## Comments on the Minebea CSR Report



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The Minebea Group CSR Report 2014 presents an appropriate and powerful message on the formulation of the new Medium-term Business Plan, a critical juncture

for the company, by focusing on how people at the heart of its business and technological capabilities and global expansion are supporting its basic management concept, "manufacturing with sincerity."

The feature articles made a particularly strong impression. The first feature article elaborately communicates the voices of the domestic employees putting the company's "Five Principles" basic management policy into practice. The interviews vividly show how the superior technology of Minebea is passed down through driving ambition and diverse, close communication. The report begins with a feature on the Tokyo Research & Development Center (TRDC) and clearly explains the strategy behind the center's R&D activities. The TRDC's pioneering initiatives and the voices of the employees in the first feature article combine to clearly focus the report's content around technological capabilities. The second and third features on global expansion vividly show how "manufacturing with sincerity" is taking root overseas. In previous years, Minebea explained its past activities for growing with employees. In this year's report, however, we also see ongoing initiatives through an article on how the Cambodian plant is starting its human resources development with educational opportunities for employees. At the same time, we can see the outstanding results of this approach in the high level of success at NMB Minebea Thailand. This global perspective broadens our understanding of "manufacturing with sincerity."

In terms of CSR management aspects, Minebea is taking a more sophisticated approach to global expansion of CSR

initiatives by adopting ISO 26000 as a framework to assess their status. In terms of social engagement, the content is easier to digest because the company has added an emphasis to each theme while following its established structure. In this report, while the content regarding employees' activities was particularly strong because of the excellent feature articles, the content on engagement with suppliers also left a strong impression. In previous reports, Minebea described dialogues with suppliers and its CSR procurement guidelines. In this report, the explanation of the survey on CSR procurement goes even further in showing how Minebea values its communication with suppliers. In the environmental sections, the essence of Minebea's environmental management is clearly communicated and we can see how the company's unique environmental approach is being sustained. For example, the report explains the results of sophisticated environmental management, including the improvement in energy efficiency despite the large increase in sales, and the sustained high awareness of the importance of making environmental contributions through products.

Overall, I find that the content is worthy of a global company, and including the improved separation of content between the website and printed report, this is an excellent CSR report. Additionally, the top message introduces the new "Five Arrows" strategy, and since this indicates the springboard for the company's next stage of development, I feel this should be highlighted in more detail. The strategy embodies the company's future growth and value generated for society, and therefore is material to the company's CSR. In the future, I would expect Minebea to explain specific initiatives under each of the arrows, along with the KPI and validation methods. This way, stakeholders can see how the company is synchronizing CSR with the business activities. I look forward to seeing Minebea's progress.

\* KPI: Key Performance Indicator

## Mr. Keisuke Takegahara

After graduation from Hitotsubashi University Faculty of Law, Mr. Takegahara joined the Japan Development Bank (now the Development Bank of Japan, Inc.). He assumed his present post following stints in the bank's Research Department and Policy Planning Department and its Representative Office in Frankfurt. Mr. Takegahara is also a member of several councils, including the Japanese Ministry of the Environment's Environment Industry Market Size Research Committee and the Environment Growth Engine Study Council, along with the Cabinet Office's Future City Promotion Board and the Future City Assessment and Research Committee.

## On Receiving a Third-party Opinion



Mr. Tatsuo Matsuda
Managing Executive Officer
Officer in Charge of CSR Promotion Office,
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I would like to thank Mr. Takegahara for providing his valuable insight again this year.

This year's CSR report features three articles on the employees supporting the Minebea Group. Specifically, the articles explain how our employees are taking the initiative to implement CSR as well as the company's initiatives to support its employees, an important stakeholder in our company. In the Hot Topics section, our report also explains

the R&D strategy behind the establishment of the Tokyo Research & Development Center as well as our engagement with suppliers through the implementation of the CSR procurement survey. The praise we have received for these initiatives will encourage us to further enhance our CSR initiatives in the future.

Mr. Takegahara has pointed out the need to advance our CSR in tandem with our business activities. As we continue to communicate with our stakeholders, we will identify important issues and prioritize our initiatives moving forward.

Additionally, in FY2014, we will continue to pursue the CSR goals we failed to reach in FY2013. Overall, we will strive to enhance our CSR activities and take a forward-looking approach to advancing our initiatives.