

Relationships with Customers

Basic Approach

The MinebeaMitsumi Group aims to be a comprehensive manufacturer of precision components which can make contributions to the development of global society. To this end, we practice the MinebeaMitsumi Group Quality Policy, which is based on the company credo the “Five Principles,” to ensure the quality of products we develop, manufacture, and sell and thereby earn the trust of customers worldwide. Additionally, we use limited resources efficiently to prevent waste.

In support of our goals, we establish and operate quality management systems, while continually verifying their effectiveness and seeking ways to improve them.

Quality Management

Quality Management Framework

We have created the Group Quality Management Rules covering the entire MinebeaMitsumi Group as part of our measures to ensure the safety of our products and services and prevent accidents. In FY2017, in conjunction with the changes in our organizational structure and operations with business integration, we revised the Group Quality Management Rules as well as the associated Group Product Safety Management Manual, Group Hazardous Substance Management Manual, Significant Quality Issue Handling Manual, Group Conflict Material Management Manual, Supplier Quality Assurance Agreement (Standard Version), and other standards and translated them into English and Chinese for distribution throughout the Group.

The chief officer of the quality management framework is the President and Chief Executive Officer, who is supported by the Quality Management Committee. Its subordinate

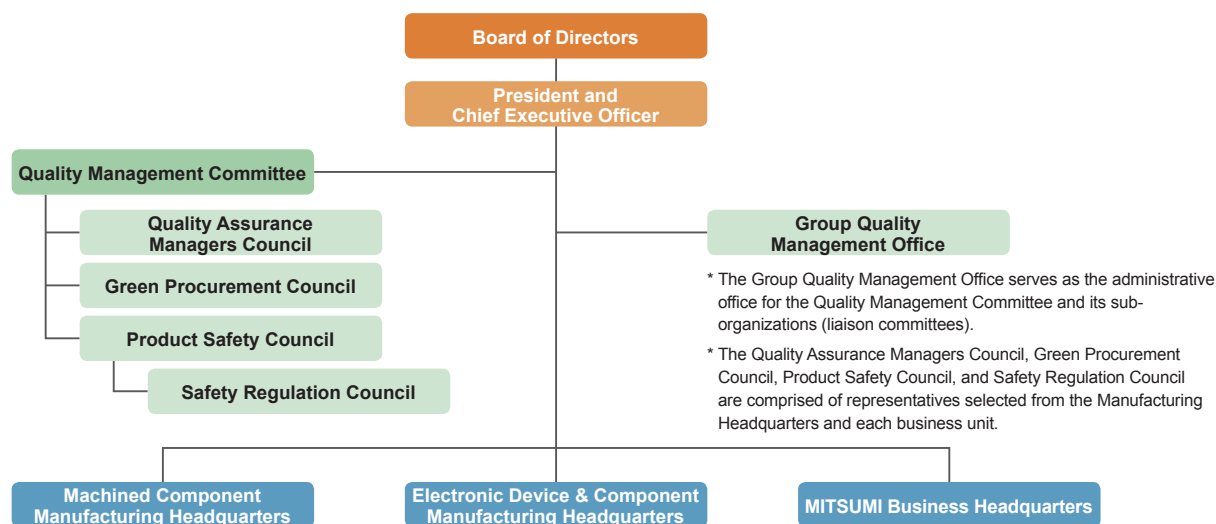
organization, the Quality Assurance Managers Council, comprises managers responsible for quality in each business unit. At these meetings, managers regularly share information on specific quality issues and work to implement internal measures to ensure similar problems do not reoccur. The Group Quality Management Office acts as the administrative office for the Quality Management Committee and the Quality Assurance Managers Council, and provides quality management support and guidance to each business unit. Furthermore, the Safety Regulation Council ensures compliance with the Electrical Appliance and Material Safety Act (in Japan), shares and promotes information on safety standards in each area of the world, and works to strengthen the Group’s safety response.

In FY2017, we established the Product Safety Council, selected members from each business unit, exchanged information, and held study sessions in anticipation of an increasing shift from shipment of individual components to components with integrated assemblies that are close to final products or final products themselves.

Risk Assessment

Based on its internal standards, the MinebeaMitsumi Group conducts risk assessments on medical, automotive, and aircraft products—three types of end-products in which the MinebeaMitsumi Group’s parts are commonly used and which could pose a serious impact on society in the event of a problem. These risk assessments are carried out collaboratively between the Group Quality Management Office and the business units. In the event the organizations identify a risk in design or manufacturing, actions are taken to mitigate the risk.

► Quality Management Framework



* As of April 1, 2018



Quality Improvement Measures

Quality Assurance Agreement for Suppliers

The MinebeaMitsumi Group seeks the cooperation of suppliers to ensure that their products and services conform to the quality requirements of the Group. In addition to basic contracts, we conclude quality assurance agreements with suppliers and offer instruction through the Supplier Manual. In this way we ensure that the entire supply chain can meet customers' quality requirements.

Promoting Quality Management System Certification

The MinebeaMitsumi Group acquires quality management system (QMS) certifications necessary at each business unit. We are also acquiring certifications in conjunction with the development of new products. Additionally, the Group Quality Management Office holds internal auditor training to continually nurture internal auditors and maintain its auditing capabilities.

In FY2017, each unit continued efforts to shift certification to ISO 9001:2015 or IATF 16949:2016.

Quality Management and Quality Control Examination

The MinebeaMitsumi Group promotes employees' acquisition of quality certification through quality control examinations (QC certification) recognized by the Japanese Society for Quality Control and administered by the Japanese Standards Association and Union of Japanese Scientists and Engineers since September 2008. The certification improves each employee's quality assessment and management abilities, which leads to the improvement of higher product quality for the entire MinebeaMitsumi Group. Moreover, we bore the cost of examination fees, and provided a database available to all employees whereby they can access teaching materials for study to enhance their knowledge of quality management. We also provide seminars twice a year prior to examinations.

In FY2017, many employees received certification, bringing the cumulative certification total for the entire MinebeaMitsumi Group to around 750 employees.

Unified Manufacturing Labels and Bar Codes

We began implementing logistics management activities in 2013, such as unifying manufacturing labels and bar codes throughout the Group to prevent mistaken product shipments and raise the productivity of verification processes. We completed the standardization of all former Minebea products in FY2017. We will continue our efforts to extend this initiative to Mitsumi Electric products.

Visualization to Further Enhance Logistics Quality

The MinebeaMitsumi Group is promoting visualization in order to improve the quality of its logistics. We organized and analyzed delivery date information, logistics and inventory data, and warehouse receiving and shipping information and optimized storage locations and logistical methods.

Disclosure of Product-related Information

Most products from the MinebeaMitsumi Group are ultimately integrated into finished products that pass into consumers' hands. For this reason, we provide safety related information to our customers as requested. Also in response to customer requests, we provide information about chemical substances incorporated in our products, based on information obtained from suppliers.

Communication with Customers

Customer Satisfaction Surveys

Within the MinebeaMitsumi Group, individual business units conduct their own customer satisfaction surveys. The survey results are provided to the sales and development departments of each business unit. If customers should evaluate any criterion below a specific satisfaction level, we assess and implement improvements across all divisions.

Responding to Quality-related Issues

In the event there is a significant quality issue concerning MinebeaMitsumi Group products or services, we refer to the Group Quality Management Rules to take necessary measures in response.

Future Issues and Goals

Moving forward, we will strengthen our measures to further improve quality. Specifically, we are continuing our responses to new laws, regulations, and standards and reinforcing quality management systems throughout the Group supply chain.

In logistics operations, we are standardizing bar code labels and packaging boxes and introducing automation based on this standardization while working to enhance logistics quality.