
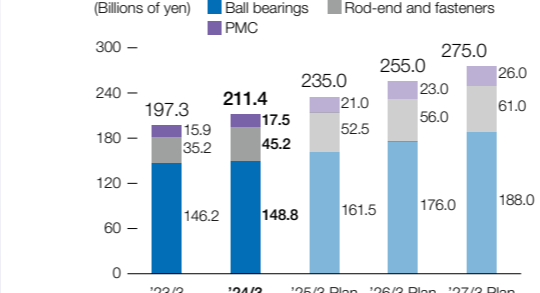
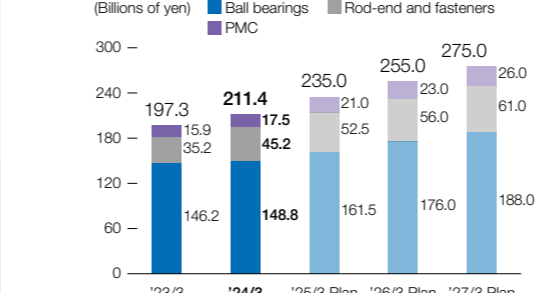
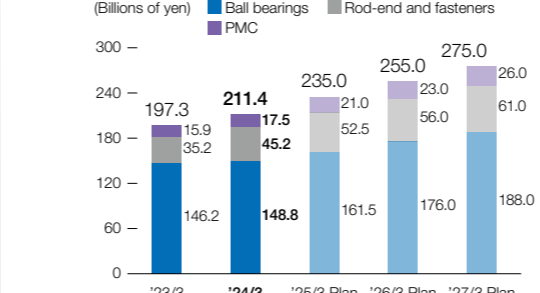

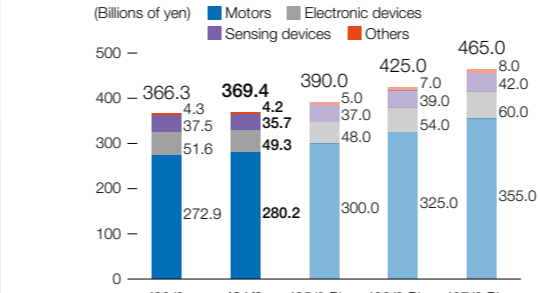
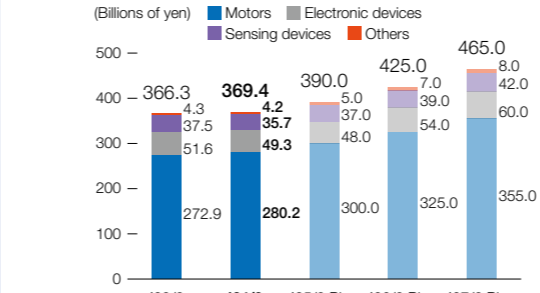

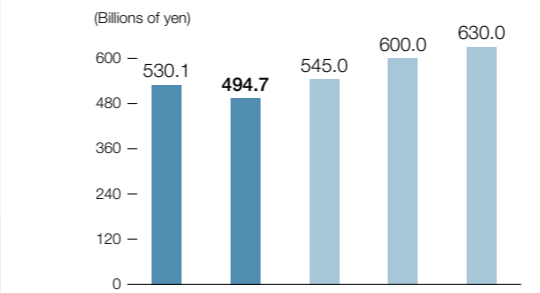
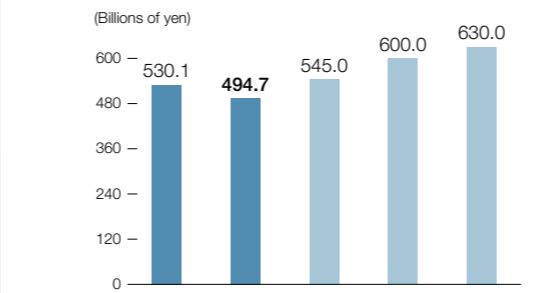
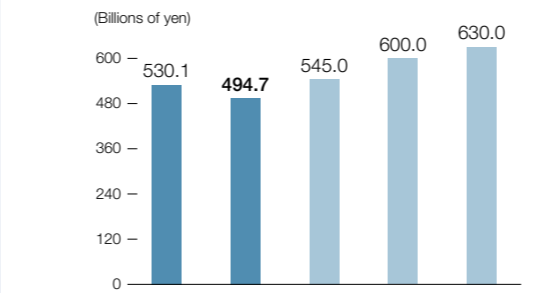

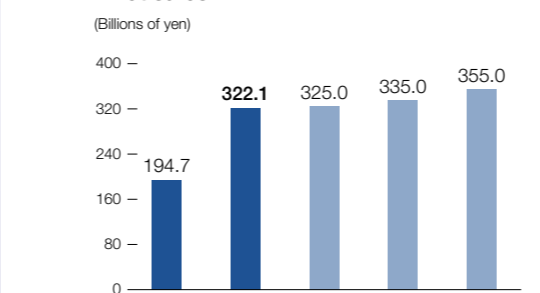
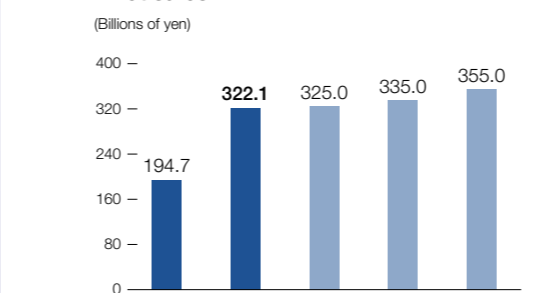
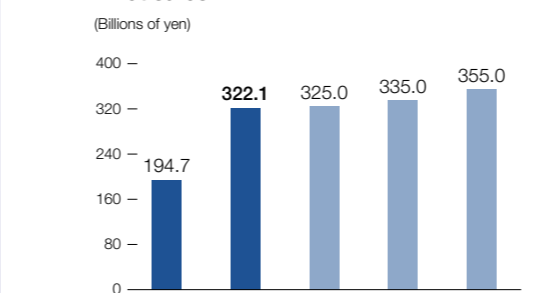


# Strategies by Business

Minebea-Mitsumi has built a unique position as one of the world's foremost manufacturers of Sogo-Go precision components, and its diversified business portfolio contributes to risk diversification.

<p><b>PT</b> Precision Technologies</p>	<p><b>Major products</b></p>  <p><b>Main products</b> Ball bearings, rod-end bearings, spherical bearings, fasteners, pivot assemblies, Precision Mechanical Components (PMC)</p>	<p><b>Major applications</b></p> <ul style="list-style-type: none"> <li>Automobiles</li> <li>High-end home appliances</li> <li>HDD</li> <li>Data centers</li> <li>Drones</li> <li>Medical devices</li> <li>Aircraft</li> <li>Robots</li> </ul>	<p><b>Highlights</b></p> <p>In ball bearings, the overall market for data centers and other highly profitable products has recovered. It is expected to continue to do well in the future. Preparations for the business integration of the ball screw and ball way businesses are well underway.</p> <ul style="list-style-type: none"> <li><b>Global Share No.1</b></li> <li><b>PMC Acquisition of ball screws and other businesses</b></li> <li><b>Bearing Products Mix Improvement</b></li> <li><b>Aircraft demand Recovering</b></li> </ul>	<p><b>Net sales</b> (Billions of yen)</p>  <p><b>Operating income/operating margin</b> (Billions of yen) (Operating income left axis, Operating margin right axis)</p>  <p><b>ROIC highlights</b></p>  <p>*Excluding special factors. ROIC is expected to improve from 14.4% in the fiscal year ending March 2024 to 25.5% in the fiscal year ending March 2027 due to recovery of ball bearings from inventory adjustment and growth of aircraft and PMC.</p>
<p><b>MLS</b> Motor, Lighting &amp; Sensing Segment</p>	<p><b>Major products</b></p>  <p><b>Main products</b> HDD spindle motors, stepping motors, fan motors, DC motors, LED backlights, resonant devices, sensing devices</p>	<p><b>Major applications</b></p> <ul style="list-style-type: none"> <li>Automobiles</li> <li>High-end home appliances</li> <li>HDD</li> <li>Game consoles</li> <li>Office automation equipment</li> <li>Medical devices</li> <li>Smartphones</li> <li>Wearable devices</li> </ul>	<p><b>Highlights</b></p> <p>Profitability of motors improved due to recovery in high-margin fields. The Company aims to achieve a profit margin of more than 10% by the fiscal year ending March 31, 2027.</p> <ul style="list-style-type: none"> <li><b>Motors Increase in Niche Top Products</b></li> <li><b>Motors Profitability to exceed 10% in FY 3/'27</b></li> <li><b>Electrification leading to Expansion of Business Opportunities</b></li> <li><b>Electronic devices Expanding applications for in-vehicle</b></li> </ul>	<p><b>Net sales</b> (Billions of yen)</p>  <p><b>Operating income/operating margin</b> (Billions of yen) (Operating income left axis, Operating margin right axis)</p>  <p><b>ROIC highlights</b></p>  <p>*Excluding special factors. Profitability of motors improved due to our global niche top position, while electronic devices grew due to growth in automotive applications. ROIC is expected to improve from 4.5% in the fiscal year ending March 2024 to 14.4% in the fiscal year ending March 2027.</p>
<p><b>SE</b> Semiconductors &amp; Electronics Segment</p>	<p><b>Major products</b></p>  <p><b>Main products</b> Analog semiconductors, optical devices, mechanical components, precision components, power supplies, smart products, components for home security units</p>	<p><b>Major applications</b></p> <ul style="list-style-type: none"> <li>Smartphones</li> <li>High-end home appliances</li> <li>IoT devices</li> <li>Game consoles</li> <li>Data centers</li> <li>Automobiles</li> <li>Home security units</li> <li>Wearable devices</li> <li>Medical devices</li> </ul>	<p><b>Highlights</b></p> <p>Analog semiconductors merged with Minebea Power Devices (MPSD, formerly Hitachi Power Semiconductor Devices). PMI is in progress. It aims to improve profitability to 30% of operating income in the fiscal year ending March 2029.</p> <ul style="list-style-type: none"> <li><b>Analog semiconductors Renumbered to the second of Eight spears</b></li> <li><b>Analog semiconductors Creation of INTEGRATED products</b></li> <li><b>MPSD PMI is in progress.</b></li> <li><b>Optical devices, mechanical component, etc. Steady sub-core business</b></li> </ul>	<p><b>Net sales</b> (Billions of yen)</p>  <p><b>Operating income/operating margin</b> (Billions of yen) (Operating income left axis, Operating margin right axis)</p>  <p><b>ROIC highlights</b></p>  <p>*Excluding special factors. ROIC is expected to improve from 11.1% in the fiscal year ending March 2024 to 15.6% in the fiscal year ending March 2027, driven by recovery in profitability of analog semiconductors.</p>
<p><b>AS</b> Access Solutions Segment</p>	<p><b>Major products</b></p>  <p><b>Main products</b> Automotive components (door latches, door handles, door mirrors, etc.), wireless communication devices, industrial machinery components</p>	<p><b>Major applications</b></p> <ul style="list-style-type: none"> <li>Automobiles</li> <li>Agricultural machinery</li> <li>Construction equipment</li> </ul>	<p><b>Highlights</b></p> <p>The results of the development of high-value-added products through INTEGRATION are realized. Automotive devices also turn profitable, aiming to further improve profitability.</p> <ul style="list-style-type: none"> <li><b>INTEGRATED products leading to High Added Value</b></li> <li><b>New businesses Received Orders for Large-Scale Projects</b></li> <li><b>Locations, production and products Synergy Increased</b></li> <li><b>In-vehicle devices Continued profit contribution</b></li> </ul>	<p><b>Net sales</b> (Billions of yen)</p>  <p><b>Operating income/operating margin</b> (Billions of yen) (Operating income left axis, Operating margin right axis)</p>  <p><b>ROIC highlights</b></p>  <p>*Excluding special factors. This business will work to further improve profitability by introducing INTEGRATED products and high value-added products to the market. ROIC is expected to improve from 4.8% in the fiscal year ending March 2024 to 10.8% in the fiscal year ending March 2027.</p>

\*The sub-segment name has been changed to PMC (Precision Mechanical Components) from Pivot assemblies from FY3/24 4Q onward.

# Precision Technologies (PT)

**Strong growth potential due to increasing structural demand, particularly for ultra-high quality products creating an overwhelming competitive edge**



Director, Senior Managing Executive Officer, Chief of Precision Technologies Business Headquarters  
**Satoshi Mizuma**

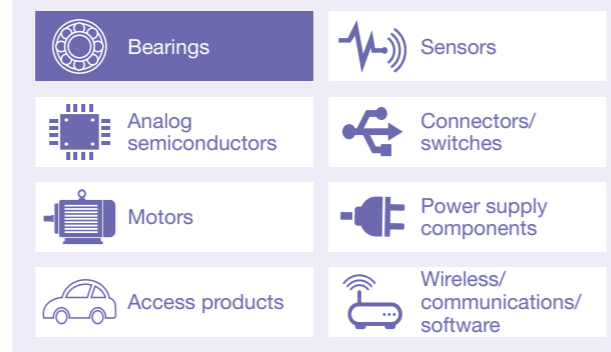
## Core competencies

Our fundamental strengths of ultra-precision machining, vertical integration, global expansion, and mass production, each being our core competencies like our DNA, have enabled us to establish an overwhelming market share and a high level of QCDESS\*.

By pursuing overseas development early and strengthening our in-house manufacturing and maintenance capabilities for components and facilities, we have succeeded in balancing ultra-high quality and low costs. The accumulation of knowhow over many years, which cannot be measured in terms of capital investment, forms a barrier to entry.

\*Abbreviation for quality, cost, delivery, ecology/efficiency, service and speed

### MinebeaMitsumi's Eight Spears



Components covered by the PT

## Midterm Business Plan

- Product mix and further productivity improvement**  
Increased production capacity to 370 million units per month
- Improvement to the number of aircraft produced before COVID-19 by the end of this fiscal year**  
Further growth by making full use of Thai plant expansion, M&A, etc.
- Leveraging our strength in precision machining technology, aiming to create synergy in ball screw and ball way business after the completion of business integration as soon as possible.**

## Long-term strategy

PT aims to maintain stable and permanent growth as a core business since the foundation of the Company, and to achieve an operating margin of 25% or more by increasing sales of high value-added products and building up profits through revolutionary productivity improvements. To further improve profitability, we will continue to engage in mergers and acquisitions to further solidify the earnings base of the PT segment.

## INTERVIEW

### Accelerate expansion of PMC's business domain to become a "growth driver" for the PT Business Division



Business Officer,  
Head of PMC BU  
**Yasuhiro Azuchi**

The Mechanical Assy Division has long manufactured pivot assemblies used in HDDs. We have entered the automotive business by utilizing our precision machining technology to achieve the micron-level precision control required in the automotive field. In addition, we have achieved sales and profit growth by entering the medical implant field, which requires high quality control. In line with changes in our business domain, we have changed the division name to PMC (Precision Mechanical Component) from 2024, and this year is the first year of the division, and we are taking on the challenge of further improving sales and profits.

In order to enhance quality, which is the heart of our business, we conduct team building for our employees on a daily basis. As a result, PMC has been ranked No. 1 for two consecutive years among all company locations for team building improvement activities within our company, and last year we also were able to achieve a new record for revenue. PMC's sales growth has led us to expand to a second plant in Cambodia, which we plan to open in 2025 as a decarbonized plant with a large installation of environmentally friendly solar panels and our best-practice automation lines. We have already visited universities, junior colleges, and high schools in Pursat Province, Cambodia, to recruit and train excellent human resources, and we will develop this group into the world's best factory group as the future headquarters of the PT Division. By

achieving these goals, we will be able to compete at competitive prices in the automotive industry, where cost competitiveness is severe.

Furthermore, we plan to acquire the ball screw and ball way business from Tsubaki Nakashima by December 2024 as a growth driver for the PT Division. The company was the first company in Japan to produce ball screws, and its advanced technology has many areas that are compatible with our ball bearing technology, so we can expect further technological improvement.

We will further expand the fields that require ultra-precision processing technology as described above and aim to become a niche-top leader. Based on the experience in large-scale factory management, production technology, and human resource development that we have cultivated in our Thai factory, we will put the Cambodian factory on track to expand our business performance and further enhance MinebeaMitsumi's presence in the region.



PMC Products

### Opportunities

- Increase in demand for high-quality bearings in general, which contribute to energy efficiency and the downsizing of end products.
- Content growth against the backdrop of electrification and higher performance of automobiles
- Increase in demand for bearing pivots for data centers due to increased generation of data.
- Increased demand for new aircraft with fuel-efficient, high-efficiency engines
- In the medical industry, demand returned to medical devices from the demand for novel coronaviruses.

### Risks

- Increased willingness of competitors, especially in China, to enter the miniature and small-sized ball bearing market which has led to increased price competition
- Medium- to long-term, downward trend in sales volume of pivot assemblies due to shrinking Hard Disk Drive ("HDD") market.
- Decline in production rate of new aircraft due to production adjustments by aircraft manufacturers and labor shortages.
- Prolonged macroeconomic stagnation

### Responding to opportunities and risks

- Further strengthening competitiveness by improving ball bearing precision and productivity
- Expansion of production bases for bearings for aircraft in North America, Europe, and Asia (Thailand and India) to achieve optimal location for production
- Utilizing a second plant in Cambodia to meet increasing demand for PMC products

## Overview of the fiscal year ended March 2024

Sales of miniature and small-sized ball bearings, our mainstay product, increased due to higher sales volume in the automotive sector, despite lower sales in the data center and home electronics sectors. In the rod-end business, the recovery from the new coronavirus was remarkable and sales reached a record high. PMC sales increased mainly due to the recovery of the HDD market. As a result, net sales were 211.4 billion yen, operating income was 38.0 billion yen, and operating margin was 18.0%.

## Outlook for the fiscal year ending March 2025

Sales of ball bearings are expected to increase, with continued strong sales for automotive applications and a full-scale recovery in sales for data centers starting in the second half of the year. Business for aircraft, including rod-end fasteners, is expected to continue to grow steadily over the long term, despite supply chain and other issues. In particular, we expect an increase in demand for fuel-efficient engines, in which many of our products are used. In PMC, we expect demand to recover following the fiscal year ending March 31, 2024.

# Motor, Lighting & Sensing (MLS)

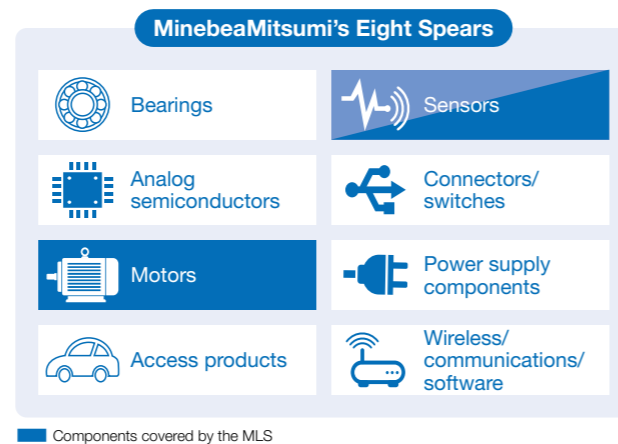
Develop new business areas by expanding our portfolio and achieve consistent growth over the long term



Executive Officer Chief of Motor, Lighting & Sensing Business Headquarters  
**Takahiro Shimura**

## Core competencies

In addition to the Company's DNA of ultra-precision machining, vertical integration, global development, and mass production, we are in the ongoing process of fusing our core technologies in the electronics field, including sensors, optics, and magnetics to develop motors, LED backlights, resonant devices, sensors, and measuring components. We are expanding our products to a wide range of markets, including the automotive industry, which requires strict quality characteristics, and the mobile device industry, which requires a vertical launch that balances quality and quantity in a short period of time. A dynamic base structure which responds to customer demands through manufacturing automation & semi-automation and employee education and training also enhances our competitiveness.



Components covered by the MLS

### Opportunities

- Increase in demand for small and precise motors that contribute to energy saving and noise reduction.
- Increase in opportunities to enter growth domains such as EVs, AI, and Big Data through participation in related motors.
- Increase in high-capacity HDDs for data centers
- Increased demand for backlights for high-end applications such as luxury cars
- Expansion of LED backlight applications.

### Risks

- Rise of low-cost competitors in China.
- Impact on profit structure due to soaring prices of raw materials and components.
- New technologies are replacing existing technologies at a faster pace than expected. (HDD market, smartphone market)

### Responding to opportunities and risks

- Correction of selling prices in response to soaring prices of raw materials and components.
- In growth markets, expanding sales in response to increased demand in focused fields.
- In mature markets, strengthening competitiveness by reducing costs, including design changes and material cost reductions.
- Capturing business opportunities by developing products ahead of competitors, taking advantage of our strengths through INTEGRATION.

## Overview of the fiscal year ended March 2024

In motors, business expansion accelerated in motors for automotive applications due to market recovery and content growth, resulting in an increase in sales. Operating income showed a recovery trend as the market for spindle motors for HDDs bottomed out and the product mix improved with the progress of high-capacity products. Sales of LED backlights decreased and sales of sensing devices also declined. As a result, net sales were 369.4 billion yen, operating income was 11.9 billion yen, and operating margin was 3.2%.

## Outlook for the fiscal year ending March 2025

Both sales and income are expected to increase due to steady sales of motors for automotive applications, recovery of HDD spindle motors from inventory adjustments, and continued improvement in the product mix. In particular, the competitive environment for in-vehicle motors continues to allow us to capture the top global niche position due to content growth in comfort, safety, and environmental applications. We expect further profit growth through top-line growth with motors as the main pillar.

## Midterm Business Plan

- 1 Growing revenues through content growth of in-vehicle motors  
Aiming for global niche top
- 2 The product mix of HDD motors continues to improve
- 3 Backlight business will remain profitable even if smartphone backlights are replaced by OLEDs  
Large-scale projects for automotive applications will proceed moving forward

## Long-term strategy

MLS aims to establish the top global niche position in its core business of motors and to achieve an operating margin of 10% or more by further improving profitability. In the sub-core business of backlights, which is expected to provide profit opportunities due to rapid technological change, we will shift its application from smartphones to automotive and target the high-end market to increase profitability. Sensors will expand the portfolio and develop new business areas by combining with other 8-spear products.

## INTERVIEW

### Strengthening efforts to solve social issues through the "INTEGRATION" of the Group

Head of Business Unit, Resonant Device BU  
**Shigeyuki Shimomura**



The Resonant Device Business uses tactile feedback technology to develop devices that enable users to experience "the sensation of actually touching an object."

The device design primarily uses coils and magnets to create a variety of vibrations that cannot be achieved with conventional vibration motors. In doing so, it is important to combine our magnetic circuit design technology cultivated through the development of various motors and camera actuators, and our precision processing technology represented by bearings, switches, and connectors, to develop devices that surprise and impress users in spite of their small size. By combining these know-how, we are developing devices that are small in size but still provide surprise and excitement to users.

We are already using tactile feedback technology for entertainment and other applications, but in the future we will also take on the challenge of solving social problems, such as notifying people of danger in various situations and developing support functions for people who have difficulty in their daily lives due to health problems.

The challenge for realization is that no matter how wonderful a device is developed, it requires sensing by sensors, drive ICs using semiconductors, and software to control them in order to use it. However, MinebeaMitsumi has all the technologies and

products available, and our company can solve your problems with our "INTEGRATION."

Our growth driver will be our ability to design and develop applications using this INTEGRATION, but also our high-precision simulation technology. In device design, magnetic field analysis, structural analysis, and thermal analysis can be used for design verification in a short time, significantly shortening the development period.

Resonant devices are evolving from "something convenient to have" to "something indispensable." It is already an indispensable function in smartphones and game consoles, and its use is expected to expand further, particularly for in-vehicle applications, as well as to improve various social issues. We will drive this market trend and contribute to all stakeholders of our company by first achieving sales of 10 billion yen and operating income of 15% or more by 2026.



Resonant Devices

# Semiconductors & Electronics (SE)

Develop new products for future growth areas by taking an INTEGRATION approach using Eight Spear products to create business opportunities for the entire group



Managing Executive Officer  
Chief of Semiconductors & Electronics Business  
Headquarters  
**Katsuyuki Iwakuma**

## Core competencies

The source of SE's competitiveness is our technological development capability in fields that require ultra-precision processing, such as sensors, optics, MEMS (microelectromechanical systems) high-frequency technology, electric circuit technology and semiconductor design technology. Furthermore, through the management integration of MITSUMI, ABLIC, Honda Tsushin Kogyo, Minebea Connect (formerly SUMIKO TEC) and Minebea Power Semiconductor Devices (formerly Hitachi Power Semiconductor Devices), MinebeaMitsumi's core technologies and DNA, such as ultra-precision machining and vertical integration, have been combined, allowing us to handle everything from development to mass production. We have established a system that allows us to respond to the detailed needs of our customers in an expedited manner. Five of the Eight Spear products belong to the SE segment, making the business the driving force behind INTEGRATION for the entire group. In addition, analog semiconductors have become the third to second spear of our Eight spear products since May of this year, as the second profit driver after bearings.



### Opportunities

- Expanding needs for even lower power consumption, smaller size, and higher precision in key fields such as automotive, communications, and medical.
- Expanding demand for analog semiconductors, connectors, power supply components, and other components that support high voltage, high current applications.
- Use of AI/Big Data will increase connectivity in automobiles, housing equipment, infrastructure, and other business sectors.
- Increased inquiries from Japanese companies due to stricter regulations on high-tech industries as a result of trade friction between the U.S. and China

### Risks

- Rise of new technologies and applications to replace existing technologies.
- Rapid changes in demand for end products
- Rise of low-cost competitors in China

### Responding to opportunities and risks

- Focus on developing new products and cultivating new customers by leveraging our technological capabilities.
- Strengthen competitiveness by expanding analog semiconductor capacity and creating synergies with internal resources.
- Determination of capital investment plans in line with business growth phases and a production system that flexibly responds to customer orders
- Identify and address niche markets where competitive advantage can be gained

## Overview of the fiscal year ended March 2024

Although sales of optical devices increased, sales of semiconductors and mechanical components declined, resulting in an overall decline in sales for the segment. As a result, net sales were 494.7 billion yen, operating income was 35.5 billion yen, and operating margin was 7.2%.

## Outlook for the fiscal year ending March 2025

We expect an increase in both sales and profit for the SE segment as a whole, mainly due to further expansion of the analog semiconductor business through the business integration with Minebea Power Semiconductor Devices (formerly Hitachi Power Semiconductor Devices), which became a consolidated subsidiary of our company on May 2, 2024.

## Midterm Business Plan

Targeting further growth to operating margin 10% or more

### Key points

- Analog semiconductors**  
Further expansion of analog semiconductor business through business integration with Minebea Power Semiconductor Devices  
Aiming for sales of 200 billion yen and operating margin of 30% at an early stage
- Optical devices**  
Cebu's second plant for super wide angle AF will be fully operational by the end of this fiscal year  
Aiming to acquire new models through technology, quality, and customer support
- Mechanical components**  
Steady launch of new models

## Long-term strategy

MinebeaMitsumi sees that the key challenge for the long-term viability of the SE segment is to ensure robust growth in the five areas of Eight Spear product groups as the future core businesses. To this end, our basic strategy is to use the cash generated by our sub-core businesses as growth capital to strengthen our Eight Spear products (Operating profit margin of 10% or more). This will be achieved through (1) organic growth, (2) development of new products, and (3) pursuing M&As that can be expected to create synergies with existing businesses and improve profitability.

## INTERVIEW

All team members have a "my ball" spirit to create new products that aim to become part of the core business.



Head of Business Unit,  
EMS Div. SC BU  
**Shintaro Ogura**

The SC Division, of which I am in charge, is responsible for the development and manufacturing of products centering on "small mechanical switches" and "inductors for automotive applications."

The strength of this division is in its design capability to realize highly difficult products by making full use of CAE analysis technology and its high manufacturing capability through its use of overseas plants that have established vertically integrated systems. We have been successfully and continuously supplying high quality products to the market by taking advantage of these strengths. However, while this business is positioned as one of our core businesses, unfortunately, using the Eight spears, it has not been able to make a sufficient contribution in terms of business scale. While executing the company-wide effort to "improve profitability," we will execute the creation of new products that can aim for the top global niche markets as an execution strategy to expand to a business scale that can play a part in our core business in order to solve issues. For switches, we will develop value-added composite products in addition to conventional mechanical switches, and for coils, we will increase the number of niche-top products by digging deeper into applications in the automotive market. When developing products,

timely release of market needs is a major part to executing the creation of new products. In addition, organizational reform and growth are also important themes for business expansion. In addition to helping team members grow into specialists in their respective fields, we will promote the development of a strong and agile organization by instilling a culture in which all team members have a "my ball" spirit and are able to actively exchange opinions across the organization. We will also grow our ability to "finish" the last step by "honing our passion." In addition to creating new products with high added value by taking advantage of our INTEGRATION and further strengthening our manufacturing capabilities to realize these new products, our organization with enhanced teamwork will be a growth driver and grow these new products into one of our core businesses. I will lead the way and work hard with my team members to realize our goals.



Switch

Coil

# Access Solutions (AS)

Work to maximize synergies from business integration and boost competitiveness as a Tier-1 business



Director, Vice President  
Executive Officer, Chief  
of Access Solutions  
Business Headquarters  
**Ryoza Iwaya**

## Core competencies

Our core competency is our broad knowhow, from the development and design phases through production for systems, in a wide range of automotive applications—from mechanical structures to electronic technology and even software. The merger with Minebea AccessSolutions (formerly Honda Lock) has strengthened synergy in the access product business, expanded sales of Tier-1 business by tapping into different customer bases, and enhanced our global operations development.



### Opportunities

- Shift to high value-added products in response to the electrification and advanced functionality of automobiles.
- Expansion of the digital key market due to the shift to connected cars.
- Increase in the number of parts per vehicle due to higher value-added door handles, latches, power closure systems, door mirrors, and similar applications.
- Expansion of Tier-1 business.

### Risks

- Production adjustment by automobile manufacturers due to economic trends and difficulty in procuring parts.
- Possibility that automobile manufacturers will prefer existing products due to factors such as safety and commonality of parts and functions.
- Increased competition and its impact on pricing strategies.

### Responding to opportunities and risks

- Implement structural reforms to shift from low-priced products to high value-added products.
- Accelerate the development of high-end products for luxury car manufacturers by increasing the presence of our technologies.
- Develop common engines through our unique modularization and actuator technology.

## Overview of the fiscal year ended March 2024

The increase was mainly due to the performance of Minebea Access Solutions, which became a consolidated subsidiary on January 27, 2023, as well as a recovery in sales to the automotive industry and in-vehicle devices. In addition to a recovery in sales to the automotive sector, PMI and structural reforms bore fruit, resulting in net sales of 322.1 billion yen, operating income of 10.6 billion yen, and an operating margin of 3.3%.

## Outlook for the fiscal year ending March 2024

We expect to increase revenues and profits as a result of continued market recovery and improvements resulting from the integration and other factors. We expect further profit contribution from in-vehicle devices while keeping a close eye on the market, such as production adjustments by Japanese automakers in China. For the future, we will improve the profitability of the AS segment by developing and promoting high value-added products by combining with other segments.

## Midterm Business Plan

- Emerging effects of market recovery, cost reductions from business integration, and structural reforms**
- Shift to INTEGRATION and high value-added products**
  - CSD
  - Flush handle
  - E-Latch
  - Charge port door
- Continued contribution to automotive device profits**

## Long-term strategy

Access Solutions (AS) will seek to expand its automotive business by creating synergies from business integration, making the most of our presence as a Tier-1 business, and directly proposing MinebeaMitsumi Group's various products to automobile manufacturers. In addition, we will shift to high-value-added products such as compact spindle drives (CSD) and flush handles, and focus on creating synergies with other segments to improve profitability. We aim to improve quality, productivity, and the strength of our business management system. We will improve profitability by injecting global human resources and manufacturing know-how from the entire group, and create competitive products through "INTEGRATION" of technologies.

## INTERVIEW

We challenge to make automobiles more sophisticated and intelligent by combining "technology" and "human resources."



Deputy Head of Access  
R&D Division  
**Eiji Hirao**

The Access Solutions (AS) business develops and manufactures products that connect people to vehicles when they board and after they board. Major products include door handles, door latches, automatic tailgate switches (CSD), door mirrors, smart keyless systems for motorcycles, on-board antennas, and locksets. There is also an overhead console, heater controls and switches that are interior products.

Growth drivers are differentiated products developed by combining in-house technologies. As an example of differentiated products through INTEGRATION development, we have commercialized a door handle with a new trigger technology by combining "strain gages," an in-house manufactured component, and "AFE," an in-house manufactured semiconductor. We also use our own motors for actuators, which are indispensable for electrification, and optimize design from the early development stage to reduce vibration and noise and improve merchantability, which is one of our strengths that other companies do not have. On the manufacturing side, we are continuously promoting cost reduction activities through vertical integration from a global perspective and the establishment of an internal supply chain. To achieve these goals, we are developing differentiated products by combining technology and people.

Furthermore, AS products are expected to evolve with higher functionality and intelligence in the future, and we will contribute to solving social issues with larger solutions that combine these products. To take up a logistics problem, a system in which the hood automatically opens after mutual authentication between the vehicle and the drone carrying the cargo, and the hood automatically closes when the cargo has been placed in the flank room\*, can be realized by developing a coupling of advanced digital keys, CSD, and latches. Differentiated products created by combining our proprietary technologies will contribute to solving social issues.



\*Front trunk room: Space where the front part of the EV is converted into a cargo area.

# Sales Capabilities

The strength of MinebeaMitsumi's sales force lies in the creation of new value through people-to-people INTEGRATION and diversity initiatives. Through management integration, we have brought together human resources with various backgrounds of knowledge and experience, and have promoted global expansion. We will continue to take on the challenge of maximizing sales and profitability by integrating the skills of these human resources.

## INTERVIEW

### Sales capabilities created from the INTEGRATION between people

We believe that the strengths of MinebeaMitsumi's sales headquarters lie in its organizational structure, which is made up of people from different backgrounds through M&As, the INTEGRATION between people, and its global sales system. We have expanded through M&As, and when we integrate, we quickly reorganize our sales force to create a structure that allows us to realize INTEGRATION. In this way, we are able to share product knowledge and create a cooperative structure that allows us to create new value and provide optimal value to our customers. We convey this spirit to new graduates during the training, so that they can deeply understand the importance of INTEGRATION. In terms of the organizational structure of the Sales Headquarters, we have a five-region global sales management system in place, which enables us to capture market share in each global market. In Japan and overseas, at all of our bases, our sales staff are always conscious of the importance of keeping prices down to the last yen, and by communicating this internally, we are promoting the provision of added value throughout the Sales Headquarters.



Director,  
Senior Managing Executive Officer,  
Chief of Sales Headquarters  
**Shigeru None**

## Enhancement of the Sales Capabilities 1 Five-region system and locally-led sales system

Our overseas offices are organized into five regions: Japan, East Asia (Greater China, South Korea), Southeast Asia (Thailand, Singapore, Philippines, Cambodia, Vietnam, Malaysia), the Americas (USA, Mexico), and Europe (Germany, France, Italy, UK), and the organization is structured so that local members are appointed as heads and Japanese

members are assigned as subordinates, creating an environment that makes it easier for local members to achieve results. In order to organize and lead projects that match local conditions and markets, we formulate marketing and external relations activities and regional strategies that are rooted in each country and region.



President,  
NMB Technologies Corporation  
**Richard LaPlace**

## INTERVIEW

### Leveraging the strengths of each individual to achieve further sales growth

I am the President of NMB Technologies and responsible for sales in the Americas. While working in MinebeaMitsumi for over 25 years, I have had the opportunity to work closely with customers located around the world and with colleagues from many different cultures. "Passion to Create Value through Difference" is MinebeaMitsumi's slogan which applies to our products and to our employees. The employee make-up is comprised of people from across various ethnicities, genders, races, ages, and socio-economic backgrounds, and we leverage their unique strengths to drive our work. Rather than relying on narrow perspectives, capturing employees' individual viewpoints and ideas allow us to assign the right people to implement effective tactics. This foundation we have established has been successful and allowed NMB Technologies to project sales growth of 16% annually for the next three years. We will strive toward further building a strong company which embraces the philosophy of expanding the diversity of our employees to create value for our customers, our employees and while contributing to global society.

## Enhancement of the Sales Capabilities 2 Promotion of INTEGRATION and challenge

The Sales Headquarters is implementing a range of diversity initiatives aimed at creating even greater value. We are committed to providing opportunities to all employees, regardless of their background, and we place particular value on the spirit of challenge demonstrated by our expatriate

employees. We believe that creating an environment that supports employees who take initiative fosters growth. We think there are many employees who are eager to enhance their skills and improve their sales capabilities.

### Case 1: Interaction at X Tech Garden

Under the concept of creating a vibrant organization that employees can grow excited every day by further strengthening communication (information, knowledge, exchange) & education (education, training, acquisition), we have developed an environment for the sales office floor. We have set up a sales headquarters X Tech team to promote collaboration. The members are taking the lead in planning and implementing employee exchange events, study sessions, and events with other departments, leveraging mechanisms to enhance

creativity (library, signage, always-on connection system, portal). As for study sessions, we held a seminar in May to explain the product outline, and the number of participants reached 100. By conducting exchange, brainstorming, and knowledge creation activities that further deepened understanding of the product, we were able to improve our ability to make proposals that make use of cross-selling of products and strengthen our sales capabilities.

### Case 2: The success of expatriate workers

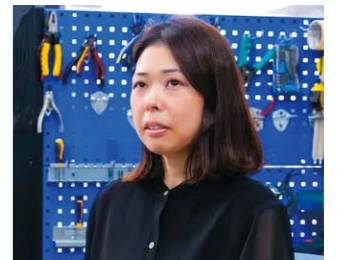
Our company dispatches employees to work overseas in all regions of the world. In 2023, we dispatched much as 157 Japanese salesperson employees overseas to provide products that meet the needs of each market. Although the

characteristics, markets, and work styles vary by region, our dispatched employees have built a strong track record. Upon returning to Japan, they leverage their experience in management and become key drivers of the company's growth.

## INTERVIEW

### Strengthening local sales promotion activities through collaboration with local members

I have been in charge of Shenzhen S&E Sales (MITSUMI products) since June 2022. Currently, I am working daily on projects transferred from Japan, local sales promotion, and business improvement initiatives. Local sales promotion is a fast-paced business, with things like specification changes and sudden mass production, so it doesn't always go according to the story I had in mind, but there is a special sense of achievement when a sale is made and the product is adopted. When I first started working here, I was surprised by many things, including the process toward adoption and the way people talked, which were very different from what I had experienced in Japan. I couldn't initially understand why things were done a certain way when I was in Japan, but after being posted here, it began to make sense. I've learned the importance of delegating work to local team members, as all work would never progress without their support. Through this experience, I also gained the confidence to be able to work with a higher level of understanding even after returning to Japan. I will continue to strive to further expand sales while keeping a broad perspective.



Assistant Manager,  
Minebea (Shenzhen) Ltd.

**Emiko Miyamoto**



Manager,  
Minebea (Hong Kong) Ltd.

**Noriko Kijima**

### Support sales through data and systemization, and promote INTEGRATION activities

I am stationed at Minebea (Hong Kong), which is the operational HQ for sales companies in the Chinese sphere, and am in charge of back-office operations for the sales department. From the sales person to the person in charge, I always try to have conversations with the frontline sales staff, and aim to proactively support sales activities from both a data and a system perspective, taking into account regional characteristics. On the other hand, I have also faced many situations where communication with other companies during M&A integration activities were difficult. I feel that the difficulties of living and working abroad are similar to the challenges of integrating different corporate cultures. I was very happy that we were able to successfully reach the integration date after holding many discussions with the partner company, local staff, and head office. Integration activities between local group companies are actively underway, and I believe this will make MinebeaMitsumi even stronger.

## Human Capital

The manufacturing knowhow that has been cultivated since the foundation of the Company and the technological and sales capabilities that have been augmented through M&As and other factors are the strengths of MinebeaMitsumi's human capital. Employees with these skills, knowledge and experience each have their own passion, and through INTEGRATION activities spurred by the passion, they create differences, thereby simultaneously elevating social, environmental, and economic value.

### Human capital strategies — Message from Head of Human Resources Development—

To realize our corporate philosophy, "to contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means," we carry out INTEGRATION activities based on the passion of each and every employee to create difference, and aim to become a talent group that simultaneously elevates social, environmental, and economic value.

To transform ourselves into such a talent group, we are tackling three key challenges. We are systematically securing and developing the employees we need to implement our business strategies ((1) systematic human resource securing and development), we are establishing a corporate culture of respect for the values of "On-site," "passion and challenge," "INTEGRATION," and "my ball spirit," the strengths befitting the human resources of MinebeaMitsumi ((2) cultivating corporate culture for strategy realization), and continuously attracting human resources of all ages and increasing employees who are strongly committed to our business strategies ((3) improvement of employee engagement).

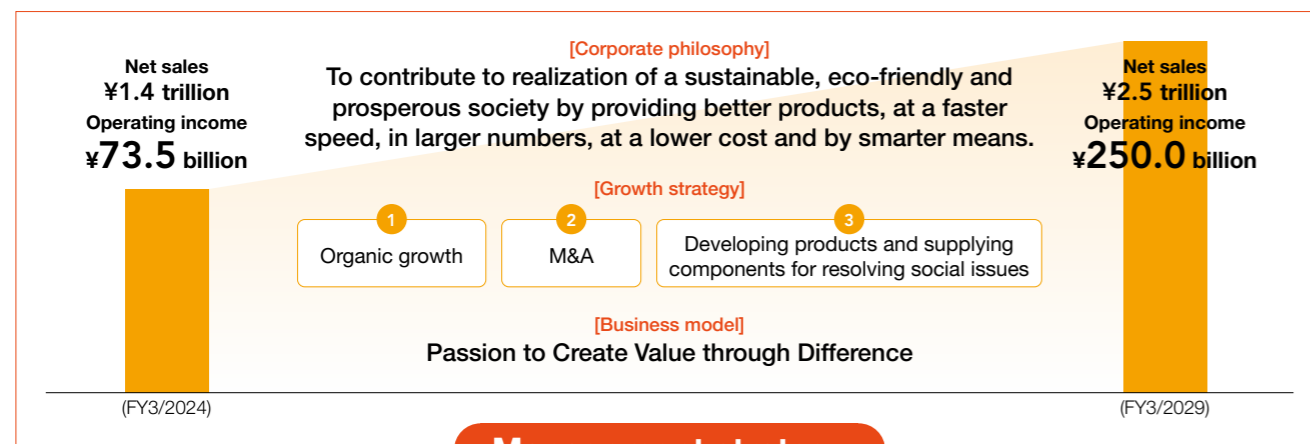
Through these initiatives for the key challenges, we are reinforcing our human capital and accelerating the implementation of our business strategies.



Advisory Manager, Deputy Head of HR & General Affairs Division

Motoki Kato

## 1 Talent strategies linked to our management strategies



## 2 Human capital approach

The manufacturing knowhow that has been cultivated since the foundation of the Company and the technological and sales capabilities that have been augmented through M&As and other factors are the strengths of our human capital. With respect to such human capital (capabilities such as skill, knowledge and experience), we believe that the following are key factors that contribute to our value creation: (1) securing and developing employees through systematic and effective investment (improving employees capabilities) and (2) creating an environment in which diverse employees of all ages can live up to their full potential (elevating the capability leverage level). Based on this belief, we implement effective human resources measures.

### Characteristics of our human capital

#### 1 Diversity of talents as a source of innovation

Proportion of mid-career hires (Japan)*1	58.3%
Proportion of foreign executives at the head office*3	7.4%
Proportion of female managers (global)*2	18.7%
Proportion of female employees (global)*2	59.3%
Number of employees by region	
Japan	10,477 12.5%
Asia (excluding Japan)	61,651 73.5%
Americas	6,215 7.4%
Europe	5,550 6.6%
<b>Entire Group</b>	<b>83,893 100%</b>

Number of employees across the entire Group, excluding part-time, contract, and dispatched employees (102,078 employees, including part-time, contract, and dispatched employees)

#### 2 Three-pronged structure combining manufacturing knowhow, technological capabilities, and sales capabilities

##### Global production and sales framework

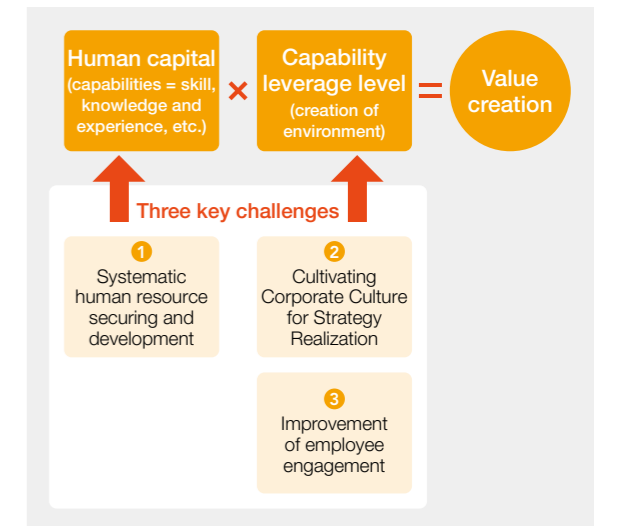
Locations/bases\*\* 130 production and R&D bases and 101 sales offices in 28 countries, Japanese staff on overseas assignment\*\* 679

##### Engineers and skilled workers who continue to evolve and also pass on their knowhow

Research and development personnel**	8,660
Entire Group	8,660
Of which, have doctoral degrees	73 (0.8%)
Of which, have master's degrees	1,254 (14.5%)

\*1 fiscal year ended March 2024/As of March 31, 2024 \*2 As of May 31, 2024 \*3 As of June 30, 2024 \*4 As of July 31, 2024

### Approach



## 3 Our human resource ideals and our human resources management policy

We define the "strength of human resources that is unique to MinebeaMitsumi" as a human resource image that we want all employees to possess in order to embody our management philosophy and effectively implement our management strategies. We also have formulated a human resources management policy that expresses our approach, policy, and ideas on how to work with our human resources. We will continue to plan, formulate, and implement organizational and human resource strategies in line with these basic policies.

### Our human resource ideals

Four values	Content
On-site	<ul style="list-style-type: none"> <li>Go on-site, checking the actual situation and seeing the actual conditions directly, in person. Thus developing an accurate understanding by touching, hearing, and feeling the realities of worksites.</li> <li>Always keep our corporate philosophy in mind, making appropriate decisions based on fundamental principles.</li> </ul>
Passion and challenge	<ul style="list-style-type: none"> <li>Not constrained by conventional wisdom, but instead strive to go beyond it, passionately taking on new challenges.</li> <li>Set high goals for themselves, consider how they can achieve them, and act with speed.</li> </ul>
INTEGRATION	<ul style="list-style-type: none"> <li>Actively understand, respect, and accept diverse values (DEI). *DEI = Diversity, Equity &amp; Inclusion</li> <li>Always strive to leverage the strengths of others, lend their own strengths to others, and unite stakeholders in harnessing their collective wisdom as a team.</li> <li>Through these, create new and unprecedented value and achieve sustained personal and organizational growth.</li> </ul>
My ball spirit	<ul style="list-style-type: none"> <li>Take ownership and exercise initiative in addressing challenges and circumstances, rather than showing passivity and waiting for instructions from others.</li> </ul>

### Our human resources management policy

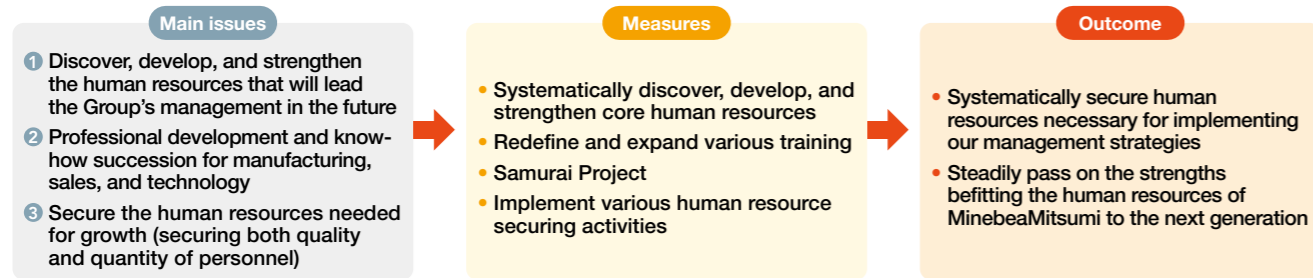
We highly value employees who achieve results by taking action aligned with our human resource ideals. We appropriately reward them based on performance evaluation results while also offering them further opportunities to take on challenges and achieve growth, irrespective of nationality, gender, age, academic background, life planning and other such factors.

We will create a bright future for the Company together with our employees by achieving sustainable growth in creating an organization where diverse employees who embrace the Company's corporate philosophy take initiative of their own accord.

## 4 Initiatives for taking on our three key challenges

### 1 Systematic human resource securing and development

Material Issues 6

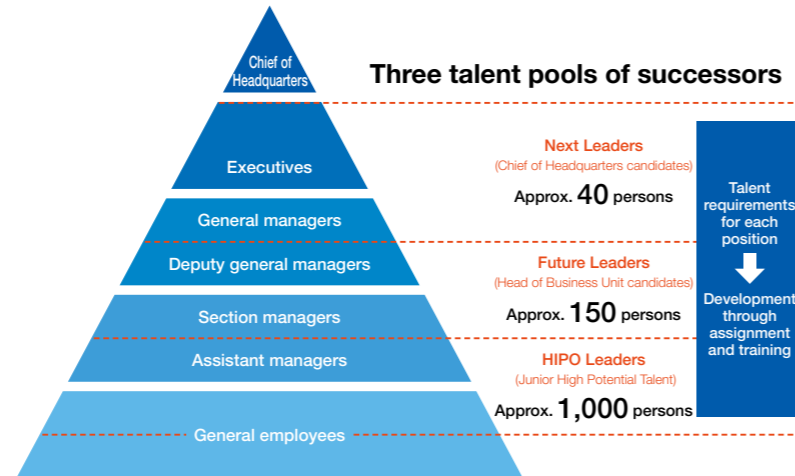


### Systematic discovery, development, and strengthening of core human resources

We are preparing a talent pool of successor candidates for key Group posts such as Chiefs of Headquarters and heads of Business Units, and of junior professionals with high potential. We are also assigning human resources and conducting training in a manner that effectively contributes to their development.

In fiscal 2024, we launched three selective training programs (the Next Leaders Program (NLP), the Future Leaders Program (FLP), and the HIPO Leaders Program (HLP)) based on the talent requirements for each position. The ideals for our leaders are "Leaders who look at the big picture, and who strengthen and evolve business through ingenuity, leadership execution skills." Based on this, the goals of these trainings are to (1) provide participants with the conviction, perspectives, and skills they will need, (2) provide participants with global leaders' abilities to look at the big picture, creativity, and execution capabilities, (3) foster interaction between top talent (INTEGRATION activities), and (4) have participants rediscover the sources of their passion ("My Passion").

At the same time, we are also actively recruiting human resources for top management from outside the Company to evolve our businesses.



### The Samurai Project (talent development for manufacturing, sales and technology)

In the previous fiscal year, we launched the Samurai Project in cooperation with each of our business headquarters. Highly experienced managers in each field of manufacturing, sales, and technology (primarily managers with overseas plant experience) have played a central role to plan, develop, and operate a training program for managers who can thrive globally, and also to provide guidance to the managers of overseas plants. This training enables participants to recognize their own weaknesses they had previously been unaware of and areas where improvement is required. It promotes further activating teamwork and facilitates localization.



### Implement various human resource securing activities

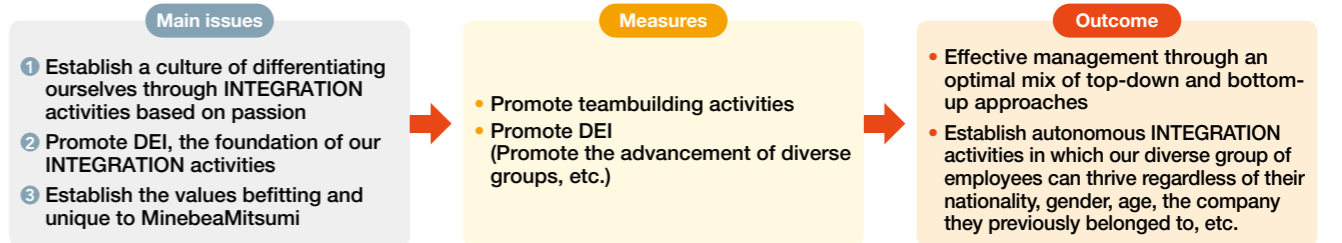
To secure the human resources we will need for further growth, in Japan, we have established a "reemployment system" for rehiring employees who have left the Company and a "referral system" that promotes hiring through employee referrals.

To address the issue of personnel shortages, which will become an issue in the near future, in April of this year we established a new Global Support Center (GSC) in our Cebu Plant in the Philippines. Through this center, we plan to develop human resources in fields such as the IT, development, and back office support to assist with the hiring human resources/employees needed by Group companies in each country. We have also defined a global recruitment branding concept: "HERE. THERE. EVERYWHERE." We are conducting recruiting activities across our overseas group companies to promote the attractiveness of the Group, which also offers opportunities to work in various countries around the world.



## 2 Cultivating Corporate Culture for Strategy Realization

Material Issues 7



### Team building activities

We define "teambuilding activities" as producing results that contribute to the realization of our corporate philosophy through INTEGRATION activities by teams consisting of members in departments that normally do not engage in daily operations together. We are successfully promoting these teambuilding activities throughout the Company. We expect to continue with establishing team activities based on the passion of our employees that take a bottom-up approach, and extending best practices laterally within the Group which in turn will accelerate our realization of our corporate philosophy. In the fiscal year ending March 2025, we accepted the entry of 342 teams in 12 countries globally, and activities were conducted throughout the Company under the themes of improving productivity, creating value through INTEGRATION activities, and creating products focused on solving social issues, and more. Each fiscal year, we recognize wonderful initiatives and challenges which produced exceptional results in our All-MinebeaMitsumi Team Building Awards.



### Promoting female employee's advancement (Non-consolidated target: Proportion of female managers expected to be raised to 8.0% by March 31, 2029)

We believe that a corporate culture of creating new value by actively welcoming differences is the foundation of our INTEGRATION activities. Based on this concept, we promote diversity, equity & inclusion (DEI). We have long upheld a spirit of equality and promote talented people regardless of the company they previously belonged to, their nationality, or gender. In recent years, we have made it an issue of management to enhance our efforts to promote woman's advancement. We have set a target of increasing the proportion of female managers, expected to 3.2% as of March 31, 2025, to 8.0% as of March 31, 2029 (non-consolidated basis). To accomplish this, it is urgent that we systematically develop our female managers. We are conducting various diversity seminars to transform the awareness of incumbent managers and female candidates for managers, with the cooperation of Outside Directors. To incumbent managers, we are communicating the importance of fostering a culture in which diverse employees can thrive. To female candidates for managers, we are conveying the appeal of management positions and how rewarding they are, to provide opportunities for motivating women to advance their own careers. We are also holding seminars about balancing work and nursing care to foster a workplace culture of actively accepting the growing diversity of lifestyles.

### Group Executive Officer's meetings and Large Factory Management Meetings

Roughly 90% of our employees are overseas employees, and we have a group executive officer system for which non-Japanese top management from overseas subsidiaries are appointed. The group executive officers communicate with senior executive officers through group executive officer meetings held twice a year. We have also established a system that allows them to speedily address issues at overseas sites, such as developing the local management that will support future local operations. In addition, we also conduct Large Factory Management Meetings three times a year. The aim of these meetings is to facilitate localization, by having local personnel in large overseas production plants tackle and resolve issues on their own as a team, instead of simply acting on instructions from Japanese personnel. At these meetings, local management and top management executives engage in a lively exchange of opinions.



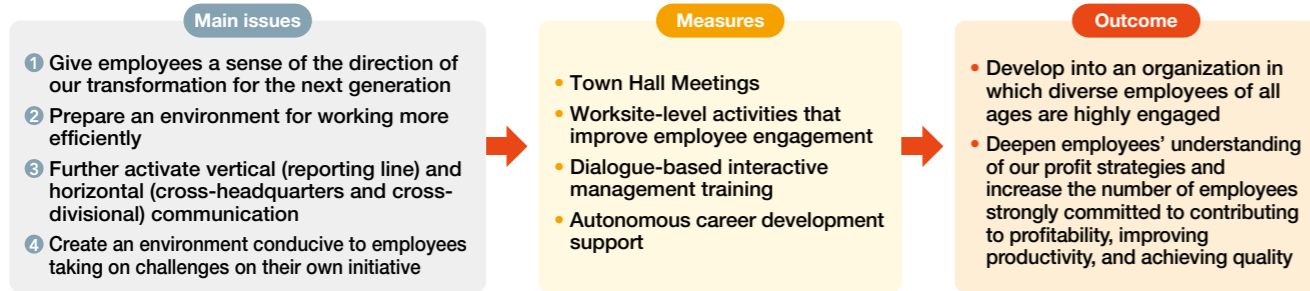
### Advancement of Non-japanese employees in Japanese business sites

We actively recruit overseas human resources, and many talented employees sent from our overseas subsidiaries to our sites in Japan work alongside our Japanese employees. Since 2016, we have conducted training for promoting human resources who will be responsible for local operations in the future. This year, three employees, from Thailand, China, and the Philippines participated in the program. Over the course of a year, they will be trained in back office divisions, sales divisions, and factories from Hokkaido to Kyushu. They will broaden their horizons and develop managerial perspectives by gaining a better understanding of our various businesses and departments. After they returned to their home countries, we expect them to play an active part as core members and future leaders.



3 Improvement of employee engagement

Material issues 8



Policy for the current fiscal year's initiatives

In order to achieve a virtuous cycle of our sustainable growth and maintaining and improving employee engagement, we have conducted an employee engagement survey for the fiscal year ended March 31, 2024. Through this process, we grasped the current status of our human resources and organization issues, and we analyzed the results of the survey to formulate and implement effective improvement plans.

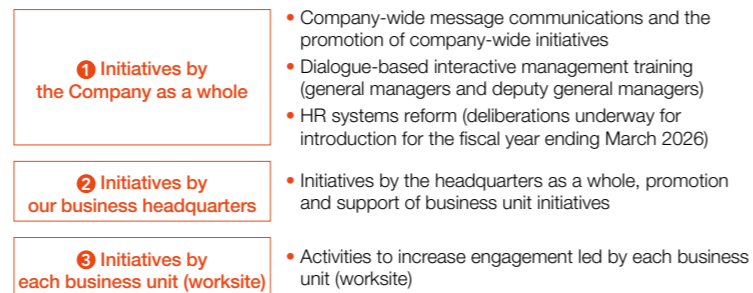
From the fiscal year ending March 2025, we have positioned improvement of employee engagement as one of our major management issues, and we are actively promoting improvement efforts through initiatives at three levels: (1) the Company as a whole, (2) business headquarters, and (3) each business unit (worksite).

Specifically, our company-wide initiatives include Town Hall Meetings in which the President engages in direct dialogues with employees. The meetings are held systematically over the course of the fiscal year. We also conduct dialogue-based interactive management training for managers aiming to create a strong organization in which employees can function autonomously. In conjunction with these initiatives, each business unit (worksite), with the support of the business headquarters, applies the PDCA cycle to promote improvement measures based on analyses of their current status.

Overview of the results of the employee engagement survey (For major domestic companies, conducted in June 2023)



Major management issues, their positioning, and the promotion of measures at three levels



Town Hall Meetings with the President

President Yoshida systematically visits our main seven sites in Japan and makes time to engage in direct dialogue with employees with the aim of conveying to our employees our dedication to improve employee engagement and heightening employees' expectations for future reforms.

In addition to attendance at the meetings on-site, we also record and stream them so that the entire employees in Japan, approximately 9,600, can also view them. At the Town Hall Meetings, President Yoshida and the Chiefs of Headquarters discuss our business strategies and human resources and additionally, management engages in dialogue with the employee panelists and meeting attendees.

In one exchange, a participant expressed the opinion that "the presence of various experts in a wide range of businesses is the Company's strength, so the exchange of ideas beyond divisional boundaries needs to be accelerated." President Yoshida replied that "management is keenly aware of this issue and will strengthen the system to support INTEGRATION between technology and talent." From the questionnaires administered after the meeting we received many positive comments from attendants, such as "I felt President Yoshida's strong commitment to the Company," "Junior members spoke frankly and there was an honest exchange of ideas without holding back due to excessive deference," and "what left the greatest impression was the President's discussion on how talent development is an important management issue."

We plan to continue holding Town Hall Meetings in the future.



Business planning deliberation meeting (panel discussion)

In March of each year, we conduct an Annual Operational Plan Meeting which is attended by top executives from Japan and around the world. In the latest meeting, we held a panel discussion regarding employee engagement.

The first part of the panel discussion was titled "The Challenges Faced by Management." During this part, pioneering initiatives in the ABLIC and European regions were introduced and panelists engaged in deep discussions of three themes: (1) what initiatives should be taken to improve engagement, (2) the relationship between achieving business targets and employee engagement, and (3) how to draw out spontaneity from employees with diverse values.

The second part of the panel discussion was titled "The Awareness of Junior Employees." Junior employees were invited to participate and share their thoughts on survey results, the positive aspects of MinebeaMitsumi, and the issues to be addressed to make improvements in a lively exchange of opinions. Participants gave their frank and constructive input from the unique perspectives of junior employees, and the session concluded with a high level of energy still present in the atmosphere.



Dialogue-based interactive management training

We are conducting a dialogue-based interactive management training to improve the quality and quantity of communication between supervisors and team members, based on the challenges identified from the engagement survey results. The objective is for supervisors to acquire the dialogue skills to listen to the sources of motivation and career goals of members, and then to entrust work to members, drawing out their spontaneity and autonomy and promoting transformation into a strong, self-driven organization. We have launched online training for approximately 500 general managers and deputy general managers covering the following four themes: (1) psychological safety, (2) dialogue concerning members' careers and growth, (3) delegation of authority, and (4) coaching.



Autonomous career development support

We implement autonomous career development, which is based on the intrinsic motivation of the employee and its importance to maximize the employee's potential. As part of our three types of selective training, we have started the verbalization project "My Passion Project," which is designed to verbalize one's source of passion. In this project, participants reflect on their history and consider what excites them ("WANT"), what social issues they wish to solve ("MUST"), and what they are able to do ("CAN"). Being driven by their own passion generates a strong sense of conviction regarding what they aspire to realize as a leader or employee of MinebeaMitsumi. We will expand this initiative in the future.

Furthermore, as part of our human resource system when all employees set their targets for the fiscal year, we provides them with opportunities to consider their medium- to long-term careers so that they can enter or update their personal growth ideals for one, three, five, and ten years from now. We also offer an internal job-posting system for employees who wish to take on challenges in new environments based on their own career plans.



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External assessments (related to employee engagement)

myonic GmbH was awarded as one of "Germany's Best Employers in 2024" by Great Place to Work®

Our Group company, myonic GmbH (headquartered in Germany) was recognized as one of the best employers in Germany (13th place) in the 251 to 500 employees size category, by a global awareness survey organization Great Place to Work® in its "Germany's Best Employers in 2024" study.



Major awards received in Japan



2024 Certified KENKO Investment for Health Outstanding Organizations Recognition Program (large enterprise category)



Kurumin certification



Eruboshi certification (Highest rank: 3 stars)



### Roundtable Discussion on Human Capital

## How should MinebeaMitsumi draw out the potential of employees to realize further growth?

It has been a year since Chairman & CEO Yoshihisa Kainuma (hereinafter referred to as the “Chairman Kainuma”) and President, COO & CFO Katsuhiko Yoshida (hereinafter referred to as the “President Yoshida”) began working together with singleness of purpose in MinebeaMitsumi (herein after referred to as “the Company”) in April 2023. Over the past year, various initiatives have been undertaken to develop and enhance human resources, which our management has prioritized as one of the key management challenges. In light of this, President Yoshida sat down for a roundtable discussion with Outside Directors Ms. Atsuko Matsumura, Ms. Yuko Haga, and Mr. Hirofumi Katase, as well as Advisory Manager Mr. Motoki Kato (herein after referred to as “Mr. Kato”) who is in charge of human resources development as Deputy Head of HR & General Affairs Division. They discussed how to leverage employee potential as human capital, covering topics such as our human resources strategy, concrete HR measures, and the result of the Employee Engagement Survey.

— Could you share the reasons behind prioritizing the human resource strategy and the challenges you have recognized?

**Yoshida:** As the world's only “INTEGRATED precision components manufacturer,” we have set long-term business targets of ¥2.5 trillion in net sales and ¥250 billion in operating income for FYE March/2029. We also need to establish a solid foundation for sustainable growth further beyond, with FYE March/2029 as a transit point. To achieve this target, we believe that one of our key challenges will be developing the next-generation management talent, including succession planning for the management team.

As a components manufacturer, the Company's basic structure consists of business units that manufacture a wide variety of components with sales ranging from several tens of billions of yen to around ¥200 billion. The Company will aim for growth in each business unit, centered on the “8 spears” (see p.23) and M&A to achieve the business targets set for FYE March/2029. However, as each business unit becomes larger in scale commensurately

with their growth, it needs a wider range of products, markets, and technologies even within the same business, requiring tailored business operations for each product and market. In addition, because different manufacturing methods and philosophies are practiced, we will have to allocate the business units into optimal areas and increase the number of the business units.

When I spoke with a consultant, it was explained to me that if we compare modern business competition to battles, the decisive factor is not an all-out company-wide battle, but rather winning localized battles in specific areas of competition. When we apply this approach to our businesses, localized battles are fought by each business unit, and the Company-wide victory or defeat is determined by the accumulated results of each business unit. In other words, to achieve our business targets, it is essential for each business unit to grow, and improve profit margins while increasing the number of business units. It is the Heads of business unit who leads such localized battles, so that their roles and responsibilities

serve as extremely important factors. Accordingly, our human resource strategy starts from securing the number of future Head of business unit, and improving their skills.

Among those Heads of business units, Chief of business headquarters (hereinafter called to as the “Chief of headquarters”) who will lead their related business units will be selected. A business headquarters functions like an in-house company, and the role of the Chief of headquarter includes focusing resources on key business areas, as well as managing support for struggling businesses across divisions. A scaled-up version of business headquarters becomes the whole of the Company, MinebeaMitsumi. Therefore, fostering future Head of business units and Chief of headquarters will contribute to more effective future succession planning.

Our current management has witnessed the remarkable growth under Chairman Kainuma's leadership at the forefront of business world. This leads me to believe that even if the next-generation management is talented, bridging this experience gap will be extremely challenging. Accordingly, considering the succession of management team, including top executives, fostering candidates for Chiefs of headquarters is the most important initiative, despite being quite challenging.

— Tell us about Mr. Kato, who is responsible for human resources development, and joined the Company last October.

**Yoshida:** We take human resources development at the site very seriously so that our main focus has been On the Job Training (OJT) at manufacturing site, specifically at our plants. However, there is now a growing need for interpersonal skills such as communication abilities, as well as a broad knowledge of areas like digital transformation. I feel that relying solely on OJT has its limitations for acquiring these skills. To address this issue, we thought that our homegrown employees may struggle to break away from our conventional approach. That is why we invited Mr. Kato to join us from outside the Company, taking on a CHRO-like role primarily focused on human resources development. He observes our organization from a fresh perspective and help us address this issue.

**Kato:** It has been almost a year since I joined the Company as the Deputy Head of HR & General Affairs Division. What I have learnt through my interactions with our employees and plant visits is that we have got many employees who strongly believe manufacturing to be our starting point, and they are sincere and truly earnest about their work. We have been growing our business with a sense of speed through top-down management, but we would also like to revitalize the entire organization by both utilizing the advantages of top-down management and bottom-up management elements. I

am aware that applying bottom-up management makes use of the earnestness in our employees toward manufacturing, initiative, and creativity of each and every employee.

Taking the current external environment into consideration, we are seeing a declining population. I believe this is not just an issue for the Company, but is making it increasingly taxing for many companies to secure talent. I assume we are transitioning from an era where a lack of funds made it difficult to manage a business to one where a shortage of talent made it difficult to manage a business. Particularly, the ownership of human capital does not belong to the company, but the individuals themselves. Unlike resources such as money and goods, human resources have will and motivations. For this reason, even if management tries to motivate employees, it does not work well unless they are willing to demonstrate their abilities for the benefit of a company. This problem highlights the importance of the employee engagement, specifically the relation between a company and its employees. Such trend is increasingly paid attention to by institutional investors which are demanding more active disclosure of information on human capital.

— What specific HR measures are you implementing in light of the current situation and challenges the Company is facing?

**Yoshida:** As I mentioned at the beginning, the most important measure is fostering candidates for Head of business units and Chief of headquarters who will be in charge of business units down the road. And then we must secure the number of talents and train junior talents who will succeed. To this end, we introduced a training program consisting of three different classes (hereinafter referred to as the “Three-Class Program,” see page 51) last fiscal year to establish a training system for forming a group of talent. I am proud of the launch of the Next Leaders Program (hereinafter referred to as “NLP”), which trains candidates for Chief of headquarters, to be one of our significant achievements.

The Three-Class Program has lectures from our current management team, including Chairman Kainuma. The key point is that NLP highlights the chance to be placed in actual posts as part of OJT. In other words, the core of this training program is to acquire skills and experiences necessary for leadership from multifaceted hands-on opportunities, in parallel with lectures.

At the same time, we are implementing bottom-up measures. The first one is the Employee Engagement Survey for major group companies located in Japan, which was conducted for the first time in June last year. Based on the survey, we have begun identifying current human resources and organizational challenges within the group companies, formulating and implementing effective improvement plans. The second one is INTEGRATION (see p.2), which is one of our key initiatives. For instance, our facilities in our Shiodome office are designed in a way to connect employees to create new corporate culture.

— What are your expectations for the Three-Class Program and what do you think is important when implementing this initiative?

**Katase:** I think the Three-Class Program is essential for the Company and it is wonderful that it is being systematically implemented. I think its contents and operation will remain as important elements in the future. First and foremost, I am wondering whether the selected employees are recognized and acknowledged within the Company. Because I believe that leadership development should be transparent and fair to everyone in the Company. Leaders in an organization grow through encouraging competitions with one's peers. I used to work at the Ministry of International Trade



Head of Human Resources Development  
**Motoki Kato**



Outside Director  
**Hirofumi Katase**

and Industry. In MITI, there was a famous system called “Legal Review Committee.” The committee members were selected from among the assistant section chiefs of each bureau, who were around 40 years old. The committee members held tremendous authority, and even the minister was not allowed to decide on any Ministry of International Trade and Industry policy without the assent of the Legal Review Committee. Budgeting for each bureau was decided solely by the committee members, so that at the age of 40, assistant section chiefs had the chance to work with the same level of awareness as ministers. They carried great responsibility and received intense training. This has long been said to have been the source of MITI’s energy. But my point is not that they should have that much authority. Rather, for leadership development, I think it is more meaningful to create a space where members can build connections and have discussions with their peers who have the same sense of responsibility. For that reason, I think the selected employees should be recognized in an open and fair manner. But at the same time, I know that this can cause some complaint. In that case, it is the management’s job to explain the situation carefully to convince everyone. Therefore, the management class need to have firm readiness to do so.

Second, it is necessary to raise the overall level of human resources in order to acquire leaders and develop leadership talent. This initiative should start from much lower than Junior High Potential Talent Class (hereafter referred to as “the HIPO Class”). For driven junior members, I feel it is crucial to proactively provide them with a learning environment where they get to acquire knowledge and skills necessary for running a company such as finance, human resources management, and technology. Additionally, in terms of developing broader perspectives, they need to have thorough understanding of the geopolitical environment and AI which is likely to have the greatest impact in the future. I believe that if junior aspiring leaders who are seeking to acquire these skills are given the opportunity to study these topics, it will ultimately help raise the overall standards of future leadership talent.

**Yoshida:** When it comes to ensuring transparency, I believe that the existence of the next-generation talent is becoming more evident across the Company through their speedy promotions, and the position or opportunities they acquire. As for healthy competition among leaders, I expect that connections with one’s peers will be built over the course of the program, because those candidates get to spend the entire time together in the same sessions. What is more, at the end of the program, they are given an opportunity to present “MY Passion” (see p.54) in front of Chairman Kainuma and myself. This is a chance where participants share what they intend to accomplish in the future and feel the connections with their peers.

In terms of raising the overall level of human resources, I would like to mention that the selection system are also applied to the HIPO Class employees in the Three-Class Program to evaluate candidates’ logical thinking ability and check their career advancement plans. We are very conscious of taking care of providing another chance for those who were not selected for the first time around. I am fully aware of the importance of supporting those who were not selected, as they are likely to have great resilience in the face of challenges. At the same time, we have understood the need to raise the overall level of junior employees class is an important challenge to consider going forward.

**Kato:** “My Passion” was launched for participants in the Three-Class Program with the aim of looking back on their past experiences and rediscovering their passions. Based on this, they identify their visions as leaders. Presentation of “MY Passion” brings on a lot of excitement, as they get to know each other more by displaying their true character to everyone. I hope it will help deepen their connections with each other.

**Katase:** To maintain sustainable connections with peers, it is essential to highlight not only the training period, but also on everyday interactions afterward. I think this approach will contribute to better quality in company-wide management. It would be even better if we could incorporate regular opportunities for members to gather and discuss in some form.

— Next, please share your thoughts on the results of the Employee Engagement Survey and what aspect you would like to prioritize in the future initiatives.

**Haga:** I think it was very meaningful and important that we conducted the Employee Engagement Survey for the first time, quickly launched internal discussions on what to do based on the results, and started to formulate specific improvement plans.

The Company’s strengths that became clear in this survey were the widespread recognition of “Shared belief in corporate philosophy” and “Understanding of the Company’s goals and objectives” (see p.53). I believe that this is thanks to top management’s continuous efforts to share our message both internally and externally, and it is proof that employees understand the Corporate Philosophy and the goals. But from a different point of view, they probably have not yet grasp how to take the philosophy into practice even if they have a great understanding of it. Also, there may be challenges in taking action, even if one wants to, and that the corporate culture makes it difficult for individuals to propose and initiate actions. When viewed by job ranking, it appears that the engagement scores in higher-ranking employees, who have driven the Company’s growth so far, are relatively high. Therefore, I understood that the top-down approach had been accepted, allowing us to maintain rapid growth consistently. On the other hand, engagement score among junior member was lower.

Also, since it was our first time conducting such survey, the survey was limited to domestic employees, but we would like to expand it to expatriates next time as our key members are working overseas. It is common phenomenon observed in many other companies that engagement scores tend to be lower in business locations that are far from headquarters or in smaller-sized offices. Therefore, analyzing the differences between business locations is extremely important. These differences could be due to the varying cultures of the divisions, the products they handle, or a range of other factors. I hope to see a multifaceted analysis of these aspects. I would also like the engagement survey to be conducted not only once, but should be carried out continuously in the future. By conducting the survey annually, we can keep track of how results

change by department and job ranking each year. This allows us to immediately develop action plans based on that year’s findings. It is important to understand the impact of these actions has in the following year, and I believe that monitoring these changes over time is significant for continuous improvement.

**Kato:** We would like to conduct the engagement survey annually going forward.

**Haga:** On top of that, the results of the engagement survey directly link to corporate risk management. Business locations with low engagement score often cause compliance issues due to low compliance awareness, so that we should carefully analyze the survey results.

In addition, even though the preparation for a new human resources development plan is currently underway, we should prioritize the review of the promotion criteria for determining who will be promoted. Even if we bring in various HR systems such as 360-degree evaluations, if the final decision on who gets promoted promotions is still based on our conventional criteria, it will ultimately be a meaningless repetition of the past. To enhance our corporate value in the future, it is essential to understand what kind of talent our management considers necessary, regardless of tenure, and conversely, what kind of company employees wish to be part of. And then we should discuss this matter incorporating the perspective of external experts who can objectively analyze those viewpoints.

**Kato:** With the revision of our HR system planned for next year, we have launched a project team consisting of a wide variety of members, including outside experts, managers, female members, and junior employees from each of the Company’s sales, engineering, and manufacturing departments. We have just started discussing the strengths of our human resources, human resources ideals, and what kind of HR system enables us to form a group of such talents.

**Haga:** I am aware that appropriate measures are now being taken for the top class of the Three-Class Program. But I think we have to put importance on reaching out to junior, driven members moving forward. These junior employees do not have a strong sense of belonging to the company; rather, they are the type of people who want to determine their careers on their own. I am a faculty member of a business school for working adults, and I know that there are many ways out there to learn things on their own if they wish so. In fact, half of the students wish to stay with their current company and apply what they learn at the business school, while the other half left their previous company to pursue opportunities at different companies. Considering this situation, the point raised by Mr. Katase about “assuring transparency” becomes very important for employee retention. The key question is what career opportunities



Outside Director  
**Yuko Haga**

exist within the Company—specifically, what career paths are available and what systems are in place to support them. It is crucial to communicate this clearly and transparently with all employees. Equally important is visualizing the possibilities for employees to realize their own visions.

**Kato:** I would like work on establishing a highly transparent HR system that helps them visualize the process toward achieving their career goals.

**Yoshida:** We are planning to make reports multiple times to the Board of Directors over the course of the project for our HR system revision, and are currently working on the tentative details. For promotion criteria, we are going to prioritize the qualitative evaluation system that put importance on understanding of our businesses, one’s commitment, and business senses to vitalize the Company, instead of quantitative evaluation that uses a point-based system. Ones selected through such evaluation process will take on high expectations and responsibilities, working rigorously towards their high goals. But if they underperform, we will have to consider a system for replacing those selected individuals. Therefore, we need to clearly define our human resources ideals at each level to ensure transparency.

**Matsumura:** The project for our HR system revision is being carried out with consideration of the Company’s strengths and issues indicated in the result of the Employee Engagement Survey. In that way we can form a group consisting of our human resources ideals. On the other hand, to improve engagement, we have to consider establishing a framework that incentivizes every single employee, and maintaining our attitudes aligned with our employees.

In that sense, the panel discussion focused on engagement held at the Business Planning Deliberation Meeting (see p.54) this spring was extremely valuable. In the meeting, our management and employees had a frank discussion together regarding if there are gender disparities in promotions at the Company and whether each employee is able to clearly define their own career path. Employees’ comments in such setting provide our management with insights into their attitudes towards the Company and their work, offering valuable clues for improving engagement. I look forward to seeing the steady implementation of various initiatives, and greater contribution by our employees.

— Do you have any expectations regarding the initiatives and challenges related to DEI (Diversity, Equity & Inclusion), and human resources INTEGRATION which lies beyond DEI initiatives?

**Matsumura:** I think the Company’s DEI strategy is being advanced in connection with INTEGRATION. Originally, the Company’s basic strategy was to pursue differentiation through INTEGRATION of a variety of technologies and products, as well as to create values by INTEGRATING our technologies and ones from other companies acquired through M&A. In addition to these technical and product-related INTEGRATION, human resources INTEGRATION, which is the topic of this roundtable discussion, has become increasingly important. Even the name of this office in Shiodome does not contain the word “building.” It is called “X Tech Garden” in order to promote INTEGRATION in the three areas, business, technology, and human resources. I feel that this name represent INTEGRATION very well.

In this way, the Company’s DEI strategy aims to create new value through human resources INTEGRATION. For example, employees from other companies integrated through M&A get promoted to management positions as long as they are motivated and talented individuals, regardless of their company of origin. I highly anticipate

this approach will contribute to the Company's future growth.

**Katase:** I agree with Ms. Matsumura. I think one of the Company's strengths is its ability to steadily bringing in people with new talents, diverse cultural backgrounds and unique ideas through M&A. To give you an example, a member from MITSUMI ELECTRIC recently got promoted to top management position in the semiconductor business unit, illustrating the utilization of talent based on ability.

**Matsumura:** One point I would like to mention here in regard to the Company's DEI strategy is the promotion of talented non-Japanese members to the Executive Officer positions. Currently, two out of 20 Executive Officers and four out of 39 Business Officers are non-Japanese. One of them is a female member. I am excited to see more promotion of executives from overseas bases, and hope it will lead to an enhancement of our corporate value with diverse perspectives and ideas across the group companies of the Company.

Regarding the promotion of women's participation, I appreciate that the large-scale seminar held company-wide in 2020 has contributed to increase in the number of female employees in our domestic workforce. As of the end of June this year, the ratio of women among our full-time employees stands at 16.3%, and we have set a goal to raise this ratio to 18.5% by the end of FYE March/26. However, the ratio of female members in management positions remains relatively low at 3.2%. Since the Company has set a target of raising the ratio to 8.0% by the end of FYE March/2029, I am looking forward to seeing the effective implementation of the measures to achieve this goal. I also believe that improving multifaceted initiatives for promoting women's participation is a challenge for the Company. As one of our goals, I would like to aim for obtaining the "Nadeshiko Brand" certification. Returning to the Three-Class Program, I have heard that although we do not have female member in FLP, NLP includes one female non-Japanese special invitee. What is more, several female members are included in the HIPO Class. For junior female employees, it is important to implement initiatives aimed at raising awareness of women's participation in each department. By boosting their motivation, we can expect an increase in the number of women in the HIPO Class, which will contribute to the enhancement of our corporate value in utilizing female talent.

**Haga:** I agree with Ms. Matsumura on that point. Returning to the earlier discussion about the survey results, there was a significant disparity in perspectives between higher-ranking positions and those below the ranking of Assistant Manager regarding DEI matters. This is a critical issue for us. As a company, we may believe we understand the importance of women's participation and DEI in today's world, but there is a possibility that the management may not be fully aware of their own unconscious biases. For instance,



Outside Director  
**Atsuko Matsumura**

it can be said that some women, from an objective perspective, might feel that the Samurai Project (see p.51) is exclusively for male members, because *Samurai* in Japanese refers to a male warrior.

**Yoshida:** I don't think there was no intention at all to imply that "Samurai" referred specifically to men when the project name was chosen. As we have female members in the Samurai Project team, we will have to ensure transparency in regard to definition of the Samurai Project.

**Kato:** The promotion and advancement of women's participation in workplace in Japan is a challenge, so that we are advancing initiatives aiming at transforming the mindsets of both people in management positions and female employees. We hope that the Outside Directors will collaborate with us on the formulation of a plan to hold in-house seminars as a starting point of various future initiatives.

For our management class, I believe they need thoroughly comprehend the significance of working alongside diverse employees. In addition, I recognized that responses to career counseling among members can vary, so we are going to focus on articulating the value of these consultations more clearly.

In regard to the mindsets of our female employees, I think there are some female members who feel anxious about taking on a management role, worrying that it will come with increased responsibilities, lead to longer working hours, or that they may lack the confidence to manage effectively. In order to mitigate their unease, I would like to proactively share with everyone the improvement in the Company's nature, and how meaningful and rewarding it is to take on challenges.

**Yoshida:** Talking about careers, we are working on increasing the number of female employees in overseas postings, and have launched an initiative where employees can experience working overseas for a shorter period of just one year. Previously, our employees usually took on their first overseas posting for a term of five years when they were in their late 20s or early 30s, and then the second term would be slightly longer. The career path following those terms was generally to go back and forth between Japan and overseas in management or specialist positions. However, this policy has caused cases where motivated female employees gave up on opportunities of working abroad due to their life plan when they were offered a place in overseas bases. In order to prevent such situation, we have reduced the term of overseas postings to one year as a first step in efforts to actively increase opportunities for our female employees to experience the frontline of manufacturing at our overseas plants. If they wish, the term can be extended to three or five years. Currently, there is a female employee in Shanghai on one year assignment. She has entrusted the care of her elementary school-aged child to her husband. I think that if we continue this initiative, we will be able to expand the career opportunities for our female employees.

— Please share any expectations or additional insights you have about the human resources strategy after reflecting on the discussions we've had so far?

**Katase:** I think our strengths are that the Company-wide objectives are extremely clear. And also from an employee perspective, there is a well-established sense that the Company growth benefits our society we live in. For instance, "MMI Beyond Zero" (see p.71), one of our environmental conservation initiatives represents our strong determination for growth and benefits for society very well. But I know only a few companies that conduct such initiatives.

On the other hand, I would say a challenge is motivating all employees, including junior employees, to help them understand

how each of them can contribute to the overall direction of the Company. I believe this is essential for enhancing engagement. We should also establish a transparent process for providing appropriate feedback from management on how individuals and organizations are contributing to the overall company goals. If these efforts are continued, it is fully possible for the Company to leverage employees' potential and recruit promising talent in a sustainable manner. But in the recruiting process, I think companies that do not utilize driven female talent will be put in a disadvantageous position in business world. We will approach the promotion of DEI with such a strong sense of commitment.

**Matsumura:** Towards our business targets for FYE March/2029, I can really feel how our management team has been taking an increasingly proactive approach as we are getting closer to the goal of our target around the corner and relocation of the Tokyo Headquarter to Shiodome. To align with this momentum, the Company needs not only technical personnel who serve as the core in the manufacturing industry, but also leadership talent who are capable of advancing our businesses while collaborating with technical personnel. I look forward to seeing the new human resources development initiatives and recruitment strategies implemented steadily down the road. Also, in order to secure talent for the Company, I believe if we can fully appeal our products and the various commitments to society, we will be able to attract highly-skilled talent who are seeking for worthwhile work. For DEI promotion, I intend to actively provide advice from my standpoint as Outside Director on initiatives required to create positive and rewarding work environments, enhance the motivation among female employees, and help secure diverse talent. Touching on the employment of people with disabilities, the Company's internal newsletter explains the statutory employment rate for people with disabilities will be raised to 2.7% in July 2026. It also describes the current status at the Company, our initiatives and matters to be considered. I find this kind of information sharing is pretty effective for promoting DEI. Finally, I would like to mention the Team-Building Initiative (see p.52) as an example of human resources INTEGRATION. This is a bottom-up-style initiative supported by our employees' enthusiasm and it has become quite ingrained within the Company. Recent initiatives selected as excellent examples include one to reduce equipment malfunction at ABLIC (acquired in 2020), and a collaborative one between Tokyo Headquarters and the Cambodia Plant to improve container loading rates. I was deeply impressed by the outcome that the Team Building Initiative has generated, regardless of which company or location they were from. I look forward to seeing the further advancement of this initiative.

**Haga:** There are two thing I would like to mention.

The first key is that a human resources strategy anticipating future population decline is absolutely necessary. I believe utilizing AI is the only viable option here. Harvard University conducted a global survey which presents results and cases where the use of AI has led to increased efficiency across various occupations and levels. What they found is that individuals who had been doing the same job for many years show lower efficiency gains from the introduction of AI compared to those who have been in the role for a shorter period of time. In other words, AI is not just for those with special skills, like the so-called "AI talent." Just as everyone uses Excel or Word, Chat-GPT is simply a tool. The key is to focus on how to quickly enable everyone in the organization to make full use of AI tools. I think this plays as an essential skill in the context of a declining workforce population.

The second key point is to one's keep eyes and ears open to



Director, President,  
COO & CFO  
**Katsuhiko Yoshida**

opinions from junior employees. I sense that today's young people are pretty committed to supporting communities. I would like to point out that even though the Company's Corporate Philosophy states "To contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means," the part that says "by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means" merely suggest a mean; we should not forget that our ultimate goal is "to contribute to realization of a sustainable, eco-friendly and prosperous society." But I feel that while the Corporate Philosophy has become well-ingrained as an internal message, the second half (the means) seems to be emphasized more than our ultimate goal stated in the first half. I think "To contribute to realization of a sustainable, eco-friendly and prosperous society" is the part that young people aspire to achieve. If they realize that the Company provides them with opportunities to accomplish this goal, the Company will become an extremely attractive place for junior employees. It is also important to note that stance towards supporting society between younger generations and older generations is completely different.

**Kato:** Today's discussion was such a great opportunity for me as I got to hear frank opinions from Outside Directors regarding our current human resources strategy. I feel even more inspired and motivated now. We will make sure to steadily implement this strategy.

**Yoshida:** Our highest priority in human resources development is fostering the next-generation management talent in a way that they can view business management through the same perspectives as the current management team. And then we will have to build up a solid talent pool of human resource to continuously send out the next generation of management leaders.

The next priority is to continue conducting the Employee Engagement Survey and expand it to overseas offices. We will have to precisely assess the survey results and link them to the Company's DNA and strengths, in order to implement specific initiative in the future.

Finally, we have to promote DEI strategy and human resources INTEGRATION. The Group of the Company have manufacturing operations in 28 countries and regions, with 100,000 employees with diverse backgrounds dedicated to manufacturing there. This is a valuable asset that set us apart from our competitors. However, I don't think we are fully taking advantage of it yet. I am confident that human resources INTEGRATION will foster a new corporate culture, paving the way for a brighter future for the Company.

Thank you very much for sharing your broad and insightful opinions today.

\*The "Nadeshiko Brand" is an initiative which is implemented jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE) since 2012. It aims to introduce certain TSE-listed enterprises that are outstanding in terms of encouraging women's empowerment in the workplace as attractive stocks to investors who place emphasis on improving corporate value in the medium- and long-term, thereby further raising investors' interest in such enterprises and accelerating the encouragement of women's empowerment in outstanding enterprises.

## Manufactured Capital

The strength of MinebeaMitsumi's manufactured capital, which is the source of its competitiveness, is a vertically-integrated manufacturing system which enables it to achieve both ultra-precision machining technology and mass production. We are expanding the global production framework and sharing our accumulated manufacturing knowhow throughout the entire Group. We have formed a dedicated team to support manufacturing, strengthening manufacturing capabilities across the Group, and contributing to the generation of synergies.

### Manufactured capital strategies – Message from Chief of Manufacturing Headquarters –

To realize our corporate philosophy (to contribute to realization of a sustainable, eco-friendly and prosperous society by providing better products, at a faster speed, in larger numbers, at a lower cost and by smarter means), our Manufacturing Headquarters aims to pass on our "Monozukuri (Manufacturing) DNA" to the next generation based on our strengths which include our vertically-integrated manufacturing and our global production framework.

We have been actively undertaking initiatives to implement digital transformation (DX) of manufacturing sites and utilize robotics. We have opened a robot floor at Tokyo X Tech Garden, and we are pursuing an approach of MinebeaMitsumi automation. Moreover, we will seek improvement in productivity and operational performance to achieve an overwhelming supply and capability enlisting INTEGRATION of our people through team building. We are also implementing various initiatives to fulfil our social responsibility as a precision component manufacturer, such as by reducing our environmental impact through the introduction of large-scale solar power generation and enhancing our risk management.



Managing Executive Officer, Chief of Manufacturing Headquarters

**Takuya Sato**

### Basic policy for manufactured capital strategy to achieve management strategy

The Manufacturing Headquarters aims to share best practices, create vision for automated manufacturing, etc., and pass on its "Monozukuri DNA" to the next generation. Accelerating INTEGRATION of our people through team building, we will resolve various challenges at our manufacturing sites, including production improvement, further enhancement of supply capabilities, and strengthening of risk management associated with reducing environmental footprint.



#### Strength 1 > Vertically-integrated manufacturing

Many ultra-precision components such as bearings require a machine's precision to be at a micron (1/1,000,000) or nano (1/1,000,000,000) level, as well as the need to be mass produced in volumes numbering in the hundreds of millions. MinebeaMitsumi has established a "vertically-integrated manufacturing system" for managing everything from design and development to assembly and in-house inspection, reducing manufacturing costs and providing products with high precision and speed.

#### Strength 2 > Global production framework

We have expanded to 130 production and R&D sites spanning 24 countries. The mother plants in Japan closely work with mass production sites in Asia, plants in Thailand, the Philippines, Cambodia, and China, as well as Europe and the United States, to swiftly and flexibly respond to diverse market needs. Moreover, we have strengthened our risk diversification system by establishing sites in multiple countries, or multiple sites within a single country, for most of our businesses including bearings. At every location, we promote "identical technologies and management," and produce uniform models of products at multiple sites, with an eye toward local consumption of locally manufactured products. We have thereby developed systems that drive manufacturing of products with uniform quality, even if manufactured in different locations. This does not simply diversify risk, but enables us to truly avoid risk, supplying products meeting the standards demanded by our customers even when we might encounter production interruption in some regions.

#### Strength 3 > Sharing of manufacturing knowhow and specialized team to support manufacturing

MinebeaMitsumi has honed its manufacturing capabilities by specializing in very small and miniature-sized bearings, and maintains productivity at a high level by pursuing performance, quality, and yields to the utmost. This manufacturing knowhow has been shared throughout the entire Group not only for bearings, but also electronic devices such as motors as well as access products, leading to differentiation of our products. A specialized team has also been formed to support manufacturing and synergies have been quickly demonstrated with this business integration.

**CAPEX > ¥83.6 billion**  
(Fiscal year ended March 2024)

Conducting efficient investment while assessing an appropriate level based on productivity improvement, product characteristics, etc.

**Issue**  
Developing and hiring human capital at manufacturing sites

#### Measure 1 Automation projects

In the machines and electronic component industries, technological innovation is accelerating and there is rising demand for large-scale, flexible, swift production and supply. As populations are aging and labor costs are rising around the world, it is an urgent task for the Company to develop and hire human resources at manufacturing sites that will allow us to meet the above demands. We are not only leveraging our existing strengths, such as our vertically-integrated manufacturing, but also actively promoting automation, utilizing robotics and automated transport. In the fiscal year ended March 2024, we achieved manpower savings for 6,000 people, and in the fiscal year ending March 2025, we expect additional manpower savings for 5,000 people, thereby curbing personnel costs and optimally allocating human resources.

#### Measure 2 Team building by manufacturing sites

We share the production technologies and best practices of individual manufacturing sites and use team-building activities to solve challenges in manufacturing sites and increase motivation. [Team building](#) [Page 52](#)

#### Outcome Swift and overwhelming supply capability

Through these efforts, we aim to enhance productivity at our manufacturing sites in providing swift and overwhelming supply capabilities that meet customer requirements with respect to quality and volume.

**Issue**  
Environmental issues

#### Measure Use of renewable energy in manufacturing and reducing environmental impact

With its sights set on achieving carbon neutrality, the Company actively uses renewable energy in manufacturing through initiatives that include commercializing solar power projects and PPAs (power purchase agreements) to uphold its commitment to social responsibility as a member of society at its core plants in Cambodia, Thailand, the Philippines and elsewhere.

#### Outcome Mass production with minimum environmental impact

Through the above initiatives, we have achieved both mass production and the reduction of our environmental impact, while also lowering manufacturing costs by supplying our own power. [Environment](#) [Pages 69 to 76](#)

**Issue**  
Increased geopolitical and other risks

#### Measure Strengthening of risk management

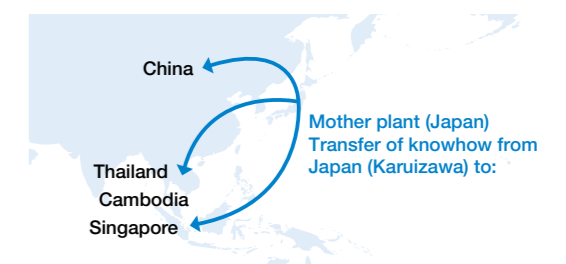
As a components manufacturer with products that have the world's top market share, MinebeaMitsumi believes that fulfilling our responsibility to supply to our customers is our social responsibility, and we have worked to expand our risk management system on a global scale. In our production of ultra-precision components, we engage in thorough quality and safety management to continuously manufacture high volumes of high quality products.

#### Outcome Stable supply of high-quality and safe ultra-precision components

The diversity of our business and production also functions as a manner of diversifying risk. We have maintained operations and been able to steadily supply products in the face of supply chain disruptions such as the COVID-19 pandemic, rising raw material prices, and semiconductor shortages. We are sharing the quality management approaches and methods that we have developed to date with the entire Group, thereby creating a system for supplying high-quality and safe products for all of our business sites worldwide.

[Risks and Opportunities](#) [Pages 31 to 32](#)  
[Risk management](#) [Pages 91 to 92](#)

#### Example: manufacturing site mix involving the Ball Bearing Business Unit



## Intellectual Capital

With ultra-precision processing technology at its core, MinebeaMitsumi works to maximize synergies by INTEGRATION of our strengths in manufacturing, technology, development, and sales. Furthermore, using M&A as a driver for rapid growth, we are producing synergies early on through our Post Merger Integration (PMI) endeavors. We continue to generate new and increased value by leveraging the strength of our intellectual capital.

### Intellectual capital strategies – Message from Chief of Engineering Headquarters –

We have designated sustainability as one of the most important issues of the company. Our goal is to celebrate our 100th anniversary in the soundest state as possible. The Company engages in the vertical integration of the development and manufacture of wide-ranging products that meet the varied needs emerging in line with our increasingly diversifying world. It also has business sites around the world. I am therefore confident that we can meet all the demands of customers worldwide with a variety of solutions, for example, through our sets of components and actuators. We are formulating and implementing technical development strategies in accordance with the aforementioned policy. In addition to our long-standing strategy of contributing to the development of products and components for the prosperity of the world, we are focused on our current theme of technology development to create products and components that contribute to resolving social issues, which emerged as a counterpart to such prosperity. To resolve social issues and support diverse technologies, we are working to enhance our underlying technologies used in our core products and a variety of other products to provide greater added value. Furthermore, we are integrating these products and technologies to develop INTEGRATED products that create new value.

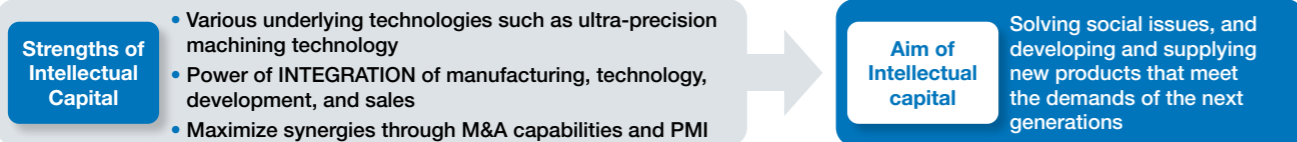
We recognize EVs, power electronics/energy conversion, AI, the metaverse, and robotics as our major future growth markets, and in these growth markets we will promote the supply of highly efficient technologies and products that meet the needs for the “4 Highs” (high voltage, high current, high frequency, and high speed).



Director, Managing Executive Officer,  
Chief of Engineering Headquarters  
**Katsutoshi Suzuki**

### Basic policy for intellectual capital strategy to achieve management strategy

In order to support rapid growth of our core businesses and increase competitiveness, we will strengthen basic and key technologies that improve the added value of our products, and by developing new products based on market needs. We will also generate synergies through INTEGRATION and focus on solving social issues and developing new products that meet the demands of the next generations.



- Strength 1** > Various underlying technologies such as ultra-precision machining technology
- Strength 2** > Power of INTEGRATION of manufacturing, technology, development, and sales

One of our great strengths is our INTEGRATION of various intellectual capital, centered on our ultra-precision machining technologies refined for the over seven decades, as well as on our ability to handle everything entirely in-house from production equipment to environmentally-friendly operations. Our Engineering Headquarters cultivates underlying technologies in each area of ultra-precision machining, materials, analysis, high frequency transmission, optics, sensor devices, motors and actuators, and software, primarily through our five sites in Tokyo, Osaka, Hamamatsu, Atsugi, and Karuizawa, to support our core businesses and INTEGRATION activities. On the product front, we carry out cross-sectional development according to themes, which includes technologies in multiple specialized areas. Through this, we create new product lines that leverage the potential created by combining technologies. Furthermore, we have created an INTEGRATION team consisting of members of the Sales Headquarters and the Engineering Headquarters to promote manufacturing, technology, development, and sales INTEGRATION activities. In addition to planning INTEGRATED products based on the customer needs researched by each sales division, in growth markets, we also gather up-to-date information based on market trends and use it to develop pioneering INTEGRATED products by defining development themes and assembling dedicated teams in overseas sites close to customers.

### Strength 3 > Maximize synergies through M&A capabilities and PMI

As of August 2024, MinebeaMitsumi has acquired a total of 58 businesses, including 27 since April 2009, in an effort to strengthen and optimize its business portfolio. We have steadily enhanced our ability to execute M&As and also focused on PMI. By permanently upholding a spirit of equality, we are able to motivate the Group's members to rapidly generate synergies.

M&A > Pages 19 to 20

**R&D expenses** > **¥42.7 billion**  
(Fiscal year ended March 2024)

R&D expenses have increased in conjunction with our 12 consecutive years of increasing net sales while maintaining a ratio of R&D expenses to net sales of roughly 3%!

### Measure 1 Upgrade core technologies and roll out new products

MinebeaMitsumi's policy for development includes two key strategies:

- Expand key technologies (core technologies) essential for new product development that can win the market in the medium- to long-term.
  - Create new products by leveraging Group synergies and promoting INTEGRATION initiatives.
- Moreover, in addition to these existing technology policies, we will engage in new product development with a heightened consciousness of social issues.

1. Expand the motor business
2. Bring about a paradigm shift with respect to the optical technology development product line
3. Expand the sensor business
4. Enter the robotics market
5. Promote connectivity with sights set on IoT
6. Improve added value of machined components
7. Increase value-added access products
8. Maximize analog/power semiconductor synergy, Create INTEGRATED products

### Measure 2 Technology strategies to advance new product development

In the Company's previous technology strategy, the policy was to broaden and strengthen core businesses through a wide range product lineup with strong key technologies to differentiate ourselves from competitors and improve performance. However, we are now carrying out initiatives aimed at helping resolve social issues through our products and to steadily achieve the Company's targets for the fiscal year ending March 2029 of 2.5 trillion yen in net sales and 250 billion yen in operating income. Specifically, we are not only promoting product commercialization and mass production based on the conventional “seeds type” development strategy, but also strengthening “needs type” product development to create products that can identify and appeal to the various needs and social issues in a wide range of markets.

We have expanded our perspective not only within the company but also outside the company, utilizing a new collaborative creation office in the Tokyo X Tech Garden to pursue and stimulate collaborative creation, including industry-academia collaboration, that looks beyond traditional industrial boundaries. We are fusing our technologies with customer needs and technologies to develop products with high added value.

In addition, we have also further strengthened our development proposal system for new products by junior engineers. Through this, as initiatives which are indispensable for achieving our goals, we are developing and supplying products that meet the needs of the “4 Highs” (high voltage, high current, high frequency, and high speed) in growth markets and researching and developing one-of-a-kind products in a more efficient manner and at an accelerated pace.

#### Creating new value through collaborative creation

Collaborating with a wide range of stakeholders from industry, academia, government, and customers across every markets to create new value  
Aiming to solve social issues and realize a larger vision

**Collaborative creation** Activities to create new value through sharing our knowledge, know-how, and technology

MinebeaMitsumi core technologies and core businesses × Corporates, universities, research institutes and others.

We established a new collaborative creation office as a place to promote the strength of INTEGRATION of technologies and stimulate collaborative creation activities.

**New value** Ideas that did not exist up until now that could not otherwise be pursued by one company  
**Collaborating to create new value**

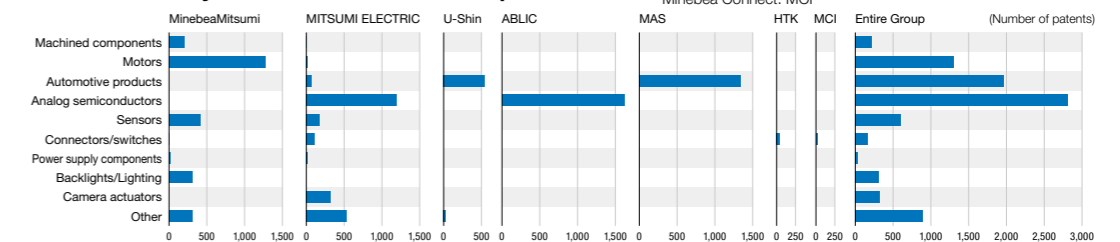
- Outcome** • Development of INTEGRATED products, products that resolve social issues, and environmentally friendly products
- Lineup of products with the world's No. 1 share

MinebeaMitsumi Today > Pages 27 to 28 | Introduction of INTEGRATED products > Pages 65 to 66

### Measure Forming a portfolio of intellectual property that supports business growth

The MinebeaMitsumi Group maintains ownership of over 8,500 patents in its portfolio, as illustrated below. The entire MinebeaMitsumi Group has formed a portfolio that effectively covers the Eight Spears and other major businesses. This has enabled us to maintain high barriers to entry in diverse fields.

#### Patents held by the MinebeaMitsumi Group



- Outcome** Making the most of over 8,500 patents held. Protecting intellectual property and strengthening barriers to entry

## Introduction of INTEGRATED Products

### —Development Story of Wing Handles—



Director, Managing Executive Officer and Chief of Engineering Headquarters

**Katsutoshi Suzuki**



MinebeaMitsumi Technology Center Europe GmbH Chief Technology Officer

**Guido Schmid**



Head of Sensing Device BU, Electronic Devices Division, Motor, Lighting & Sensing Business Headquarters

**Satoshi Sato**



Deputy Chief in charge of Engineering Development Division, Access Solutions Business Headquarters

**Eiji Hirao**

#### — What are some of the INTEGRATED products created by MinebeaMitsumi's INTEGRATION?

**Suzuki:** Among MinebeaMitsumi's products, there are many INTEGRATED products. For example, in access products, there are the "Flush Handle," a door handle that incorporates an in-house motor, the "CSD (Compact Spindle Drive)," which opens and closes the rear gate electrically by combining an in-house motor and machined parts, and the "Digital Key with Infant Leave Detection," which combines MITSUMI ELECTRIC's communication and software development technologies. "SALIOT (Smart Adjustable Light for the Internet Of Things)," is an LED lighting fixture that combines a power supply, mechanical components, communications, sensors, etc. Other INTEGRATED products, including those currently under development, include the "LATM (Limited Angle Torque Motor)," which combines our high-performance bearings and motors and is used in LiDAR for automated driving.

#### — This photo shows a concept car recently unveiled by BMW that incorporates a new technology called "Skytop." I heard that MinebeaMitsumi's INTEGRATED products have been adopted. Which part was adopted?



**Guido Schmid:** We are pleased to announce that BMW has adopted "Wing Handle." Until now, the "wing handle" has been difficult to commercialize in the automotive industry due to technical limitations and challenges. By utilizing high-precision force sensors, we were able to contribute to the realization of a shape that does not detract from the design of the sides of the automobile. We believe that the "Wing Handle" will become a major trend in vehicle design worldwide in the future, and we have filed a patent application for the protection of the technology required for the "Wing Handle."

#### — What kind of technology is used in the "Wing Handle" that incorporates unique technology?

**Hirao:** The "Wing Handle" adopted by BMW this time is a stylish design incorporating our elemental technologies. This product is designed to open up new possibilities in car body design by using sensors that we have long used in the market as in-vehicle components from a different perspective than usual.

When designing an automobile, the exterior lines and shading of the body surface are very important factors. During prototype testing for the development of lighting fixtures exclusively for automobiles using our INTEGRATED product, SALIOT, we were able to confirm that the design elements on each flat surface of the car could be expressed very precisely as intended by the car designer by SALIOT's parallel light shooting, which is very close to sunlight, on the car, even indoors. I was able to confirm that the design elements on each plane of the car could be expressed very precisely as intended by the car designer. I recall that the designer of the car manufacturer commented on how wonderful it was to be able to reproduce the strong design intent behind the flat surfaces of the car.

In conventional automobile design, various efforts have been made to design door handles, but no matter how they are designed, it has not been possible to minimize the presence of the handle and eliminate its influence on the design of the side of the body. In conventional door handles, there are products that have a capacitance sensor mounted inside its door handle, which detects changes in capacitance when the door handle is gripped and sends a signal to the door lock motor. However, while these capacitance sensors work when the handle is touched with bare hands, they sometimes do not work when gloves are worn in cold weather. We were able to solve these design and technical difficulties by further refining technical elements that we had been working on for several years.

#### — What is unusual about the use of sensors?

**Sato:** MinebeaMitsumi's sensors have been used for many years as sensors for automobiles in North America. Therefore, we have a basic understanding of the specifications required by automobiles. The BMW Wing Handle will have additional specifications because it will be built into the exterior of the car, but we were able to design a sensor that meets those specifications.

The design enables to recognize the movement of the door handle, rather than its normal use, as a person opening and closing the door, and replaces it with a signal that opens and closes the door lock and the door itself. I was very surprised

because I had never thought of using it in this way before. (Laughs) In the process of developing this with Mr. Guido, I felt that it opened up the possibility of sensors for new applications.

#### — Why was MinebeaMitsumi able to overcome the technical difficulties?

**Schmid:** MTCE (MinebeaMitsumi Technology Center Europe) holds frequent technical discussions with European car manufacturers on bearings, AGA (active grille shutter actuators), HVAC (heating, ventilation, and air conditioning), etc. While explaining all of our technologies to a car manufacturer, I had the opportunity to listen to their concerns about minimizing door handles and had a technical thought about how we could do something about it.

When I discussed this with Mr. Sato, Head of the Sensing Device BU, he was at first a little surprised and puzzled at the idea of using a sensor that had been used for the purpose of weighing and measuring force as a switch, but I believed it could be done. Furthermore, as I heard many technical details from Head Sato, I became convinced that we could break the common sense of current handle designs and create door handles using a completely different method.

#### — The moment when INTEGRATION was demonstrated in the development of the "Wing Handle."

**Schmid:** This Wing Handle is the outcome of the INTEGRATION of our various technologies. In particular, the "INTEGRATION" of access products and sensing devices is a key point in the practical application of this technology, but it is a new idea and the idea has not emerged from our conventional way of thinking. By optimizing the technology to pinpoint the sensor used to measure force and weight as a sensor different from its normal use, I think we can consider many other applications and products in the future in addition to this handle.

#### — What is the secret of your success and what is the key idea or philosophy behind MinebeaMitsumi's product development?

**Suzuki:** We see great potential in our technological development because we have a number of different types of technologies.

However, we need to verify which of our various technologies, when combined with other technologies, will make the best product that will contribute to solving social issues around the world. In doing so, we believe that the key

is to developing these technologies. Even if the technology we have developed and verified is not commercialized in the project, we believe that by "soundly shelving" the technology, we will be able to utilize it at a later date in the development of the next technology. We believe that the number and quality of these "soundly shelved technologies" is a hidden resource for innovation, and that we will be able to create many new INTEGRATED technologies and INTEGRATED products one after another in the future.

This technological breakthrough is the quintessential example of INTEGRATED products created through our INTEGRATION activities. We were able to contribute to the realization of a new product that is completely different from previous products, based on our numerous technological backgrounds and our ability to find solutions by catching up with the needs of our customers, human connections, and society through our cutting-edge sensibilities.

#### — What is your outlook for the future?

**Hirao:** I believe that this new Wing Handle is a product that will have a significant impact on car design. We expect that over the next several years, as mass production technology becomes more sophisticated and mass production becomes more effective, the market for such products will expand from intermediate to popular models, based on our experience.

Unlike our competitors, we have the advantage of vertically integrated manufacturing, where we handle everything from mechanism design, hardware development, software development, evaluation, metal processing, machining, and surface treatment to painting, board mounting, connector manufacturing, sensor manufacturing, assembly, and reliability testing all in-house, in locations around the world. Therefore, by using this unique vertically integrated production system, we can mass-produce and supply wing handles in Japan, Europe, North and South America, Southeast Asia, and Greater China.

We will continue to contribute to the development of innovative technologies for many automakers around the world by taking advantage of our ability to meet the demands of any customer anywhere in the world through local production for local consumption.

— Thank you all for your time today. I am very much looking forward to this new product and other future INTEGRATED products from MinebeaMitsumi.

# AI·DX

## Value creation initiatives enlisting DX

In the AI & DX Promotion Division and the IT Services Division, we will continue to promote DX and IT by effectively using advanced digital technologies and data with the aim of enabling the MinebeaMitsumi Group to realize its corporate philosophy and achieve sustainable growth. We will spearhead initiatives focused on the following priority domains with respect to measures to fortify DX promotion.



From right to left  
Executive Officer and CDXO: Togo Sanai  
General Manager of IT Services Division and CIO: Masaya Sakiyama  
CISO in charge of Information Security: Toru Fuse

### Priority domains for measures to fortify DX promotion

#### Rigorously ensure effective use of digital technologies and data

We will promote efforts to enhance operational productivity through effective use of digital technologies and data in each business unit.

#### Enhance capacity to execute tasks using AI and digital technologies

We are leveraging generative AI and digital technologies to promote data-driven decision-making and operation process optimization.

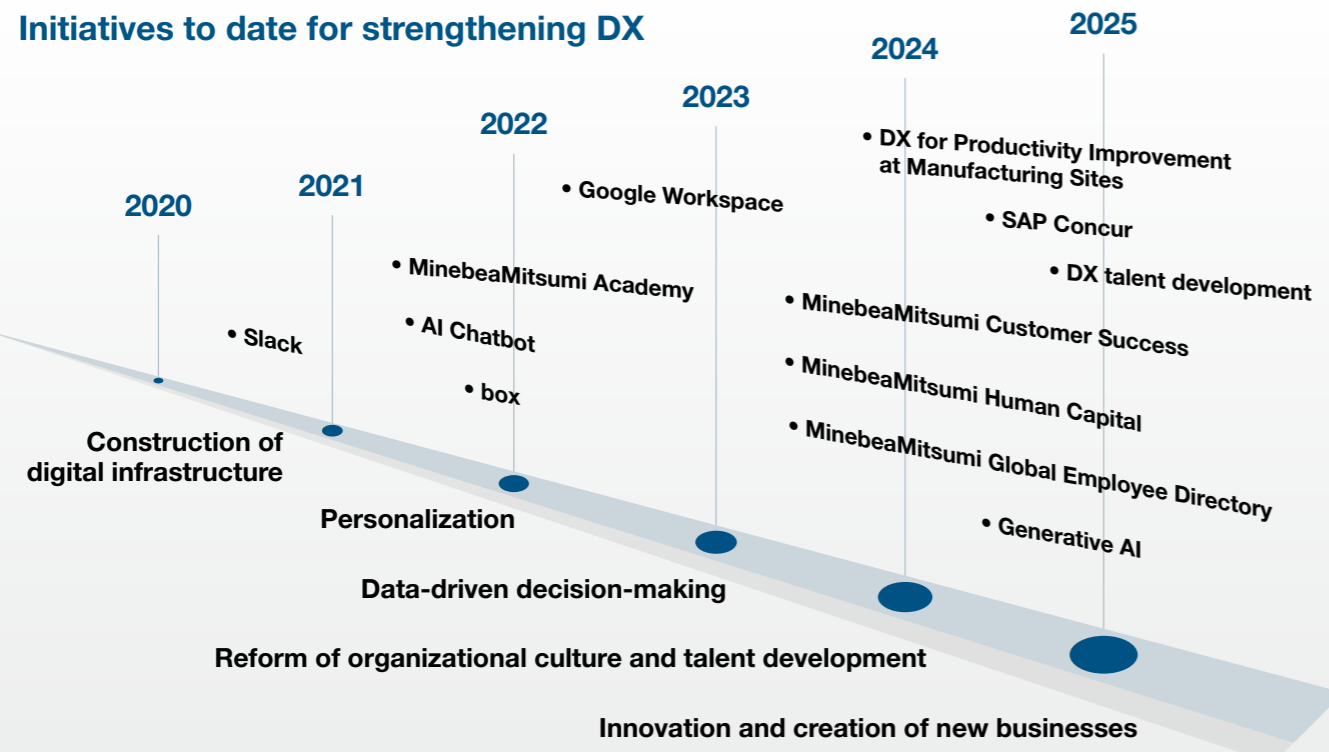
#### Develop zero-trust security measures and new business models

We will accelerate coordination with respect to accessing in-house data and actions taken based on analysis findings while promoting security measures.

#### Promote INTEGRATION and innovation

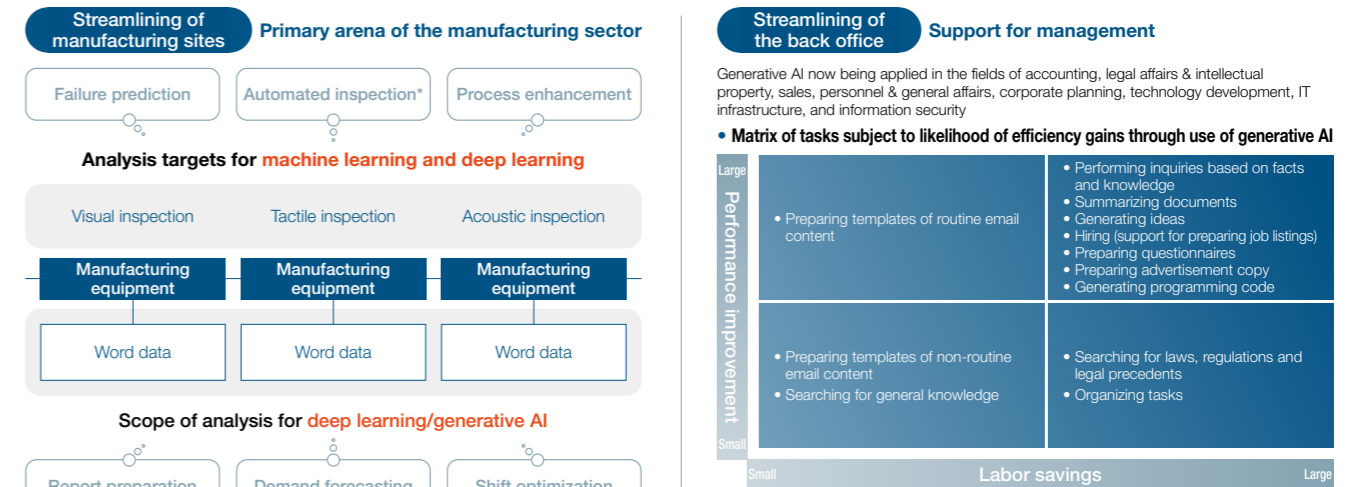
We will promote INTEGRATION and innovation by enhancing digital acceptance and facilitating knowledge sharing among employees.

## Initiatives to date for strengthening DX



## Using AI to improve operational efficiency

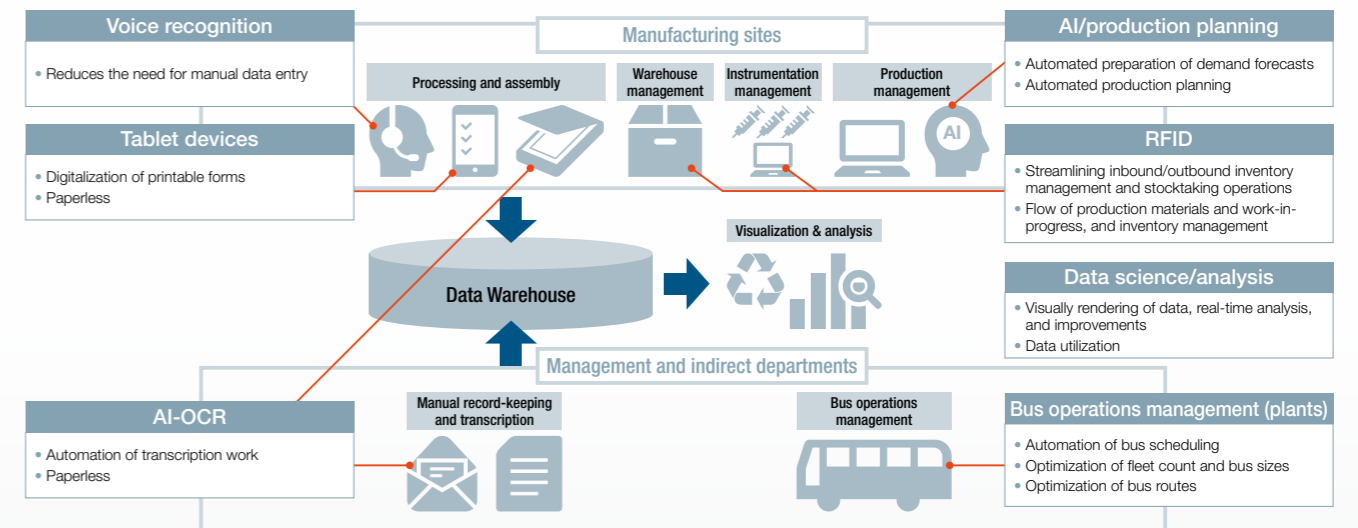
We furnish support making manufacturing sites and the back office more efficient by promoting labor savings and optimization of operational processes enlisting AI with a focus on security.



\*By switching over from manual visual inspection to AI-based visual inspection of bearings. We expect to reduce time required for such inspections by 60-70%.

**Performance improvement:** The extent to which generative AI contributes to enhance productivity of intellectual tasks and non-routine tasks  
**Labor savings:** The extent to which generative AI contributes to reducing work hours for routine administrative and operational tasks

## Promoting the Indirect Efficiency Boost (IEB) Project Improving the efficiency of indirect operations in manufacturing sites



## Promoting DX talent development

We are interconnecting manufacturing sites and IT-related divisions and effectively utilizing the data we acquire from manufacturing sites to improve productivity and efficiency. Within the next three years, we aim to triple the number of digital talent from current levels to approximately 90 people.

- Step 1 Skill enhancement**  
Reinforcing skills related to data analysis for data utilization, cloud, AI, low-code development, RPA, agile development techniques, design thinking, and other DX-related skills
- Step 2 Practical experience and application**  
Developing members that can fully leverage digital technologies, including data utilization, to solve the issues faced by manufacturing sites
- Step 3 Follow-up and evaluation**  
Performance evaluation, provide ongoing support and promote growth

