

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,” “practicing responsible procurement,” “policies and initiatives related to human rights,” and “coexisting with local communities.”

Material issues (Materiality) Pages 31 to 32

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 Conflict Material Management Manual,” “Group Responsible Minerals Procurement Management Manual,” and “Significant Quality Issue Handling Manual” 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.

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, we clearly indicate MinebeaMitsumi’s quality policy to our suppliers, and request their understanding and cooperation.

Material issue target

During the fiscal year ending March 2023, we will enhance the training of quality management educators and product safety management supervisors at each site. We will also 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 management system certification

We have obtained certification of the necessary quality management systems at each business unit. We are also working on obtaining certification for standards related to new products. In addition, the Quality Assurance Headquarters holds training for internal auditing personnel to provide ongoing education and maintain and improve the system.

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 and information on the chemical substances contained in our products, based on customer request.

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.

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

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 verify progress made with respect to CSR initiatives by providing feedback to our suppliers based on the survey results and communicating with suppliers where improvements are needed.

We implemented the following measures in fiscal 2021:

1) Renewed the “CSR Procurement Guidelines”

We renewed the “CSR Procurement Guidelines” and distributed them to 6,734 suppliers in three languages: Japanese, English and Chinese.

2) CSR education for employees in procurement and logistics divisions

We have set up a CSR procurement education tool for all 251 members of procurement and logistics divisions.

- 3) Monitoring the status using the CSR Procurement Self-assessment Checklist
We received responses to the Self-assessment Checklist from U-Shin’s 75 main suppliers all across Japan (representing 85% of its purchases).
- 4) Obtained human rights pledges
We received the submission of human rights pledges from the 4,617 suppliers that have continuing transactions with companies throughout the MinebeaMitsumi Group, to promote our policy of “responsible procurement.”

These pledges contain the following promises:

- 1) A promise to comply with the requirements set forth under MinebeaMitsumi’s “CSR Procurement Guidelines”: (1) employment autonomy, (2) prohibition of child labor, (3) prohibition of discrimination, (4) prohibition of inhumane treatment, (5) minimum wage, (6) working hours, and (7) freedom of association.
- 2) A promise to request that others in the supplier’s supply chain also comply with MinebeaMitsumi’s “CSR Procurement Guidelines.”
- 3) A promise that there are no current violations by the supplier or others in the supplier’s supply chain; moreover, that if any violation is discovered, the supplier will immediately report it to the Company and correct it, or ensure that it is corrected.

We make the submission of this pledge a condition of business with any new suppliers.

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 “conflict minerals” to the “CSR Procurement Guidelines.” Later, 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.

We will continue to respond to requests from customers using our database.

Material issue target

In the fiscal year ending March 2023, we will assess the status of CSR promotion among Chinese suppliers of U-Shin based on the “CSR Procurement Guidelines,” using the “CSR Procurement Self-assessment Checklist.” In addition, we will proceed with consideration aimed at the introduction of 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.

* These names were changed from “Minebea Group Code of Conduct,” “Minebea Group CSR Procurement Guidelines,” “Minebea Group CSR Procurement Self-assessment Checklist,” and “Minebea Group Policy on Conflict Minerals” in January 2017.

Policies and initiatives related to human rights

The Group has set forth its aim “be a company where our employees are proud to work” as the first of “The Five Principles” of the company credo. We respect the human rights of employees, and enable employees with diverse backgrounds to make the most of their abilities.

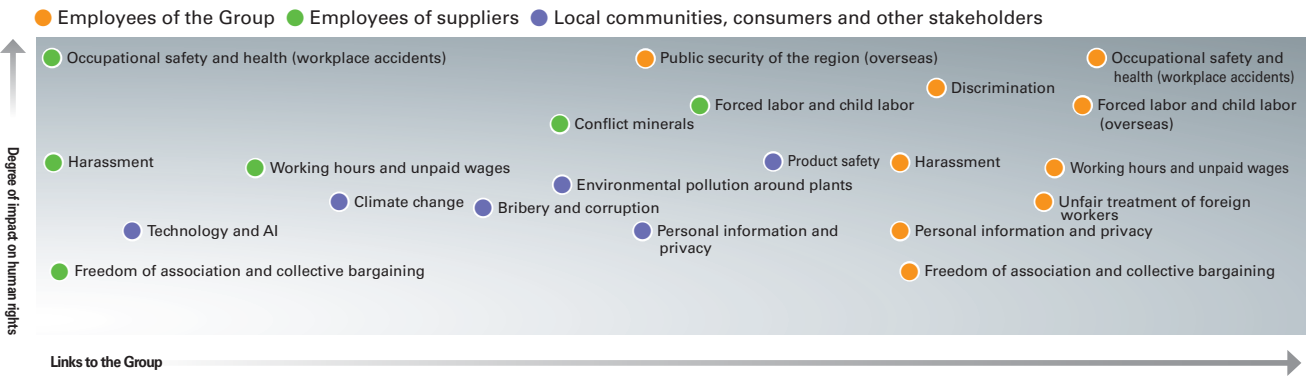
With the global expansion of business in recent years, we face an increasing need as a corporation to address

human rights issues in our supply chain. In this context, the Group maintains respect for human rights in our corporate activities as a key issue of basic management policy. As a global corporation, the Group is also focused on initiatives to prevent violation of the human rights of stakeholders, including in our supply chain, based on the MinebeaMitsumi Group Human Rights Policy, shown below.

Human rights risk map

We have identified and mapped the human rights risks that could negatively impact on the Group's business activities.

We will continue to mitigate these human rights risks as much as possible.



MinebeaMitsumi Group Human Rights Policy

The Group supports the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and other human rights principles. We have established, by resolution of the Board of Directors, a human rights policy including these elements:

MinebeaMitsumi Group Human Rights Policy		
1 Respect for basic human rights	5 Prohibition of forced labor	9 Human rights due diligence
2 Compliance with applicable laws	6 Prohibition of discrimination	10 Education
3 Respect for international human rights agreements	7 Prohibition of harassment	11 Requests for suppliers to provide support and cooperation
4 Prohibition of child labor and restrictions on employment of young laborers	8 Respect for freedom of association and the right to collective bargaining	12 Information disclosure
		13 Scope

Initiatives related to the human rights of employees

Initiatives focused on occupational safety and health

The Group assures the health and safety of its employees. We provide safe and hygienic working environments, prevent overwork, and consider employee health in all our business activities. We design the Group's human resources systems not only for compliance with local laws and regulations, but also to improve labor management and create better workplace. These include systems that provide employees with benefits exceeding those mandated by law.

Initiatives at overseas sites

In view of the potential risk of forced labor and child labor at our largest site in Thailand, we have clearly stated the prohibition of forced labor and child labor and restrictions on the employment of young laborers in the Group's independently-established “Policy on Worker Protection and Social Accountability.” In addition to preventative measures, such as checking workers' official identification documents

to ensure that they are above the legal minimum age, we have implemented penalties for any violation of this policy. We have also obtained certification under Thailand's worker protection standard, TLS 8001.

Moreover, at our mass-production sites in Thailand, China, the Philippines, Cambodia and elsewhere, which are mass-production sites, we have obtained certification under ISO 45001, the international standard for occupational safety and health management systems.

Education and Training

We provide a full range of training programs for Group employees, to deepen our employee's understanding of our basic management policy including respect for human rights, including training for new recruits, training by employee rank, which uses the “MinebeaMitsumi Group Officer and Employee Compliance Guidelines,” harassment prevention, and inter-cultural communication for overseas assignment.

Promotion of diversity & inclusion

We are engaged in initiatives such as organizational reform, promoting women's advancement, and team-building to advance the diversity of our talent.

Message from Officer in Charge of Human Resources Development Pages 9 to 10 Human Capital Pages 47 to 50

Relief measures

We take appropriate measures to provide relief wherever the Group's activities have caused or clearly exacerbated a negative impact on human rights. We have established a whistle-blowing system and consultation point to enable the Group's employees and former employees to report and consult on issues or trouble related to human rights. We have made this system and consultation point widely known through the company.

Whistle-blowing Page 78

Initiatives related to human rights in our supply chain

At the Group, we implement risk assessments in our supply chain in accordance with the “MinebeaMitsumi Group CSR Procurement Guidelines,” by actively communicating with our suppliers and requiring that they regularly submit the

self-assessment checklist and a pledge concerning the observance of human rights. We continuously monitor compliance with the Guidelines, including respect for human rights.

Responsible procurement Page 64

Coexistence with local communities

Support for single parents

As part of the project to commemorate the 70th anniversary of incorporation, MinebeaMitsumi made a donation of 50 million yen to a certified NPO, Single Mothers Forum in July 2021. The money funded a learning support grants project for single-parent households with high school children, which continue to suffer from the COVID-19 crisis. We provided 1,606 high school students with support grants of 30,000 yen each.

On December 21, the Board of Directors resolved to make a further donation of 50 million yen to the same NPO, the second such donation in our 70th anniversary project. This money was used to fund the “We Support You on New Year! Project” for emergency assistance.

To deliver the support as quickly as possible to households in distress, 20 employees of the Company volunteered to pack QUO cards (gift cards; worth 20,000 yen each) into letter packs and sent them to 2,446 households on December 22.



* For past activities, see “ESG Initiatives” on our website.

Participation in the Mt. Zao Clean Operation

Ten employee volunteers from Mitsumi Electric's Yamagata Business Division participated in the 48th Mt. Zao Clean Operation organized by Yamagata City. This was the first time in three years that the event was held due to COVID-19, and a total of 283 participants in 11 groups collected 100 kg of trash, empty cans, etc. along the ski and mountain climbing trails from the top of the mountain to the foot of the mountain.



Participation in a cleanup of the Nakaumi and Lake Shinji

A total of 42 employee volunteers from the MinebeaMitsumi Yonago Plant participated in a simultaneous cleanup of the Nakaumi and Lake Shinji. On the day of the event, 6,048 people from five cities adjacent to the Nakaumi and Lake Shinji participated, collecting 11.65 tons of trash. Of these, 1,069 people participated in Yonago City, collecting approximately 2 tons of trash from the seawalls to protect the natural environment of the Nakaumi.



The ESG Initiatives can be viewed from here.



Material issue target

We will strengthen our relationships with our local communities by promoting open communications.