

Relationships with Employees

Basic Approach

Since its founding, the MinebeaMitsumi 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 MinebeaMitsumi 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 2018)

	Employees	Japanese staff on overseas assignment	Total
Japan	6,202 persons	n/a	6,202 persons
North America	2,624 persons	42 persons	2,666 persons
Europe	2,295 persons	35 persons	2,330 persons
Asia	66,598 persons	555 persons	67,153 persons
Total	77,719 persons	632 persons	78,351 persons

▶ Work Status (Non-consolidated) (FY2017)

Average length of employment	Average age	Retirement/Resignation	Turnover rate
17 years, 6 months	43 years, 11 months	134 persons	3.41%

▶ Overtime Work Data (Non-consolidated) (Averages for April 2017–March 2018)

Average number of overtime hours/month	6.94 hours/month
Average overtime wages/month	15,413 yen/month

Workforce Diversity

The MinebeaMitsumi Group conducts global business activities and has a diverse workforce, but we are working to strengthen human resource capabilities even further. In addition, 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 Active Roles for Women

The MinebeaMitsumi Group positions workforce diversity as a priority management strategy to generate new values and competitiveness and be a company that achieves sustainable growth.

We have made the promotion of active roles for female employees a priority. We formulated an action plan in March 2016 to establish employment environments in which female employees can perform at high levels, support an increase in the number of female managerial candidates, and establish work environments where female managers can thrive. The action plan includes a target of doubling the ratio of female managers by 2021 (actual rate in March 2018 in MinebeaMitsumi Inc.: 1.45%).

In FY2017, we continued training on leadership basics and execution and held networking events for female employees in order to improve the skills needed for management positions with a focus on leadership skills.



Please visit the website below for detailed information regarding the action plan.

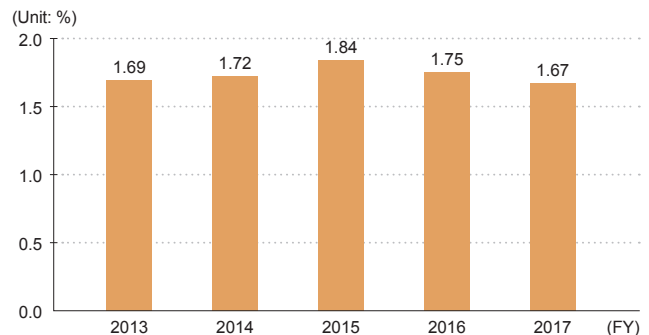
http://www.minebeamitsumi.com/english/corp/environment/sociality/employees/2018/minebeamitsumi_action_plan.pdf

Initiatives Regarding Employees with Disabilities

MinebeaMitsumi actively hires persons with disabilities. As of June 2017, the rate of employees with disabilities was 1.67%. We plan to bolster our efforts to raise employment of persons with disabilities to the legally mandated rate (2.2%).

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.

▶ Rate of Employees with Disabilities in the MinebeaMitsumi Group Workforce (Non-consolidated)



* Data for FY2013 to FY2016 are aggregate results for Minebea (non-consolidated) prior to business integration.

Mandatory Retirement at Age 65 Introduced

The MinebeaMitsumi Group introduced a reemployment system that enables all employees to continue working after the mandatory retirement age until they turn 65 years old. We took active measures to use the capabilities of senior employees, but mandatory retirement at age 65 will be introduced effective April 2019. Furthermore, a uniform retirement age of 65 years will be established at MinebeaMitsumi and domestic subsidiaries. We will continue to create stable environments where employees can work to their full potential.

Human Resources Development

As the scale of its business expands and globalization accelerates, the MinebeaMitsumi Group strives to develop human resources with a willingness to take on new challenges, the ability to think for oneself and work



independently with enthusiasm and inquisitiveness, a passion for manufacturing, and a global mindset.

Developing Human Resources Willing to Take on Challenges

The MinebeaMitsumi Group engages in active overseas business development and provides as many employees as possible with opportunities to work in the global arena in accordance with personnel guidelines that stipulate three to five year terms for overseas assignments.

In FY2017, we conducted 21 training sessions for employees starting new positions overseas or engaging in long-term, overseas business travel prior to their overseas assignments, which were attended by a total of 99 employees. We have also established support programs for local-language and English-language training to enhance communication skills after employees take up their overseas posts.

Companywide undertakings include conducting TOEIC testing every other year and conducting various programs to assess and improve employees' English skills. In FY2015, we introduced an open rotation system that allows employees to volunteer for transfer to a different department, and to date, more than 15 employees have made use of this program to undertake new work.

In order to localize management at overseas sites, subsidiaries outside of Japan conduct training for local employees. In addition, overseas employees are invited to Japanese plants and Headquarters divisions as trainees so they can acquire Japanese language skills, gain understanding of Japanese culture, and undergo training on the company's core technologies, manufacturing know-how, and management skills.

Training in Japan



Chonticha Intagosum
Accounting Division
NMB-Minebea Thai Ltd.

VOICE

I am currently in training in the Accounting Department at the Tokyo Head Office. I was quite pleased when the decision was made for me to undergo training for one year in Japan. This is the first time that I have worked overseas, but my work colleagues here have provided thoughtful support.

In Thailand, my main work was data input, but in Japan, I verify the data. Through this experience, I have come to understand an overall image of operations. I am certain that when I return to Thailand, my experience in Japan will be useful in my work.

Outside of work, it has been difficult to become accustomed to Japanese culture and customs. I feel that I need to practice my Japanese communication skills much more. Nonetheless, this training has been an extremely valuable experience for me. I am very grateful to have been provided this opportunity and for the many friends I have made here.

Assigned to Japan



Hataikarn Kanram
Hamamatsu Rotary Component Procurement Section

VOICE

I came to the Hamamatsu Plant from the Lopburi Plant in Thailand and have been working in the Rotary Component Procurement Section since October 2014. My main duty is to connect business divisions in Hamamatsu with procurement departments in Thailand and with suppliers. Prior to being assigned to Japan, I visited Japan once for training. At that time, I did not understand any Japanese and felt apprehensive, but when I was asked if I would be interested in working in Japan, I looked forward to this new challenge.

By working in Japan, not only have I learned Japanese, I have also gained a better understanding of the character and ways of thinking of the Japanese people and have acquired information gathering skills that are useful in my work. In Thailand, I was not aware of the detailed information and background during the prototype stage, but here in Japan, members of the technical teams are present and I can coordinate the details with them. I hope to make use of this experience to perform work that connects Thailand and Japan in the future.

Developing Future Leaders

The MinebeaMitsumi Group conducts training and implements skill enhancement programs to develop, from a medium to long-term perspective, the leaders of the future generations who are expected to drive the Group's sustainable growth. As one part of these efforts, employees are sent to Columbia University Business School in the United States as visiting researchers where they can interact with students and researchers from diverse backgrounds, acquire wide-ranging knowledge, build personal networks, enhance language skills, and hone their leadership skills.

Fair and Balanced Evaluation

At the MinebeaMitsumi Group, impartiality and objectivity are our prime concerns in evaluating the abilities and performance of our employees. In FY2017, we reviewed personnel evaluation standards and promotion standards, held seminars to explain the new system, and took other measures to increase the system's 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 MinebeaMitsumi 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 MinebeaMitsumi Group Officer and Employee Compliance Guidelines, sensitivity training to employees before their

assignments to overseas sites, 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.

In Thailand, which is our largest site, our labor policy prohibits human rights violations such as compulsory labor and child labor and disciplinary measures were established. We also acquired certification under the TLS 8001-2010 Thai labor protection standards.

Initiatives for Creating Environments Conducive to Working

Labor Relations

As recited in the MinebeaMitsumi Group Code of Conduct, the MinebeaMitsumi 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.

Support for Diversity in Work Patterns

We believe that the MinebeaMitsumi 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 established 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.

In FY2017, we reviewed the system for reduced working hours for childcare and modified it to allow use until a child completes the third grade of elementary school. Going forward, we will continue to enhance program so that employees can select flexible work options.

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

(FY2017)

Benefit	Description	Total users
Childcare leave	Paid leave or shorter working hours for employees caring for children	114 persons
Spousal childbirth leave system	System providing leave when a spouse gives birth (up to 2 days)	49 persons
Family care leave	Paid leave or shorter working hours for employees with family members requiring care	5 persons
Vacation for veteran employees	Travel coupons for employees with 30 years of service, and their families	136 persons

Health and Occupational Safety Management

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

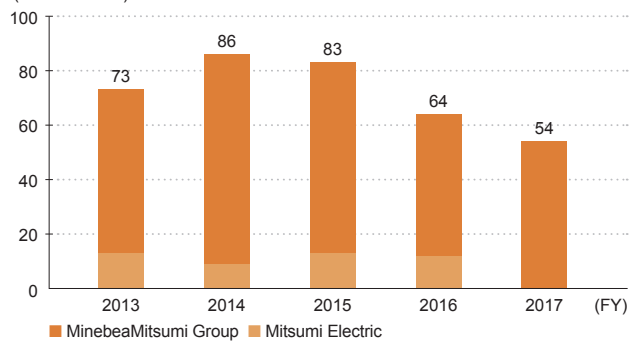
Each plant holds regular meetings of their Health and Safety Committee, comprised of working groups involved in health and

safety operations and so on. At the meetings, each working group shares its progress toward its targets. In addition, the MinebeaMitsumi Group's principal plants in its mass production bases of Thailand, China, Singapore, Philippines, and Malaysia have obtained OHSAS 18001 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 MinebeaMitsumi Group

(Unit: incidents)



■ MinebeaMitsumi Group ■ Mitsumi Electric

* Data for FY2013 to FY2016 are aggregate results for the Minebea Group and Mitsumi Electric prior to business integration

* Mitsumi Electric only refers to production sites in Japan

Promoting Health Management

The MinebeaMitsumi 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 conducted stress checks since 2016. We also have a consultation structure in place to ensure that employees can discuss issues with industrial physicians and counselors. The health advisors working at each plant meet quarterly to discuss issues.

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 diversity. These measures will support our growth as a global enterprise.