

# Risk Management



## ► Basic Approach

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

## ► Risk Management System

The President and Chief Executive Officer of the Minebea Group has final responsibility for risk management, with major decisions regarding risk management being made by the Risk Management Committee. As a precautionary measure, Minebea attempts to predict and classify tangible risks in advance, and remains vigilant against such risks. In the unlikely event of an emergency, the severity of the situation is assigned a level of one to three, and after consultation by the Risk Management Committee, management headquarters and local countermeasures offices are established, to respond rapidly and effectively to the situation. Further, Minebea has organized a system under which—depending on the nature of the risk being managed—a supervisory division may be appointed to handle a situation, for which it will draft and implement responses.

## ► Information Security

### Information Security Structure

The Minebea Group believes that protecting information assets is essential for building a relationship of trust. We have therefore established the Minebea and Minebea Group Basic Policy for Protection of Confidential Information (Information Security Basic Policy), which we thoroughly implement.

We have also established an Information Security Committee headed by a senior managing executive officer, composed of Information Security Task Forces that implement measures in each country.

### Information Security Training

To improve employee awareness of information security, the Minebea Group conducts information security training. Information security briefings are held annually, and tutorials are conducted by the Information Security Task Force in addition to training for new and experienced employees when they enter the company. In FY2015, a total of 12,901 employees attended information security briefings, including temporary employees and subcontracted employees.

Moving forward, we will continue to utilize our education systems to confirm prohibited actions regarding information security, share key points on how to prevent security-related accidents, and take other initiatives to raise employee awareness.

## Initiatives to Protect Personal Information

Personal information retained by the Minebea Group is managed in accordance with our Personal Information Protection Policy. The purposes for which this information is utilized have also been clearly defined, and we strictly adhere to the parameters for scope of information use.

## ► BCP Initiatives

In the event of a major disaster, emerging infectious disease, act of terrorism or other emergency, we believe that our Group's social responsibility includes confirming the safety of our employees and their families, as well as ensuring that, as a manufacturer of products with world-leading market shares, we can continually supply our customers and minimize the impact to our business. For that reason, we have begun formulating and implementing business continuity plans (BCP) for major business sites in and outside Japan.

BCP are plans based on an analysis of conceivable risk scenarios for each site, and their contents are determined in accordance with the risk levels. In terms of specific activities, BCP encompass the creation of emergency manuals, earthquake strengthening of facilities, storage of food, establishment of an internal fire brigade, disaster drills, and introduction of a personnel safety confirmation system, among other measures.

In FY2015, we formulated basic BCP for the Suzhou and Zhuhai plants in China, and completed formulation of a BCP action plan for the Cambodia plant. Furthermore, at the Karuizawa Plant, we conducted regular BCP training drills simulating our response to an earthquake, while at the Thai plants, we conducted training drills simulating flooding.

## ► Future Issues and Goals

Going forward, we will establish a BCP structure responsive to various kinds of risks and firmly establish the structure through risk management initiatives.