



## Basic Approach

Because our response to risk could profoundly affect the Minebea Group's business fundamentals, we believe that risk management is vital to the management of the company. We established the Minebea Group Basic Rules for Risk Management which define preventive measures we should have in place, our response in crisis situations, and the type of system the group should put in place.

## Risk Management System

The President and Chief Executive Officer of the Minebea Group has final responsibility for risk management, with major decisions regarding risk management being made by the Risk Management Committee. As a precautionary measure, Minebea attempts to predict and classify tangible risks in advance, and remains vigilant against such risks. In the unlikely event of an emergency, the severity of the situation is assigned a level of one to three, and after consultation by the Risk Management Committee, management headquarters and local countermeasures offices are established, to respond rapidly and effectively to the situation. Further, Minebea has organized a system under which, depending on the nature of the risk being managed, a supervisory division may be appointed to handle a situation for which it will draft and implement responses.

In response to the export suspension of rare earth elements from China in FY2010, the Minebea Group formed an internal working group to conduct a review of long-term strategy, including procurement stabilization and significant reductions in our consumption of such materials.

## Information Security

### ● Information Security Structure

The Minebea Group believes that protecting information assets is essential for building a relationship of trust. We have therefore established the Minebea and Minebea Group Basic Policy for Protection of Confidential Information (Information Security Basic Policy), which we thoroughly implement.

We have also established an Information Security Committee headed by an executive officer, composed of Information Security Task Forces that implement measures in each country.

### ● Information Security Training

To improve employee awareness of information security, the Minebea Group conducts information security training. Information security briefings are held annually, and tutori-

als are conducted by the Information Security Task force in addition to training for new and experienced employees when they enter the company. Information security briefings were conducted from February through April 2011, and 3,592 employees participated, including temporary staff and subcontracted employees.

Going forward, our training will help employees to enhance their awareness of information security violations and share information on such matters as the kinds of things that can lead to security violations.

### ● Initiatives to Protect Personal Information

Personal information retained by the Minebea Group is managed in accordance with our Personal Information Protection Policy. The purposes for which this information is utilized have also been clearly defined, and we strictly adhere to the parameters for scope of information use.

## BCP Initiatives

The Minebea Group will ensure the safety of its employees and their families in the event of a widespread disaster, influenza, terrorist acts or other emergencies. To deal with such eventualities, we have created the Minebea Group Basic Rules for Risk Management, to meet our responsibilities to our customers as the component manufacturer with the world's largest market share, and to keep disruption of our business to a minimum. Specifically, we have created an emergency manual, reinforced our plants against earthquakes, stored emergency food supplies, and adopted a system to confirm the safety of our personnel.

### ● Formulating a BCP for the Entire Group

The Minebea Group is strengthening its risk management system and working toward a goal of implementing company-wide BCP development and operation by FY2012.

In FY2010, a risk assessment survey was conducted, and defined initiatives were implemented using the Karuizawa Plant as a model facility.

### Response to the Great East Japan Earthquake

The Minebea Group held an Emergency Earthquake Response Conference led by the President and Chief Executive Officer immediately after the Great East Japan Earthquake occurred. This meeting continued for approximately a month after the earthquake, with senior executive officers and the head of each department as members.

Conference members mounted a smooth response to the disaster, reporting on and discussing a wide range of issues. The members confirmed the safety of employees and their families; gathered information on the status of and conditions at our places of business as well as those of our suppliers; confirmed the status of our logistics; determined a response to planned electrical power shutdowns; formulated measures to support the affected areas; and created a special leave policy to enable employees to carry out volunteer work in the affected areas. In addition, the conference conducted risk management and BCP, for example working to share information throughout the company by utilizing internal databases.