



The environmental policy can be viewed from here.



## 2

The Company has set a goal of reducing total greenhouse gas emissions (Scope 1 and 2) by 30% by the

## 2

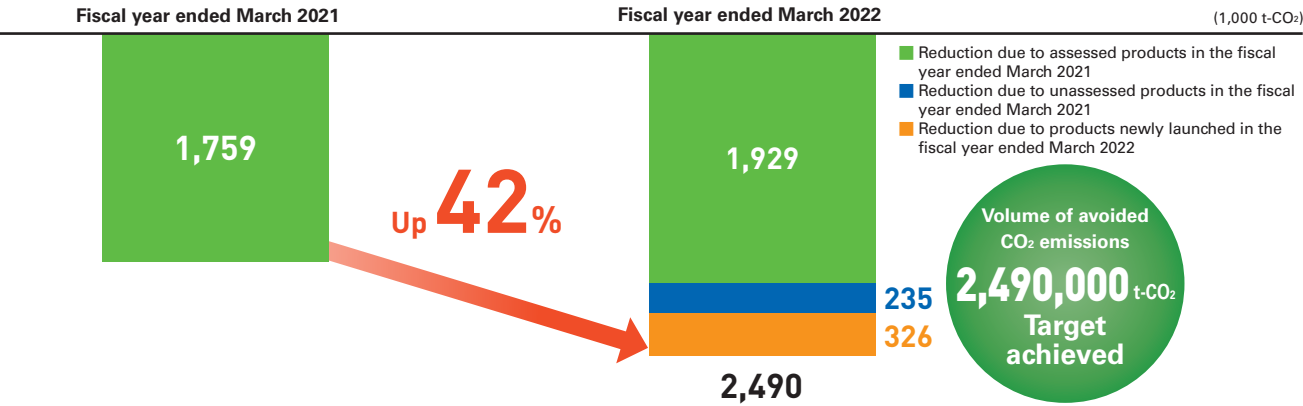
The detailed  
environmental data can  
be viewed from here.

## 2

The MMI Beyond Zero initiative

Our “MMI Beyond Zero” initiative aims to contribute to the reduction of global CO<sub>2</sub> emissions by enhancing the energy-saving features of our products. By using these products, our customers will in turn reduce the electricity consumed by their products, and their customers’ products. As a part of this initiative, we have been tracking the amount of CO<sub>2</sub> emission reduction contribution by our products since the fiscal year ended March 2021.

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



The result for the fiscal year ended March 2022 was approximately 2,490,000 t-CO<sub>2</sub>, (up 42% year on year). This was a remarkable result, surpassing in just one year our initial target of approximately 2,300,000 t-CO<sub>2</sub>, a 30% increase in contribution, by the fiscal year ending March 2031. This was mainly due to an increase in sales of existing products and the launch of new products. We will continue to contribute to reducing global CO<sub>2</sub> emissions through the development and promotion of products with advanced energy-saving features.

Calculation method

The volume of avoided CO<sub>2</sub> emissions is calculated based on the Japan Electronics and Information Technology Industries Association (JEITA) guidelines.

“Effect on reduction of electricity consumption at the time of product use” 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.

Formula used to calculate the volume of avoided CO<sub>2</sub> emissions

$$C_d = \Delta W_r \times L \times H_{op} \times Coef_e \times S$$

$C_d$ : 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 \*based on IEA2020 2018 emission coefficient in Japan)  $S$ : Sales volume  
\* We sell parts used in final products, so “product” refers to the final product.

Example of products with a high volume of avoided CO<sub>2</sub>

Fan motor bearings

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.

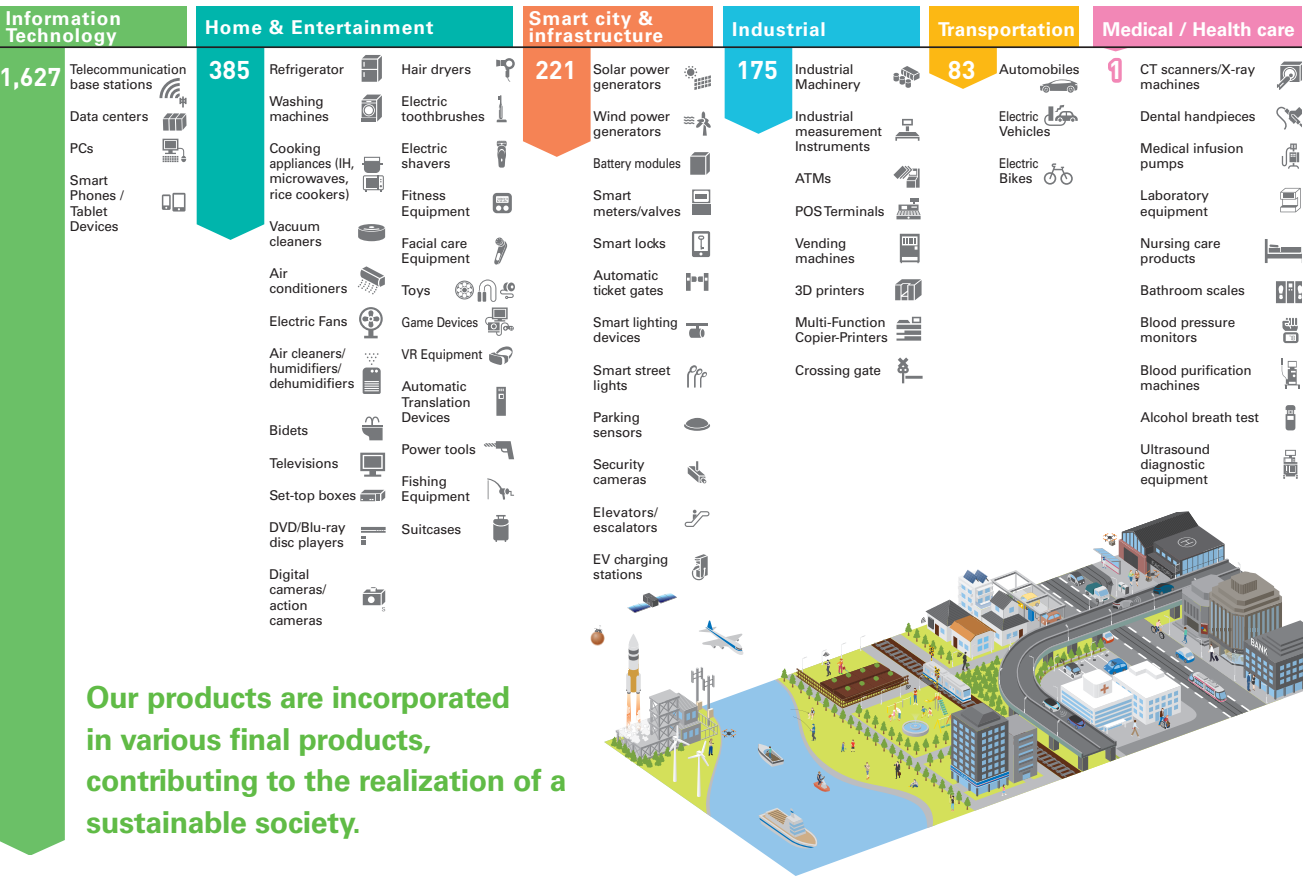
Volume of avoided CO<sub>2</sub> emissions: Approx. 1,496,000 t-CO<sub>2</sub>



Polygon mirror scanner motors

These motors are used in laser writing in digital copiers and other such devices. A polygon mirror is rotated at high speed to scan a laser beam radiated from an laser diode (LD) into a photoreceptor. High-precision fluid bearing technology helps make equipment quieter and save both space and energy.

Volume of avoided CO<sub>2</sub> emissions: Approx. 74,000 t-CO<sub>2</sub>



Green Products Certification Program

Almost all MinebeaMitsumi’s products are environmentally friendly products which are originally small sized and allow precise downsizing, and contribute to saving energy and space.

In 2019, we introduced the “MinebeaMitsumi Green Products Certification Program” to select products that are particularly environmentally friendly.

Criteria for designation as Green Products

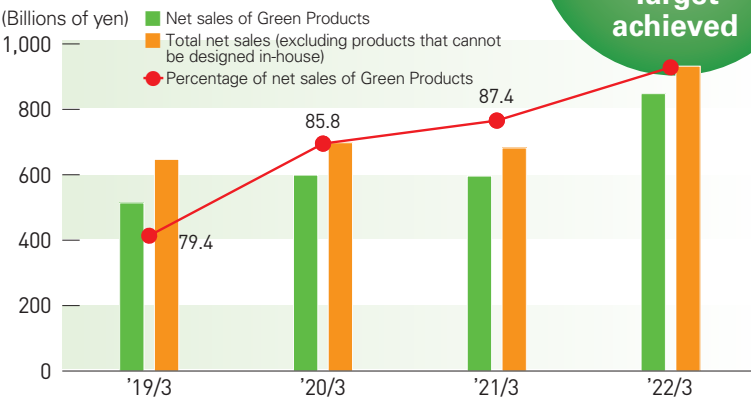
In designing	In manufacturing	In shipment	In using
<ul style="list-style-type: none"><li>Selection of environmentally friendly materials</li><li>Selection of energy-efficient parts</li><li>Use of recycled and reused materials</li><li>Consideration for disposal of products</li><li>Confirmation of non-use 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 lifespan</li></ul>

We are working to increase the ratio of MinebeaMitsumi Green Products to over 90% of our sales by the fiscal year ending March 2029.

In the fiscal year ended March 2022, we achieved this target with a ratio of Green Products of 91.1%, thanks to the renewal of our new product lineup featuring Green Products, as well as the improvement of processes used to produce our existing products.

We will continue our efforts to increase the ratio of Green Products.

Green Products sales results





## 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.



2

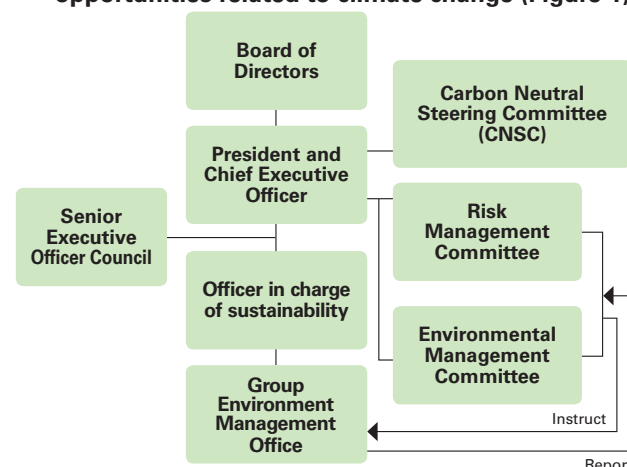
## Governance

We address the risks and opportunities related to climate change based on the Company's Climate Change-Related Risk Management Regulations. These rules determine our internal structure for managing the risks and opportunities related to climate change (Figure 1) and our process of managing these risks and opportunities using the PDCA cycle (Figure 2).

The President and Chief Executive Officer has ultimate responsibility for managing the risks and opportunities related to climate change, managing these risks and opportunities through the Risk Management Committee, which is responsible for all facets of risk, and the Environmental Management Committee, which is responsible for environmental management, including the risks and opportunities related to climate change. The President and Chief Executive Officer assesses and supervises the status of response to these issues, and the Company's progress against its objectives. Meanwhile, the Carbon Neutral Steering Committee, reporting directly to the President and Chief Executive Officer, makes internal adjustments and recommendations regarding policies and basic measures for carbon neutrality.

The President and Chief Executive Officer evaluates the effectiveness of climate change governance through the Senior

## Internal structure for managing the risks and opportunities related to climate change (Figure 1)



Executive Officer Council, and the Board of Directors monitors and supervises the appropriate response to the risks and opportunities related to climate change by those in charge of business execution, including the President and Chief Executive Officer.

The officer in charge of sustainability handles the status of the Company's response to climate change issues as one aspect of sustainability.

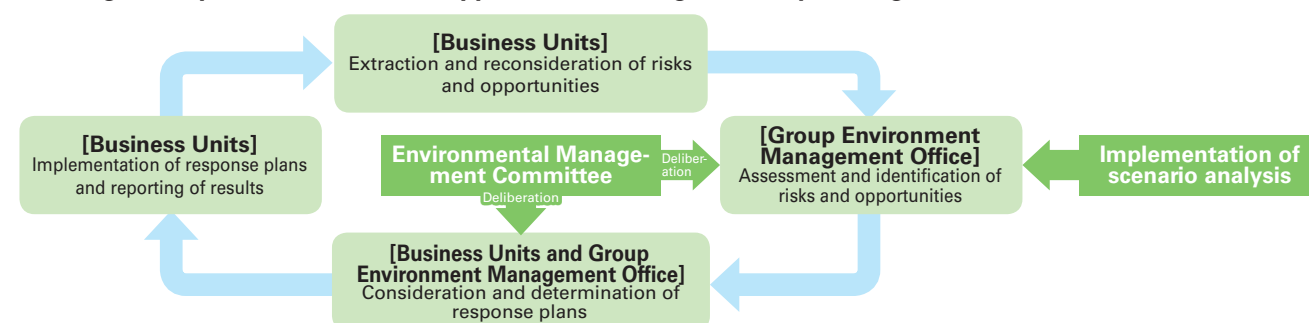
Through this management process, the issues are deliberated by the Environmental Management Committee, composed of managers in charge of each division, and the results of this deliberation are checked by the Senior Executive Officer Council and the Board of Directors. Should a risk materialize, causing crisis situation, we will transition to an emergency response led by the Risk Management Committee.

## Risk management

The Company's process for managing the risks and opportunities related to climate change is shown in (Figure 2). We implement this PDCA cycle companywide each fiscal year.

When assessing risks, we do not focus only on the direct effect on our own operations but also consider effects up and down the value chain, such as the effect on raw materials procurement, logistics, customers, and end users.

## Management process for risks and opportunities through PDCA cycles (Figure 2)



## Strategy

We see it is one of the Company's missions to contribute to achieving global carbon neutrality. In addition to reducing the Company's own greenhouse gas emissions to achieve carbon neutrality, we work to help our customers reduce their greenhouse gas emissions through our products.

We are engaged in initiatives under MMI Beyond Zero (see page 59) to help customers reduce their greenhouse gas emissions through our products, and we will also use these

initiatives to control our own Scope 3 emissions.

We will promote these initiatives as key business strategies, including the supply of component for products and equipment such as electric vehicles, solar power generators, and green data centers, as well as the development of energy-saving, resource-saving, long-lifespan products.

## Identifying risks and opportunities, and response planning

We have identified the Company's risks and opportunities related to climate change, and compiled a response plan for the fiscal year ending March 2023. We have compiled this plan with an understanding of risks and opportunities as two sides of the same coin, based on our view that responding to risks will create opportunities.

Our response plan for the fiscal year ending March 2023 forms part of the business plans for each business unit, plant, etc., and we will steadily implement it and compile the results.

We also carried out trial scenario analysis in the fiscal year ended March 2022, and plan to implement full-scale analysis in the fiscal year ending March 2023.

Item	Risks	Opportunities	Response plan
Response to water risks	Suspension of plant operations due to flooding, typhoon, flood tides, drought, etc.	Secure the trust of our customers by enhancing resilience	Identify the 24 plants with high water risk based on Aqueduct, and confirm the establishment of BCP measures <a href="#">Risk management example 1</a> <a href="#">Page 80</a> Measures have been established for the 7 main plants, of which 6 have obtained ISO 22301 certification
Improving productivity and efficient use of resources and energy	Deterioration in earnings due to soaring prices of raw materials and power, carbon tax, etc.	Secure earnings through resource-saving, energy-saving, decarbonized production activities	Automation and time reduction in manufacturing processes, reorganization and efficiency enhancements at production sites, modal shift from air to marine freight, installation of high-efficiency, energy-saving equipment, reduction and recycling of scrap, etc.
Improving product performance and providing new products	Market selection based on new indicators such as energy-saving performance, LCA, carbon footprint, etc.	Capture market share by providing resource-saving, energy-saving, low-carbon products	Development and promotion of products such as main motor bearings for EVs, vehicle batteries, various components for EVs/HEVs, fan motors for solar power generation and data centers, LED lighting, CLEAN-Boost (battery-less and wireless) products, various energy-saving, long-lifespan devices, products using bio/recycled plastics, etc.
Responding to customer demands	Failure to fulfill customer demands such as introducing renewable energy, reducing our carbon footprint, etc.	Secure orders by earnestly fulfilling customer demands aimed at decarbonization	Install solar power generation systems for in-house use and procure renewable energy <a href="#">Procurement of electricity from decarbonized sources</a> <a href="#">Page 58</a>
Curbing PFC and SF6 emissions	Increase in greenhouse gas emissions due to air emissions of potent greenhouse gases including PFCs and SF6; impediments to production and higher production costs due to the introduction of new regulations	Substantially reduce greenhouse gas emissions and reduce the carbon footprint of related products by curbing PFC and SF6 emissions	Installation and renewal of emissions removal equipment together with the enhancement of semiconductor production equipment.

## Metrics and Targets

## Target: Greenhouse gas 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% by the fiscal year ending March 2031 compared to the fiscal year ended March 2021
- Ultimate target: Achieve Net Zero by 2050 at the latest

[Greenhouse gas emissions during the fiscal year ended March 2022](#) [Page 57](#)