

Initiatives for Society

To ensure management sustainability, the MinebeaMitsumi Group is working on the material issues (Materiality) of “strengthening the system for mass and stable supply of ultra-precision components,” “practicing responsible procurement,” and “coexisting with local communities.” Here we provide information on “reinforcement of quality control systems,” which supports our efforts of “strengthening the system for mass and stable supply of ultra-precision components” and the material issues of “practicing responsible procurement” and “coexisting with local communities” as our initiatives for society.



Material issue

3

Reinforcement of quality control systems

Quality management framework

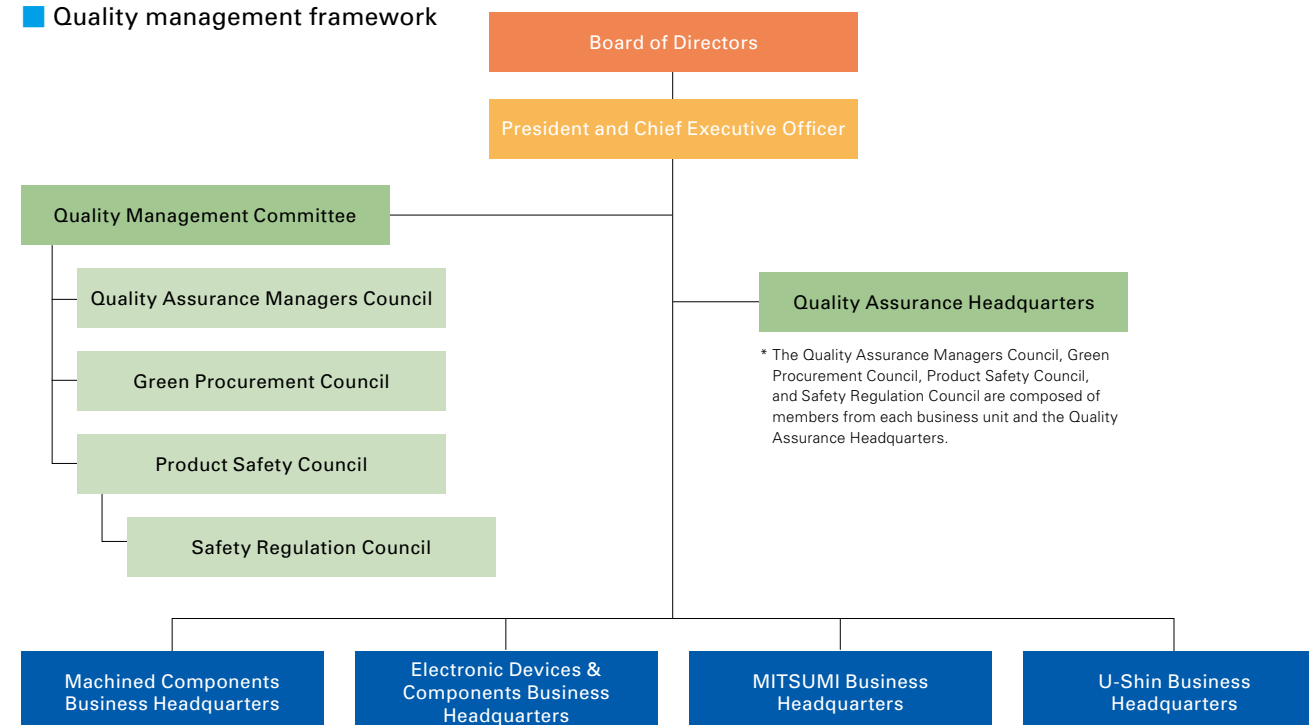
The Group has created “Group Quality Management Rules” covering the entire Group as part of our measures to ensure the safety of its products & services and to prevent accidents. We have also prepared “Group Product Safety Management Manual,” “Group Hazardous Substance Management Manual,” “Significant Quality Issue Handling Manual,” “Group Conflict Material Management Manual,” and “Supplier Quality Assurance Agreement (Standard Version)” 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 Chief Executive Officer, 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.

Quality management framework



Highlights of social initiatives

Reinforcement
of quality control
systems

Practicing
responsible
procurement

Coexistence with
local communities

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.

Cooperating with suppliers

In order to meet the quality requirements of our customers throughout the supply chain, the Group has concluded basic transaction contracts and quality assurance agreements with our suppliers. We also provide them with our “Supplier Quality Assurance Manual,” which summarizes the Group's standard requirements for the broad field of quality, and ask for their understanding and cooperation.

Promoting quality management system certification

The Group has obtained certification of the necessary quality management systems (QMS) 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 holds training for internal auditing personnel to provide ongoing education and maintain and improve the system.

Promoting visualization to improve quality of logistics

The Group is promoting visualization of logistics to improve the quality. We organize and analyze delivery date information, distribution and inventory information, and loading and unloading information to optimize storage bases and distribution methods.

Material issue target

In the fiscal year ending March 2022, we will create mechanisms tailored to improving the skills of our employees. We will also work to 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 2026.

Promoting quality control examination certification

Based on our belief that improving the quality evaluation and management skills and improvement skills of each of our employees will lead to improvement of the quality of the Group's products, the MinebeaMitsumi Group has been promoting the quality control examination (QC certification) since September 2008. This examination is organized by the Japanese Standards Association and the Union of Japanese Scientists and Engineers and is recognized by the Japanese Society for Quality Control. In addition to paying the examination fee, we ensure that all employees can get training materials and study using a shared database for improving quality management knowledge and hold pre-examination workshops twice a year.

Many employees were certified in the fiscal year ended March 2021 as well, bringing the group-wide total to 986 employees.

Standardizing name plate labels and converting to bar code labels

To prevent mistaken product shipments and improve the efficiency of checks, the Group began standardizing name plate labels and converting to bar code labels in the fiscal year ended March 2014 and completed the work for all former Minebea products. We are currently doing the same for MITSUMI ELECTRIC products.

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 based on customer request. In addition, when it comes to managing the chemical substances contained in our products, we communicate this information to requesting customers based on what we have obtained from our suppliers.

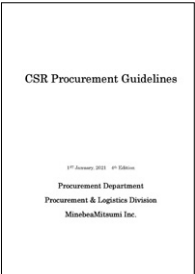
Material issue

4

Practicing responsible procurement

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.



We also conduct internal education on CSR procurement for our procurement and logistics divisions, and in the fiscal year ended March 2021, 231 out of the 250 relevant employees at domestic group companies participated.

In addition, to ascertain the status of CSR promotion by our suppliers, we prepared the “MinebeaMitsumi Group CSR Procurement Self-assessment Checklist” and have asked our suppliers to complete it.

In the fiscal year ended March 2021, we sent it to 96 of the main suppliers to the four MITSUMI ELECTRIC plants in Thailand, Malaysia, and the Philippines. The response rate was 100%.

Questions on the checklist are divided into the five categories of “general promotion of CSR,” “labor,” “health and safety,” “environmental conservation,” and “ethical management” to assess risks in the supply chain. 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 these initiatives.

In order to avoid human rights violations in business relationships, we require a written pledge from our suppliers that they are not aware of any violations of procurement guidelines either by themselves or within their supply chains. 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 Group’s approach regarding “conflict minerals” from the Democratic Republic of the Congo and its neighboring countries.

We also added addressing “conflict minerals” to the

“MinebeaMitsumi Group CSR Procurement Guidelines.” Later, we revised it in light of the social movement for “responsible mineral procurement” of recent years. 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.

In addition, we will continue to respond to requests from customers using our database.

Material issue target

In the fiscal year ending March 2022, we will confirm the status of CSR procurement at U-Shin, which was added to the Group in 2019, notify suppliers based on the “CSR Procurement Guidelines,” and check the status of CSR promotion among Japanese suppliers using the “CSR Procurement Self-

assessment Checklist.” In addition, we will introduce the RBA standard to our “CSR Procurement Guidelines” by the fiscal year ending March 2026 and carry out a self-audit accordingly to improve the CSR Procurement Guidelines, taking into account environmental and human rights issues.

Human Rights Policy

As a guideline for further promoting human rights initiatives throughout the Group and fulfilling our responsibilities, we recently established a human rights policy comprised of the items to the right. We support the Universal Declaration of Human Rights, the United Nations Global Compact, and other human rights principles.

MinebeaMitsumi Group Human Rights Policy

- | | | |
|---|---|--|
| 1 Respect for basic human rights | 6 Prohibition of forced labor | 10 Education |
| 2 Compliance with applicable laws | 7 Prohibition of discrimination | 11 Requests for suppliers to provide support and cooperation |
| 3 Respect for international human rights agreements | 8 Prohibition of harassment | 12 Information disclosure |
| 4 Prohibition of child labor and restrictions on employment of young laborers | 9 Respect for freedom of association and the right to collective bargaining | 13 Scope |
| | 14 Human rights due diligence | |

Material issue

5

Coexistence with local communities

Here, we provide information on our latest activities and external recognition. For past activities, see “ESG Initiatives” on our website.

The ESG Initiatives can be viewed from here.



Support for single parents

Due to the hardships many single parents have experienced due to COVID-19, MinebeaMitsumi made a donation to a certified NPO, Single Mothers Forum, to help support single-parent households with high school children. In July, we donated 50 million yen, and we plan to donate an additional amount of up to 100 million yen.



May Day Awards 2021 - Plaque of Commendation (Gold)

NMB Singapore was conferred the National Trade Union Congress (NTUC) May Day Awards 2021, Plaque of Commendation (Gold) for its many initiatives to support workers welfare, work prospects, and good labor-management relations.

This award exemplifies the strong labor-management relations that we have and reaffirms our commitment to improving workers’ wages, welfare, training, and work prospects. These improvements are especially meaningful in light of business disruption amidst COVID-19 and NMB Singapore is glad for the support shown by Metal Industries Workers’ Union (MIWU) during these challenging circumstances.



Cambodia Plant receives the “ASEAN-OSHNET Excellence Award”

Cambodia Plant was awarded the “ASEAN-OSHNET Excellence Awards” by the “ASEAN Occupational Safety and Health Network (ASEAN-OSHNET).” The “ASEAN-OSHNET Award” recognizes companies with good occupational safety and health systems and performance in each ASEAN country. Among them, the “Excellence Awards” is given to one company with the best occupational health and safety management system in each country, and we are the first Japanese company to receive the award in Cambodia.

The award started in 2016 and 2020 marked its third time. Though the award ceremony had been postponed for one year due to COVID-19, it was held online in July 2021.



Material issue target

We will look into safe and effective methods of communication for the new normal during and after the COVID-19 pandemic and continue to communicate with the local communities.

Response to COVID-19

The MinebeaMitsumi Group manufactures bearings, motors, sensors, power supplies, semiconductors, and connectors used in various medical equipment, including ventilators and artificial heart-lung machines. On January 29, 2020, we established a response headquarters under the CEO and shared information on best practices learned at our plant in China with our facilities around the world to ensure employee safety. Up to now, we have fulfilled our supply responsibility and have not had to suspend operations for internal reasons.

We donated 220,000 N95 masks that we had for disasters and other medical items, including goggles, face guards, clean suits, hoods, disposable gloves, and gauze to 150 agencies in 16 countries. We also launched production

of our own masks in April 2020 and began selling them in June 2020. As of July 2021, we have produced 50 million masks and sold 8 million. We also worked on making vaccines available at our workplaces and provided vaccinations to approximately 13,000 employees and their families and others at our Tokyo Head Office, Karuizawa Plant, Fujisawa Plant, Hamamatsu Plant, Hiroshima Plant, Chitose Plant, and other facilities around the globe.

