



Risk Management

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.

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 a managing 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 tutorials are conducted by the Information Security Task Force in addition to training for new and experienced employees when they enter the company. In FY2012, a total of 10,287 employees attended information security briefings, including temporary

employees 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

In the event of a major disaster, influenza outbreak, act of terrorism or other emergency, we believe that our social responsibility includes confirming the safety of our employees and their families, as well as ensuring that, as a manufacturer of products with world-leading market shares, we can continually supply our customers and minimize the impact to our business. For that very reason, in FY2012 we formulated and began implementation of business continuity plans (BCP) for major business sites in and outside Japan.

The BCP analyze risk scenarios for each site and plans are set based on the level of the risks. Specific measures include the creation of emergency manuals, the anti-seismic reinforcement of plant structures, stockpiling of food and water, establishment of self-defense fire brigades, emergency drills, and introduction of safety confirmation systems.

At our Thai sites, which serve as the primary manufacturing centers for the Group, we use the PDCA cycle for business continuity management (BCM) in order to enhance the effectiveness of BCP and instill planning into organizations. For example, as part of the lessons learned from the 2011 Thai floods, we have constructed embankments around our sites which can withstand water levels three to four times the size of the previous floods. In this way, we are continually enhancing our structures. Going forward, we plan to improve BCP exercises at other sites in and outside Japan in order to instill BCM into our organizations.



Embankments constructed around Bang Pa-in Plant, Thailand