# **Relationships with Employees**

### Basic Approach

Since its founding, the Minebea Group has recognized that employees are its most valuable resource, and one of our "Five Principles" is that the company should become a place where its employees are proud to work. The Minebea Group is committed to maintaining and improving workplaces where each of our employees can work safely and in good health, and fully exercise his or her abilities.

### Number of Employees (Group)

(As of March 2015)

	Employees	Japanese staff on overseas assignment	Total
Japan	3,493 persons	0 persons	3,493 persons
North America	1,703 persons	24 persons	1,727 persons
Europe	1,784 persons	23 persons	1,807 persons
Asia	56,533 persons	407 persons	56,940 persons
Total	63,513 persons	454 persons	63,967 persons

### Work Status (Non-consolidated)

(FY2014)

Average length of employment	Average age	Retirement/ Resignation	Turnover rate
17 years, 6 months	43 years, 6 months	105 persons	2.9%

### Overtime Work Data (Non-consolidated)(Averages for April 2014 – March 2015)

Average number of overtime hours/month	7.72 hours/month
Average overtime wages/month	17,090 yen/month

### Workforce Diversity

As an organization that conducts global business activities, the Minebea Group believes it is important to strengthen human resource capabilities through workforce diversity. We strive to create work environments in which a diverse group of employees can maximize their talents, regardless of gender, age, nationality, or disabilities.

### Promoting a Women-Friendly Workplace

The Minebea Group believes that it is important to create workplaces in which female employees can demonstrate their talents on a continual basis and take an active role. In keeping with this approach, we actively promote the appointment of female employees to managerial positions. We have set specific targets of raising the ratio of female employees in manager or higher positions to 3% of all such positions (1.3% in 2014) and the ratio of females in assistant manager or equivalent positions to 8% of all such positions (2.9% in 2014) by 2017.

In March 2015, we offered Leadership Training for Female Managers to a group of female employees in assistant manager or higher positions to support the enhancement of skills needed for managerial positions, primarily leadership skills.

### Appointment of Global Human Resources

The Minebea Group has set a goal to develop and utilize employees who can support global business expansion. As one initiative, the Group is actively hiring foreign exchange students studying at Japanese universities. Among the 62 new hires joining the company in April 2015, one was non-Japanese.

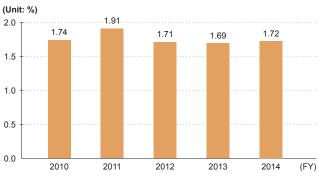
Furthermore, we actively recruit global human resources outside Japan, including at the Boston Career Forum in the U.S. In FY2014, four of our new employees were hired outside Japan.

### Initiatives Regarding Employees with Disabilities

The Minebea Group actively hires persons with disabilities. As of June 2014, the percentage of employees with disabilities was 1.72%. We plan to bolster our efforts to raise employment of persons with disabilities to the legally mandated rate (2.0%).

Our initiatives also consider improvement in the workplace environment by ensuring that all employees, no matter whether or not they have a disability, are motivated to work by having people with specialized skills acting in leadership roles.

### Ratio of Employees with Disabilities in the Minebea Group Workforce (Non-consolidated)



### Human Resources Development

The Minebea Group strives to develop human resources with a passion for manufacturing, a global mindset, and the ability to think for oneself and work independently with enthusiasm. In addition to establishing a specialized organization, the Human Resources Development Department, dedicated to the development of our personnel, we utilize rank-based group training, specialized skill acquisition and enhancement training, and on-the-job (OJT) training.

### Global Human Resources Development

The Minebea Group is actively developing global human resources. In FY2014, we conducted 22 training seminars for employees prior to their overseas appointments, which were attended by a total of 75 employees. Additionally, we are strengthening programs to support employees prior to their overseas assignments, including through opportunities to improve their English language skills.

Our personnel guidelines stipulate five-year terms for overseas assignments as a way to provide as many employees as possible with opportunities to work in the global arena.

Overseas, we provide overseas assignee training for Japanese staff working at overseas subsidiaries, based on training programs developed in Japan. We also provide training for local staff at overseas sites based on programs offered by each of our respective subsidiaries. Additionally, overseas employees are invited to Japanese plants as trainees so that we can share new technologies and manufacturing know-how.



## Completing My Training in Japan



Zhu Xiaoxun Engineering Support Division, Materials Science Development Department Materials Science Laboratories, Shanghai I took part in a training program in Japan from June 2014. Before arriving, I was a little anxious about daily living in Japan. But my worries disappeared before I knew it amid the beautiful environment around the Karuizawa Plant, and I was able to completely focus on work and study.

During my training, Minebea's environmental activities left a deep impression on me. Before the technical training began, the human resources

department had sent us an explanation of some important points. Among them was the importance of separating garbage. The training taught me how to thoroughly recycle and reuse resources, and I learned that separating waste begins with yourself, and that we can always start with a small task that we do all the time.

While learning about specialized manufacturing skills in Japan, I was also taught the importance of a beautiful environment. Since returning to China, I've not only put to use my technical skills on the job, but I've also communicated Minebea's environmental philosophy to my colleagues to help make a contribution to the environment.

### Dispatching Employees to Business School

Taking a medium- to long-term view of nurturing the next generation of leaders, Minebea selects candidates to participate as visiting fellows at the Center on Japanese Economy and Business at the Columbia University Business School in the U.S. We fully sponsor employees during the 10-month study program to give them the chance to interact with a diverse group of students and other fellows and learn the art of management.



# Columbia University Business School Studying Abroad



Yuji Takenaka Rod End/Fastener Business Unit Administration Division Rod End Administration Section From August 2014 through May 2015, I was a visiting fellow at the Columbia University Business School. Before taking part in the program, I was working in my current department, the Control Department, and involved in business planning and calculation management. My focus in university, however, was mechanical engineering, and I lacked knowledge about management. Both as an employee and as a person, I felt my development was stuck. That's when I

learned about the call for candidates for the overseas study program, and I made no hesitation applying. Being selected was a dream come true. During the program, I was not only able to take part in the business school's courses and seminars, but I built relations with professors, students, and other fellows and had the opportunity to think deeply about a host of issues completely separated from my work. My goal now is to leverage this new knowledge to make contributions to the development of business for the company.

## Initiatives for Creating Environments Conducive to Working

### Support for Diversity in Work Patterns

We believe that the Minebea Group's attention to the work-life balance of its employees will be rewarding them and lead to a sense of fulfillment. To this end, we have a flexible system that enables employees to take time off for childbirth, childrearing, caring for family members, and other important events in their private lives. We have also established the Overseas Vacation for Veteran Employees Program, which gives employees who have worked for Minebea for over 30 years an opportunity to rest and recuperate.

In FY2014, we changed the work leave system for employees with 10 or more years' tenure to allow for one year of leave instead of six months, and we also newly added a spousal childbirth leave system. These and other enhancements to our systems enable employees to flexibly choose their work pattern.

### Main Welfare Systems and Number of Users (Japan Group Companies) (FY2014)

Benefit	Description	Total users
Child care leave	Paid leave or shorter working hours for employees caring for children	104 persons
Spousal childbirth leave system	System providing leave when a spouse gives birth (up to 2 days)	24 persons
Family care leave	Paid leave or shorter working hours for employees with family members requiring care	0 persons
Overseas vacation for veteran employees	Trip to Thailand, China (Shanghai), or Singapore for employees with 30 years of service, and their families	434 persons

# **Relationships with Employees**

#### **Labor Relations**

As recited in the Minebea Group Code of Conduct, the Minebea Group recognizes freedom of association and endeavors to build harmonious labor relations by holding regular labor-management meetings and taking other measures to actively communicate with labor unions and employee representatives on issues such as the work environment and working conditions.

### Fair and Balanced Evaluation

At the Minebea Group, impartiality and objectivity are our prime concerns in evaluating the abilities and performance of our employees. In FY2014, we revised the personnel evaluation system to raise objectivity by setting new standards for promotion based on ability, experience, and other factors. We held seminars to explain the new system to employees and raise transparency.

Moving forward, we will implement personnel policies to flexibly respond to changes in the workplace environment and employment structure, with the aim of creating workplaces where employees perform to their maximum potential and where high motivation is rewarded.

### Respect for Human Rights

The Minebea Group prohibits discrimination based on such factors as race, age, gender, nationality, and religion. We provide various types of education to ensure this policy is followed, including new employee training using the Minebea Group Officer and Employee Compliance Guidelines, sensitivity training to employees before their assignments to regions with different cultures, and anti-harassment training as part of our rank-based training program. Moreover, we are working to prevent human rights abuses by providing a consultation center and an internal reporting system.

## Health and Occupational Safety Management

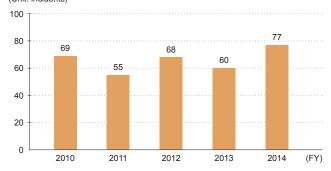
The Minebea Group firmly believes that a safe, healthy workplace is key to improving product and service quality, consistency of manufacturing operations, and employee morale.

Each of our plants has a Health and Safety Committee comprised of numerous working groups with responsibility for workplace safety, health issues, and other such concerns. These committees meet regularly to share each working group's progress toward its targets. In addition, the Minebea Group's principal plants in its mass production bases of Thailand, China, and Singapore have OHSAS

18001 certification, and the Malaysian Plant has also newly obtained the certification.

In the event of a fire, workplace injury, traffic accident, or other similar incident, safety managers take the lead in identifying the cause and handling the issue. Information about such incidents is shared with other production sites in each country to prevent similar incidents in the future.

# Workplace Injuries and Other Accidents in the Minebea Group (Group) (Unit: incidents)



### **Promoting Health Management**

The Minebea Group strives to maintain and improve the health of its employees in accordance with health-related laws in each country and the circumstances of each work site. We provide employees with regular health checkups, offer health consultations, send notices to employees to curb overtime work hours, and have industrial physicians make regular rounds at work sites.

In regard to mental health care, which has drawn social interest in recent years, we have a consultation structure in place to ensure that employees can discuss issues with industrial physicians and counselors. Additionally, the health advisors working at each plant meet quarterly to discuss issues. Our employee magazine regularly publishes mental health information and we distribute mental health checklists during regular health checkups. In these ways, we are promoting prevention through employee self-assessment and care.

### Future Issues and Goals

Moving forward, we will take various measures to improve work-life balance and strengthen health management in order to encourage high levels of motivation and maintain a work environment in which employees can work energetically.

Furthermore, we continue to take various measures to create work environments which can nurture global-minded employees, pass down know-how from one generation to the next, and leverage our diversity. These measures will support our growth as a global enterprise.