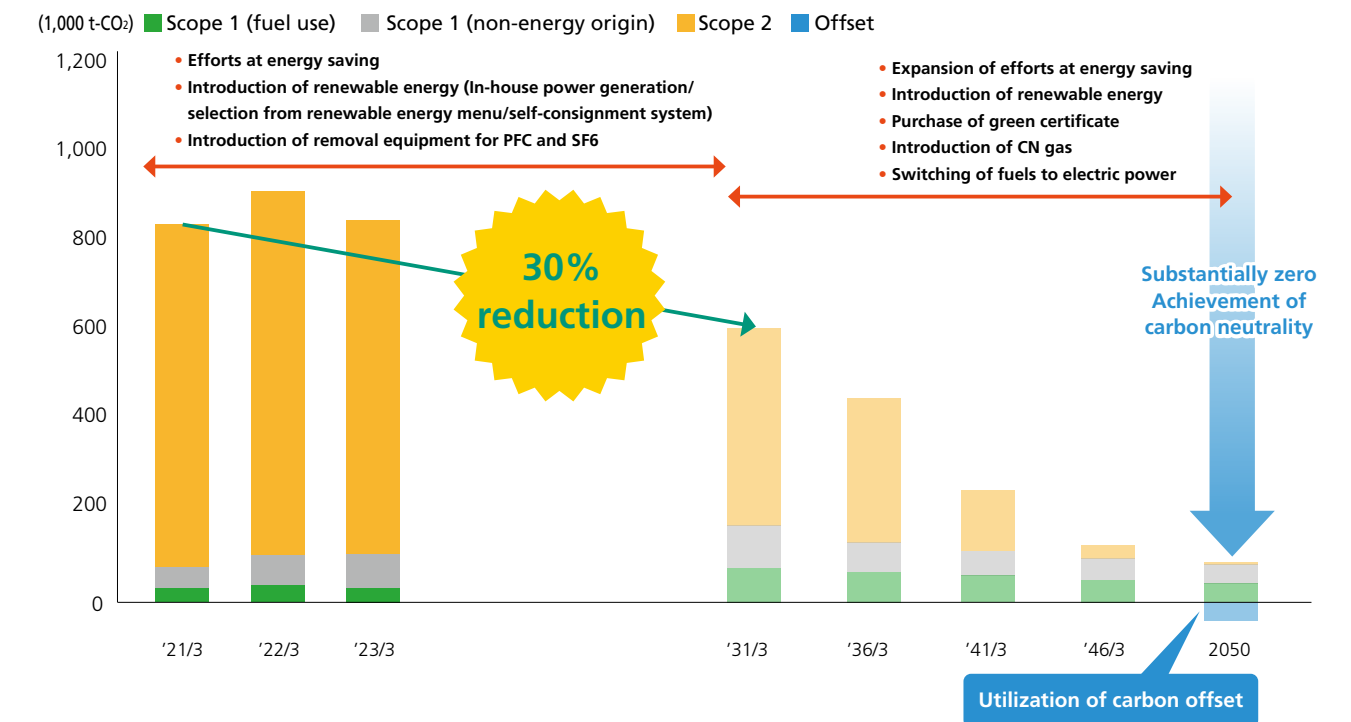
2

The Group is promoting a 30 percent reduction in greenhouse gas emissions (Scopes 1 & 2) compared with the fiscal year ended March 2021 by the fiscal year ending March 2031, and to achieve carbon neutrality by 2050. We are promoting the procurement of renewable energy through the introduction of in-house solar power generation equipment, self-consignment systems, electric power procurement

agreements and PPAs.

In Japan in June 2023, we started to send electricity from solar power generation (about 2.4 MW) to our five offices and plants in the Kanto area using the self-consignment system. In the future, we aim at increasing the output of power generation to about 10 MW by around September 2023 and to over 50 MW by June 2025.

Road map to carbon neutrality



Status of and plan for the installation of solar power generating equipment*

| Country | Plant | Condition | Scale (MW) |
|-------------|------------------|-----------|------------|
| Thailand | Bang Pa-in Plant | Existing | 14.6 |
| | | Planned | 6.0 |
| | Lop Buri Plant | Existing | 1.9 |
| | | Planned | 14.1 |
| Malaysia | Malaysia Plant | Planned | 1.6 |
| Philippines | Cebu Plant | Planned | 7.9 |
| Singapore | Jurong Plant | Planned | 0.8 |
| America | Chatsworth Plant | Planned | 1.4 |
| Slovakia | Kosice Plant | Planned | 0.8 |
| Hungary | Kisber Plant | Planned | 0.7 |
| Japan | Hiroshima Plant | Planned | 1.5 |

*This represents the current installation plans, and is subject to change.

Power procurement agreements (planned)*

| Country/region | Plant | Electric energy procured (GWh/annum) |
|----------------|------------------|--------------------------------------|
| Thailand | Bang Pa-in Plant | 129.2 |
| | Lop Buri Plant | 63.2 |
| Philippines | Cebu Plant | 179.1 |
| Cambodia | Cambodia Plant | 70.0 |
| Europe | The whole Europe | 42.0 |

Assessment from CDP

In the CDP Scores, we were awarded “A-” in Climate Change 2022 and “A” in Water Security 2022



The MMI Beyond Zero initiative

Material Issues

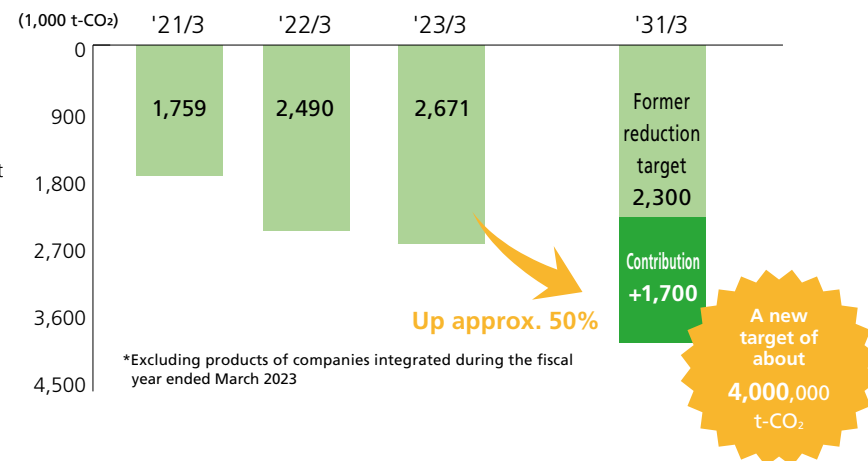
1

The Group's "MMI Beyond Zero" initiative aims to contribute to the reduction of global CO₂ emissions by enhancing the energy-saving features of our products. By using these products, our customers will in turn reduce the electricity consumed by their products, and their customers' products. As a part of this initiative, we have been tracking the amount of CO₂ emission reduction contribution by our products since the fiscal year ended March 2021.

Actual volume of avoided CO₂ emissions and new target

The result for the fiscal year ended March 2023 was about 2,671,000 t-CO₂ and increased by about 7.3% year on year.

We achieved in the previous fiscal year the target set in the fiscal year ended March 2021. This fiscal year, we set a new target of reducing "about 4,000,000 t-CO₂, an increase of about 50% of the actual result for the fiscal year ended March 2023, by the fiscal year ending March 2031." We will continue to contribute to reducing global CO₂ emissions through the development and promotion of products with advanced energy-saving features.

Examples of products with a high volume of avoided CO₂

High-performance fan motor bearings

Bearings support rotating shafts and are the most important part of rotary components such as motors.

We specialize in miniature ball bearings, which are used in fan motors, which are used widely in IT-related electronic devices and components for cooling.



Fan motors



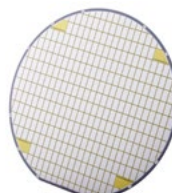
Miniature ball bearings

Volume of avoided CO₂ emissions **Approx. 1,424,000 t-CO₂**

IGBT: Insulated gate bipolar transistors

An IGBT is a transistor most suitable for control of high voltage and large current and is used to convert electricity sent from a power source into a form suitable for a motor or electrical equipment.

It is used for an electric car and a home electrical appliance, such as an air conditioner, and contributes to energy saving by controlling rotation speed of a motor efficiently.



Our IGBT wafer

Volume of avoided CO₂ emissions **Approx. 252,000 t-CO₂**

Progress of Green Bond Framework

Material Issues

1 2

Progress of Green Bonds issued in November 2022 is as shown in the right table. We will continue to contribute to realizing a sustainable, earth-friendly, and affluent society.

Reporting of state of fund allotment

| | | (Millions of yen) | | | |
|---|--|-------------------|-----------|-------------|--------------------------|
| Business category | Eligible business | Required amount | Allocated | Unallocated | Expected allocation time |
| Production of ball bearings | Capital investment in production equipment for high-quality bearings to contribute to power conservation | 25,000 | 13,607 | 10,497 | By fiscal 2024 |
| | Capital investment in production equipment for bearings with innovatively improved precision | | | | |
| | Capital investment in production equipment for bearings for the chief motors of an EV | | | | |
| Procurement of decarbonized power sources | Introduction, operation, and maintenance of solar power generation systems to our own equipment | | 896 | 0 | |
| | Purchase of renewable energy electric power | | | | |

Impact reporting

*Regarding some of the plants in the Thailand area for which we allocated funds, annual reductions are expected, because they will start to work in the fiscal year

| Business category | Eligible business | Final use | Avoided CO ₂ emissions (t-CO ₂ /annum) | [Expected] avoided CO ₂ emissions (t-CO ₂ /annum)* |
|-----------------------------|---|--|--|--|
| Production of ball bearings | High-quality bearings to contribute to power conservation and bearings with innovatively improved precision | Fan motors and quality home electrical appliances (e.g. air conditioners) used at data centers | 242,306 | 473,751 |
| Business category | Eligible business | Final use | Avoided CO ₂ emissions (t-CO ₂ /annum) | [Expected] avoided CO ₂ emissions (t-CO ₂ /annum)* |
| Decarbonized power sources | Introduction, operation, and maintenance of solar power generation systems to our own equipment | Thailand | 2,919 | 7,604 |

Initiative for TCFD recommendations

Material Issues

2

The Group recognizes the importance of disclosing climate-related financial information and in 2020 endorsed the recommendations of the Task Force on Climate-related Financial Information Disclosures (TCFD). As such, we disclose information on mitigating the risks and seizing the opportunities brought about by climate change.

The Group sees it as one of its missions to contribute to achieving global carbon neutrality in 2050. In addition to reducing its own greenhouse gas emissions to achieve carbon neutrality, the Group work to help its customers reduce their greenhouse gas emissions through its products. We have set a reduction target for our own greenhouse gas emissions in the fiscal year ending March 2031 at a 30 percent reduction compared with the fiscal year ended March 2021 and, after we achieve the target, will be making efforts to achieve carbon neutrality by 2050 at the latest.

We are engaged in initiatives under MMI Beyond Zero to help customers reduce their greenhouse gas emissions through our products,



The detailed response to TCFD can be viewed from here.



and we will also use these initiatives to control our own Scope 3 emissions. We will promote these initiatives as key business strategies, including the supply of components for products and equipment such as electric vehicles, solar power generators, and green data centers, as well as the development of energy-saving, resource-saving, long-lifespan products.

Results of scenario analysis

Based on the scenario analysis, the graphs below were created to show the potential level of financial impact on the Company due to climate change (impact on operating income in fiscal 2030, assuming operating income achievement of 250 billion yen). The graphs show the degree of financial impacts from negative and positive factors, namely risks and opportunities. They also show the impact of response measures taken to minimize negative impacts by mitigating the increased flood risk associated with more severe weather events.

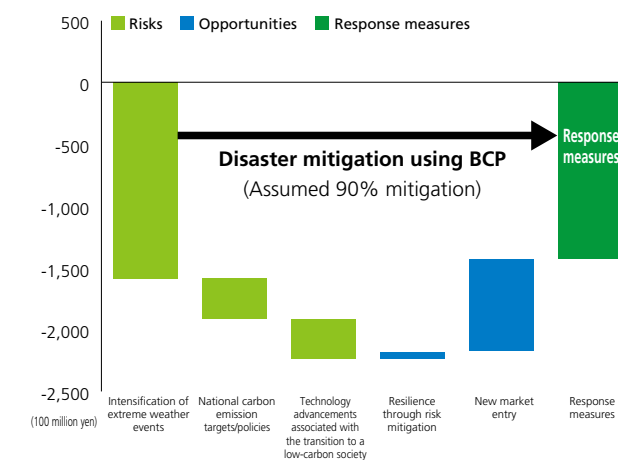
Under the 1.5°C Scenario, the opportunity to enter new markets yields a projected profit of around 140 billion yen. This is larger than the 80 billion yen profit predicted under the 4°C Scenario, indicating the importance of fully seizing business opportunities.

On the other hand, the analysis suggested a possibility that a terrible weather disaster caused by climate change may have a great impact on the Company's finances as the flood risk. The Group experienced a shutdown of two plants of the five that it owned at the time because of a flood occurred in the middle part of Thailand in 2011. Since then it has taken physical measures, including drawing up of a BCP and raising of waterproof banks and plant premises, against the flood risk.

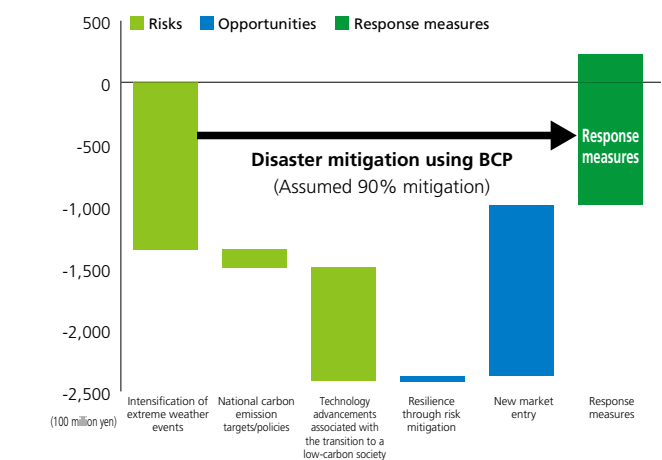
We are confident that we have now taken appropriate measures according to the degree of the flood risk at plants. We will follow up on the state of the measures and endeavor to improve the measures so that the flood risk will not be materialized.

Financial impact levels due to risks, opportunities, and risk mitigation measures

4°C scenario



1.5°C scenario



Financial impact evaluation by scenario analysis and response measures

| Item | Impact on the business | Evaluation | Response measures to risks/opportunities | Applicable scenario |
|--|---|-------------------------------|---|---------------------|
| Intensification of extreme weather events (supply chain disruption, and suspension of internal operations) | <1.5°C/4°C> Due to the potential for river flooding near our sites in Thailand, Cambodia and China, repair costs and lost sales could occur. Moreover, sites of MITSUMI ELECTRIC (Philippines, etc.) located in coastal areas could be similarly affected by disasters such as storm surges and typhoons. | ★★★ | Risks: <ul style="list-style-type: none">• We are reviewing our BCP and establishing a production system that is more resistant to disaster impacts. In addition to taking our own measures, such as establishing duplicate suppliers in our supply chain, that will allow us to adapt more quickly even in the event of a disaster, we will survey the mitigation efforts of our suppliers. | 1.5°C/ 4°C |
| | | ★★★ | Risks: <ul style="list-style-type: none">• For logistics, we will consider further modal shifting globally and promote production that is closer to consumption markets.• We will promote engagements for ESG with parts manufacturers to deepen relations with them so that both can achieve sustainable development. | 4°C |
| Introduction of carbon taxes and emissions trading, and national carbon emission targets and policies (cost increases for policy compliance) | <1.5°C> Energy and greenhouse gas emissions costs will increase with the adoption of carbon taxes, emissions trading, and green electricity purchase requirements. At the same time, electricity rates will trend downward along with the widespread adoption of renewable energy. <4°C> It is predicted that a certain level of increases in energy and greenhouse gas emission costs will be incurred due to the introduction of carbon taxes, emission trading, and green electricity purchasing requirements, etc., and indirect costs will increase. | ★ | Risks: <ul style="list-style-type: none">• We will need to promote measures such as CO₂ emissions reduction by investing in energy-saving, as well as Scope 2 emissions reduction by increasing the ratio of renewable energy procurement. | 1.5°C |
| | | ★ | Risks: <ul style="list-style-type: none">• We will need to promote measures such as CO₂ emissions reduction by investing in energy-saving, as well as Scope 2 emissions reduction by increasing the ratio of renewable energy procurement, to avoid being subject to regulations.• With renewable electricity procurement in mind, we will prepare for the increased energy costs under the financial plan, and make efforts to improve production efficiency.• We will promote the procurement of renewable electricity while increasing the amount of renewable energy we generate. | 1.5°C/ 4°C |
| Technology advancements to associated with the transition to a low-carbon society | <1.5°C/4°C> There is a growing need for products with outstanding energy-saving performance and those that help reduce greenhouse gas emissions. Those products that cannot keep pace with technological innovation will get eliminated. Moreover, we will need to bear the costs of the necessary R&D and technological development. | ★★ (1.5°C) ★ (4°C) | Risks: <ul style="list-style-type: none">• We will need to promote advanced R&D and technological development to meet low-carbon needs, and to make proactive and systematic investment to remain competitive. Opportunities: <ul style="list-style-type: none">• As the need for high-efficiency products to reduce energy costs will increase substantially, we will aim to expand the market using our energy-saving technology. | 1.5°C/ 4°C |
| | | ★★ | Opportunities: <ul style="list-style-type: none">• We will create a system to calculate the CO₂ emissions reduction effect of our products along with their carbon footprints, and will provide this as part of the design and development output data. | 1.5°C |
| Resilience through risk mitigation | <1.5°C> Climate change is expected to make major disasters more frequent, similar to past flooding in Thailand. By implementing the necessary BCP activities, we can enhance the appeal of our products to customers. <4°C> Climate change is expected to make major disasters even more frequent, similar to past flooding in Thailand. By implementing the necessary BCP activities, we can enhance the appeal of our products to customers. | ★ | Opportunities: <ul style="list-style-type: none">• We will create and maintain an effective BCP, improve communication with customers to enhance our reputation for reliability with them, and disclose information about our BCP system. | 1.5°C/ 4°C |
| Changes in product and service needs/ New market entry | <1.5°C/4°C> As concern about climate change promotes the widespread adoption of electric vehicles, sales volumes for bearings, motors, and other parts necessary for these vehicles could increase substantially. /As concern about climate change promotes the widespread adoption of electric vehicles, high-efficiency devices (drones and robots, etc.), and clean energy, sales volumes for bearings and other parts necessary for these products could increase substantially. | ★★★ (1.5°C) ★★ (4°C) | Opportunities: <ul style="list-style-type: none">• During the transition to a low-carbon society, we will work to expand sales by implementing a growth strategy for our energy-saving technology under our business plan.• Developing and combining next-generation technologies by implementing digital transformation (DX)• We will continue to promote M&A activities globally, and promote a cooperative growth strategy to dominate expanding markets. (Expanding mass production outside Japan) | 1.5°C/ 4°C |
| | | ★★★ | Opportunities: <ul style="list-style-type: none">• We will increase investment and promote technological development to enhance the added-value appeal of our products. This includes assessment of product environmental performance, including energy-saving and low-carbon specifications, and labeling our products with relevant carbon footprint data. (GX promotion and target achievement) | 1.5°C |
| | | ★★ | Opportunities: <ul style="list-style-type: none">• We will promote further technological development to create products with high energy-saving performance. | 4°C |

| | Profit (100 million yen) | Costs (100 million yen) |
|-----|-----------------------------|----------------------------|
| ★★★ | 2,500-1,250 | 2,500-1,250 |
| ★★ | 1,250-625 | 1,250-625 |
| ★ | 625-0 | 625-0 |

Chief Green Officer's (CGO's) Message

With the power of INTEGRATION of 100 thousand employees with diverse backgrounds, resolutely tackle the problem of preservation of the global environment

CGO
Hitoshi Kometani

The world turned the rudder largely to Green Transformation (GX)

In 2020, the world was struck by the raging spread of COVID-19 and was forced to take countermeasures against the virus, resulting in a slowdown of the world economy. Under those circumstances, the EU worked out a new growth strategy called the European Green Deal. It declared that it would produce new employment through the efforts holding up a goal of 2050 Carbon Neutrality. Spurred by those

movements of the EU and the U.K., Japan, the U.S. and other countries also declared 2050 Carbon Neutrality one after another.

Furthermore, carbon neutrality was set as a goal of companies, not only countries. IT major companies declared they would achieve carbon neutrality in their business by 2030 one after another, and requested their suppliers to use renewable energy to manufacture components.

Products to contribute to preserving the global environment, which are made by environmentally friendly methods

MinebeaMitsumi's original business was the production of bearings. A bearing is a part to minimize friction and resistance and to reduce energy loss in mechanical movement. Our ultra-precision machining technology used for motors, sensors, and analog semiconductors, not only bearings, contributes to reducing loads to the environment in such ways as miniaturizing our customers' products and prolonging product life, not only saving energy.

Now, MinebeaMitsumi is making every effort to produce products that contribute to preserving the global environment using environmentally friendly production methods. We have declared that we will achieve carbon neutrality by 2050.

In the future, we will focus even more on expanding the use of renewable energy and developing products that help EVs run safely and comfortably.

Even though we are from different countries, our desire to preserve the global environment is the same. Communication that unifies is important.

Since I joined the Environment Agency in 1986, I had been engaged in preparing a bill for the Basic Act on the Environment and in starting the Eco Mark system, and left to serve as the first secretary in charge of the environment in the Japanese Embassy in China in 1998. Moreover, after the Great East Japan Earthquake, I served as Director of Policy Planning and Coordination Division and Press Secretary at the newly set up Secretariat of the Nuclear Regulation Authority.

In Beijing, even with a person with whom I had engaged in difficult diplomatic negotiations and disagreed with over national interests, I felt that I could agree with them on the thought that, as a citizen,

we should pass on the global environment, which remains a great blessing, to our children. At the Secretariat of the Nuclear Regulation Authority, I learned it is important to explain what we were thinking and what we were going to work on, in words everyone can understand, as we tossed matters back and forth with reporters twice a week, while movie cameras filmed the situation. I also wish to make efforts so that we make not only people in Japan but also those in foreign countries understand the Company's policy on and the actual results of environmental preservation, at MinebeaMitsumi, which globally develops its business.

Overcome common problems to humanity with the power of INTEGRATION of 100 thousand employees

MinebeaMitsumi has the strength of INTEGRATION, for which 100 thousand employees with diverse backgrounds gather to put their heads together. We will continue studying hard all together to protect

the global environment of a great blessing and hand over it to the next generation.

Initiatives for Society

To ensure management sustainability, the MinebeaMitsumi Group is working on the material issues (Materiality), "3 Strengthening the system for mass and stable supply of ultra-precision components," "4 Practicing responsible procurement," and "5 Coexisting with local communities." Here, as initiatives for society, we provide information on "Reinforcement of quality control systems," "4 Practicing responsible procurement," "Policies and initiatives related to human rights," and "5 Coexisting with local communities."



Material issues (Materiality) Pages 31 to 32

Reinforcement of quality control systems

Material Issues

3

Quality management framework

The Group has created "Group Quality Management Rules" covering the entire Group as part of our measures to ensure the safety of its products & services and to prevent accidents. We have also prepared "Group Product Safety Management Manual," "Group Conflict Material Management Manual," "Group Responsible Conflict Minerals Procurement Management Manual," and "Significant Quality Issue Handling Manual" to go with the "Group Quality Management Rules," and share them across the Group.

Final responsibility for the quality management framework lies with the President, and the "Quality Management Committee" has been established as an advisory body. As a subordinate organization, the "Quality Assurance Managers Council," comprised of managers

responsible for quality in each business unit, holds meetings where managers regularly share information on specific quality issues and work to implement internal measures to ensure similar problems do not reoccur. In addition, the "Safety Regulation Council" ensures compliance with the Electrical Appliance and Material Safety Act (in Japan) and shares information on safety regulations in each region of the world to strengthen the Group's response.

Going forward, as we shift from simple parts to more complex ones that are closer to final products or even final products themselves, which will see higher demand, we will establish a "Product Safety Council," which will select members from each business unit, share information, and hold workshops.

Risk management

The Group takes steps to mitigate the risk involving end products in which the Group's parts are commonly used and which could have a serious impact on society in the event of a problem. Accordingly, headquarters and the respective business units perform collaborative risk assessments to such ends.

Promoting quality management system certification

We have obtained certification of the necessary quality management systems at each business unit. We are also gradually working on obtaining certification in relation to the standards required for new products. In addition, the Quality Assurance Headquarters provides training for internal auditors to train internal auditors continuously to maintain and improve the system.

Cooperating with suppliers

In order to meet the quality requirements of our customers throughout the supply chain, we clearly indicate MinebeaMitsumi's quality policy to our suppliers, and request their understanding and cooperation.

Disclosing information on products

Most of the products supplied by the Group are parts that are built into the final products that are used by consumers. For that reason, we provide safety information and information on the chemical substances contained in our products, based on customer request.

Material issue target

During the fiscal year ending March 2024, we will promote the acquisition of certification of new standards, including VDA6.3 and IATF16949, and expand education for auditing personnel. We will also strengthen our product safety management system so that it is capable of supporting products in new fields through business expansion to be achieved around March 2025.

Practicing responsible procurement

Material Issues

4

CSR procurement

Considering the global scope of our business activities, we believe it is important to promote CSR throughout our supply chain. In March 2012, we took steps to establish a framework for CSR procurement with the formulation of the "MinebeaMitsumi Group CSR Procurement Guidelines,"* which is based on the "MinebeaMitsumi Group Code of Conduct.*" The basic transaction contracts we sign with our suppliers require observance of these guidelines and make violations cause for termination.

In addition, to assess the status of CSR promotion by our suppliers, we established the "MinebeaMitsumi Group CSR Procurement Self-assessment Checklist*" and have asked our suppliers to complete it. Questions on the checklist are divided into the five categories of "general promotion of CSR," "human rights and labor," "health and safety," "environmental conservation," and "ethical management" to assess risks in the supply chain. We provide feedback to our suppliers and, when some problems are seen in their answers, check the state thereafter in detail by communicating individually with the suppliers.

We implemented the following measures in fiscal 2022:

- 1) Revision of "MinebeaMitsumi Group CSR Procurement Self-assessment Checklist"
To grasp in detail the state of promoting CSR, we reviewed and revised questions about "general promotion of CSR."
- 2) Monitoring the status using the CSR Procurement Self-assessment Checklist
We conducted a survey of U-Shin's 118 main suppliers in China (representing 87% of its purchase amount) and received responses to it from all of them.

- 3) In-house education in CSR procurement
All the employees (271) of the procurement and logistics divisions of Group companies in Japan completed the course using an education tool, and all of them passed a comprehension test.
- 4) Obtained human rights pledges
To promote our policy of "responsible procurement," regarding three suppliers integrated into us, a total of 584 companies (252 Minebea Connect companies, 213 HONDA TSUSHIN KOGYO companies, and 119 Minebea AccessSolutions companies), we had those companies submit written pledges for human rights.

These pledges contain the following promises:

- 1) A promise to comply with the requirements set forth under MinebeaMitsumi's "CSR Procurement Guidelines": (1) employment autonomy, (2) prohibition of child labor, (3) prohibition of discrimination, (4) prohibition of inhumane treatment, (5) minimum wage, (6) working hours, and (7) freedom of association.
- 2) A promise to request that others in the supplier's supply chain also comply with MinebeaMitsumi's "CSR Procurement Guidelines."
- 3) A promise that there are no current violations by the supplier or others in the supplier's supply chain; moreover, that if any violation is discovered, the supplier will immediately report it to the Company and correct it, or ensure that it is corrected.

Moreover, we make the submission of this pledge a condition of business with any new suppliers.

We also have audits conducted by third-party agencies as necessary when human rights violations are suspected.

Promoting "responsible mineral procurement"

In August 2012, the U.S. Securities and Exchange Commission adopted a disclosure rule mandated by "U.S. financial reform legislation" requiring companies to disclose the use of conflict minerals. We responded by formulating a "MinebeaMitsumi Group Policy on Conflict Minerals*" in October 2012, in which we summarized the Company's approach regarding "conflict minerals" from the Democratic Republic of the Congo and its neighboring countries.

We also added "conflict minerals" to the "CSR Procurement Guidelines." Later, we have asked our suppliers to promote initiatives to ensure that no tantalum, tin, tungsten, gold, cobalt, or other minerals that are related to conflicts or CSR risk are used as part of our efforts to ensure responsible mineral procurement. We will continue to respond to requests from customers using our database.

Material issue target

In the fiscal year ending March 2024, we will assess the status of CSR promotion in the three suppliers integrated into us based on the "CSR Procurement Guidelines," using the "CSR Procurement Self-assessment Checklist." Moreover, toward SBT certification, we will conduct a questionnaire survey of our suppliers regarding greenhouse gas emissions.

* These names were changed from "Minebea Group Code of Conduct," "Minebea Group CSR Procurement Guidelines," "Minebea Group CSR Procurement Self-assessment Checklist," and "Minebea Group Policy on Conflict Minerals" in January 2017.

Policies and initiatives related to human rights

With the global expansion of business in recent years, we face an increasing need as a corporation to address human rights issues in our supply chain. In this context, the Group regards respect for human rights of all stakeholders concerned in our corporate activities as a key issue of the basic management policy. As a global corporation, the

Group has built a human rights due diligence system and focuses on initiatives to prevent the violation of human rights of stakeholders based on the MinebeaMitsumi Group Human Rights Policy, shown below.

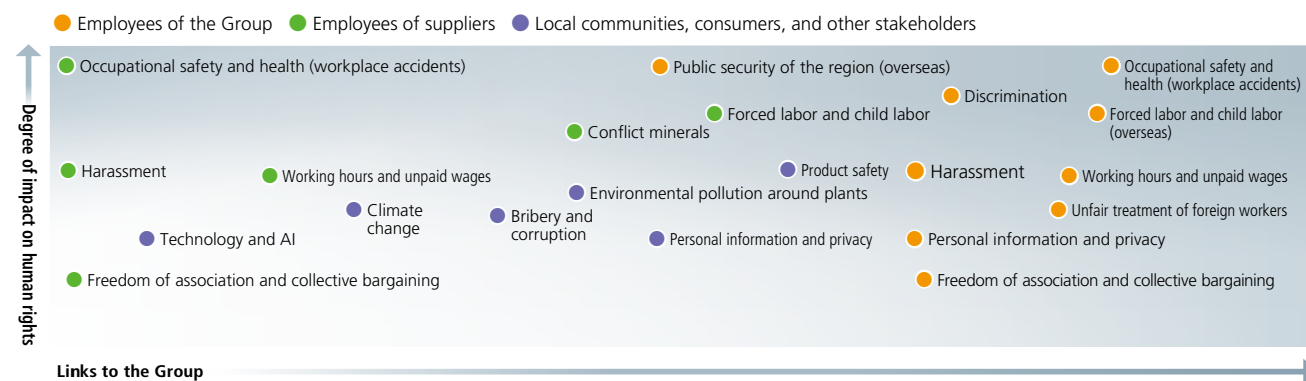


The human rights policy can be found here.

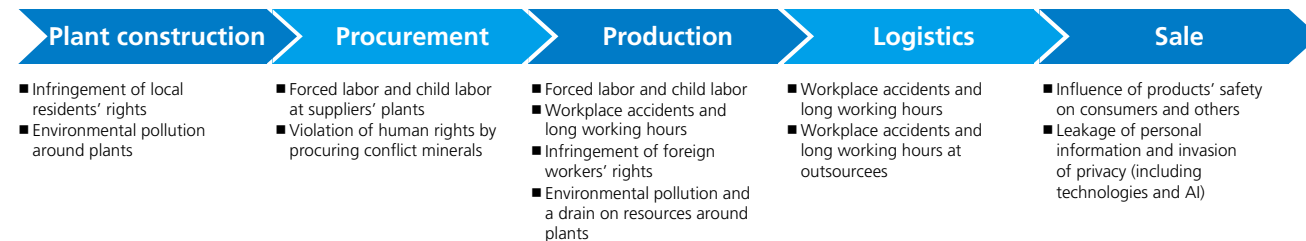
Human rights risk map

We have identified and mapped the human rights risks that could negatively impact the Group's business activities. Moreover,

we have organized the human rights risk by value chain and analyzed important issues to address.



Human rights risk by value chain



Education and Training

We provide a full range of training programs for Group employees, to deepen our employee's understanding of our basic management policy including respect for human rights, including training for new recruits, training by employee rank, which uses the "MinebeaMitsumi Group Officer and Employee Compliance Guidelines," harassment prevention, and inter-cultural communication for overseas assignment. Since fiscal

2023 we have provided e-learning for the purpose of promoting an understanding of business and human rights, mainly for Group employees in Japan.



Initiatives related to the human rights of employees

Initiatives focused on occupational safety and health

The Group assures the health and safety of its employees. We provide safe and hygienic working environments, prevent overwork, and consider employee health and safety in all our business activities. We design the Group's human resources systems not only for compliance with local laws and regulations, but also to improve labor management and create a better workplace. These include systems that provide employees with benefits exceeding those mandated by law.

Initiatives at overseas sites

In view of the potential risk of forced labor and child labor at our largest site in Thailand, we have clearly stated the prohibition of forced labor and child labor and restrictions on the employment of young laborers in the Group's independently-established "Policy on Worker Protection and Social Accountability." In addition to preventative measures, such as checking workers' official identification documents to ensure that they are above the legal minimum age, we have implemented penalties for

any violation of this policy. We have also obtained certification under Thailand's worker protection standard, TLS 8001.

Moreover, at our mass-production sites in Thailand, China, the Philippines, Cambodia and elsewhere, which are mass-production sites, we have obtained certification under ISO 45001, the international standard for occupational safety and health management systems.

Promotion of diversity & inclusion

We are engaged in initiatives such as organizational reform, promoting women's advancement, and team-building initiatives to advance the diversity of our talent.

Human Capital Pages 45 to 48

Relief measures

We take appropriate measures to provide relief wherever the Group's activities have caused or clearly exacerbated a negative impact on human rights. We have established a whistle-blowing system and consultation point to enable the Group's employees and former employees to report and consult on issues or trouble related to human rights. We have made this system and consultation point widely known through the Group.

Whistle-blowing Page 78

Initiatives related to human rights in our supply chain

At the Group, we implement risk assessments in our supply chain in accordance with the "MinebeaMitsumi Group CSR Procurement Guidelines," by actively communicating with our suppliers all over the world and requiring that they regularly submit the self-assessment

checklist and a pledge concerning the observance of human rights. We continuously monitor compliance with the Guidelines, including respect for human rights.

Responsible procurement Page 64

Coexistence with local communities

Material Issues

5

For past activities, see "Social Contribution Activities" on our website.

You can view them from here.



Minebea AccessSolutions contributes Strawberries cultivated by it to Kodomo shokudo (children's cafeterias)

Minebea AccessSolutions contributed Strawberries cultivated by it to Fureai Shokudo and Omiya Kodomo Shokudo, children's cafeterias in Miyazaki City, Miyazaki Prefecture.

The company feels sympathy for children's cafeterias, which are a place of exchanges among several generations in communities all over Japan, and continues contribution activities in the hope that strawberries it provides as foodstuffs will help exchanges among local people.

Every year, during the harvest from December to May of the next year, Minebea AccessSolutions carries out the contribution activities every other week, and is conducting the ninth round of activities this season.

The company cultivates the strawberries by using part of the premises of the Miyazaki Plant. It started cultivating strawberries in a greenhouse with an area of 16 m² in 2018 and started their contribution to

children's cafeterias, etc. in 2019. From 2021, the company cultivates about 1,000 strawberries with roots in a greenhouse with an area of about 100 m² for the purpose of expanding philanthropy for communities.

The crops in a season are 317 kg (equivalent to 1,174 general packs) and are contributed about 20 times to 15 facilities and groups.



Strawberries contributed

The company continues the cultivation according to the standards for specially cultivated agricultural products* as specified by the Ministry of Agriculture, Forestry and Fisheries.

The MinebeaMitsumi Group continues efforts in the future too so that it will become a company welcomed by building close relations with communities through such philanthropy.

* Specially cultivated agricultural products: Agricultural products for which nitrogen constituents originating from chemical fertilizer and agrochemicals to be reduced (e.g. chemosynthetic agrochemicals) are reduced by 50% or more in light of customary cultivation standards in the cultivation area (Miyazaki Prefecture)



Contribution to Fureai Shokudo



Contribution to Omiya Kodomo Shokudo

Material issue target

We will strengthen our relationships with our local communities by promoting open communications.

To chart a sustained growth trajectory, how should MinebeaMitsumi continue to evolve to “maximize the power of employees”?

While listening to the background and objectives of the new management structure from Director Katsuhiko Yoshida, who assumed the position of President, COO & CFO in April 2023 (hereinafter referred to as “President Yoshida”), an exchange of opinions was held at our new offices in the Tokyo X Tech Garden with female Outside Directors, Ms. Yuko Miyazaki, Ms. Atsuko Matsumura and Ms. Yuko Haga, on the theme of how the Company should continue to evolve to maximize the power of employees, a theme of “human capital.”

Today, I am asking you about your opinions on our expectations for the new management structure and for further strengthening of our human capital.

— Please tell us about your enthusiasm for the new management system.

Yoshida: Our Company has changed over to a new management system in which former Representative Director, Chairman & President (CEO & COO) Yoshihisa Kainuma has assumed the post of Representative Director, Chairman CEO (“Chairman Kainuma” hereinafter) and I, former Senior Managing Executive Officer CFO, have assumed the post of President COO & CFO since April this year. Chairman Kainuma approached me at the beginning of the year about transitioning to a new management structure and I must admit that I was a bit surprised. However, I believe that things I need to do for our Company would not change although the duties of COO are added to my duties. So I prepared to assume the important tasks.

In the new management structure, I will take over the duties of COO that Chairman Kainuma has worked on. As CFO for many years, I have had the great opportunity to observe and learn about Chairman Kainuma’s corporate philosophy, management policy, and how he executes management strategy at close range. Fortunately, I believe that investors have understood this new management system which I observed at while meeting with the investors. I will work on executing my duties in cooperation with Chairman Kainuma in the future to accelerate our Company’s growth.

One thing I am particularly conscious of in the new management structure is to make time for Chairman Kainuma. I wish to allot time to Chairman Kainuma for tasks that can be performed only by him, such as building relationships with government officials inside and outside Japan by using his personal connections, developing high level strategies, and training the next-generation of human resources, which is a key objective for our Company. Next generation human resources training cannot be achieved in a short time, though, so I wish to be deeply involved with this process.

Matsumura: Since Chairman Kainuma assumed the post of President in 2009, he had raised our technical prowess and management power by putting his innovative ideas into practice, by using both organic growth and M&A growth. As a result, our Company has seen dramatic growth in net sales and operating income as well as technological and management capabilities. I believe that with the new management structure established by Chairman Kainuma and President Yoshida, we are now well-positioned to move forward toward our high goals for the fiscal year ending March 2029. Until now, Chairman Kainuma has led the management structure under his strong leadership, but I can sense his intention to groom the next generation under a new structure. I expect that Chairman Kainuma will continue to formulate strategies



Director, President
COO & CFO
**Katsuhiko
Yoshida**

based on firm management policies, and that President Yoshida will fulfill the roles of both COO and CFO, and demonstrate leadership by forming a unique team that incorporates talented professionals. The division of roles, made possible by the cleverness of these two individuals, will promote the further development of the Company.

Haga: I think the new management system has two broad meanings: a message to those outside the Company and a message to those inside the Company.

First, to institutional investors, who are outsiders, I am concerned that the message has been conveyed that nothing has changed. As President Yoshida explained earlier, the roles of Chairman and President will be divided and Chairman Kainuma himself plans to devote more time to human resource development and building the next generation for the organization, which are key issues that the Company has been focused on, may not as of yet, been properly conveyed to investors. I hope this roundtable discussion would constitute an important opportunity to disseminate the significance of the new management system to institutional investors. We also hope that you, inside the Company, will actively communicate the significance of this new management structure throughout the Company, including the various measures that will be taken to enable our employees to further demonstrate their abilities effectively, not only in Japan but also to our overseas staff working globally. I think that since President Yoshida will have additional COO duties in addition to his existing CFO duties, we believe it is necessary to systematically hand over the CFO duties to the next generation. I hope that President Yoshida will play an active role in spreading our corporate philosophy throughout the entire MinebeaMitsumi Group, including overseas.

Miyazaki: Regarding the new management structure, I understand that we have gained grace. I believe that the succession plan pertaining to Chairman Kainuma is a very great concern of people in both outside and inside the Company. This time, the management has formed a system in which former Senior Managing Executive Officer CFO Yoshida, who has been long engaged in management with and under Chairman Kainuma, has been appointed as President and has concurrently assumed a role of COO. However, to make a success of the succession, our quest is to find a capable person who can realize our future growth from the new generation of managers that are rising in our Company. In the short term, the new management structure may appear to the outside world as “nothing has changed on the surface of MinebeaMitsumi,” but in the medium to long term, the challenge will be to make use of the grace period afforded by the new management structure to continue efforts to draw a new picture within the organization and to promote management reforms that will entrust management to the next generation.

Yoshida: Thank you for your valuable opinions. First of all, to Director Haga’s point that “nothing has changed,” I joined our Company as a new college graduate. Looking back, I believe that Chairman Kainuma has been the driving force behind our Company’s continued success and sustained growth. Therefore, I think the view that our Company remains unchanged in the least should not be thought of as a negative point but rather as a sign that the Company will continue to grow as it has in the past, which is an important point. Moreover, I think Director Miyazaki’s opinion that our Company has gained grace was very candid and to the point. Going forward, the Company will continue the challenge of growth, management reform, and human resource development at a faster pace than ever before.

Matsumura: I believe under the new management structure that President Yoshida has given investors a sense of reassurance and security by continuing the execution of duties in the style of Chairman Kainuma, which he has learned over the years. Thanks to the new system, I believe that a positive trend has been created in regards to our succession plan, which was a key issue for our Company. As President



Outside Director
**Yuko
Miyazaki**

Yoshida explained, I expect that by taking the time to strengthen the management structure through various strategies by the two individuals working closely together, the Company will be able to achieve even stronger growth.

— I would like to ask the President about what points he is considering to maximize the power of employees.

Yoshida: Our most important management goal is to exceed 2.5 trillion yen in net sales and 250 billion yen in operating income by the fiscal year ending March 2029. In a business environment where various innovations are progressing at a remarkable speed worldwide, future management candidates will be required to deliver higher quality work than current heads of business units. We cannot achieve our high management goals unless we increase the number and quality of management executives by handing over to the next generation the posts of the current “active management team” who have accumulated a variety of experience in implementing Chairman Kainuma’s management strategies. I believe that our Company is faced with a phase that needs to focus on human resource development.

At present, I have some candidates for leaders (Class 1) assigned to important positions in business headquarters as on the job trainees “OJT,” learning business execution. Our business headquarters are operated as a single company-like organization with technological development, production, and administration divisions, and each of those divisions is addressing tough issues on site as it operates to their particular areas. In addition to strengthening this type of first tier human resources, we select a second tier of talents who are expected to take on the role of heads of business units in the future (Class 2). These Class 2 talents are exposed to active managerial staff members who will teach and train them to their experience and management know-how. Moreover, since this fiscal year, we have introduced a three-class approach to the succession plan, and selected the next generation of capable persons who are the next group of talents expected to assume the post of heads of business units (Class 3). The Tokyo X Tech Garden has a large hall for training where candidates for executives have an opportunity to learn Chairman Kainuma’s management philosophy.

Director Haga has provided her opinion about transfer of my duties of CFO. Regarding that opinion, I have established the COO & CFO Office, for which I have selected four staff members. Those members participate in outside technical training as well as share in all of my daily duties. This activity is aimed at training the next generation of CFO and the training will continue over several years in the future.

Matsumura: Through this explanation of human resource development, I understand that human resource pools have been and continue to be developed at three levels using various initiatives, such as on-the-job training. Until last year, the evaluation and selection of human resources were based on different criteria in each division, but this human resource development program presents a strategy to identify employees who are expected to make a high degree of

contribution to the Company, and to pool and develop business leaders who have the ability to organize the employees around them. I believe that this will yield a continuous enhancement of corporate value.

The new policy also clarifies the type of human resources we are looking for. The vision of the program calls for “leaders who can enhance and evolve the business with their ability to think big and execute with a strong sense of vision” and “engineers who can boldly take on the challenge of the resolution of social issues through the use of technological deepening and INTEGRATION*1.” I believe that adding the “ability to look at the whole picture” applied to the conventional personnel evaluations is an important aspect of our growth as a company that is looked at by society favorably. It will lead to the effective INTEGRATION of technologies across the entire Company to solve social issues.

This time, a group of 61 future leaders has been formed by using such measures as a diagnostic test for logical thinking to find capable human capital. The results of the diagnostic test have concluded that each department includes a certain number of excellent high ranking employees; namely, these individuals can comprehensively examine management and business challenges. These high scorers are the Company’s strength, and by combining these employees with external appointments we hope to develop a strong talent pool through effective HR programs.

On the other hand, one of the issues to be addressed is the “promotion and advancement of women is and continues to be one of the Company’s D&I*2 initiatives. I have been involved in this issue since the launch of the Company’s promotion of women’s advancement project, but we still have a long way to go. In particular, one example is that the percentage of female managers is currently low at 3.2% (on the non-consolidated basis as of the end of June 2023). Using this example, the results of this diagnostic test also showed that many of our female employees are highly capable of being considered to be the next generation of managers in the future. Advice and support from their direct superiors are very effective in appointing female employees as managers. I wish those efforts will be supported in the whole Company. Again, using the example of female employees, regarding the percentage of career hires that are women, the fact that it exceeded 20% in the previous fiscal year is encouraging news. From this perspective, I believe that opportunities for the next generation, including for women to advance and play an active role are steadily expanding.

Haga: I think the following three points are given as concrete changes from the previous fiscal year in our human resource development.

The first step - to conduct an engagement survey. I asked whether MinebeaMitsumi is a place where its employees can be fulfilled, in the Integrated Report for the previous fiscal year. To become a place where employees can be fulfilled, the management needs to consider a talent system and foster its corporate culture after considering the thoughts of the present employees. It is important to continue to conduct surveys

on a regular basis, analyze the changes in detail over time, and follow up closely.

The second point is that a diagnostic test for logical thinking that has been introduced, as Director Matsumura pointed out. Our Company has planned a proper follow-up program according to the results of the test to connect the results to the human resource development thereafter.

And finally, I would like to discuss the selection of the next generation and the introduction of a training plan for them. I have received reports regarding the action plans for next generation human resource development from the Nomination and Compensation Committee. Please continue sharing the efforts and results thereof regularly in the future.

We also believe that D&I measures need to be taken not on an individual basis, but as a whole, including women, foreigners, people with disabilities, and other minorities. Many Japanese companies are not fully committed to hiring employees with disabilities. Our Company should actively consider what career paths are available for such employees from the perspective of human resource development. Furthermore, the most important matter in D&I is to understand that each person will provide a unique perspective. In designing a system, we need to consider that point.

Miyazaki: As a lawyer, I often look at legal journals, and since the publication of the “ITO Report for Human Capital Management,” there have been an increasing number of articles and papers on “human capital” in legal journals. Since business is done by humans, it is certain that “human capital” is an essential element for a company. It perhaps goes without saying that it is impossible to succeed in business without leveraging “human capital.” One thing that struck me about President Yoshida’s explanation of creating and nurturing a pool of human resources at the leadership level, which is divided into three layers, is that in order for the human element to function properly in a company, it is necessary not only to show that “leaders are like this,” but also to raise the awareness and quality of engagement of each and every employee, and create a framework for how to ignite the spirit of all employees, including young and mid-level employees. As Director Matsumura and Director Haga mentioned earlier regarding D&I, a company is not only a business entity, but also a group of individuals with different views on work-life balance and what creates a sense of happiness. Recently, I read an article by a CHRO (Chief Human Resources Manager)*3 of a certain company who wrote, “Human resource management or human resource strategy is like building a stone wall of a castle in the old days.” Stones are piled as if they are regular on the surface of a stone wall, but in fact they are rough on the back of it. The firmness of a castle wall depends on how to combine the rough stones. It is said that building a castle wall is a process of piling up a large number of unique stones, and I thought it is likely important that every single stone, including those that cannot be seen from the surface of the stone wall, is necessary to build a solid stone wall. Considering this application to corporate control, individual stones are individual employees. I think, if the management can grasp the characteristics of individual employees and make them show their abilities while connecting them with each other successfully, like the stones that form a solid castle wall, a company can maximize its value by building a strong company with good human resource management and strategy.

During the many factory visits I have made since assuming office a year ago, I was particularly impressed by the team building*4 initiatives being promoted by the employees on the manufacturing floors. I thought they were very wonderful activities in that they produce results as a business while our Company systematically gives employees a sense of satisfaction by asking them to solve a problem

through cooperation and team building which in turn provides employees with a proud feeling of team accomplishment. As for the establishment and implementation of a system that ignites the spirit of employees, I hope that President Yoshida’s recent reform of the Company’s human resource policies and systems will fuel the Company to continue to take on various challenges in the future, drawing from its past experience in team building activities and other factors. It may take time, but I believe that the Company will become much stronger if we can create various mechanisms to ignite people’s excitement as the Company properly reviews the efforts of each and every individual, not only on the manufacturing floors, but also in other areas that in turn will further develop these efforts into new and exciting human resource activities.

Yoshida: Thank you for your valuable suggestion. Discussions about human resource development are also at the central focus of management and I believe it is important not only to create an organizational chart, but also to determine who should do what and how. This is Chairman Kainuma’s personal theory and if we ask which is more important, the organization or human resources, I believe human resources come first, and the key is how to develop specific human resources that can be placed in that organization. The management has continuously discussed human resources, but I think there is always room for improvement in human resources. In the future, in order to share the status of our human resource development efforts with our Outside Directors, we will consider providing opportunities for the Outside Directors to interact with the next generation of management personnel on the factory floor when they visit the factory, so they can see that we are building the next generation of talents for the best interests of the Company. Moreover, to improve the effectiveness of efforts, I will also strengthen the responsiveness of the administrative staff while seeking to hire new employees.

The original strengths of our Company is the top-down management strategy of Chairman Kainuma, the speed of execution by the “active management team” led by Chairman Kainuma, and the ability to deploy the strategy in the organization. I think they are engraved in our corporate culture and DNA. We will add a “team building” initiative to this effort and respond firmly to make it a major strength of our Company, which can create value from both the top-down and bottom-up perspectives. Moreover, I will utilize this Tokyo X Tech Garden, to which headquarters functions have been transferred, as a place where communication will deepen among various human resources. Although that effort has been just started, I recognize it is important to systematically make efforts to train human resources in the whole Company, not only in leader groups. Our aim is to have a company in which all employees feel that their efforts are important and worthwhile by highlighting and sharing specific successful cases of their efforts.

— Please tell us what the Company’s expectations are regarding the future of our Company.

Haga: Promoting human resource development and women’s advancement are not purposes in themselves, but rather a means to increase economic value in the form of higher ROE and ROIC. The Ministry of Economy, Trade and Industry has provided the “Guidelines for Human Capital Visualization,” for example, it is important to visualize ROIC by breaking it down into its elements and assuming a reverse tree, and to link each of the human capital investment measures and KPIs that MinebeaMitsumi is currently trying to implement to its business strategy. I hope that you will proceed with all of your human resource strategies, including new initiatives in the past year, in conjunction with the management strategy, considering comprehensively what ROIC improvement



Outside Director

Yuko Haga

drivers you will use.

Matsumura: If we can maximize the power of our employees through strategies such as those discussed in this roundtable, we can use such power to create value in the Company’s sustainable growth trajectory. In other words, robust human resource development is what enhances the Company’s corporate value, and furthermore, it is what leads to our reputation for solving social issues and contributing to a sustainable society through the Company’s business. For example, the Company has made steady progress in addressing environmental issues. It will become increasingly important to have a strategy to further enhance our contribution to such environmental protection and to communicate this contribution to the outside world. I believe that the key to the Company’s future sustainable growth lies precisely in developing our future generations of employees who are facing a new era into the human resources that are needed by the Company.

Miyazaki: The team building is wonderful and I think our Company’s INTEGRATION is also wonderful. Some aspects of the results of INTEGRATION are difficult to see, but we look forward to the embodiment of such. Moreover, I think how to execute the business plan that the management including Chairman Kainuma considers and how to enhance human capital are something like a pair of wheels. I believe that President Yoshida will take the lead in working on the execution of these two prongs as COO & CFO. I think it would be a good idea to consider the establishment of a full-time post like CHRO in the not-too-distant future, as well as a structure to enhance top management’s ability to communicate about “human resources.”

Yoshida: Thank you. I have had in-depth discussions with Chairman Kainuma regarding the establishment of a CHRO. Regardless of whether or not to use the title of CHRO, we are aware that it will be difficult to move forward without a full-time person, and we plan to hire a new person to assume this position. Regarding INTEGRATION, we use it as a qualitative expression. It is difficult to quantitatively visualize INTEGRATION as you pointed out. I would like to speed up concrete efforts to determine the extent to which we can develop the next generation of multifaceted management personnel who can meet targets such as operating income.

Thank you for your participation today.

*1 INTEGRATION means “combining” rather than “simple gathering” of the Company’s proprietary technologies for the evolution of the “Eight Spears” of our core businesses and to create new products in various fields through the INTEGRATION of our advanced technology.

INTEGRATION Page 17

*2 D&I: Diversity & Inclusion

Diversity & Inclusion Page 48

*3 CHRO: Chief Human Resource Officer

*4 Team building: bottom-up initiatives to create and implement a variety of ideas

Team building Page 47

Corporate Governance

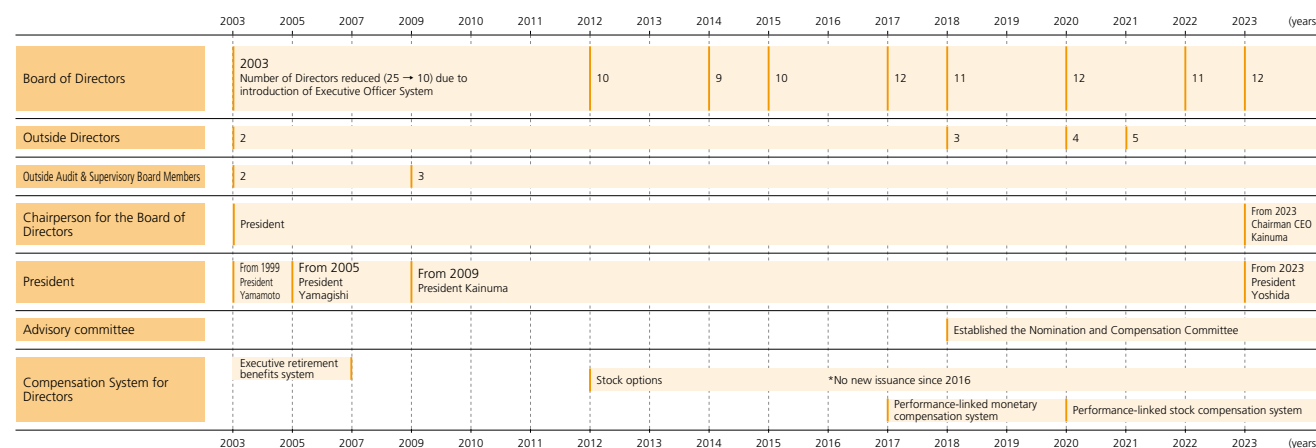
We are working to enhance and reinforce corporate governance, which is the basis of sustainable growth.

Basic approach to corporate governance

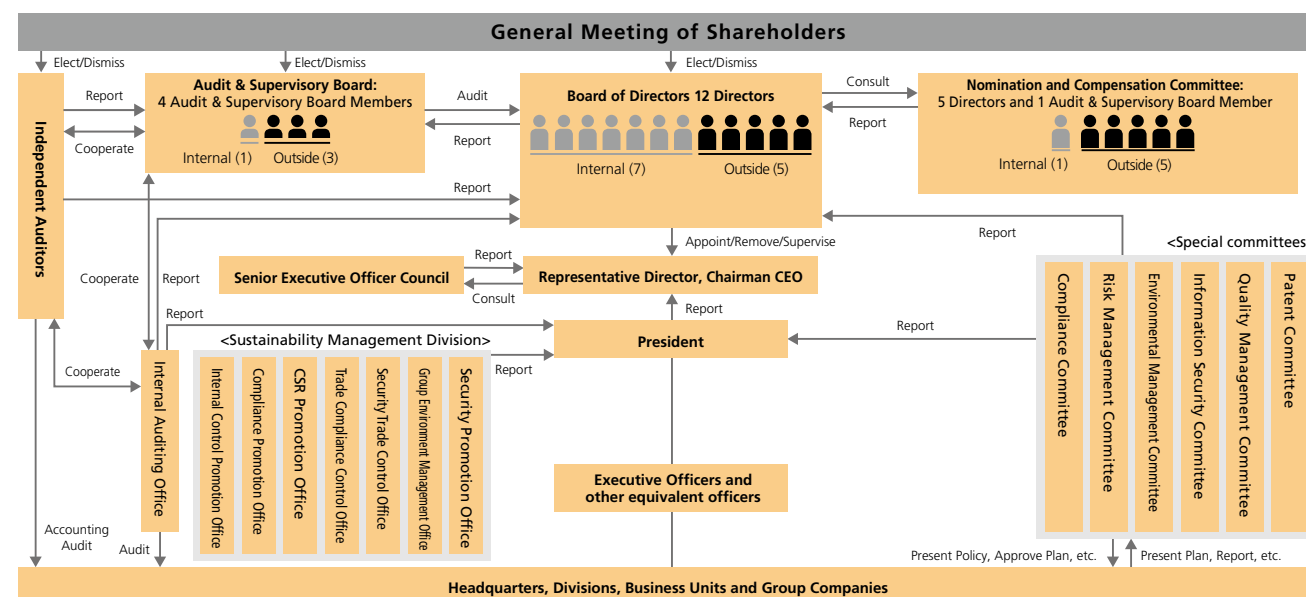
MinebeaMitsumi has adopted "The Five Principles" of the credo as its basic management policy. The Five Principles are; "be a company where our employees are proud to work"; "earn and preserve the trust of our valued customers"; "respond to our shareholders' expectations"; "work in harmony with the local community"; and "promote and contribute to global society." Consistent with this company credo, MinebeaMitsumi will aim to increase corporate value as well as fulfill its

social responsibilities to its various stakeholders, including shareholders, business partners, local communities, international society, and employees. In order to achieve this, MinebeaMitsumi is making efforts to enhance our corporate governance system by maintaining transparency and objectivity of management as well as building management and supervisory function and business executing function.

History of corporate governance



Corporate governance system



Status of the Board of Directors (16 meetings held in fiscal 2022)

In order to place importance on the diversity of the Board of Directors and realize improved sustainable corporate value, the Nomination and Compensation Committee will recommend candidates who possess the required knowledge, experience, skill set, and international competence to the Board of Directors. The candidates will be approved by the Board of Directors and then submitted to the General Meeting of Shareholders for final approval. In order to boost the transparency and objectivity

of management, supervise business execution, and make strategic decisions, five of the 12 Directors are independent Outside Directors. Furthermore, in order to speed up the business execution, the Company makes significant transfer of authority from Directors to Executive Officers, etc. by introducing an Executive Officer System, and makes a clear distinction between supervisory functions and executing functions of management.

Main agenda items at Board of Directors meetings

- Management strategy
- M&A
- Midterm Business Plan
- Director compensation and nomination of officers
- Reorganization and personnel transfers
- Capital investment and financing
- Risk management
- Compliance
- Next generation human resource development
- Sustainability
- Issues based on effectiveness evaluation

Status of the Nomination and Compensation Committee (six meetings held in fiscal 2022)

In terms of nomination of Directors, the committee considered proposals for candidates for Director (new election and reappointments). Following individual 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.

Main issues of the Nomination and Compensation Committee

- Ideal future management structure
- Diversity and skill sets
- Developing the next generation of management
- Succession plan
- Review of Director compensation system

Status of the Audit & Supervisory Board (14 meetings held in fiscal 2022)

At the regular monthly meetings of the Audit & Supervisory Board and extraordinary meetings of the Audit & Supervisory Board held as necessary, four Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members) analyze and discuss specific matters to be considered. In addition, one full-time staff person to assist Audit & Supervisory Board Members is assigned to ensure smooth execution of auditing duties. During fiscal 2022, due to the impact of COVID-19, the Board conducted interviews with managers of domestic and overseas

offices using a web conference system in parallel with on-site inspections.

In addition, quarterly meetings are held with the Representative Director, Chairman CEO and Outside Directors to exchange respective views.

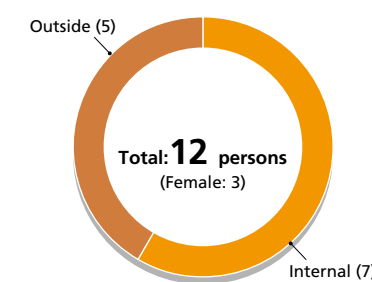
Monthly meetings are held with the Internal Auditing Office. In addition, Audit & Supervisory Board Members exchange opinions with the Independent Auditors on a quarterly and as-needed basis, and also observe the accounting audits, which are mainly conducted remotely.

Main agenda items at Audit & Supervisory Board meetings

- Determination of audit policy and audit plan for the fiscal year
- Selection of Standing Audit & Supervisory Board Member
- Consideration of Board of Directors meeting proposals
- Report on audit status by Standing Audit & Supervisory Board Member
- Evaluation of reports on audit results and quarterly review reports by Independent Auditors
- Resolutions on selection and dismissal of Independent Auditors and agreement on their compensation
- Consideration of independence of Independent Auditors through non-guarantee service outsourcing
- Preparation of audit report and verification of effectiveness of activities of the Audit & Supervisory Board

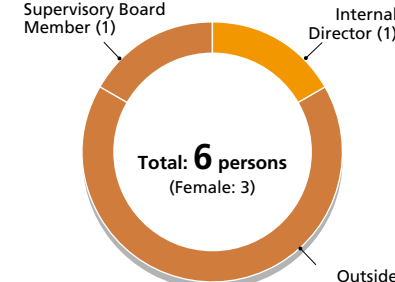
Overview of organizational bodies (As of June 30, 2023)

Board of Directors



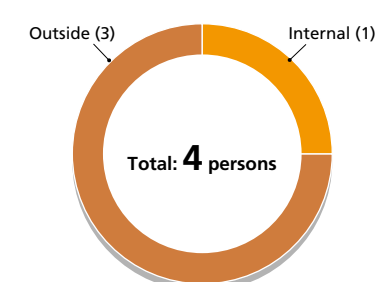
- Chairperson of Board of Directors
Yoshihisa Kainuma,
Representative Director, Chairman CEO

Nomination and Compensation Committee



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

Audit & Supervisory Board

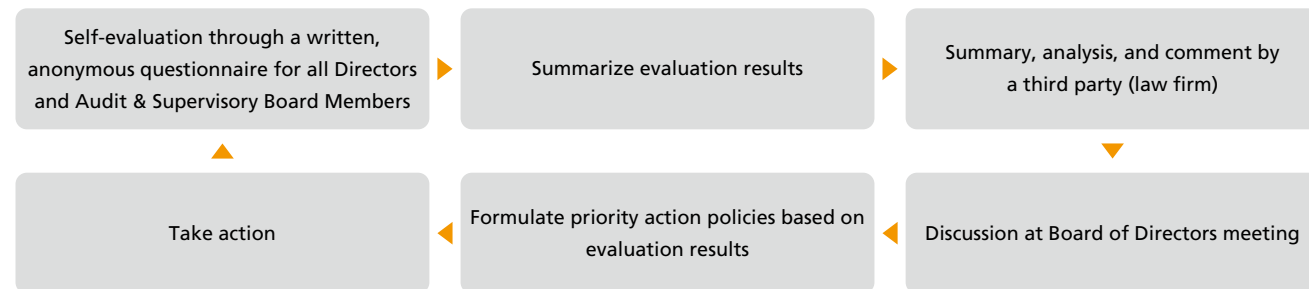


- Chairperson of Audit & Supervisory Board
Masahiro Tsukagoshi,
Standing Audit & Supervisory Board Member

Evaluation of the effectiveness of the Board of Directors

In order for the Board of Directors to discharge its duties, a periodic evaluation of the effectiveness of the Board of Directors is necessary. This evaluation considers the function of the Board of Directors as a whole, to verify that the composition of the members, the agenda items discussed, and the status of the operation of the Board of Directors are appropriate, and to identify issues and acknowledge problems and strengths. We conducted a questionnaire survey of a third party evaluation on the effectiveness of the Board of Directors for the purposes of reviewing the Company's activities for fiscal 2022, identifying issues to be addressed in fiscal 2023, and improving the effectiveness of the Board of Directors. A summary of the results is shown below.

Effectiveness evaluation process



Questionnaire items and implementation matters

A written, anonymous questionnaire was administered for all Directors and Audit & Supervisory Board Members. Questionnaire items consisted of 29 multiple-choice questions with five-level evaluation and four free-form questions for a total of 33 questions, and comment columns were also provided for multiple-choice questions.

- Size and composition of the Board of Directors (4 questions)
- Operation of the Board of Directors (10 questions)
- Sustainability/stakeholder considerations (3 questions)
- Corporate governance-related matters (7 questions)
- Support system for Directors and Audit & Supervisory Board Members (4 questions)

- Nomination and Compensation Committee (3 questions)
- Review of actions taken after last fiscal year's questionnaire (2 questions)

Evaluation results for fiscal 2022

The results of the self-evaluation questionnaire were generally on par with the previous year, and although third-party involvement enabled to confirm that the overall situation remained good (effective situation), there were particular issues identified regarding information sharing with Outside Directors.

Initiatives to be carried out in fiscal 2023 (major issues)

- Recognize risk management, compliance, DX, and sustainability as key issues and enhance discussions at Board of Directors meetings.
- To help Outside Directors deepen their understanding of the Company's diverse businesses, we will enhance the information provided to them as follows: increase opportunities for dialogue with the Representative Director, Chairman CEO and the officers and managers in charge of business execution divisions; have them participate as observers in important internal meetings and provide them with the agenda details for such meetings; and arrange tours to major domestic and overseas plants for them.



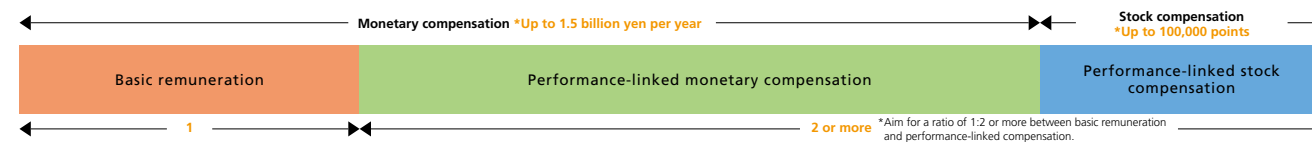
Outside Directors inspecting the Hamamatsu Plant (August 2023)

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 standards that fall within the maximum amount authorized at the General Meeting of the Shareholders.

Remuneration for Directors (excluding Outside Directors)

Remuneration for the Company's Directors consists of a fixed monthly basic remuneration, a performance-linked monetary compensation (performance-linked bonuses for Directors), and performance-linked stock compensation. The ratio of basic remuneration to performance-linked compensation varies depending on the degree of performance achieved each fiscal year, but as an incentive to improve performance, our compensation structure aims for a ratio of 1:2 or more between basic remuneration and performance compensation. In addition, performance-linked stock compensation is aimed at 10% or more of total remuneration, thereby aligning the interests of shareholders and those of Directors and motivating the latter to continuously improve performance. The maximum amount of remuneration for the Company's Directors (excluding Outside Directors) was resolved at the General Meeting of Shareholders as shown in the right table.



Composition of officer compensation

| Composition | | Contents | Calculation standards and reference performance indicators |
|---|--|--|---|
| Basic remuneration (Basic fixed salary) | Position-based remuneration | The basic remuneration is a basic fixed salary that comprises position-based remuneration which takes into consideration the Directors' individual position(s) and performance-based remuneration which is revised each fiscal year taking into consideration the individual performance, the performance of the Company and other factors, and is determined in a reasonable amount. As for remuneration for Outside Directors, the basic remuneration is determined individually by taking into consideration expected roles played by each Outside Director, etc. | Director remuneration |
| | Performance-based remuneration | | Remuneration for titles Executive officer remuneration |
| Performance-linked monetary compensation (Short-term performance-linked compensation) | Performance-linked bonuses for Directors (linked to performance indicators) *The number of months to be paid for each reference performance indicator shall be calculated, and the total number of months shall be the standard number of months to be paid. | Performance-linked bonuses for Directors are short-term performance-linked compensation for enhancing incentives towards improving performance and corporate value through the achievement of the Midterm Business Plan, inclusive of corporate value as expressed by stock prices and other performance indicators along with focusing on profit for the year, which is the final financial results of each fiscal year. Outside Directors are not eligible for performance-linked bonuses for Directors. | Actual remuneration for the previous fiscal year x pay rise rate (qualitative evaluation) |
| | | | Performance indicators Results Consolidated profit for the year ¥77.2 billion Consolidated net sales growth rate 15.0% Ratio of stock price to performance of the Nikkei stock average -0.06% Market capitalization at end of period ¥1,072.3 Consolidated operating margin 7.9% |
| Performance-linked stock compensation (Medium- to long-term performance-linked compensation) | Stock delivery trust (Point system) | Performance-linked stock compensation is a medium- to long-term performance-linked compensation. Its aim is to have the Company's Directors share with shareholders the same benefits and risks associated with share price fluctuations, and to enhance the awareness of contribution to the improvement of corporate earnings as well as the increase of corporate value over the medium and long term. 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 for performance-linked stock compensation. | Performance indicators Results Consolidated profit for the year ¥77.2 billion |
| | | | Individual contribution evaluation (including initiative performance concerning ESG, etc.) |

Remuneration for Outside Directors and Audit & Supervisory Board Members

Remuneration for Outside Directors and Audit & Supervisory Board Members is limited to basic remuneration of a fixed monthly salary, taking into consideration the roles expected of each individual Director and Audit & Supervisory Board Member. The maximum amount of remuneration for Outside Directors and Audit & Supervisory Board Members was resolved at the General Meeting of Shareholders as shown in the right table.

Relevant approvals made at the General Meeting of Shareholders

| Payee | Approved date | Remuneration type | Approved contents |
|-----------------------------------|--|--------------------|--|
| Outside Directors | 75th Ordinary General Meeting of Shareholders on June 29, 2021 | Basic remuneration | Up to 70 million yen per year within the total remuneration amount for Directors |
| Audit & Supervisory Board Members | 61st Ordinary General Meeting of Shareholders on June 28, 2007 | Basic remuneration | Up to 100 million yen per year |

Actual remuneration for Directors and Audit & Supervisory Board Members (fiscal 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 (6) | 274 (54) | 567 (Not applicable) | 60 (Not applicable) | 901 (54) |
| Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members) | 4 (3) | 49 (34) | Not applicable (Not applicable) | Not applicable (Not applicable) | 49 (34) |
| Total | 17 | 324 | 567 | 60 | 951 |

The left table includes amounts paid to Mr. Hiroshi Aso and Mr. Kohshi Murakami, who retired from their positions as Director at the conclusion of the 76th Ordinary General Meeting of Shareholders held on June 29, 2022.

List of Officers (As of June 30, 2023)

Directors

Representative Director, Chairman CEO
Yoshihisa KainumaAttendance at the Board of Directors Meetings
100% (16/16)

1983 Apr. Registered as attorney-at-law, member of Daini Tokyo Bar Association
1988 Dec. Joined the Company, Director, General Manager of Legal Department of the Company
1989 Sep. Member of New York State Bar Association
1992 Dec. Managing Director and Deputy General Manager of Operations Headquarters
1994 Dec. Senior Managing Director, General Manager of European and American Regional Sales Headquarters, Deputy General Manager of Operations Headquarters
2003 Jun. Director, Senior Managing Executive Officer
2009 Apr. Representative Director, President and Chief Executive Officer
2017 Jun. Representative Director, Chairman & President (CEO & COO)
2018 Dec. Member of the Nomination and Compensation Committee (Present)
2023 Apr. Representative Director, Chairman CEO (Present)

Representative Director, Vice Chairman
Shigeru MoribeAttendance at the Board of Directors Meetings
100% (16/16)

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

Director, Managing Executive Officer
Katsutoshi Suzuki

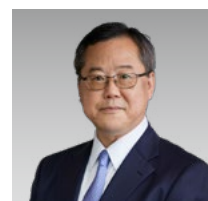
Assumed office on June 29, 2023

1986 May Joined the Company
2015 Apr. Deputy Officer in charge of Engineering Development Division, Electronic Device & Component Manufacturing Headquarters
2018 May Technical Officer
2020 Apr. Deputy Officer in charge of Engineering Development Division, Deputy Officer in charge of Motor Division, Officer in charge of Motor Engineering
2021 May Technical Officer
2022 Oct. Chief of Engineering Headquarters, Chief of INTEGRATION Promotion Headquarters, Head of Electronic Device & Component Engineering Development Division at Engineering Headquarters, Head of Engineering Development Division at Electronic Device & Component Business Headquarters, Deputy Head of Motor Division
2023 Mar. Chief of Engineering Headquarters, Head of Electronic Device & Component Engineering Development Division at Engineering Headquarters, Head of Engineering Development Division at Electronic Device & Component Business Headquarters (currently Motor, Lighting & Sensing Headquarters), Deputy Head of Motor Division (Present)
2023 Jun. Director, Managing Executive Officer (Present)

Independent Outside Directors

Outside Director
Yuko MiyazakiAttendance at the Board of Directors Meetings
100% (13/13)

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

Director, President COO & CFO
Katsuhiko YoshidaAttendance at the Board of Directors Meetings
100% (16/16)

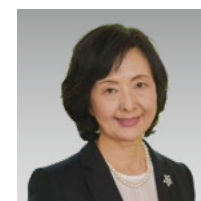
1984 Apr. Joined the Company
2013 Dec. Head of Operation Department at Electronic Device & Component Manufacturing Headquarters, General Manager of Vertical Integration Improvement Office, General Manager of Business Support Office
2014 Jun. Executive Officer
2016 Jun. Deputy Chief of Business Administration Headquarters, General Manager of Business Administration Department
2017 Jun. Managing Executive Officer
2019 Apr. 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
2019 Oct. Senior Managing Executive Officer
2020 Apr. Director, ABUC Inc. (Present)
2020 Jun. Director, Chief of Tokyo Head Office (Present), Officer in charge of Sustainability Management Division, Director, U-Shin Ltd. (Present), Director, Vice President Executive Officer, MITSUMI ELECTRIC CO., LTD.
2021 Apr. Head of Business Administration and Corporate Planning Division, Head of Sustainability Management Division (Present)
2023 Jan. Director, Minebea AccessSolutions Inc. (Present)
2023 Apr. Director, President COO & CFO of the Company (Present)

Director, Vice President Executive Officer
Ryoza IwayaAttendance at the Board of Directors Meetings
100% (16/16)

1981 Apr. Joined the Company
1989 Dec. Head of Tokyo Sales Division at Tokyo Branch
2009 Jun. Executive Officer, Head of Lighting Device Business Unit at Electronic Device & Component Business Headquarters
2013 Jun. Managing Executive Officer
2015 Jun. Director (Present), Senior Managing Executive Officer
2017 Jan. Chief of MITSUMI Business Headquarters of the Company, Representative Director, Vice President and Chief Executive Officer, MITSUMI ELECTRIC CO., LTD.
2017 Apr. Representative Director, President and Chief Executive Officer, MITSUMI ELECTRIC CO., LTD.
2017 Jun. Chief of Electronic Device & Component Manufacturing Headquarters
2019 Aug. Director, U-Shin Ltd. (Present)
2019 Oct. Vice President Executive Officer (Present), Officer in charge of Electronic Device & Component related Business
2021 Apr. Chief of Electronic Device & Component Business Headquarters
2023 Jan. Chief of U-Shin Business Headquarters (currently Access Solutions Headquarters), Director, Minebea AccessSolutions Inc. (Present)

Outside Director
Atsuko MatsumuraAttendance at the Board of Directors Meetings
100% (16/16)

1978 Apr. Joined Japan Center for Economic Research
1981 Apr. Visiting research fellow, Economic Research Institute, Economic Planning Agency (currently Economic and Social Research Institute)
1987 Apr. Part-time Lecturer, Jissen Women's Junior College
1988 Apr. Full-time Lecturer, OTSUMA WOMEN'S UNIVERSITY
1991 Apr. Full-time Lecturer, Faculty of Economics, Tokyo International University
1999 Apr. Associate Professor, Faculty of Economics, Tokyo International University
2006 Apr. Professor, Faculty of Economics, Tokyo International University (Present)
2010 Apr. Part-time Lecturer, Department of Social and Family Economy, Faculty of Human Sciences and Design, Japan Women's University (Present)
2014 Apr. Visiting Professor, Faculty of Economics, Keio University
2015 Apr. Part-time Lecturer, Department of Politics, Faculty of Law, Keio University
2016 Jun. Outside Director, RENESAS EASTON Co., Ltd. (currently Glosel Co., Ltd.) (Present)
2018 Jun. Outside Director of the Company (Present)
2018 Dec. Member of the Nomination and Compensation Committee (Present)
2023 Mar. Member of the Working Group on Oil Market Trend Study, Advisory Committee for Natural Resources and Energy, the Ministry of Economy, Trade and Industry (Present)

Outside Director
Yuko HagaAttendance at the Board of Directors Meetings
100% (16/16)

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

Director, Senior Managing Executive Officer
Shigeru NoneAttendance at the Board of Directors Meetings
100% (16/16)

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

Director, Senior Managing Executive Officer
Satoshi Mizuma

Assumed office on June 29, 2023

1986 Apr. Joined the Company
2011 Apr. General Manager of Quality Control Department, Ball Bearing Business Unit
2015 Apr. Deputy Head of Ball Bearing Business Unit
2016 Jun. Executive Officer
2017 Oct. Executive Officer, Head of Ball Bearing Business Unit
2018 May Managing Executive Officer, Chief of Machined Component Manufacturing Headquarters
2021 Apr. Chief of Machined Component Business Headquarters (currently Precision Technologies Headquarters) (Present)
2022 Jun. Senior Managing Executive Officer (Present)
2023 Jun. Director (Present)

Outside Director
Hirofumi KataseAttendance at the Board of Directors Meetings
100% (16/16)

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

Outside Director
Takashi MatsuokaAttendance at the Board of Directors Meetings
100% (16/16)

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

Audit & Supervisory Board Member

Standing Audit & Supervisory Board Member
Masahiro Tsukagoshi

Assumed office on June 29, 2023

1984 Apr. Joined the Company
2004 May Vice President, NMB (USA) Inc.
2011 Jul. General Manager of Business Administration Department of the Company
2015 Apr. General Manager of Corporate Planning Department
2018 May Executive Officer
2020 Jun. Advisory Manager
2020 Aug. Deputy Officer in charge of Personnel & General Affairs Division
2021 Apr. Deputy Head of Personnel & General Affairs Division
2023 Jun. Standing Audit & Supervisory Board Member (Present)

Independent Outside Audit & Supervisory Board Members

Standing Outside Audit & Supervisory Board Member
Hiroshi Yamamoto

Assumed office on June 29, 2023

1987 Apr. Joined Japan Tobacco Inc.
2007 Apr. Vice President, Tobacco Business Planning, Tobacco Business, Japan Tobacco Inc.
2008 Jul. Vice President, Non-Tobacco Material Procurement, Tobacco Business, Japan Tobacco Inc.
2012 Jun. Vice President, Operational Review and Business Assurance, Japan Tobacco Inc.
2019 Mar. Standing Audit & Supervisory Board Member, Japan Tobacco Inc.
2023 Jun. Standing Outside Audit & Supervisory Board Member of the Company (Present)

Outside Audit & Supervisory Board Member
Shinichiro Shibasaki

Attendance at the Board of Directors Meetings

100% (16/16)

Attendance at the Audit & Supervisory Board Meetings

100% (14/14)

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

Outside Audit & Supervisory Board Member
Makoto Hoshino

Attendance at the Board of Directors Meetings

100% (16/16)

Attendance at the Audit & Supervisory Board Meetings

100% (14/14)

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

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 society | Personnel and human resource development | Legal affairs | Finance, accounting, and tax affairs | Government agencies |
| Directors | Yoshihisa Kainuma | Representative Director, Chairman CEO | ○ | ○ | ○ | ○ | ○ | | ○ | ○ | ○ | ○ | |
| | Shigeru Moribe | Representative Director, Vice Chairman | ○ | | ○ | | ○ | | | | | | |
| | Katsuhiko Yoshida | Director, President COO & CFO | ○ | ○ | ○ | | | | ○ | ○ | | ○ | |
| | Ryozo Iwaya | Director, Vice President Executive Officer | ○ | | ○ | ○ | ○ | | | | | | |
| | Shigeru None | Director, Senior Managing Executive Officer | ○ | | ○ | | ○ | | | | | | |
| | Satoshi Mizuma | Director, Senior Managing Executive Officer | ○ | | ○ | ○ | | ○ | | | | | |
| | Katsutoshi Suzuki | Director, Managing Executive Officer | ○ | | ○ | ○ | | ○ | | | | | |
| | Yuko Miyazaki | Outside Director | | | ○ | | | | | | ○ | ○ | |
| | Atsuko Matsumura | Outside Director | | | ○ | | | | ○ | ○ | | | |
| | Yuko Haga | Outside Director | ○ | ○ | ○ | | | | | ○ | | | |
| | Hirofumi Katase | Outside Director | ○ | | ○ | | | | ○ | | | | ○ |
| Audit & Supervisory Board Members | Takashi Matsuoka | Outside Director | ○ | | | | | | ○ | | | | |
| | Masahiro Tsukagoshi | Standing Audit & Supervisory Board Member | ○ | | ○ | | | | ○ | ○ | | ○ | |
| | Hiroshi Yamamoto | Standing Outside Audit & Supervisory Board Member | | ○ | ○ | | | | | | | ○ | |
| | Shinichiro Shibasaki | Outside Audit & Supervisory Board Member | | | | | | | | | ○ | | |
| | Makoto Hoshino | Outside Audit & Supervisory Board Member | | | | | | | | | | ○ | ○ |

Compliance

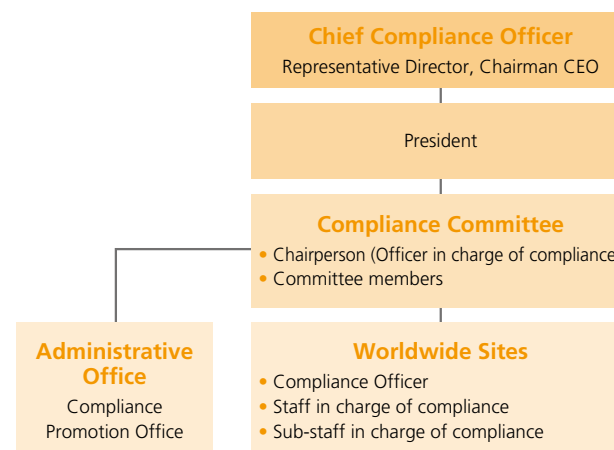
Basic approach

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 Representative Director, Chairman CEO of the MinebeaMitsumi Group has ultimate responsibility for compliance. The Compliance Committee, which reports directly to the President, meets on a regular and timely basis to ensure implementation of the Code of Conduct and make prompt 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 various measures to promote compliance. For example, compliance training was provided for all employees (including fixed term contract employees and dispatched employees) at all Group companies in Japan in fiscal 2022. Additionally, we appoint a compliance officer at each of the Group's bases, including those overseas, to strengthen management of the Group overall. In the fiscal year ended March 2023, we have appointed compliance officers at HONDA TSUSHIN KOGYO, Minebea Connect, and Minebea AccessSolutions, which were newly added to the Group as a result of the business integration, to strengthen the groupwide compliance system.

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 any violations are 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 2022 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

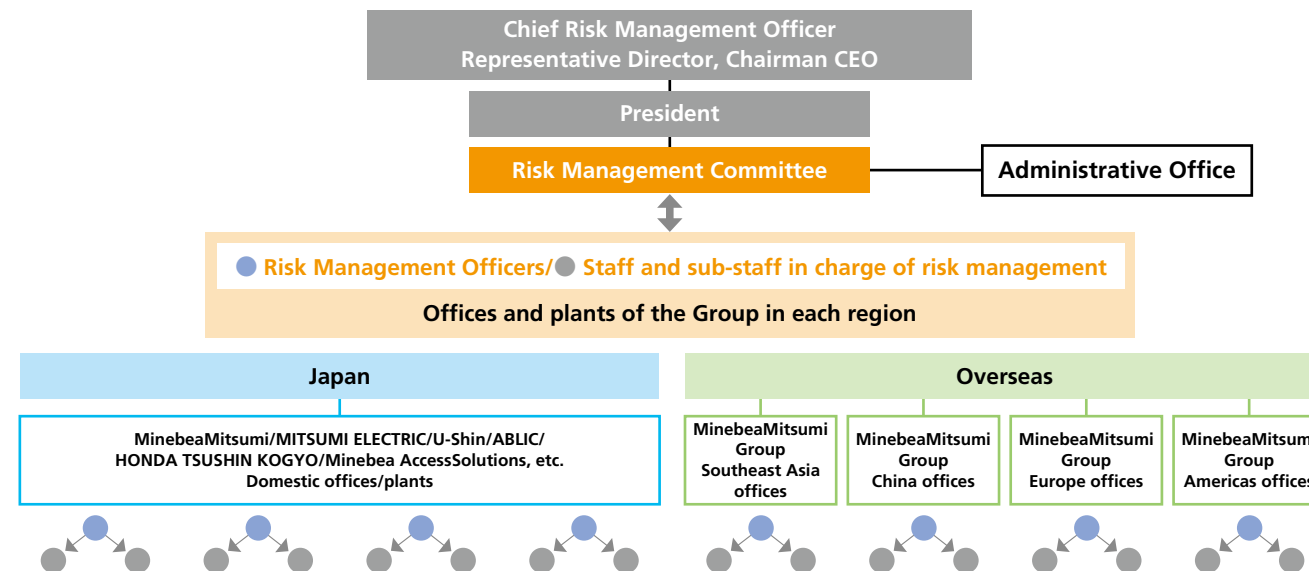
Basic approach

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 Representative Director, Chairman CEO of the MinebeaMitsumi Group, is the Chief Risk Management Officer. The Risk Management Committee, which reports directly to the President, makes important decisions on risk management. 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 of and response to risks

Search and evaluation of risks:

Each department searches for risks, evaluates the types of risk, envisioned scenarios, frequency of occurrence, and extent of damage, and reports these to the Risk Management Committee.

Identification of risks and determination of a response policy:

The Risk Management Committee analyzes the report on the search and evaluation of risks submitted by each department in charge, clarifies the risks in terms of the overall group, and establishes response policies for these.

Prevention and preparation to respond to the occurrence of risks:

- The Risk Management Manager analyzes the assumed damage and impact on business in the case of a defined risk materializing, and prepares response guidelines in advance.
- The Risk Management Manager collects information on the risks, and gains insight into signs of the occurrence of risk.

Responding to emergency situations:

When an emergency occurs, or is imminent, the Risk Management Manager and the staff and sub-staff in charge of risk management immediately report this to the President and the Risk Management Committee. Their role is to contain and rapidly resolve the emergency through prompt and accurate initial action as a group.

Risk audits, etc.:

- The general managers of each department shall constantly conduct self-inspections for risk management.
- The Risk Management Committee conducts audits in cooperation with the Internal Auditing Office as necessary.

Announcement of major risks:

Major risks and the status of initiatives are communicated each year via business reports, securities reports, and other IR materials.

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 addition to the protection of business resources, manufacturers need to be prepared for cyber-attacks on production sites. In order to strengthen the information security promotion system, the Company uses a specialist in ICT as the CISO (Chief Information Security Officer), 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.

Global security monitoring and crisis response system

Attack detection and defense, crisis vulnerability detection, network monitoring/management



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, we have 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.

Major Financial and Non-financial Data for 11 Years

| | | FY3/2013 | FY3/2014 | FY3/2015 | FY3/2016 | | FY3/2017*1 | FY3/2018 | | FY3/2018 | FY3/2019*2 | FY3/2020*3 | FY3/2021*4 | FY3/2022 | FY3/2023*5 |
|--|-------------------------|----------|----------|----------|----------|--|------------|----------|--|----------|------------|------------|------------|-----------|------------|
| Profit and Loss | | JGAAP | | | | | | IFRS | | | | | | | |
| Net sales | Millions of yen | 282,409 | 371,543 | 500,676 | 609,814 | | 638,926 | 879,139 | | 881,413 | 884,723 | 978,445 | 988,424 | 1,124,140 | 1,292,203 |
| Operating income | Millions of yen | 10,169 | 32,199 | 60,101 | 51,438 | | 49,015 | 79,162 | | 68,902 | 72,033 | 58,647 | 51,166 | 92,136 | 101,522 |
| Operating margin | % | 3.6 | 8.7 | 12.0 | 8.4 | | 7.7 | 9.0 | | 7.8 | 8.1 | 6.0 | 5.2 | 8.2 | 7.9 |
| Profit before income taxes | Millions of yen | 4,882 | 26,811 | 51,773 | 46,963 | | 48,473 | 71,230 | | 66,855 | 71,321 | 58,089 | 49,527 | 90,788 | 96,120 |
| Profit before income taxes ratio | % | 1.7 | 7.2 | 10.3 | 7.7 | | 7.6 | 8.1 | | 7.6 | 8.1 | 5.9 | 5.0 | 8.1 | 7.4 |
| Profit for the year attributable to owners of the parent | Millions of yen | 1,804 | 20,878 | 39,887 | 36,386 | | 41,146 | 59,382 | | 50,326 | 60,142 | 45,975 | 38,759 | 68,935 | 77,010 |
| Profit for the year attributable to owners of the parent ratio | % | 0.6 | 5.6 | 8.0 | 6.0 | | 6.4 | 6.8 | | 5.7 | 6.8 | 4.7 | 3.9 | 6.1 | 6.0 |
| Per Share | | | | | | | | | | | | | | | |
| Earnings per share, basic | Yen | 4.83 | 55.94 | 106.73 | 97.26 | | 107.33 | 141.14 | | 119.61 | 143.90 | 111.11 | 94.95 | 170.08 | 187.62 |
| Earnings per share, diluted | Yen | 4.65 | 53.14 | 101.32 | 92.35 | | 105.64 | 137.80 | | 117.02 | 140.75 | 108.68 | 92.87 | 166.61 | 186.74 |
| Dividend per share | Yen | 7.00 | 8.00 | 12.00 | 20.00 | | 14.00 | 26.00 | | 26.00 | 28.00 | 28.00 | 36.00 | 36.00 | 40.00 |
| Equity attributable to owners of the parent per share (BPS) | Yen | 351.65 | 422.62 | 604.83 | 616.43 | | 759.15 | 872.66 | | 849.15 | 962.83 | 965.64 | 1,109.38 | 1,326.15 | 1,549.67 |
| Performance Indicators | | | | | | | | | | | | | | | |
| ROE (Profit to equity attributable to owners of the parent ratio) | % | 1.5 | 14.4 | 20.8 | 15.9 | | 14.9 | 17.3 | | 14.8 | 15.9 | 11.6 | 9.2 | 13.9 | 13.1 |
| ROA (Profit before income taxes to total assets ratio) | % | 0.5 | 5.6 | 9.2 | 7.7 | | 7.5 | 8.8 | | 9.9 | 9.9 | 7.2 | 5.4 | 8.7 | 8.0 |
| ROIC | % | 2.1 | 7.9 | 11.8 | 10.9 | | 10.4 | 13.1 | | 10.7 | 12.4 | 8.8 | 6.6 | 10.0 | 9.5 |
| Interest-bearing debt | Millions of yen | 170,411 | 148,498 | 138,461 | 137,109 | | 164,010 | 157,414 | | 156,471 | 162,042 | 221,712 | 268,621 | 270,711 | 354,331 |
| Net interest-bearing debt | Millions of yen | 136,229 | 109,883 | 93,134 | 97,515 | | 70,885 | 52,520 | | 51,505 | 21,673 | 75,175 | 84,368 | 86,931 | 201,671 |
| Net debt equity (D/E) ratio | Times | 1.0 | 0.7 | 0.4 | 0.4 | | 0.2 | 0.1 | | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.3 |
| Equity ratio attributable to owners of the parent | % | 36.2 | 41.4 | 46.1 | 50.2 | | 50.0 | 51.7 | | 50.6 | 53.9 | 45.6 | 46.2 | 48.8 | 48.5 |
| Cash flows from operating activities | Millions of yen | 22,990 | 49,173 | 59,864 | 43,582 | | 83,125 | 96,606 | | 92,201 | 100,722 | 86,486 | 93,763 | 78,417 | 44,093 |
| Cash flows from investing activities | Millions of yen | (37,813) | (24,957) | (35,326) | (44,642) | | (46,800) | (59,453) | | (54,853) | (54,190) | (43,540) | (70,581) | (63,605) | (106,275) |
| Cash flows from financing activities | Millions of yen | 17,409 | (25,233) | (19,627) | (4,200) | | (17,339) | (27,026) | | (27,026) | (13,334) | (28,758) | 9,257 | (25,547) | 37,875 |
| Free cash flows | Millions of yen | (14,823) | 24,216 | 24,538 | (1,060) | | 36,325 | 37,153 | | 37,348 | 46,532 | 42,946 | 23,182 | 14,812 | (62,182) |
| Investments, etc. | | | | | | | | | | | | | | | |
| Depreciation and amortization | Millions of yen | 20,800 | 23,740 | 28,775 | 34,787 | | 28,164 | 31,596 | | 30,491 | 36,398 | 46,245 | 48,628 | 45,231 | 53,133 |
| CAPEX | Millions of yen | 43,687 | 20,679 | 37,557 | 43,878 | | 31,847 | 54,171 | | 50,789 | 54,199 | 50,144 | 45,522 | 73,504 | 147,040 |
| R&D expenses | Millions of yen | 7,743 | 8,561 | 8,972 | 9,680 | | 12,347 | 24,381 | | 24,381 | 25,453 | 28,886 | 32,154 | 37,065 | 38,754 |
| Ratio of R&D expenses to net sales | % | 2.7 | 2.3 | 1.8 | 1.6 | | 1.9 | 2.8 | | 2.8 | 2.9 | 3.0 | 3.3 | 3.3 | 3.0 |
| Non-financial Data | | | | | | | | | | | | | | | |
| Greenhouse gas emissions | Tons | 484,288 | 510,766 | 543,254 | 518,013 | | 522,812 | 756,589 | | 756,589 | 744,731 | 805,611 | 852,152 | 927,362 | 884,522 |
| Environmental accounting | Billions of yen | 4.1 | 4.9 | 5.2 | 6.2 | | 5.7 | 5.7 | | 5.7 | 4.8 | 5.8 | 5.5 | 7.4 | 7.4 |
| Investment | Billions of yen | 0.7 | 0.8 | 0.8 | 1.4 | | 0.9 | 1.3 | | 1.3 | 1.1 | 1.3 | 1.4 | 2.7 | 2.5 |
| Expense | Billions of yen | 3.4 | 4.1 | 4.4 | 4.8 | | 4.8 | 4.4 | | 4.4 | 3.7 | 4.5 | 4.1 | 4.7 | 4.9 |
| Use of water | Thousand m ³ | 3,986 | 4,089 | 4,630 | 4,525 | | 4,883 | 7,694 | | 7,694 | 7,542 | 8,141 | 8,744 | 9,684 | 8,616 |
| Number of employees*6 | Persons | 53,327 | 54,768 | 63,967 | 62,480 | | 78,957 | 78,351 | | 78,351 | 77,957 | 82,617 | 83,011 | 81,659 | 87,752 |
| Proportion of overseas employees*6 | % | 93.6 | 93.8 | 94.5 | 94.2 | | 92.3 | 92.1 | | 92.1 | 91.9 | 91.1 | 89.9 | 89.4 | 88.0 |
| Global proportion of female managers*7,*8 | % | – | – | – | – | | – | – | | – | – | – | 17.4 | 16.4 | 18.8 |
| Ratio of persons other than Japanese nationals in head office management *7,*8 | % | – | – | – | – | | – | – | | – | – | – | 5.7 | 7.2 | 10.1 |

*1 MITSUMI ELECTRIC was included in the scope of consolidation on January 27, 2017.

*2 From the fiscal year ended March 2019, we have adopted IFRS, and account titles are shown in accordance with IFRS.

*3 U-Shin was included in the scope of consolidation on April 10, 2019.

*4 ABLIC was included in the scope of consolidation on April 30, 2020.

*5 HONDA TSUSHIN KOGYO, Minebea Connect (former SUMIKO TEC), and Minebea AccessSolutions (former Honda Lock) were included in the scope of consolidation on September 16, 2022, November 1, 2022, and January 27, 2023, respectively.

*6 The data shown on pages 21 and 45 are the latest figures as of June 30.

*7 Data as of June 30 of each year are shown.

*8 Data is tabulated from the fiscal year ended March 2021.

Consolidated Financial Statements

Consolidated Statements of Financial Position

As of March 31, 2023 and 2022

| | (Millions of yen) | |
|--------------------------------|-------------------|------------------|
| | 2022 | 2023 |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 163,588 | 144,671 |
| Trade and other receivables | 240,822 | 287,374 |
| Inventories | 219,308 | 263,071 |
| Other financial assets | 23,320 | 10,948 |
| Other current assets | 19,084 | 26,628 |
| Total current assets | 666,122 | 732,692 |
| Non-current assets | | |
| Property, plant, and equipment | 336,385 | 455,750 |
| Goodwill | 42,865 | 47,478 |
| Intangible assets | 17,790 | 18,131 |
| Other financial assets | 21,627 | 24,481 |
| Deferred tax assets | 12,844 | 15,867 |
| Other non-current assets | 6,559 | 9,568 |
| Total non-current assets | 438,070 | 571,275 |
| Total assets | 1,104,192 | 1,303,967 |

| | (Millions of yen) | |
|---|-------------------|------------------|
| | 2022 | 2023 |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 170,854 | 172,011 |
| Bonds and borrowings | 164,866 | 183,044 |
| Other financial liabilities | 14,342 | 10,405 |
| Income taxes payable | 11,129 | 7,483 |
| Provisions | 2,648 | 3,944 |
| Other current liabilities | 51,318 | 62,475 |
| Total current liabilities | 415,157 | 439,362 |
| Non-current liabilities | | |
| Bonds and borrowings | 105,845 | 171,287 |
| Other financial liabilities | 14,395 | 17,040 |
| Net defined benefit liabilities | 21,100 | 24,132 |
| Provisions | 1,892 | 1,574 |
| Deferred tax liabilities | 1,605 | 3,405 |
| Other non-current liabilities | 2,763 | 3,858 |
| Total non-current liabilities | 147,600 | 221,296 |
| Total liabilities | 562,757 | 660,658 |
| Equity | | |
| Common stock | 68,259 | 68,259 |
| Capital surplus | 140,102 | 141,004 |
| Treasury stock | (43,964) | (42,226) |
| Retained earnings | 320,755 | 382,663 |
| Other components of equity | 53,458 | 83,156 |
| Total equity attributable to owners of the parent | 538,610 | 632,856 |
| Non-controlling interests | 2,825 | 10,453 |
| Total equity | 541,435 | 643,309 |
| Total liabilities and equity | 1,104,192 | 1,303,967 |

Consolidated Financial Statements

Consolidated Statements of Income

Fiscal years ended March 31, 2023 and 2022

(Millions of yen)

| | 2022 | 2023 |
|--|-----------|-----------|
| Net sales | 1,124,140 | 1,292,203 |
| Cost of sales | 908,556 | 1,071,359 |
| Gross profit | 215,584 | 220,844 |
| Selling, general and administrative expenses | 125,276 | 144,347 |
| Other income | 4,497 | 44,371 |
| Other expenses | 2,669 | 19,346 |
| Operating income | 92,136 | 101,522 |
| Finance income | 1,497 | 2,058 |
| Finance expenses | 2,845 | 7,460 |
| Profit before income taxes | 90,788 | 96,120 |
| Income taxes | 21,862 | 18,938 |
| Profit for the year | 68,926 | 77,182 |
| Profit (loss) for the year attributable to: | | |
| Owners of the parent | 68,935 | 77,010 |
| Non-controlling interests | (9) | 172 |
| Profit for the year | 68,926 | 77,182 |
| Earnings per share (EPS) | | |
| Basic (Yen) | 170.08 | 187.62 |
| Diluted (Yen) | 166.61 | 186.74 |

Consolidated Statements of Cash Flows

Fiscal years ended March 31, 2023 and 2022

(Millions of yen)

| | 2022 | 2023 |
|---|----------|-----------|
| Cash flows from operating activities: | | |
| Profit before income taxes | 90,788 | 96,120 |
| Depreciation and amortization | 45,231 | 53,133 |
| Impairment losses | – | 11,066 |
| Gain on bargain purchase | – | (27,403) |
| Interest income and dividends income | (1,294) | (1,947) |
| Interest expenses | 1,521 | 2,743 |
| Net loss (gain) on sale and disposal of property, plant and equipment | (381) | (12,366) |
| Decrease (increase) in trade and other receivables | (24,237) | (7,705) |
| Decrease (increase) in inventories | (35,839) | (11,273) |
| Increase (decrease) in trade and other payables | 20,955 | (23,887) |
| Other | (5,447) | (11,919) |
| Subtotal | 91,297 | 66,562 |
| Interest received | 870 | 1,644 |
| Dividends received | 371 | 351 |
| Interest paid | (1,479) | (2,525) |
| Income taxes paid | (12,642) | (21,939) |
| Net cash flows provided by operating activities | 78,417 | 44,093 |
| Cash flows from investing activities: | | |
| Net decrease (increase) in time deposits | 610 | 12,627 |
| Purchase of property, plant and equipment | (68,476) | (134,449) |
| Proceeds from sales of property, plant and equipment | 874 | 26,305 |
| Purchase of intangible assets | (1,632) | (2,268) |
| Purchase of securities | (735) | (1,103) |
| Proceeds from sale and redemption of securities | 5,416 | 2,349 |
| Proceeds from sale of investments in subsidiaries resulting in change in scope of consolidation | 502 | – |
| Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation | 364 | – |
| Purchase of investments in subsidiaries resulting in change in scope of consolidation | – | (10,213) |
| Other | (528) | 477 |
| Net cash flows used in investing activities | (63,605) | (106,275) |
| Cash flows from financing activities: | | |
| Net increase (decrease) in short-term borrowings | 9,200 | 5,843 |
| Proceeds from long-term borrowings | 500 | 50,503 |
| Repayments of long-term borrowings | (2,964) | (8,975) |
| Proceeds from issuance of bonds | – | 25,000 |
| Acquisition of non-controlling interests | – | (2,274) |
| Proceeds from disposal of treasury stock | 3 | 3 |
| Purchase of treasury stock | (10,775) | (10,018) |
| Dividends paid | (16,236) | (15,561) |
| Repayments of lease liabilities | (5,275) | (6,646) |
| Net cash flows provided by (used in) financing activities | (25,547) | 37,875 |
| Effect of exchange rate changes on cash and cash equivalents | 8,844 | 5,390 |
| Net increase (decrease) in cash and cash equivalents | (1,891) | (18,917) |
| Cash and cash equivalents at beginning of year | 165,479 | 163,588 |
| Cash and cash equivalents at end of year | 163,588 | 144,671 |

Corporate Data

Corporate Information (As of August 2023)

MinebeaMitsumi Tokyo X Tech Garden

1-9-3, Higashi-shimbashi, Minato-ku, Tokyo, 105-0021, Japan
Tel: 81-3-6758-6711
Fax: 81-3-4511-3943
<https://www.minebeamitsumi.com/english/>

Registered Head Office

4106-73, Oaza Miyota, Miyota-machi,
Kitasaku-gun, Nagano 389-0293, Japan
Tel: 81-267-32-2200
Fax: 81-267-31-1350

Established

July 16, 1951

Independent Auditors

KPMG AZSA LLC

Overview of Shares (As of March 31, 2023)

Common Stock

Authorized: 1,000,000,000 shares
Issued: 427,080,606 shares
Capital: ¥68,259 million
Shares per unit: 100

Common Stock Listings

Prime Market of the Tokyo Stock Exchange

Agent to Manage Shareholders' Registry

Sumitomo Mitsui Trust Bank, Limited
Tel: 0120-782-031 (toll-free, available only in Japan)
URL: <https://www.smtb.jp/personal/procedure/agency>

Overview of Shareholders

Classification by Ownership of Shares

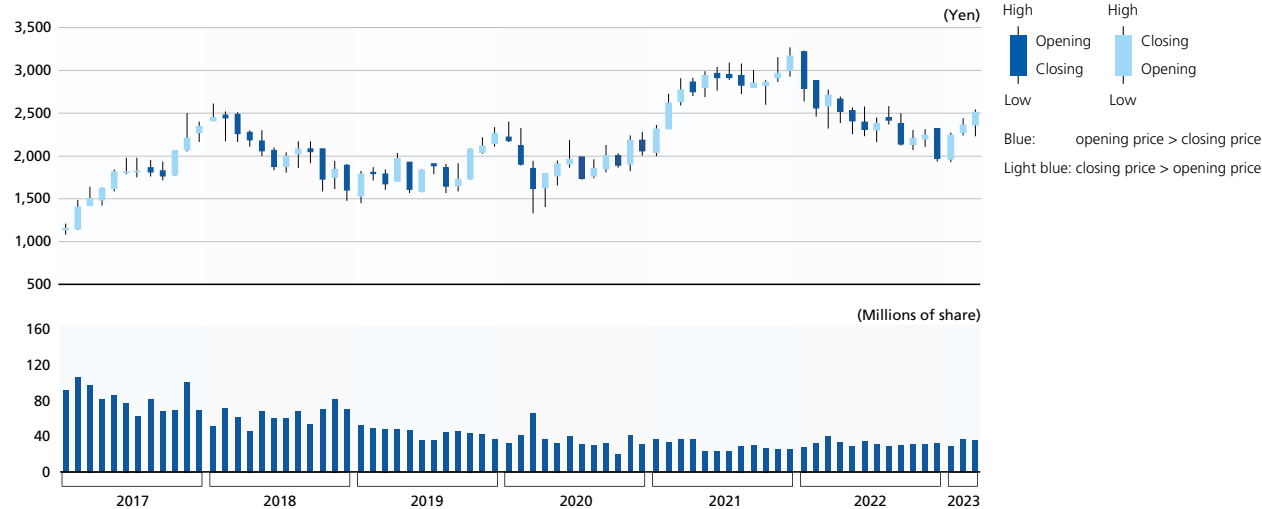
| | Number of shareholders | Percentage of shares outstanding (%) | Number of shares held (Hundreds of shares) | Percentage of shares outstanding (%) |
|---------------------------------|------------------------|--------------------------------------|--|--------------------------------------|
| Japanese financial institutions | 98 | 0.3% | 1,860,632 | 43.6% |
| Overseas institutions | 698 | 2.4% | 1,588,398 | 37.2% |
| Other Japanese corporations | 325 | 1.1% | 315,875 | 7.4% |
| Individuals and others | 22,428 | 77.1% | 501,440 | 11.7% |
| Subtotal | 23,549 | 80.9% | 4,266,345 | 99.9% |
| Others | 5,542 | 19.1% | 4,461 | 0.1% |
| Total | 29,091 | 100.0% | 4,270,806 | 100.0% |

Top Ten Major Shareholders

| | Number of shares (Thousands of shares) | Shareholding ratio (%) |
|---|--|------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust account) | 71,913 | 17.60 |
| Custody Bank of Japan, Ltd. (Trust account) | 31,303 | 7.66 |
| Takahashi Industrial and Economic Research Foundation | 15,447 | 3.78 |
| Sumitomo Mitsui Trust Bank, Limited | 15,413 | 3.77 |
| SSBTC CLIENT OMNIBUS ACCOUNT | 12,119 | 2.96 |
| STATE STREET BANK CLIENT OMNIBUS OM04 | 10,979 | 2.68 |
| Sumitomo Mitsui Banking Corporation | 10,223 | 2.50 |
| MUFG Bank, Ltd. | 10,181 | 2.49 |
| KEIAISHA Co., Ltd. | 10,100 | 2.47 |
| BNYM AS AGT/CLTS NON TREATY JASDEC | 7,020 | 1.71 |

Notes: 1. The Company holds 18,581,277 shares of treasury stock, and is excluded from the major shareholders list above.
2. The number of shares owned by the trust account, which was opened for the Board Benefit Trust is not included in the above number of treasury stock because they are not owned by the Company. The number of shares owned by the given trust account is 118,100 shares.
3. Shareholding ratio is calculated exclusive of treasury stock. The number of shares and shareholding ratio are rounded down to the nearest unit of presentation.

Stock Prices on the Tokyo Stock Exchange



Status of Dialogue with Shareholders

Main respondents in dialogue with shareholders

Representative Director, Chairman CEO, Director, President COO & CFO, and senior management. The Corporate Communications/Investor Relations Office is the dedicated office for dialogue with shareholders, and undertakes this task in cooperation with related departments.

Shareholders with whom dialogue was conducted

Domestic and foreign analysts and institutional investors

Main themes of dialogue and shareholder items of interest

Medium- to long-term management strategies, growth strategies, financial strategies, strategies by business, ESG initiatives, etc.

Status of feedback of shareholder opinions and concerns to management and Directors

Shareholder opinions, etc. obtained through dialogue activities are fed back to management and related divisions as necessary through reports at Board of Directors meetings and the distribution of reports, etc., in order to share and utilize the information.

Responding to feedback

Items incorporated

Enhancing disclosure of financial and non-financial information (e.g., segment name changes, etc.)

Issues under consideration

Enhancement of KPIs for non-financial data, etc.



Please refer to our website for details of our policy and status of dialogue with shareholders.

Status of MinebeaMitsumi as a Constituent of Certain Indexes (As of August 2023)

FTSE Blossom Japan Sector Relative Index



FTSE Blossom
Japan Sector
Relative Index

MSCI Japan Empowering Women Index (WIN)

2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

* The inclusion of MinebeaMitsumi in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of MinebeaMitsumi by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

SOMPO Sustainability Index



Sompo Sustainability Index

Summary of Information Available on the MinebeaMitsumi Group Website

On the MinebeaMitsumi Group website we make available on an ongoing basis more detailed information and reports on the most recent activity that could not be included in these printed materials. A variety of other corporate information is also available, which we recommend you view at your leisure.

Corporate information website — <https://www.minebeamitsumi.com/english/>

Information for investors — <https://www.minebeamitsumi.com/english/corp/investors/>

Sustainability information — <https://www.minebeamitsumi.com/english/csr/>

Corporate governance information — <https://www.minebeamitsumi.com/english/corp/company/aboutus/governance/>

Editorial Policy

This report is designed to create new opportunities for dialogue with our shareholders, investors, and other stakeholders by communicating the Company's efforts to expand its corporate value. Additional financial information and reports on CSR activities not included in this report can be found on the Company's website. MinebeaMitsumi website <https://www.minebeamitsumi.com/english/>

Scope of report — MinebeaMitsumi and 144 group companies)

Period covered by this report — Fiscal year ended March 2023 (April 1, 2022–March 31, 2023)
However, this includes some activities before this period and from fiscal year ending March 2024.

Publishing information — Published September 2023
(next edition planned for September 2024)

Disclaimer Regarding Future Projections

In this report, all statements that are not historical facts are future projections made based on certain assumptions and our management's judgment drawn from currently available information. Accordingly, when evaluating our performance or value as a going concern, these projections should not be relied on entirely.

Please note that actual performance may vary significantly from any particular projection, owing to various factors, including: (i) changes in economic indicators surrounding us, or in demand trends; (ii) fluctuation of foreign exchange rates or interest rates; and (iii) our ability to continue R&D, manufacturing, and marketing in a timely manner in the electronics business sector, where technological innovations are rapid and new products are launched continuously. Please note, however, this is not a complete list of the factors affecting actual performance.

* Information contained herein is the exclusive property of MinebeaMitsumi Inc., and may not be reproduced, modified, or transmitted in any form or by any means for whatever purpose without MinebeaMitsumi's prior written permission.

Note: "Electro Mechanics Solutions" is a registered trademark in Japan of MinebeaMitsumi Inc. Its registration No. is 5322479.

"QCDESS" is a registered trademark in Japan of MinebeaMitsumi Inc. Its registration No. is 6538154.

"Bed Sensor System" is a registered trademark in Japan of MinebeaMitsumi Inc. Its registration No. is 6152256.

"MINEGE" is a registered trademark in Japan of MinebeaMitsumi Inc. Its registration No. is 6069512.

Referenced guidelines

Value Reporting Foundation (VRF)
"International Integrated Reporting Framework;"
Ministry of Economy, Trade and Industry
"Guidance for Collaborative Value Creation;"
Japanese Standards Association
"ISO 26000:2010 (Guidance on social responsibility);" Global Reporting Initiative (GRI)
"Sustainability Reporting Standards;"
Ministry of the Environment
"Environmental Reporting Guidelines" (2018 edition);
Final Report of the Task Force on Climate-related Financial Disclosures (TCFD)

Supported initiatives — United Nations Global Compact

