

Chapter IV Initiatives to Support Value Creation Initiatives for the Society

The MinebeaMitsumi Group aims to fully satisfy its customers in terms of quality, cost, supply capacity, and speed, working diligently to maintain and enhance its reputation as the most reliable component manufacturer, and furthermore endeavors to build sound partnerships with its suppliers.



Highlights of social initiatives

Reinforcement of quality control systems

Promotion of CSR procurement

Selected to the MSCI Japan Empowering Women Index (WIN)

Building a sustainable value chain

The Group continually aims to fulfill its social responsibilities as a corporation across its entire value chain.



Responsible procurement

Materiality

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Promotion of CSR procurement

Considering the global scope of the Group's business activities, the Group believes it is important to promote CSR throughout its 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.

During the fiscal year ended March 2019, we surveyed major suppliers of the MITSUMI business in Japan using the MinebeaMitsumi Group CSR Procurement Self-assessment Checklist, which was created to help us assess the status of CSR activities at our suppliers. We accordingly received responses from 630 such suppliers. We have been meticulously verifying progress made with respect to CSR initiatives, which has involved providing feedback to our suppliers based on the survey results and otherwise communicating individually with suppliers who have encountered issues regarding some of such initiatives.

Green procurement

The Group has established and revised its guidelines and standards on chemical substances in products to ensure compliance with countries' laws and directives on chemical substances, to satisfy its customers, and to reduce the use of substances having an environmental impact. Under these guidelines, we require our suppliers to provide products (raw materials, parts, components, and packaging materials) that are free of hazardous substances, and also to submit safety certifications, reports of analysis results, and other similar documentation.

Response to conflict minerals

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 Group's approach regarding conflict minerals from the Democratic Republic of the Congo and its neighboring countries.

Supply of safe and reliable products

Materiality

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Quality management framework

The Group has created a Group Quality Management Rules covering the entire Group as part of our measures to ensure the safety of its products and services and prevent accidents.

The chief officer of the quality management framework is the President and Chief Executive Officer, who is supported by the Quality Management Committee. As its subordinate organization, the Quality Assurance Managers Council, comprised of managers responsible for quality in each business unit, was established. At these meetings, managers regularly share information on specific quality issues and work to implement internal measures to ensure similar problems do not reoccur. Furthermore, the Safety Regulation Council ensures compliance with the Electrical Appliance and Material Safety Act (in Japan), shares and promotes information on safety standards in each area of the world, and works to strengthen the Group's safety response.

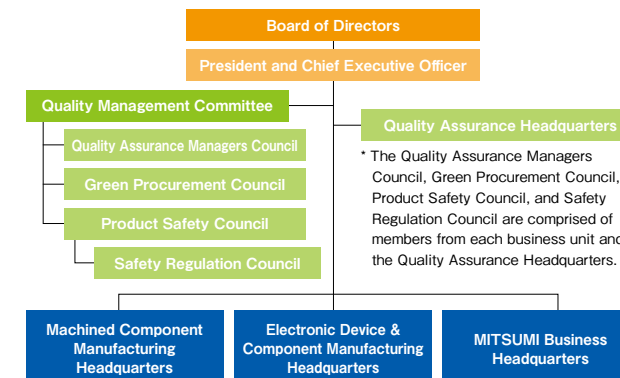
Risk assessment

The Group takes steps to mitigate the risk involving end-products in which the Group's parts are commonly used and which could pose 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.

Customer satisfaction surveys

Within the Group, individual business units conduct their own customer satisfaction surveys. The survey results are provided to the departments of each business unit. If customers should evaluate any criterion below a specific satisfaction level, we assess and implement improvements across all departments.

Quality management framework



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Selected to the MSCI Japan Empowering Women Index (WIN)

MSCI 2018 Constituent MSCI Japan Empowering Women Index (WIN)

MinebeaMitsumi was selected as one of the constituents of the MSCI Japan Empowering Women Index (WIN), which is composed of companies that are promoting the advancement of women in June 2018. In addition to its efforts geared to empowering the female workforce, the Group is also committed to the task of creating safe, healthy and pleasant workplace environments for its employees. Please visit the MinebeaMitsumi Group website for detailed information in that regard.

<https://www.minebeamitsumi.com/english/corp/environment/>