

## MinebeaMitsumi At a Glance

### What is MinebeaMitsumi?

**The world's only "INTEGRATION" manufacturer of precision components with the core of Eight Spears**

MinebeaMitsumi is an INTEGRATION manufacturer of precision components which produces various machines and electronic components, including motors, sensors, and semiconductors, mainly by using its core technologies that represent ultra-precision machining techniques. Specifically, it produces 1-cell lithium-ion battery protection ICs as well as miniature and small-sized ball bearings to make machines rotate smoothly, for which it has the largest market share in the world (according to the Company's research). Our ultra-precision machining technologies are used for products and machines in a wide range of fields, including home electrical appliances such as air-conditioners, vacuum cleaners, hair-dryers, and game consoles; information equipment such as smartphones and PCs; car, aviation and space products; and medical devices, to support every person's life in an invisible way.

### Eight Spears

We have positioned products that can display the strengths of the Company, such as ultra-precision machining technologies and mass production technologies, and cannot be easily lost as the "Eight Spears" of our core businesses.

Core businesses Page 26



### INTEGRATION

INTEGRATION means "combining" rather than "simple gathering" of the Company's proprietary technologies to evolve the "Eight Spears" of our core businesses and to create new products in various fields through the INTEGRATION of our advanced technology.

### MinebeaMitsumi's core technologies

**Ten core technologies, including ultra-precision machining technologies, create value beyond conventional wisdom**

We create cutting-edge solutions by integrating production technology centered on ultra-precision machining technology, and a variety of underlying technologies such as sensors and optics.

### Ultra-precision machining technology

Advanced machined components need cutting, grinding, and polishing with high precision in sub-microns. Our ultra-precision machining technologies accumulated over many years realize micromachining for various types of components. Those techniques are utilized for a variety of MinebeaMitsumi products, including motors and lighting devices, not only machined components.

### Mass production technology

We will realize stable supply of precision components of high precision and quality by balancing ultra-precision machining technology and mass production technology. We have introduced large-scale automatic assembly lines for products capable of being mass-produced. At our mother factories mainly in Karuizawa, Hamamatsu, Fujisawa, and Yonago, we develop and produce automatic assembly lines for major products, which are introduced in Group factories as lines of high precision and efficiency that can be produced only by MinebeaMitsumi.

### Vertically-integrated manufacturing system

We have established a "vertically-integrated manufacturing system" in which processes from development to assembly are integrated, and organically connected our mother factories with mass-production bases throughout the world to prepare a system of supplying products in global markets.

### Underlying technologies

Sensor technology (e.g. load and pressure)	Optical technology
MEMS technology	High-frequency technology
Electronic circuit technology	Semiconductor design technology
Mechanism design technology	System design technology

### MinebeaMitsumi's growth axes

**Third growth axis derived from developing products that contribute to resolving social issues, which is in addition to organic growth and M&As**

In addition to organic growth and M&As in the markets we serve today, which have been our growth drivers thus far, "developing products and supplying components for resolving social issues" will be our axis to continue to accelerate corporate growth.

1

#### Organic growth

- Market disposable income per capita will rise in line with the growth in global GDP
- The sale of high-end functional products = The necessity of parts for high-end functional products

2

#### M&A

- Integration of synergistic companies, with a focus on MinebeaMitsumi's Eight Spear products that make up its core business

3

#### Developing products and supplying components for resolving social issues

- Synergistic and close alliances with the Eight Spears

Strategies by Business Pages 37 to 44

### New trend 3

Development of products for resolving social issues listed below

#### Energy

Bearings with 3 times the precision of today's products to create extreme reduction of electric power consumption!

#### Environment

Smart city solutions To centralized control of street light luminance, etc., through wireless communication

#### Declining birthrate and aging population

Bed Sensor System™

#### Disaster countermeasures

Integrated environmental sensors To allow visualization of meteorological data in real time

#### Autonomous driving

Actuators for laser scanners Innovate the LiDAR image quality and function

### Traditional trends 1 2

Organic growth + M&A

#### Convenience and comfort

Automotive precision components Contribute to safety, comfort, and energy saving of automobiles

#### High functioning

Precision components for mobile devices Contribute to the functionality and slimness of smartphones

### Value created by MinebeaMitsumi products

**Meet "high voltage, high current, high frequency, and high speed" needed in the world**

Having identified the realms of "EVs, renewable energy, AI, and extended reality (XR)" as prominent domains of growth in the global market, we believe that technologies essential in these growth domains consist of the key elements: "high voltage, high current, high frequency, and high speed," which we refer to as the "four highs." Meanwhile, we take pride in the "Eight Spears" of our core businesses, which entail products essential to such technologies.

### Social issues to be addressed

- Declining birthrate and aging population
- Population issues
- Healthcare issues
- Promotion of telemedicine
- Electric Vehicles ("EV")
- Autonomous driving
- Energy issues
- Global warming etc.

### 4 fields of growth 4 technologies

EV

+

Renewable energy

+

AI

+

XR

High voltage

High current

High frequency

High speed

## History of MinebeaMitsumi

Organic growth  
×  
M&A growth

The Company was established in Itabashi-ku, Tokyo in July 1951 as Japan's first specialized manufacturer of miniature ball bearings. After the war, engineers from the former Manchuria Airplane Manufacturing Company returned from Manchuria and established the company with dreams and passion for the development of the aircraft industry.

In over 70 years since then, we have expanded into the field of electronic devices, and since our founding, through management integration with 55 companies (as of August 31, 2023), have grown into an INTEGRATION manufacturer of precision components with a unique business portfolio that is unmatched in the world, ranging from ball bearings to motors, sensors, access products, and semiconductors.

We will continue to grow through both organic growth and M&As, and also by product development contributing to the resolution of social issues, to create new value that supports manufacturing and people's lives around the world.

## Founded in 1951

Nippon Miniature Bearing Co., Ltd., Japan's first specialized manufacturer of miniature ball bearings, is incorporated in Azusawa, Itabashi-ku, Tokyo



Karuizawa Plant (Japan)

1963  
Plant is relocated from Kawaguchi, Saitama, to Miyota-machi, Nagano, and operations begin at **the Karuizawa Plant, to become the mother plant of all the MinebeaMitsumi Group's plants worldwide**

## 1970

## Organic growth

1972 Our first own overseas plant is constructed in Singapore

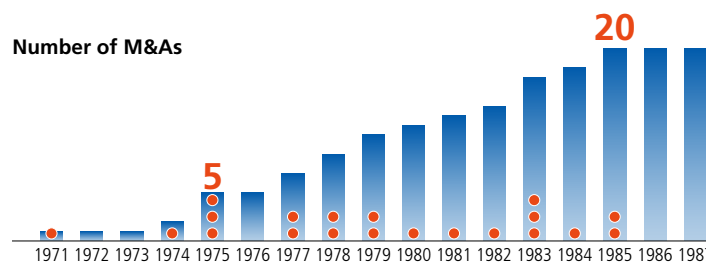
## M&amp;As

1971 Production overseas is commenced for the first time in the U.S.  
1974 The Company embarks on the electronic devices and components area (measuring components: the present Sensing Device BU)



The corporate profile can be viewed from here.

Number of M&amp;As



## From 1951 Founding period

Unchanging ideas since the founding period  
Ultra-precision machining technology and mass production

We have pursued high quality and low costs since our establishment in order to strengthen our miniature ball bearing products. In 1964, the Company introduced the latest machinery and equipment to the Karuizawa Plant and received guidance from overseas engineers, which dramatically improved the level of technology. As exports to overseas markets increased and sales grew, the Company introduced a series of cutting-edge machines to the Karuizawa Plant, increasing its competitiveness through ultra-precision machining technology and mass production technology.



## From 1970 Diversification

## Expanding our business domain through overseas expansion and diversification

Based on a sense of crisis that bearings might disappear in the future, we started the motor business in 1973, and in the 1980s, we expanded into the semiconductor business and electronic components business.

In 1971, we acquired the U.S. Reed Instrument Corp. and began production overseas. We also started overseas production at our own plants in Singapore in 1972 and in Thailand in 1980. In addition to actively conducting domestic and overseas M&As to acquire engineers and increase production capacity, the Company also acquired non-manufacturing companies such as cosmetics and kimono door-to-door sales companies and pig-farming-related companies to expand the scale of its business.

The U.S. Reed Instrument Corp.  
(Currently NHBB Chatsworth Plant)



## 1980

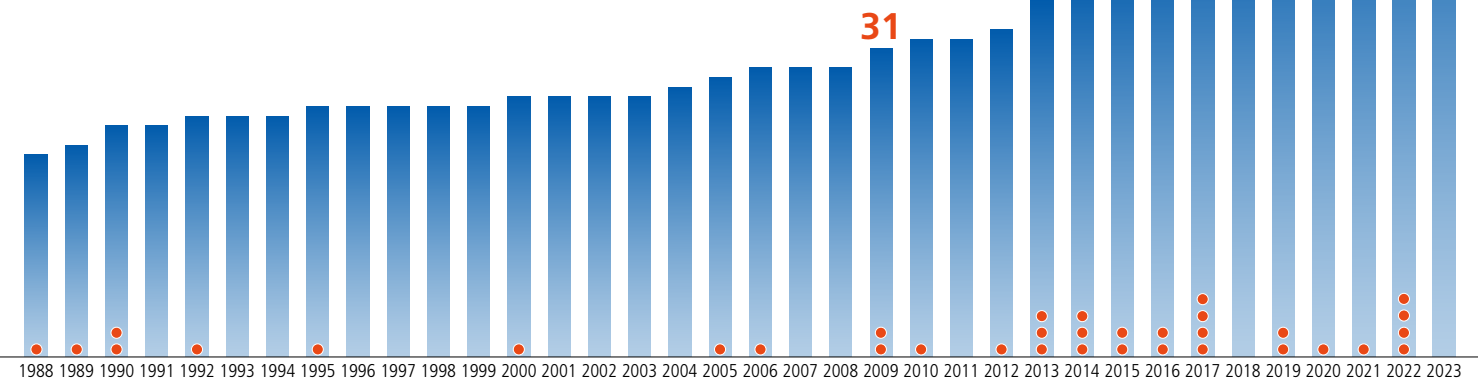
1980 Ayutthaya Plant is established  
The Company advances for the first time into Thailand, the Group's largest facility  
1984 Bang Pa-in Plant is established as the second facility in Thailand  
1986 Hamamatsu Plant is established  
Development in the electronic devices and components area is expanded  
1988 Lop Buri Plant is established in Thailand  
Production in the electronic devices and components area is expanded  
1994 MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD., (our first plant in China) is established, which produces bearings and fan motors from parts in a vertically-integrated manner

1980 The Company commences the production of small-sized ball bearings  
1985 The U.S. ball bearing manufacturer is acquired  
Supply to the U.S. market is expanded  
1988 The U.K. rod-end bearing manufacturer is acquired  
Supply to Europe market is expanded  
1990 The Company establishes a subsidiary to develop HDD spindle motors in Germany

## 2000

2010 Our plant is established in Cambodia, and commences production the next year Risk diversification, expansion of production and reduction of costs  
2010 Suzhou Plant is established to expand production of LED backlights  
2018 Kosice Plant in Slovakia commences production  
Supply to Europe market is expanded

2010 Production of brushless motors is commenced  
Product lineup of motors is expanded  
2015 A major manufacturer of measuring components in Germany is acquired  
Production and supply in Europe and India are expanded  
2017 Business integration with MITSUMI ELECTRIC through share exchange  
Growth of each business is accelerated as an "Electro Mechanics Solutions™" provider that integrates control technology with machine and electronic technology  
2019 Business integration with U-Shin through tender offer  
Synergy in the automotive, housing equipment and industrial machinery areas is generated through the strength of new INTEGRATION



## From 1990 Return to manufacturing

## Streamlining management by promoting selection and concentration of businesses

In the 1990s, as the negative effects of diversification began to mount, we sought to restore our profitability by reorganizing businesses that were not closely related to manufacturing and concentrating management resources on our core businesses of bearings and electronic devices.

We started integrated production of ball bearings in Shanghai, China. Production of high-precision components for HDDs started in earnest, as we further refined our ultra-precision machining technology and vertically-integrated manufacturing system.



## From 2000 Becoming an INTEGRATION manufacturer of precision components

## Pursuing synergies to solidify our strength as a company

As we entered the 2000s, the technological changes in the world became even more drastic, and IoT came to be the norm. We further expanded our production bases in Cambodia and Slovakia, and accelerated our M&A activities. Since Chairman Kainuma took office as CEO in 2009, the Company has conducted 24 M&As. In 2017, the Company conducted a business integration with MITSUMI ELECTRIC and changed the company name to MinebeaMitsumi Inc.

In the 2000s, the world was hit by a variety of disasters, including the Lehman bankruptcy, U.S.-China trade frictions and other financial crises, the Great East Japan Earthquake, the flooding in Thailand, and the spread of COVID-19. Nonetheless, with the strength of our diversified business portfolio and risk diversification system, we have strongly overcome adversity and continue to grow as an INTEGRATION manufacturer of precision components.



## 2020

2020 New building is completed at the Akita Business Division  
Development of automotive business is strengthened  
2021 New multi-purpose plant building is constructed on the Bang Pa-in Plant in Thailand  
Production capacity for a variety of future products is increased  
2022 Karuizawa Technology Center is established  
Development of machined components is strengthened  
2023 The Tokyo X Tech Garden is established  
INTEGRATION of talents and developing new products are strengthened

2020 Business integration with ABLIC through acquisition of its shares  
The Company's presence in the analog semiconductor market is strengthened  
2021 8-inch analog semiconductor plant (fab) and MEMS business are acquired from OMRON Corporation  
Production of analog semiconductors is expanded  
2022 Business integration with Honda Tsushin Kogyo and SUMIKO TEC (currently Minebea Connect) through acquisition of their shares  
Product lineup of connectors is expanded  
2023 Business integration with Honda Lock (currently Minebea AccessSolutions) through acquisition of its shares  
Access product business is strengthened

Total of  
**55**  
M&As!



## MinebeaMitsumi Today

With ultra-precision machining technology at the core, we are able to **leverage our strengths** in a diverse range of business, production, and talents while diversifying risk



### Business

The Company set a new record high in net sales and operating income for the fiscal year ended March 2023 thanks to its diversified business portfolio.

#### Access Solutions

Net sales  
**¥194.7 billion**  
Net sales composition  
**15.1%**

#### Semiconductors & Electronics

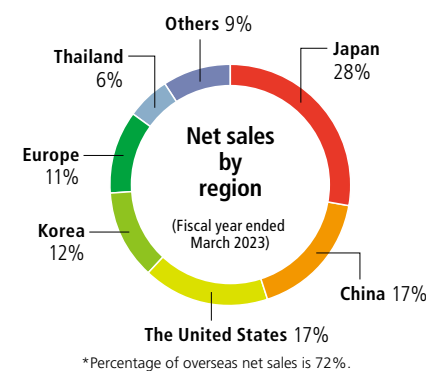
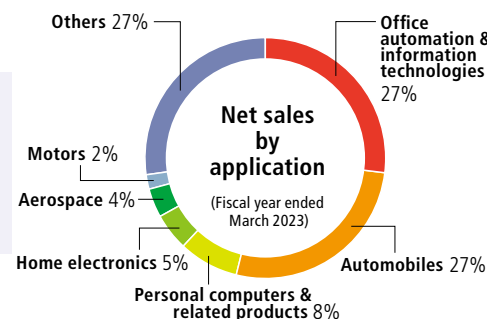
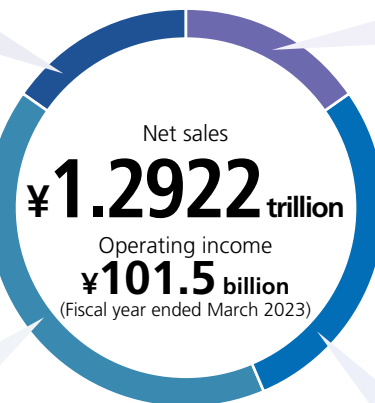
Net sales  
**¥530.5 billion**  
Net sales composition  
**41.2%**

#### Precision Technologies

Net sales  
**¥197.3 billion**  
Net sales composition  
**15.3%**

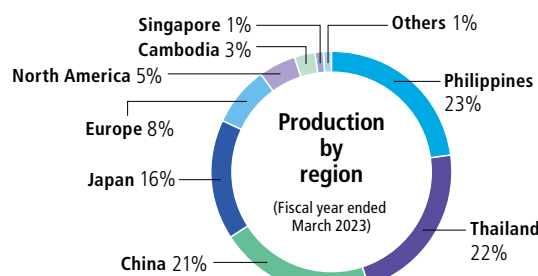
#### Motor, Lighting & Sensing

Net sales  
**¥366.3 billion**  
Net sales composition  
**28.4%**



### Production

We created a global production framework and reduced exchange, disaster and geopolitical risks.



**28**  
countries

**125**  
production and R&D bases

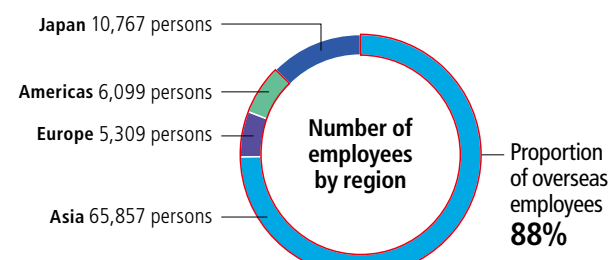
**101**  
sales offices

(As of August 1, 2023)



### People

The Company serves as a global enterprise that carries out and employs 90% of its diversified workforce abroad.



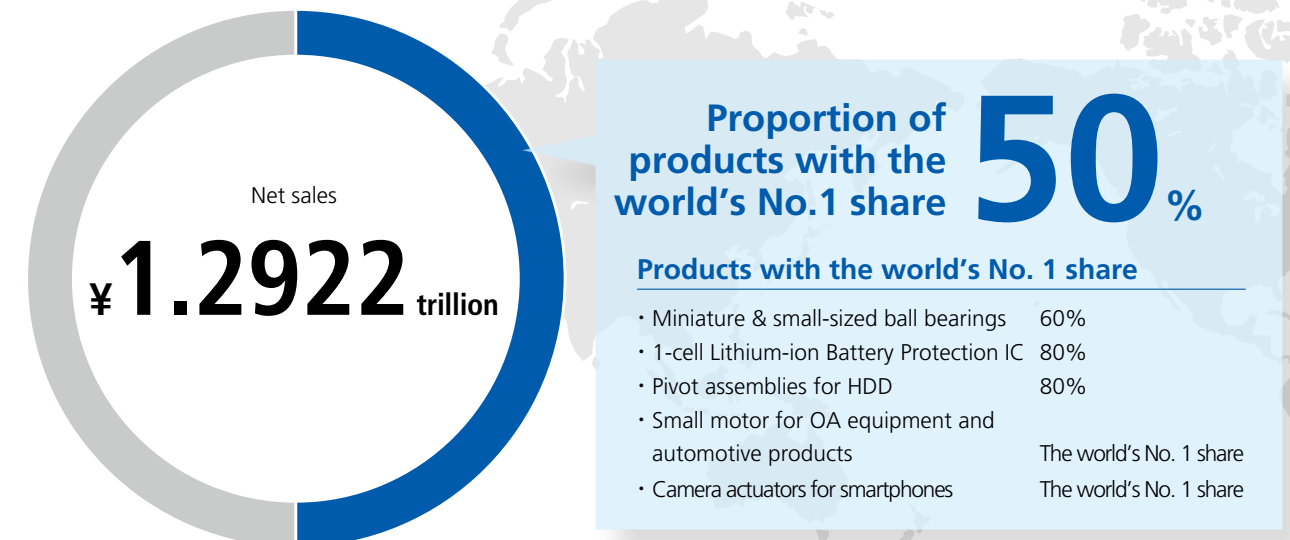
Consolidated number of employees

**88,032**

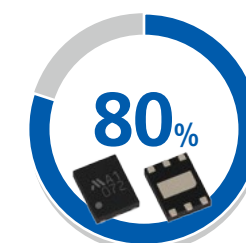
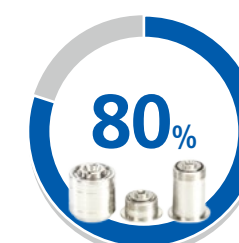
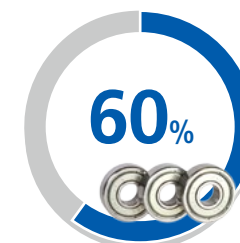
(As of June 30, 2023)

\* The consolidated number of employees comprises full-time employees only and accordingly does not include part-time employees or temporary workers.

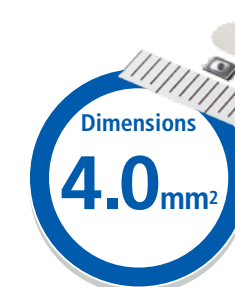
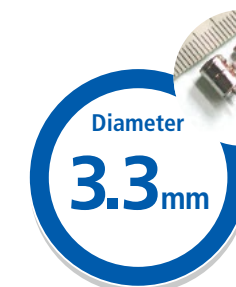
MinebeaMitsumi boasts a 60% share of the global market for miniature and small-sized ball bearings with an outer diameter of 22 mm or less. Furthermore, by applying the **ultra-precision machining technology** and mass production technology we have cultivated through our bearing business to a variety of fields, we have created products with the No. 1 share\* in the global market, as well as the world's smallest and thinnest products. Our global No. 1-share products account for approximately 50% of our net sales. In addition, wide-ranging applications including automobiles, aircraft, smartphones, medical devices, and infrastructure, as well as a complementary system of global production bases in Japan, the U.S., Europe, and Asia provide us with an excellent risk diversification system and a wide range of talent to create synergies. **The diversity of our business, production, and people is the source of our strength.**



### The world's No. 1 share



### The world's smallest



### The world's thinnest

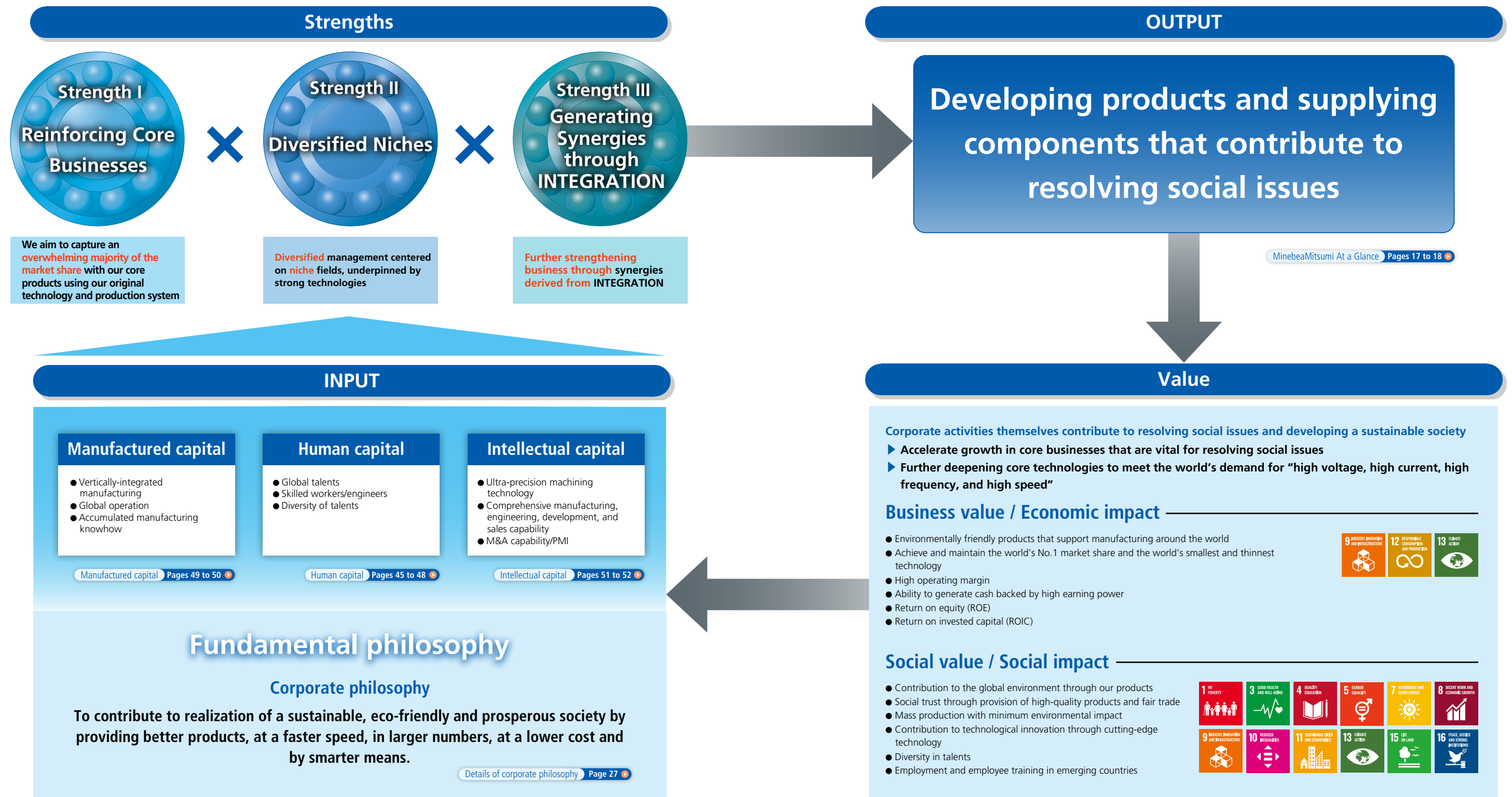


\*According to MinebeaMitsumi

## Value Creation Model of MinebeaMitsumi

## Sustainable growth based on three strengths and non-financial capital

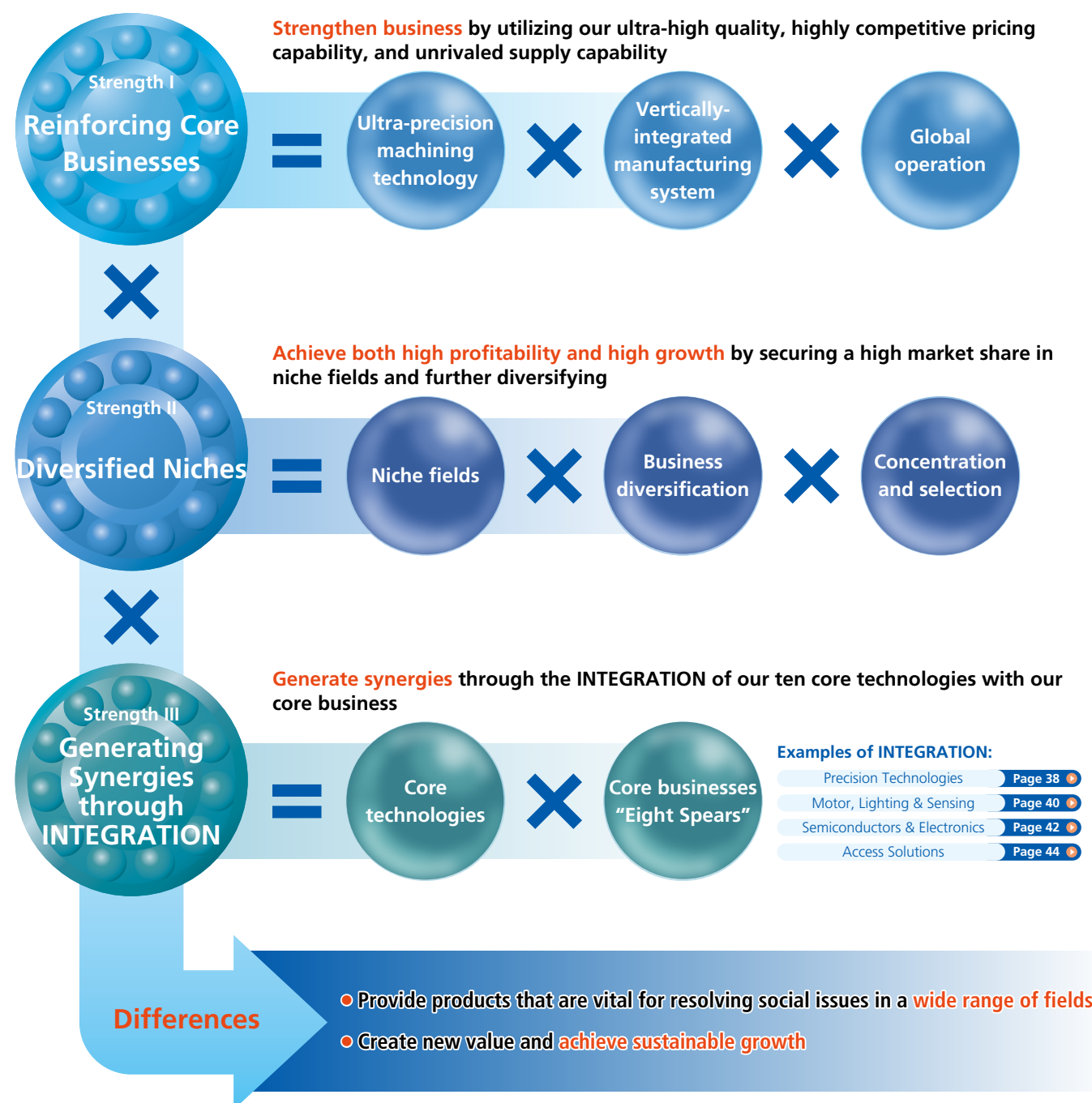
MinebeaMitsumi's Strengths Pages 25 to 26



## MinebeaMitsumi's Strengths

### Three strengths create "difference" - expanding the realm of possibility

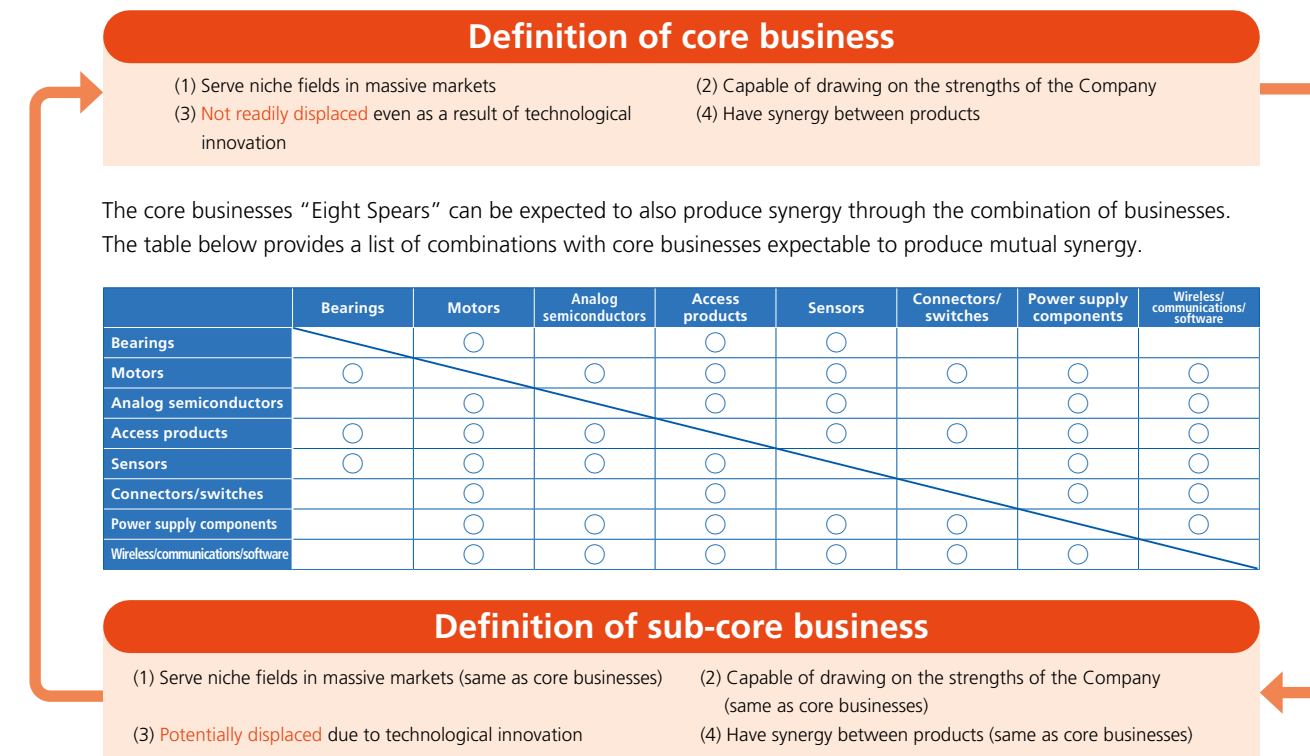
MinebeaMitsumi's sustainable growth is achieved through the three strengths we have cultivated since our foundation. These strengths have been supported and strengthened by our respective competitive advantages. By further combining these, we produce "differences" that cannot be found at other companies, and achieve sustainable growth.



## Organic growth pursued with core and sub-core strategies

Our business can be divided into core businesses, sub-core businesses, and non-core businesses.

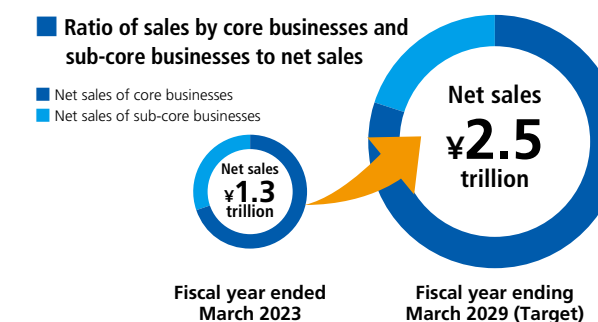
The definitions of core business and sub-core business are as shown below. We have already withdrawn from non-core businesses not applicable as core businesses or sub-core businesses, and at present do not have any business applicable as non-core.



Our current sub-core businesses include game-related and smartphone-related businesses.

Sub-core businesses contribute to the further strengthening and growth of the core businesses through the improvement of technological capabilities, the acquisition of new technologies, and the maximization of earnings as a cash cow. In addition, we are minimizing risk through initiatives including keeping fixed costs to a minimum and taking accelerated depreciation method on investment, given potential for future displacement of such business.

We will shift to core businesses in the long term, aiming to achieve both the reduction of earnings volatility and the improvement of risk management.



### INTEGRATION of Eight Spears (automotive example)

**HMI**  
Human Machine Interface  
Systems for tactile feedback

**LATM**  
Limited Angle Torque Motor  
High-speed, high-precision control of LiDAR mirrors

#### INTEGRATED Eight Spears

	Bearings	Motors	Analog semiconductors	Access products	Sensors	Connectors/switches	Power supply components	Wireless/communications/software
HMI		○	○		○	○		
LATM	○	○	○		○	○		
HVAC LIN	○	○	○					○
Camera connectors						○		

**Camera connectors**  
Provide total solutions by addition of Honda Tsushin Kogyo, Minebea Connect, and MITSUMI

**HVAC LIN**  
Heating, Ventilation, and Air Conditioning with Local Interconnect Network  
Enhancing comfort features and efficiency of air conditioners

\*For automotive cameras



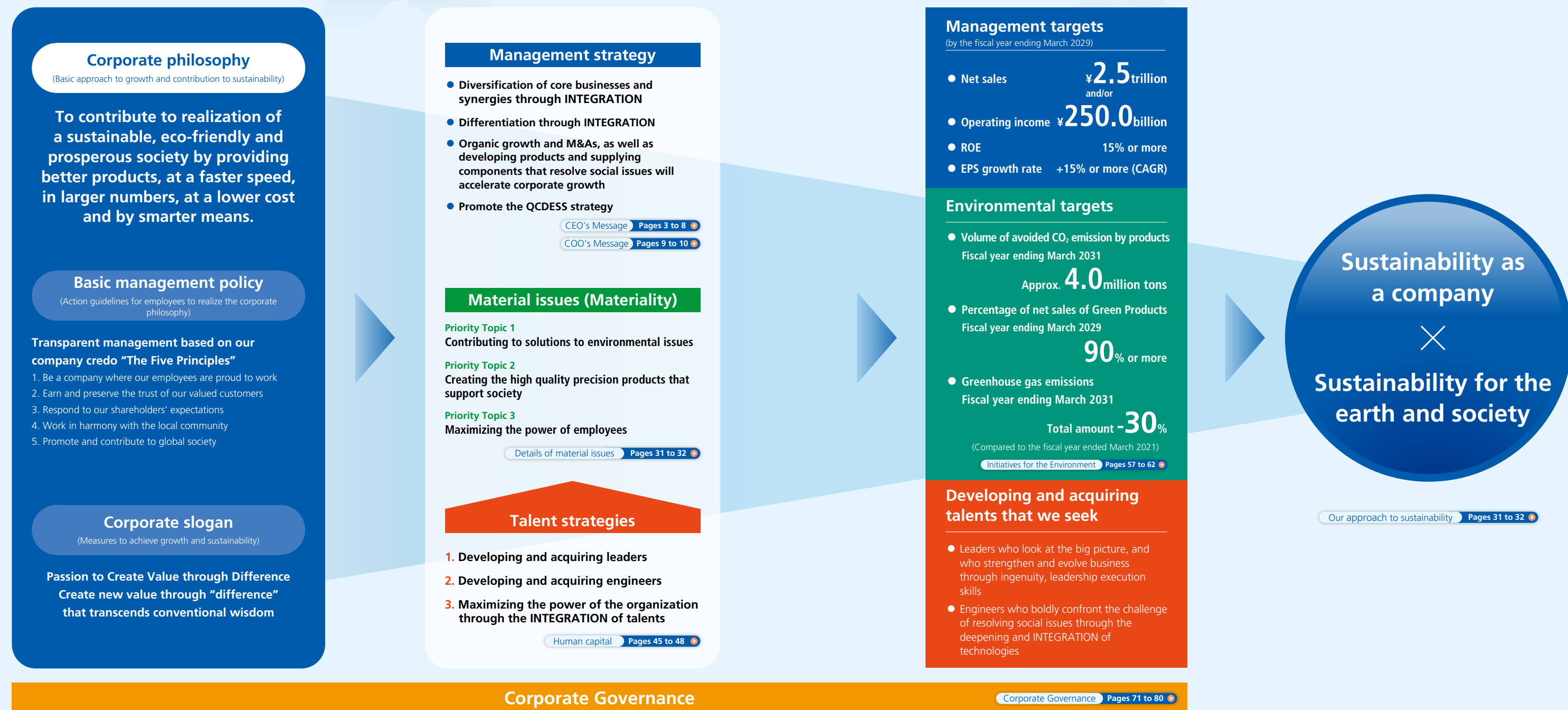
## Achieving Long-term Management Goals

## The road to an eco-friendly and prosperous society

Contribute to resolving social issues and the realization of a sustainable society through MinebeaMitsumi's corporate activities themselves

Based on the belief that "sustainability" is a key objective of management, MinebeaMitsumi's corporate philosophy aims to achieve both future further growth for the Company and sustainable development for the earth and society. In terms of management strategies, we have adopted the QCDESS® strategy, which emphasizes "eco and efficiency," as a solid foundation for MinebeaMitsumi's 100th anniversary.

Under the theme of "Materiality," key management issues, we will promote bottom-up activities such as talent development and promotion of diversity under the themes of "contributing to solutions to environmental issues," "creating the high quality precision products that support society," and "maximizing the power of employees." By these measures, and through our corporate activities themselves, we will endeavor to resolve social issues and to develop a sustainable society.



## Risks and Opportunities

## Megatrends

Emergence of geopolitical conflict  
(Trade friction and Ukraine Issue)

Global climate change and shift to a carbon-free society

Acceleration and diversification of technological innovation

Digital shifts & cybersecurity

Society in the post-COVID era

Demographic change  
(Shrinking labor force & super-aged society)

Mounting international demands concerning human rights and human rights legislation

	Impact on the Company (▲: Risks ○: Opportunities)	Probability of occurrence	Degree of urgency*
Manufacturing	▲ Suspension of production and reduction in capacity utilization of the Group's production sites due to natural disaster, etc.	Moderate	Within 3 years
	▲ Suspension of production and reduction in capacity utilization of the Group production sites due to social confusion, including geopolitical risks		
	▲ Increase in production cost due to rising raw material prices	High	Within 1 year
Quality control	▲ Incurrence of significant expenses and loss of public confidence resulting from serious accident or product recall caused by a defective product	Low	Indefinite
Technological innovations	▲ Loss of markets and competitiveness due to obsolescence of existing technologies and products as well as failure in result creation from R&D, etc.	Moderate	Within 5 years
	▲ Rise of low-cost competitors in emerging countries	Moderate	Within 5 years
	▲ Disputes concerning intellectual property (infringement proceedings, flooding of the market with counterfeit products)	Low	Indefinite
	○ New business opportunities brought about by new technologies and new models	High	Within 3 years
	○ Active use of AI and DX	High	Within 1 year
Environment	▲ Actions toward reducing greenhouse gas (GHG) emissions	High	Within 1 year
	▲ Escalation of environmental protection costs	High	Within 3 years
	▲ Loss due to the occurrence of environmental pollution	Low	Indefinite
	○ Mounting demand for resource- and energy-saving, low-carbon products	High	Within 1 year
Society	▲ Challenges in securing talents due to decreasing size of labor force	High	Within 5 years
	▲ Challenges with respect to successorship and imparting knowhow	Moderate	Within 5 years
	▲ Loss of existing business and damage to reputation due to human rights violations	Low	Within 3 years
	○ Enhancing corporate value through management practices that emphasize human rights	Moderate	Within 3 years
	○ Corporate growth as a result of improving the working environment for employees	Moderate	Within 3 years
	○ Emergence of new social issues	High	Within 1 year
Governance	▲ Information leaks, computer virus infections, cyber attacks	Moderate	Indefinite
	▲ Loss of existing business and damage to reputation due to non-compliance	Low	Indefinite
Finance	▲ Impairment owing to the occurrence of contingent liabilities, etc., a downturn in earnings greater than expected, and minus synergy in M&As	Moderate	Within 3 years
	▲ An unexpected drop in earnings or a deterioration in cash flow owing to a rapid fluctuation in foreign exchange and the financial market	Moderate	Within 1 year

The Group formulates strategies and measures depending on degree of urgency by: recognizing the business environment and anticipating its developments; analyzing impacts of individual events on the Group's business and performance: and further analyzing probabilities of occurrence and degrees of impact of risks and opportunities. The table below provides an overview of the Group's risk and opportunity assessment.

Degree of impact	Strategies/measures	Reference
Large	● Formulating BCPs and implementing training drills at major business sites in Japan and overseas with a focus on locations subject to substantial water risks ● Keeping a risk management manual ● Global production framework	Manufactured capital ▶ Pages 49 to 50 Initiatives for the Environment ▶ Pages 57 to 62 BCP ▶ Page 80
	● Effective product mix and global production system for changing external environment ● Regularly performing political and economic risk assessments ● Promoting multi-sources (purchase from several suppliers)	Manufactured capital ▶ Pages 49 to 50 Security Trade Control ▶ Page 80
	● More stringent monitoring of supply-demand balance ● Logistics optimization	CFO's Message ▶ Pages 11 to 16 Strategies by Business ▶ Pages 35 to 44
Moderate	● Product price optimization	
Large	● Rigorously implementing the MinebeaMitsumi Group Quality Policy ● Investigation and verification in design stage and strengthening of management structure within supply chain	Reinforcement of quality control systems ▶ Page 63
	● Strengthening and diversifying the core businesses "Eight Spears" ● Managing research effectively and efficiently in conformity with the R&D management rules	MinebeaMitsumi's Strengths ▶ Pages 25 to 26 Intellectual capital ▶ Pages 51 to 52
Moderate	● Continuous development of an intellectual property portfolio	
	● Differentiation by high-quality, high value-added products	Strategies by Business ▶ Pages 35 to 44 Manufactured capital ▶ Pages 49 to 50
Moderate	● Thoroughly researching into other companies' intellectual property rights during development and design ● Border control measures by registering trademarks with customs	Intellectual capital ▶ Pages 51 to 52
	● Active acquisition of intellectual property rights to newly developed products	
Large	● Gaining new business through INTEGRATION, M&As, and alliances ● Continuously strengthening the vertically-integrated manufacturing system through automation of equipment and in-house manufacturing of components ● Promoting open innovation through industry-government-academia partnership	MinebeaMitsumi's Strengths ▶ Pages 25 to 26 Strategies by Business ▶ Pages 35 to 44 Manufactured capital ▶ Pages 49 to 50 Intellectual capital ▶ Pages 51 to 52
	● Transfer of the Tokyo Headquarters to the Tokyo X Tech Garden ● Promoting R&D by X Tech	
	● Promoting DX in-house	Promotion of AI & DX ▶ Pages 55 to 56
Moderate	● Building a new sales platform	
	● Performing scenario analysis of climate change-related risks and opportunities, formulating and executing action plans ● Expanding "MMI Beyond Zero" ● Installing solar power generation systems for in-house use and procuring renewable energy	Value Creation Story ▶ Pages 27 to 28 Strategies by Business ▶ Pages 35 to 44 Initiatives for the Environment ▶ Pages 57 to 62
Moderate	● Automating manufacturing processes and reducing production time ● Reorganizing and streamlining production sites	
	● Installing high-efficiency, energy-saving equipment	
Moderate	● Promoting strict activities to prevent environmental pollution under the Environmental Management Committee	
	● Promoting MinebeaMitsumi Green Products	
Moderate	● Securing diverse talents through active recruitment ● Recruiting talents through M&As ● Transfer of the Tokyo Headquarters to the Tokyo X Tech Garden	CEO's Message ▶ Pages 3 to 8 Human capital ▶ Pages 45 to 48
	● Establishing our corporate brand through various advertisements ● Implementing measures for employee health maintenance and improvement to augment productivity and increase employee retention	
Moderate	● Conducting next generation candidate selections and development programs and specific in-house training ● Team building activities to facilitate sharing of knowhow such that expertise does not remain the sole domain of certain individuals	
	● Furthering the adherence to responsible procurement ● Periodic monitoring of supply chain ● Compliance with the Human Rights Policy and thorough education regarding respect for human rights ● Ensuring stable operation of whistle-blowing system	Practicing responsible procurement ▶ Page 64 Policies and initiatives related to human rights ▶ Page 65 Internal reporting system ▶ Page 78
Large	● Enhancing the personnel system and measures geared towards employee work-life balance	Human capital ▶ Pages 45 to 48
	● Promoting efforts to prevent long working hours and increase the use of paid annual leave ● Promotion of diversity & inclusion	
Moderate	● Development of products to cope with and contribute to solving new social issues through a diverse portfolio of technologies and products	Strategies by Business ▶ Pages 35 to 44
	● Building and operating a global security monitoring and crisis response system ● Penetrating a sense of information security into employees through training and drills	Risk management ▶ Pages 79 to 80
Large	● Enhancement of corporate governance ● Strengthening compliance and risk management framework	Corporate Governance ▶ Pages 71 to 80
	● Ensuring stable operation of whistle-blowing system	
Large	● Creating synergy through INTEGRATION of talents and organizations ● Promoting PMI by establishing an integration preparation committee	CEO's Message ▶ Pages 3 to 8 CFO's Message ▶ Pages 11 to 16 Intellectual capital ▶ Pages 51 to 52 Post-Merger Integration Interview ▶ Pages 53 to 54
	● Risk hedge through foreign exchange forward contracts ● Promoting local production for local consumption	
Large	● Strengthening well-disciplined financial operation and securing fund liquidity	

\*The "degree of urgency" is a measure of when an individual event is expected to occur, based on a time horizon of within five years from the present. The degree of urgency of events for which specific timing is difficult to specify due to their nature is indicated as indefinite.



## Our Approach to Sustainability

Sustainability as a company

Sustainability for the earth and society

### Sustainability as a company

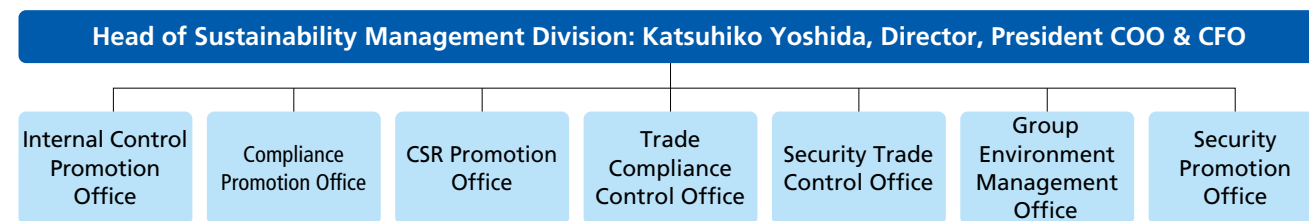
Embracing the belief that sustainability is the essence of management, MinebeaMitsumi has been pursuing continuous growth and sustainability. The Company builds and refines multifaceted and decentralized frameworks, including those for products as well as for manufacturing sites, markets and technological development, that act as a source of the Company's competitiveness. Our policy is to boldly invest our business resources in a manner that strengthens our efforts relating to the environment, society and corporate governance in order to facilitate sustainable growth.

### Sustainability for the earth and society

As a manufacturer of precision products that supports society, we are "working towards providing a stable supply of reliable products with low energy consumption that are widely available" to be a company that contributes to the sustainable development of the global environment and of humanity.

\*We are taking a two-pronged approach consisting of sustainability as a company and sustainability for the earth and society.

## System for promoting sustainability



## Priority topics/Material issues (Materiality)

In 2019, the Company identified material issues focused on fulfillment of corporate social responsibility (CSR). Due to changes in the external environment, including heightened interest in environmental issues in recent years, we revised the material issues from the standpoint of CSR as important "management issues" for implementing strategies from a company-wide perspective.

<b>Priority Topic 1</b> <b>Contributing to solutions to environmental issues</b>	<p>"Contributing to solutions to environmental issues" refers to "reduction of global greenhouse gas emissions through environmentally friendly products" leveraging INTEGRATION and the ultra-precision machining technology that is our biggest strength. We are working on this as a company, "minimizing the environmental impact of business activities."</p>
<b>Priority Topic 2</b> <b>Creating the high quality precision products that support society</b>	<p>"To create the high quality ultra-precision products that support society," thereby contributing to the environment, we work to "strengthen the mass and stable supply system for ultra-precision components" and "practice responsible procurement" while also promoting "coexistence with local communities" at manufacturing and other business sites by job creation and collaboration with local residents.</p>
<b>Priority Topic 3</b> <b>Maximizing the power of employees</b>	<p>The source of this value creation is our human resource management effort. Aiming to "maximize the power of employees," we seek to "enhance training by our human resources departments and promote diversity on a global scale" while working to "create a positive and rewarding work environment" for employees and promote "employee health and safety."</p>

### Initiatives for material issues

Priority Topic 1	Material issues	Primary medium-term targets (with an approximate timetable of fiscal year 2025)
	<b>1</b> Reduction of global CO <sub>2</sub> emissions through environmentally friendly products	<ul style="list-style-type: none"> <li>Volume of avoided CO<sub>2</sub> emissions by products: 4.0 million tons (fiscal year ending March 2031)</li> <li>Percentage of net sales of Green Products: 90% or more (fiscal year ending March 2029)</li> </ul>
	<b>2</b> Minimizing the environmental impact of business activities	<ul style="list-style-type: none"> <li>10% reduction of greenhouse gas emissions per unit sales compared to the fiscal year ended March 2020 (fiscal year ending March 2026)</li> <li>30% reduction of total greenhouse gas emissions compared to the fiscal year ended March 2021 (fiscal year ending March 2031)</li> </ul>

**1** Reduction of global CO<sub>2</sub> emissions through environmentally friendly products **Page 59**

**2** Minimizing the environmental impact of business activities **Pages 57 to 58**

Priority Topic 2	Material issues	Primary medium-term targets (with an approximate timetable of fiscal year 2025)
	<b>3</b> Strengthening the mass and stable supply system for ultra-precision components	<ul style="list-style-type: none"> <li>Development of mass production system for ultra-high-performance bearings and other products through substantial improvement in precision</li> <li>Strengthen product safety management system capable of supporting products in new fields through business expansion</li> </ul>
	<b>4</b> Practicing responsible procurement	<ul style="list-style-type: none"> <li>Enhancement of CSR procurement guidelines considering environmental and human rights issues (introduction of Responsible Business Alliance (RBA) standards in guidelines and implementation of self-audits based on them)</li> </ul>
	<b>5</b> Coexistence with local communities	<ul style="list-style-type: none"> <li>Ongoing communication with local communities</li> </ul>

**3** Strengthening the mass and stable supply system for ultra-precision components **Pages 38 and 63**

**4** Practicing responsible procurement **Page 64**

**5** Coexistence with local communities **Page 66**

Priority Topic 3	Material issues	Primary medium-term targets (with an approximate timetable of fiscal year 2025)
	<b>6</b> Global talent development	<ul style="list-style-type: none"> <li>Strengthen talent development to actively promote expansion and development of business operations worldwide by leveraging benefits of the integration synergy of the MinebeaMitsumi Group</li> </ul>
	<b>7</b> Global promotion of diversity	<ul style="list-style-type: none"> <li>Increased percentage of diversity in the new graduate recruitment: 20% or more</li> </ul>
	<b>8</b> Creating a positive and rewarding work environment	<ul style="list-style-type: none"> <li>Achieve diverse work styles that enable employees to work enthusiastically</li> </ul>
	<b>9</b> Employee health and safety	<ul style="list-style-type: none"> <li>0 incidents of serious workplace injuries (fatal accidents)</li> <li>100% compliance with regular health checkups</li> </ul>

Maximizing the power of employees (Material issues **6** to **9**) **Pages 45 to 48**

Results vs. targets, short-term targets, and all medium-term targets can be viewed from here.

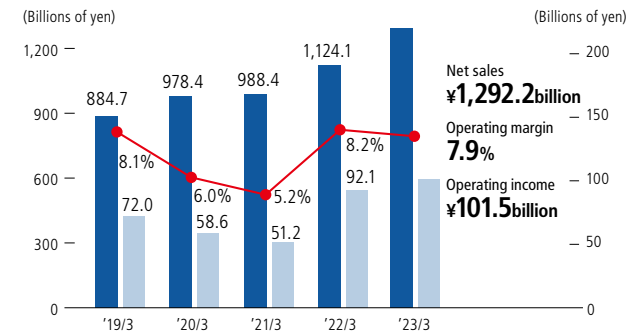




## Financial & Non-financial Highlights

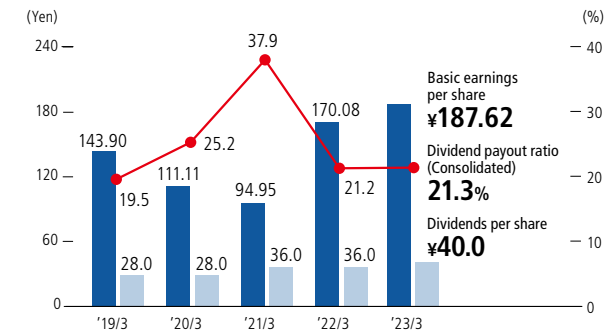
### Financial highlights

#### Net sales, operating income and operating margin



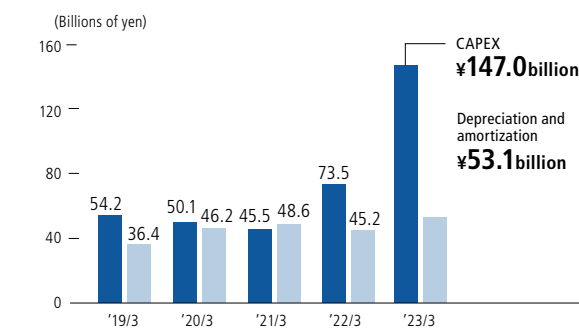
All figures, including net sales and operating income, were the highest ever. Net sales increased for the eleventh consecutive year, and operating income for the second consecutive years.

#### EPS and dividends



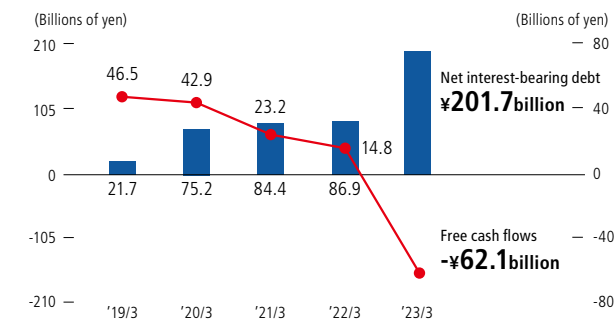
Dividend per share for the fiscal year ended March 2023 was 40 yen, an increase of 4 yen from the previous fiscal year.

#### CAPEX, depreciation and amortization



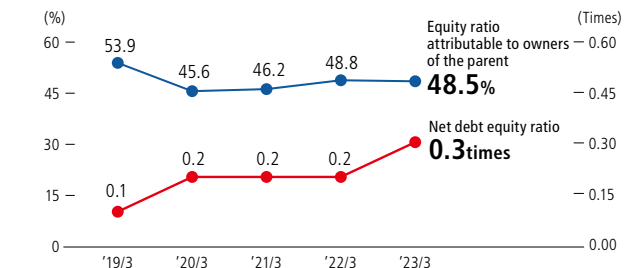
CAPEX was incurred mainly due to that related to the Tokyo X Tech Garden. \*CAPEX in the fiscal years ended March 2022 and 2023 include a portion of acquisition expenses for the Tokyo X Tech Garden.

#### Net interest-bearing debt and free cash flows



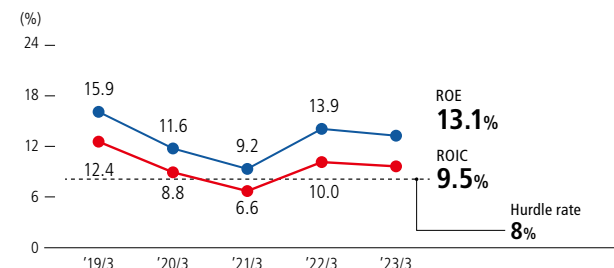
Free cash flows turned to negative owing to an increase in working capital because of the acquisition of the Tokyo X Tech Garden, expenses for M&As, and an increase in inventories. Then net interest-bearing debt increased.

#### Equity ratio attributable to owners of the parent and net debt equity (D/E) ratio



Equity ratio attributable to owners of the parent was at the same level as that for the previous fiscal year. Net debt equity ratio was 0.3 times, as such factors as the acquisition of the Tokyo X Tech Garden, expenses for M&As and an increase in working capital resulted in increased net interest-bearing debt.

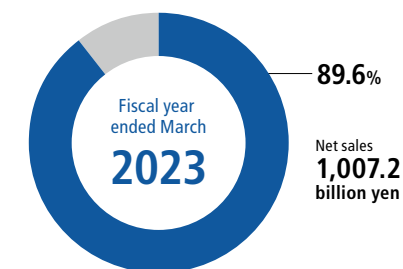
#### ROE and ROIC



Both ROE and ROIC are maintained at high levels. ROIC has stayed above our hurdle rate, and we have been enhancing our corporate value while increasing capital efficiency.

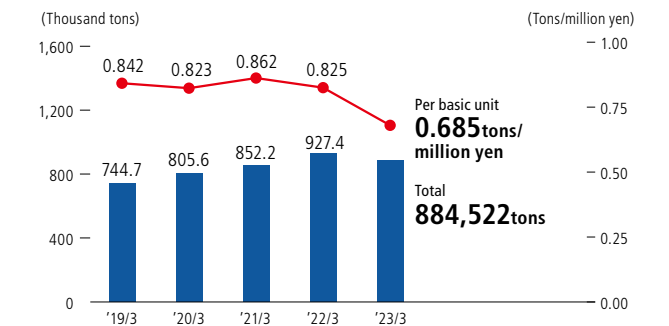
### Non-financial highlights

#### Percentage of net sales of Green Products



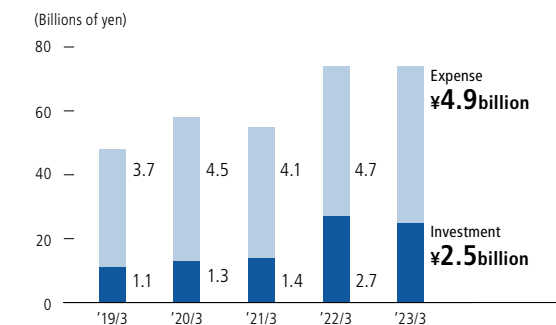
The net sales of Green Products in the fiscal year ended March 2023 amounted to 1,007.2 billion yen, which was 89.6% of the total net sales (excluding products that cannot be designed in-house).

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



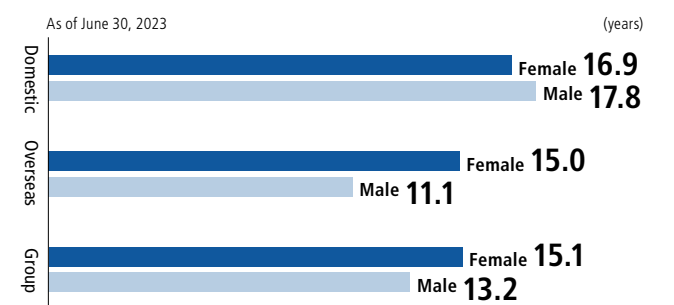
Since greenhouse gases are considered to be a cause of climate change, we examine total emissions and emissions per unit sales. In the fiscal year ended March 2023, our greenhouse gas emissions decreased 4.6% in total volume and decreased 17.0% per unit sales, in comparison with the previous fiscal year.

#### Environmental conservation costs



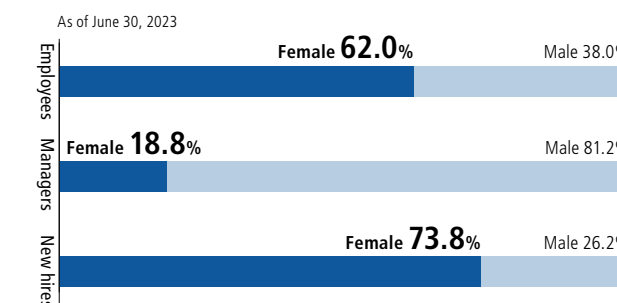
Environmental conservation costs are calculated as the total of investment and expense on the basis of the "Environmental Accounting Guidelines 2005" published by Japan's Ministry of the Environment. We incurred 7.4 billion yen in environmental conservation costs, including investment and expense combined, in the fiscal year ended March 2023.

#### Average of working years by gender



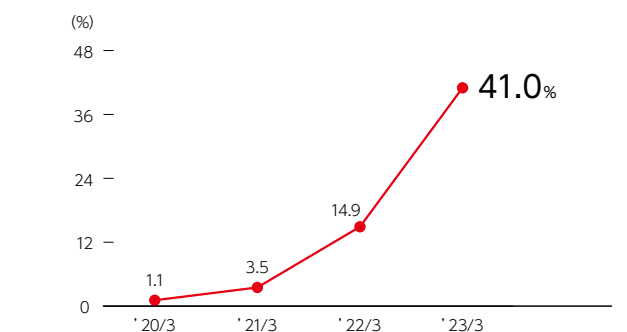
The average years of service for female employees of the overall Group is high, and there are no substantial differences between genders. To support this, we are taking steps to enhance our workplace where possible to support working families.

#### Proportion of female employees (employees, managers, and new hires)



We have fostered workplace environments where our diverse group of employees are able to maximize their talents and are empowered to create new values and competitiveness. Female accounted for 62.0% of our employees and 18.8% of our managers as of June 30, 2023. (Aggregate total worldwide)

#### Percentage of male employees taking childcare leave



In the fiscal year ended March 2023, the percentage of male employees taking childcare leave was 41.0%. (Aggregate total on a non-consolidated basis)