

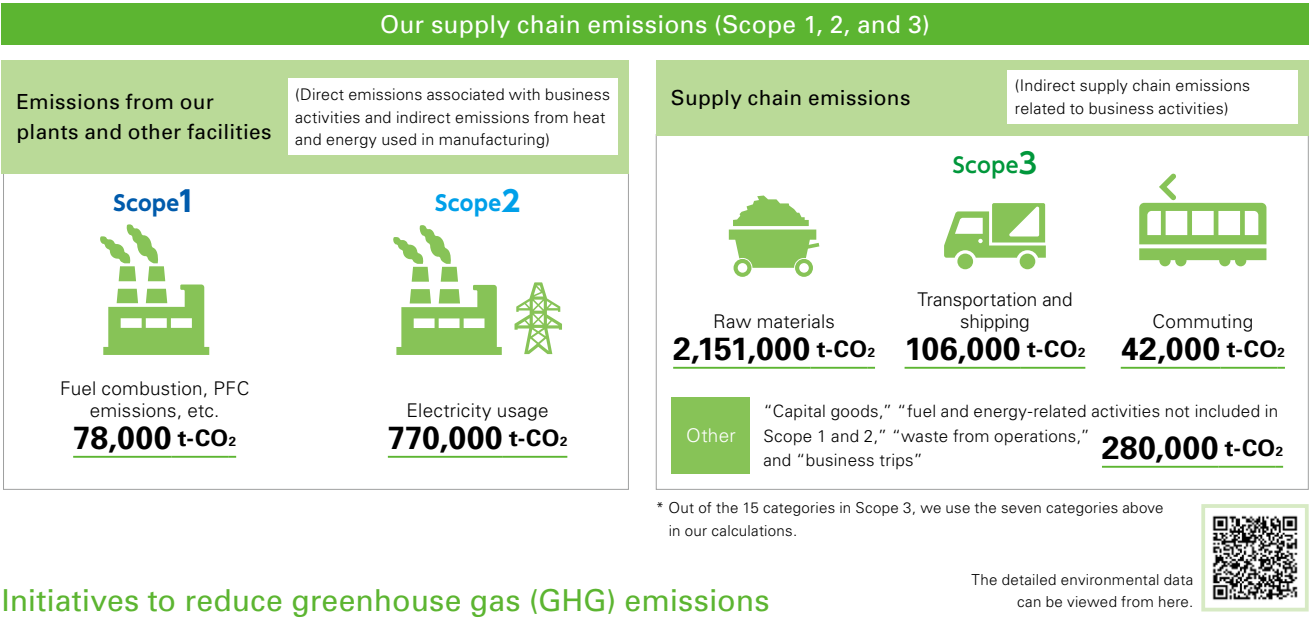
Initiatives for the Environment

The MinebeaMitsumi Group has established an environmental management system based on the "MinebeaMitsumi Group Environmental Policy," and all Group companies are striving to contribute to the protection of the earth's resources and the realization of a sustainable society.



CO<sub>2</sub> equivalent greenhouse gas emissions

We consider "energy saving activities" and the "introduction of renewable energy" as two pillars to address the increasingly dire issue of climate change. We are working to reduce CO<sub>2</sub> emissions not only at plants in Japan but also at our affiliates, with locations across the globe.

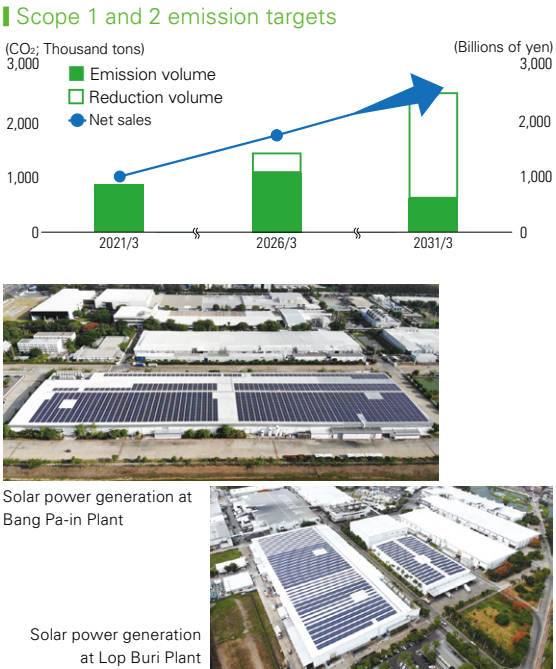


Initiatives to reduce greenhouse gas (GHG) emissions

- **Scope 1 and 2**
- **Medium-term target:** Reduce by 10% per unit sales by the fiscal year ending March 2026 compared to the fiscal year ended March 2020
  - **Long-term target:** Reduce by 30% (SBT) by the fiscal year ending March 2031 compared to the fiscal year ended March 2021

The MinebeaMitsumi Group has a long-term management target of achieving net sales of 2.5 trillion yen in the fiscal year ending March 2029. While working toward this target, we will also work to substantially reduce GHG emissions from now until 2030. To bring this about, we have already installed megawatt-level solar power generation equipment at two overseas plants and have reduced annual emissions by 4,000 tons-CO<sub>2</sub>. Going forward, we will introduce further carbon-free energy sources and conduct energy-saving activities and investments while monitoring the cost of GHG reduction.

- **Scope 3**
- We are working to reduce CO<sub>2</sub> emissions in our distribution operations by switching from air to railway transport for shipping products in Japan and overseas and thinking out loading methods when shipping by sea to improve the loading rate.



Highlights of environmental initiatives

Target for reducing greenhouse gas emissions  
Fiscal year ending March 2031  
**30% reduction**  
(Compared to the fiscal year ended March 2021)

Target Target volume of avoided CO<sub>2</sub> emissions by product  
Fiscal year ending March 2031  
**Approx. 30% increase**  
(Compared to the fiscal year ended March 2021)

**CDP Scores**  
Awarded "A-" in Climate Change 2020 and "A-" in Water Security 2020

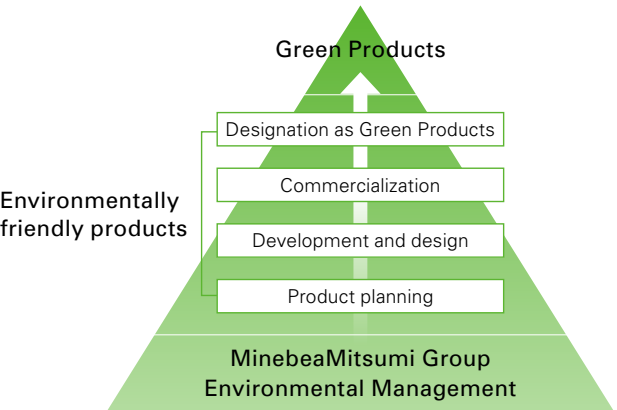
Green Products

Almost all MinebeaMitsumi products are environmentally friendly, small-sized precision products that allow downsizing, contributing to saving energy and space.

In 2019, we introduced the "MinebeaMitsumi Green Products Certification Program" which selects products that are particularly environmentally friendly and certifies them as MinebeaMitsumi Green Products. The Green Products logo depicts a lush green MinebeaMitsumi tree symbolizing our commitment to engaging in activities to conserve the global environment.

The big, lush green tree made of MinebeaMitsumi products symbolizes our expectations for further growth as a result of introducing the MinebeaMitsumi Green Products Certification Program and delivering a wide range of environmentally friendly products.

Green Products certification system



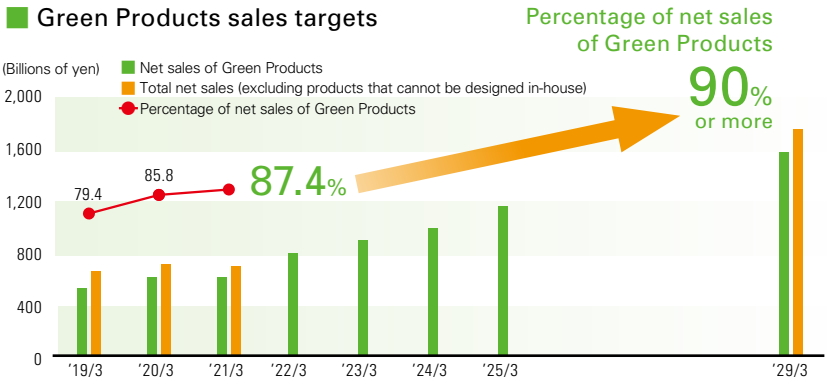
Criteria for designation as Green Products

In designing	In manufacturing	In shipment	In using
<ul style="list-style-type: none"><li>• Selection of environmentally friendly materials</li><li>• Selection of energy-efficient parts</li><li>• Use of recycled and reused materials</li><li>• Consideration for disposal of products</li><li>• Confirmation of non-use of prohibited substance</li></ul>	<ul style="list-style-type: none"><li>• Reduction of electric power consumption</li><li>• Reduction of raw and indirect materials</li><li>• Reduction of waste</li><li>• Reduction of chemical substances</li><li>• Reduction of water usage</li></ul>	<ul style="list-style-type: none"><li>• Use of packaging materials with consideration for the environment</li><li>• Reuse of packaging materials</li><li>• Reduction of CO<sub>2</sub> in logistics</li></ul>	<ul style="list-style-type: none"><li>• Reduction of electric power consumption</li><li>• Smaller products</li><li>• Lighter products</li><li>• Longer product life</li></ul>



MinebeaMitsumi plans to create even more products that contribute to energy conservation and global environmental improvement through our corporate activities, and to increase the ratio of Green Products to over 90% of our sales by the fiscal year ending March 2029.

Green Products sales targets



Material issue

1

Initiative to calculate volume of avoided CO<sub>2</sub> emissions by product

As a part of our green transformation (GX) activities, we began quantifying the amount of CO<sub>2</sub> emission reduction contribution by our products this fiscal year.

We will continue to engage in technological development and expand “Beyond Zero,” which refers to “the volume of avoided CO<sub>2</sub> emissions by our products that exceeds our own emissions.”

Calculation method and results

The contribution was calculated in accordance with Japan Electronics and Information Technology Industries Association (JEITA) guidelines.

“Effect of CO<sub>2</sub> emission reduction at the time of use of products” indicates the amount of power consumption reduction when comparing the power consumption of the evaluated product with the power consumption of the same product equipped with previous generation parts.

Definition of the volume of avoided CO<sub>2</sub> emissions

Volume of avoided  
CO<sub>2</sub> emissions

=

Effect of CO<sub>2</sub> emission reduction  
at the time of use of products

×

Product lifespan

×

Coefficient for  
CO<sub>2</sub> emissions

×

Sales volume in  
the fiscal year

$Cd$

$\Delta W_r \times L$

$H_{op}$

$Coef_e$

$S$

$Cd$ : Volume of emissions directly avoided (kg-CO<sub>2</sub>)     $\Delta W_r$ : Reduction of electric power consumption in a rated condition (kW)  
 $L$ : Load factor during actual state of operation compared with rated usage conditions     $H_{op}$ : Hours of operation (h)  
 $Coef_e$ : Coefficient for CO<sub>2</sub> emissions from power consumption (0.5001 kg-CO<sub>2</sub>/kWh \*average emission coefficient in Japan)     $S$ : Sales volume  
\* We sell parts used in final products, so “product” refers to the final product.

Actual volume of avoided CO<sub>2</sub> emissions and target



Information and communications	Lifestyle and home appliances	Smart city infrastructure	Industry	Transportation
1,322	205	135	64	33
Telecommunication base stations Data centers Personal computers Smartphones and tablets	Refrigerator Washing machine Cooking appliances (IH cooktop, microwave, rice cooker) Vacuum cleaner Air conditioner Fan Air purifier/humidifier/dehumidifier Warm-water cleansing toilet seat Television Set-top box DVD/Blu-ray player Digital camera/action camera	Solar power generation Wind power generation Battery module Smart meter/valve Smart locks Ticket gate Smart lighting Smart streetlight Parking Security camera Elevator/escalator EV charging station	Industrial machinery Industrial measuring equipment ATM POS Vending machine 3D printer Multifunction printer Railroad crossing gate	Auto-mobiles EV E-bike

Our products are incorporated in various final products, contributing to the realization of a sustainable society

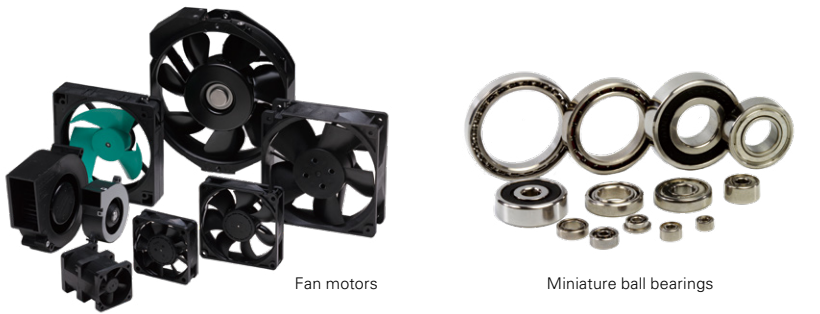
Fan motor bearings

Volume of avoided CO<sub>2</sub> emissions

Approx.  
1,293,000 t-CO<sub>2</sub>

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.



Technical strengths

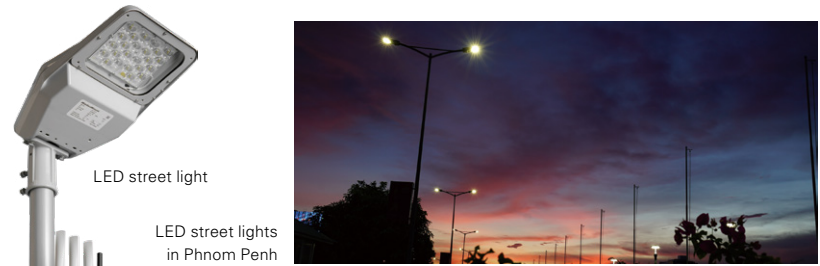
Bearings fall into the category of precision technology and support precision and extended life of motors. In addition, leveraging tribology technology, they reduce friction, improving the energy efficiency of fan motors, in other words, contributing greatly to the reduction of CO<sub>2</sub> emissions.

Smart LED street lights

Volume of avoided CO<sub>2</sub> emissions

Approx.  
135,000 t-CO<sub>2</sub>

Street lights ensure visibility so that roads can be driven safely and smoothly. The brightness and uniformity are regulated. Our LED street lights conform to these regulations and offer the industry's highest level of energy efficiency, contributing greatly to conservation of energy.



Technical strengths

Proprietary light distribution technology cultivated in development of backlights for smartphones is used to create high efficiency optical lenses. In addition, a wireless network allows the lights to be adjusted remotely according to time of day and traffic volume for further energy savings.

AC adapters, chargers, and built-in power supplies

Volume of avoided CO<sub>2</sub> emissions

Approx.  
28,000 t-CO<sub>2</sub>

AC adapters and chargers are converters that supply the required voltage, current, and power to devices from power sources such as commercial power and batteries. We manufacture a wide variety of these products.

MinebeaMitsumi's products offer a high degree of energy savings, a major element of performance of these products.



Technical strengths

Our products use power controller ICs developed through in-house collaboration. While working on differentiation, including high efficiency and low standby power, we are also working to reduce resource consumption through miniaturization.



Initiative for TCFD recommendations

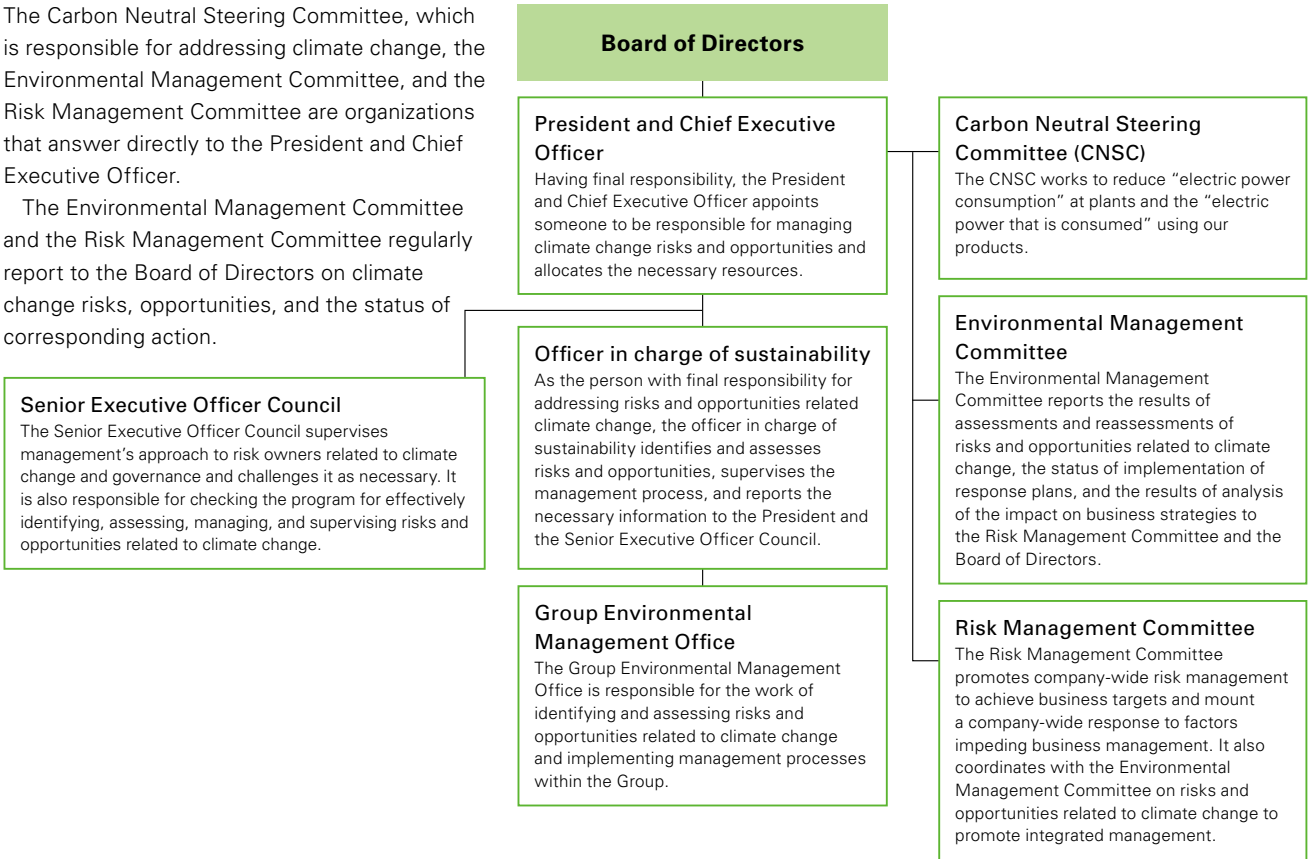
We recognize the importance of disclosing climate-related financial information and endorsed the recommendations of the Task Force on Climate-related Financial Information Disclosures (TCFD) in 2020. As such, we disclose information on mitigating the risks and seizing the opportunities brought about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



Governance

The Carbon Neutral Steering Committee, which is responsible for addressing climate change, the Environmental Management Committee, and the Risk Management Committee are organizations that answer directly to the President and Chief Executive Officer.

The Environmental Management Committee and the Risk Management Committee regularly report to the Board of Directors on climate change risks, opportunities, and the status of corresponding action.



Risk management

The Risk Management Committee manages the risks surrounding the business at the corporate level in accordance with the Rules for Risk Management. When conducting company-wide risk assessments, greater emphasis will be placed on climate change issues as part of the risks.

Recognizing that the issue of climate change requires a more specialized risk assessment, the Environmental Management Committee takes the lead in carefully considering climate change issues and conducting risk assessments.



Indicators and objectives

- We established a long-term environmental target of “reducing CO<sub>2</sub> emissions by 30% (SBT) compared to the fiscal year ended March 2021 by the fiscal year ending March 2031.”
- We will contribute to the realization of a sustainable society by taking up the challenge of becoming “carbon neutral by 2050” through “decarbonization of energy” and “promotion of energy conservation.”

Strategy

As a result of identifying climate change-related risks and opportunities and assessing their financial impact, we found that the risks with the biggest impact on the Company include physical ones such as “suspension of operations or supply chain interruptions caused by disasters arising from rising temperatures” and “increased costs arising from emissions regulations such as carbon taxes and emissions

trading schemes.” On the other hand, we clarified that our business opportunities include “increased demand for products offering higher energy efficiency” and the “creation of new technologies and markets by combining renewable energy with new technologies and IoT.”

Item	Impact on business	Assessment	Response to risks/opportunities
<b>Intensification of abnormal weather</b> (Supply chain interruptions and suspension of our own operations)	Repair costs and decreased sales resulting from river flooding, storm surges, typhoons, and other weather events at our workplaces in Thailand, Cambodia, China, and the Philippines will have a serious impact.	Significant negative impact	<b>Risks:</b> We will develop and implement a BCP and establish a disaster-resistant production system. We will respond within the organization so that action can be taken quickly in the event of a disaster and investigate the status of suppliers' responses as well.
<b>Introduction of carbon taxes and emissions trading, carbon emissions targets in each country, and government policies</b> (Increase in costs associated with addressing government policies)	Costs related to energy and GHG emissions will increase in conjunction with the introduction of carbon taxes, GHG emissions trading, green electric power purchasing, etc.		<b>Risks:</b> We will take measures to avoid being subjected to regulations by reducing our CO <sub>2</sub> emissions through the promotion of energy-saving investments and reducing our Scope 2 emissions through a higher ratio of renewable energy.
<b>Advances in technology associated with transition to carbon-free society</b>	If demand for energy-saving products increases and we are unable to keep up with technological innovation, our products will become obsolete. The cost of technological development and R&D to respond to this situation will be significant.		<b>Risks:</b> We will promote advanced technological development and R&D to meet decarbonization demand and will actively make calculated investments so as not to fall behind our competitors. <b>Opportunities:</b> Because demand for highly efficient products that contribute to lowering energy costs will grow substantially, we will aim to expand the market based on our energy-saving technology.
<b>Changes in product and service needs</b>	With the growing popularity of electric vehicles, it is expected that many new electric vehicle manufacturers will emerge. There is a possibility that the sales volume of bearings, motors, etc., which are important components of electric vehicles, will expand substantially as a result.	Significant positive impact	<b>Opportunities:</b> We will aim to expand our sales by incorporating our energy-saving technology into our business plan as a growth strategy and promoting technological development in pursuit of added value for our products.
<b>Achieving resilience by responding to risks</b>	It is expected that catastrophic disasters such as past floods in Thailand will increase in frequency. We believe that developing a BCP will improve our appeal to customers (controlling spending).		<b>Opportunities:</b> We will develop and implement a BCP, enhance communication so that our customers will recognize us as a reliable supplier, and disclose information on our system.
<b>Entry into new markets</b>	With the spread of clean energy, there is a possibility that the sales volume of bearings, etc., which are important components of high efficiency equipment (such as drones and robots), will expand substantially as a result.		<b>Opportunities:</b> We will aim to expand our sales by incorporating our energy-saving technology into our business plan as a growth strategy and promoting technological development in pursuit of added value for our products.

Addressing physical risks

We will respond quickly within our organization in the event of a disaster and investigate the status of suppliers' responses as well.

Realizing opportunities

Because demand for highly energy efficient products will grow significantly, we will work on advancing development leveraging our strength of INTEGRATION.