

# Comments on the MinebeaMitsumi Group CSR Report



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The MinebeaMitsumi Group CSR Report 2018 presents a multifaceted introduction to steady reinforcement of the Group's CSR management following business integration. Coverage has been expanded through the business integration and further global business development, and the Group's position on efforts to address the difficult problem of simultaneously spreading the CSR concept built on the foundation of the "Five Principles" corporate credo throughout the Group is clearly conveyed. The essence of this can be seen in the consistent stance of valuing people as management resources and the deep understanding of and consideration for regional and business site characteristics. Feature 1 on communications with local stakeholders at domestic business sites that were recently added to the Group and Features 2 and 3, which depict the practice of CSR at overseas sites, are specific examples of this. The dissemination of CSR principles to overseas employees in particular created a strong impression. In addition to the example in Thailand, which makes it seem that level near perfection has been attained, the example of the Cambodia plant, which is undergoing dynamic growth, conveys how the deep commitment to local communities leads to increased competitiveness through human resource development. This is an excellent example of an episode regarding the creation of value to be expected from a global company.

One other point that I noticed in this issue is the emphasis on the connection between responding to social needs and growth strategies as a business enterprise. The commitment from the

CEO at the beginning of the report expresses an awareness that the record high profits achieved in the 2017 fiscal year were due to accurate responses to societal needs, and the descriptions of undertakings to address environmental issues through products as a part of environmental management go into considerable detail. In place of the term "environmentally-conscious products" that was used until last year, this year's report refers to "environment-friendly products." In light of the current situation where approximately 40% of global electric power is consumed by motors and another 25% is consumed by lighting, the impact of the Group's products is extremely large, and there is a powerful message to be delivered by emphasizing their contribution. In my commentary to last year's report, I requested that greater emphasis be placed on scenarios that can link solutions to social problems and growth strategies, and I am gratified to see that this was done.

As I have indicated before, the emphasis on human capital and other related capital and the detailed disclosure of mechanisms for the creation of value seen in the MinebeaMitsumi Group CSR report is a characteristic not seen in other reports. In the future, I hope that the connections to information provided to investors will be reinforced so that even more stakeholders can understand the uniqueness of this report. For example, I believe that it would be worthwhile to consider including the message that "generating synergies through integration of core businesses, niche products, and technologies will lead to sustainable growth" in the opening portion of this report and clarifying the positioning of this report as a means for providing more detailed information regarding the investment of capital to support these types of growth scenarios.

## Mr. Keisuke Takegahara

After graduation from Hitotsubashi University Faculty of Law, Mr. Takegahara joined the Japan Development Bank (now the Development Bank of Japan, Inc.) He assumed his present post following stints in the bank's Research Department, Policy Planning Department, its Representative Office in Frankfurt, and as general manager of Environmental Initiatives & Corporate Social Responsibility-Support Department. Mr. Takegahara is also a member of several groups, including the Japanese Ministry of the Environment's "Working Group on Incorporating Issues Regarding Sustainability into Investment," "Environment Growth Engine Study Council," the Cabinet Office's "Working Group for Eco-Model City Project," and NEDO's Technical Committee.

## On Receiving a Third-party Opinion



**Mr. Tatsuo Matsuda**

Managing Executive Officer  
Responsible for the Personnel & General  
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Mr. Takegahara has again provided us with valuable feedback on the Group's CSR promotion.

The MinebeaMitsumi Group CSR Report 2018 contains special features that present information on the Group's activities in Japan and overseas including communications with the local community at the Mitsumi Electric Chitose Business Division, which was added to the Group as a result of the business integration with Mitsumi Electric,

and our undertakings with strong local ties in Thailand and Cambodia. I am grateful for the high assessments of the practice of CSR and the spread of CSR principles among employees, particularly at overseas sites.

In the Hot Topics section, the report also discusses products that can contribute to solving social issues such as the new SALIOT LED lighting devices. I am quite pleased that the connection between solving social issues and growth strategies was positively assessed. We will continue our efforts to solve social issues through products including environment-friendly products.

We will reinforce the links between information disclosed to investors and our responses to social needs, as was indicated, but I think this remains an issue for us.

Going forward, we will endeavor to issue clear reports so that we can gain the understanding of all stakeholders regarding our CSR activities.