

Feature: Value Creation by the Mabuchi Group

The Mabuchi Group's Management Principle, the fundamental concept that guides all of our activities, was defined in 1964, and the current Management Principle of "Contributing to international society and continuously increasing our contribution" was established in 1971. By putting our principle to practice, we will continue to create value toward the achievement of a sustainable society.

Our Management Principle conveys our desire to increase our contribution to society and continue to be an indispensable company for the world. Our principle indicates that all employees are expected to participate in contributing to society through their work as a member of the company, and to grow as people by caring not only for others but also for nature, the environment, and all other things by enriching themselves mentally rather than simply placing importance on material wealth. In other words, our Management Principle is our fundamental concept for corporate management, a concept that will be passed down as Mabuchi's identity for eternity.

In this feature, we describe the efforts that the Mabuchi Group has been engaged in to date to achieve its Management Principle as well as our major mission to fulfill through our business activities. This feature summarizes our relevance in efforts to promote the achievement of the SDGs from an ESG perspective, based on our key Management Guidelines.

Management Principle

"Contributing to international society and continuously increasing our contribution."

Management Guidelines

1. By bringing better and more reasonably priced goods to the market, we contribute to the creation of a more affluent society and more comfortable lives for everyone.
2. Contribute to the leveling of international economic disparities and to economic development in other countries through the creation of employment opportunities and technology transfers.
3. People are the most important managerial resource. Realize human potential through our work and teach people to become productive members of society.
4. Conduct corporate activity which preserves the earth's environment and protects human health.

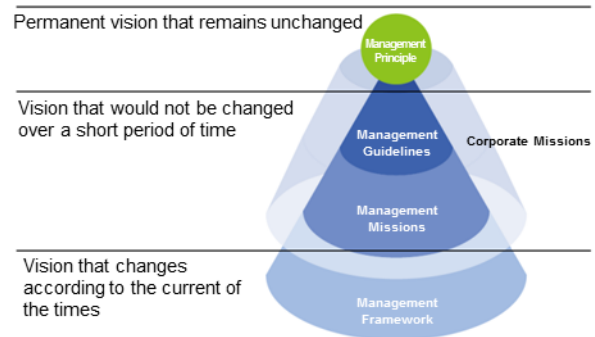


Diagram of Mabuchi Management Vision System

Efforts to Achieve Sustainable Development Goals (SDGs)

The Mabuchi Group regards the SDGs as goals that The Group can achieve along with economic growth That respects people. We will continue to actively engage in social and environmental activities to achieve these goals.

Sustainable Development Goals (SDGs)

These are international goals for a better world, adopted at the "United Nations Sustainable Development Summit" in September 2015, specifically, 17 goals and 169 targets to achieve for each goal. To reach the target by 2030, action must be taken by all countries and people, as well as by companies.

SUSTAINABLE DEVELOPMENT GOALS



The Mabuchi Group supports SDGs.

Management Guideline 1.

By bringing better and more reasonably priced goods to the market, we contribute to the creation of a more affluent society and more comfortable lives for everyone.



As a manufacturer that specializes in motors, we will create value through better and more environmentally friendly products.

We contribute to society through resource and energy conservation by providing a stable supply of high-quality, environmentally friendly products and reducing the size, weight and power consumption of our customers' end products.

We consider our mission as a manufacturer specializing in motors to be to make people's lives more convenient, comfortable, and safe, and we pursue the potential of motors to the fullest extent to enhance their value. Mabuchi Group helps make peoples' daily lives more convenient, comfortable and safe for those who use our motors for various applications.

New Product Lineup



Power Window Lifter Motors GD-538LA/RA, GD-548LA/RA



Mabuchi Motor Co., Ltd. developed and started selling 2 models of power window lifter motors, "GD-538LA/RA", and "GD-548LA/RA". We are continuously pursuing smaller size, lower weight and higher torque for each of our motors for automotive electrical equipment, and contributing to a reduction in environmental impact by contributing to fuel consumption reduction by lowering the weight of the vehicle.

Product features

- 1. Compact, lightweight, high torque compatible (GD-538LA / RA is the smallest and lightest in the series)**
 - **GD-538LA/RA** Redesigned magnetic circuit to achieve size reduction of 13% and weight reduction of 18% with the same torque as conventional models.
 - **GD-548LA/RA** The yoke length has been changed to achieve a 13% weight reduction and 33% torque increase over the conventional models *1.
- 2. Sensorless system compatible *2**
Selectable sensor-less system with current ripple control or sensor type.
- 3. Connector can be changed (Option) *2**
The connector portion can be attached to either the output shaft side or the non-output shaft side.

*1 Comparison with conventional model GD-558LE/RE

*2 Compatible with both GD-538LA/RA and GD-548LA/RA



Motor for Automotive Products SF-266XA



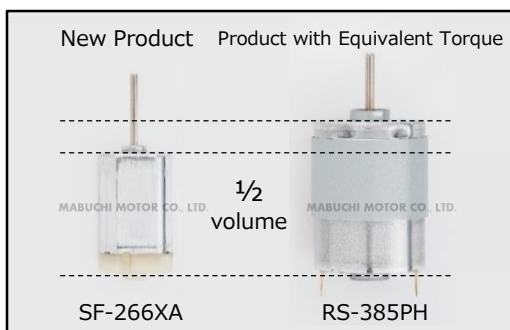
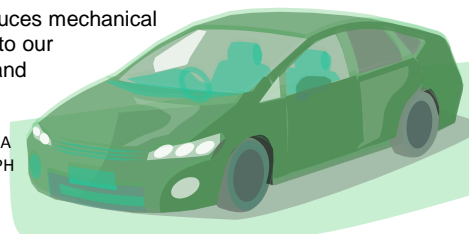
This product has twice as much torque as conventional products *3, while maintaining the features required in the field of automotive electrical equipment in recent years, such as noise reduction, compactness and light weight. We are continuously pursuing smaller size, lower weight, and higher torque for each of our motors for automotive electrical equipment, so we are able to contribute to a reduction in the environmental impact, as fuel consumption is reduced when the weight of the vehicle is lowered.

Product features

- 1. Compact and high torque**
 - By further evolving one of our strengths, the optimal design of the magnetic circuit, the torque has been improved by about 2 times while maintaining the same volume and weight as our conventional products *3.
 - Approximately half the volume and weight of our equivalent torque products*4.
- 2. Excellent quietness**
 - Our proprietary technology reduces mechanical noise and vibration compared to our equivalent torque products*4, and achieves excellent quietness.

*3 Conventional Product : SF-266SA

*4 Product with Equivalent Torque : RS-385PH



Management Guideline 2.

Contribute to the leveling of international economic disparities and to economic development in other countries through the creation of employment opportunities and technology transfers.



We will create value through our global corporate endeavors as we work with a diverse range of people around the world.

Contributing to overseas countries around the world through global business development

Since succeeding in its first overseas expansion in 1964, the Mabuchi Group has consistently emphasized its corporate activities from a global perspective. By establishing a global system to achieve local production for local consumption, and by expanding our business globally, we are currently creating jobs in the countries where we conduct business.

Furthermore, by increasing the income of our employees, we contribute to a higher standard of living and the economic development of each country.



The Mabuchi Group's development overseas contributes to the revitalization of neighboring industries, such as the production of raw materials, parts, and packaging materials used for local production, while simultaneously promoting the transfer of technology to each area. We have been promoting the localization of such activities in advance and will continue to promote the economic development of each country and region.

To create a brighter future

As a result of the shortage of labor due to the declining birthrate, there have been concerns regarding the deterioration of the working environment and health hazards. Furthermore, as the population grows older, the need for labor and ancillary equipment in the medical and nursing care sectors is greater than ever before.

When motors made by Mabuchi are used in assisted suits, mobile vehicles, and other such applications, they can generate strong motive power with little force. Similarly, when they are used in AGV's* and production automation equipment, they can free people from hard labor to achieve a working environment that does not sacrifice health.

We believe new value and products are born as a result.

We now live in an era in which increasing value is placed on work style reform and work-life balance. In such an era, cleaning robots that reduce the burden of housework and other home appliances equipped with motors produced by Mabuchi will reduce physical burdens and help people use their time efficiently. In this way, we will create a more convenient, comfortable, and better society in which each and every person in the world can live a fulfilling life and have the mental capacity to do so.



*AGV : Acronym for "automatic guided vehicle."

Management Guideline 3.

People are the most important managerial resource. Realize human potential through our work and teach people to become productive members of society.

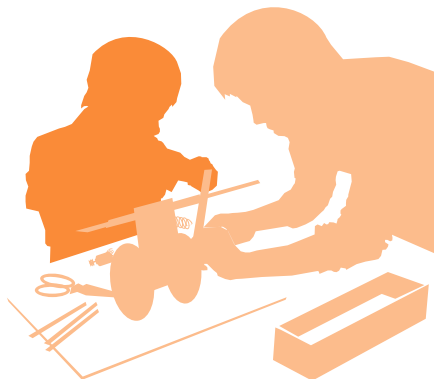


All of our employees will create value by contributing to society through their work.

For everyone in the world to play an active role

The Mabuchi Group actively promotes diversity throughout the group and is working to build a human resources system that enables employees to work around the world without limits to any country or region. By recruiting and promoting employees regardless of nationality or gender, our management has become more localized, and in recent years we have promoted the transfer of human resources among group companies, thereby expanding the activities of personnel in each region of the world. By providing education and opportunities for all employees, we create new value as each employee makes use of his or her sense of globalness and unique strengths.

Educational support for the students and children who will inherit the future

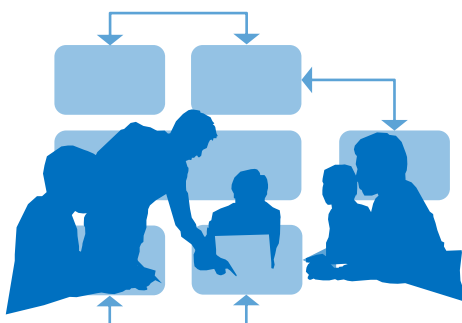


Mabuchi Group employees communicate the joys of manufacturing and science through educational activities in order to support the growth of students and children, who are our future leaders. Our educational activities started with the manufacture of motors for school materials and support for the construction of an elementary school in Dalian, China, and we will continue to engage in such activities in the future. We will continue to spread the joys of learning and creativity to young people and children around the world through robot contests, school visits, craft classes, and work experience.

We will create value by conducting business in a sustainable and stable manner and by fulfilling our responsibility to all of our stakeholders.

Strengthening our governance system

We have an important corporate responsibility to continuously contribute to the interests of all stakeholders including stockholders by generating adequate profits and enhancing corporate value. In order to achieve this, it is essential that we develop, operate, and strengthen a suitable system of corporate governance.



The Mabuchi Group fulfills its responsibility to its shareholders by improving its business performance. We also fulfill our responsibilities of supplying products to customers and employing workers, so that we can operate in a lasting and stable manner. To achieve this, we will ensure compliance to eliminate activities that lack ethics from the ground up, effectively use oversight, and strengthen governance. Through risk management activities that anticipate all possibilities, we will earn society's trust and continue to be an indispensable company.

Management Guideline 4.

Conduct corporate activity which preserves the earth's environment and protects human health.



We will create value through our corporate activities with consideration for the global environment.

Saving energy by improving product performance

Currently, more than 70% of motors produced by Mabuchi are used in automotive electrical equipment. The demand for more convenient and comfortable vehicles has led to an ever-increasing number of our motors being installed in vehicles around the world.



While a typical gasoline or diesel engine are said to have an energy conversion efficiency of around 30-40%, some of our motors have achieved an energy conversion efficiency of over 90%. We will continue to contribute to the environmental measures for automobiles by further evolving efficient DC motors by producing power-saving, highly efficient, compact, and lightweight motors throughout the group. Through these corporate activities, we will help protect the global environment and human health.

Conserving resources by improving efficiency in development and production

The Mabuchi Group continues to actively reduce CO₂ emissions, prevent environmental pollution, and conserve resources by introducing more efficient equipment and facilities and making improvements to ensure our processes do not use substances that are hazardous to the environment. Furthermore, we have implemented thorough management to ensure that electricity, water, and resources in the entire group's production activities are used appropriately.

High Environmental Consciousness and Initiatives

Responding to environmental issues is a challenge common to all companies and countries around the world that must be addressed as a top priority in today's society. In addition to promoting energy conservation and reducing the use of environmentally hazardous substances in its products and production activities, the Mabuchi Group continues to promote efforts and education to raise employee awareness for the purpose of conservation throughout the group.



The Mabuchi Group's strategy of standardization is to provide high-performance, high-quality, and affordable motors. Furthermore, we conserve limited natural resources by reducing the amount of waste produced through the use of materials in the production process and peer group involvement in the manufacture of molds and equipment.

▶ Please refer to the ESG Data section at the end of this document.