# Contents

01 MISUMI's Growth Chain-reaction Aspired Management

At a Glance

- 02 Realizing Growth Chain-reaction Aspired Management through MISUMI Value's
- 03 Contents / Editorial Policy

# Message from Top Management

**04** Message from the CEO

### At a Glance -

- 07 Management Trajectory
- 08 Accumulated Management Capitals

#### Value Creation

- 09 Value Creation Process
- 10 Business Portfolio
- 11 Strengths of our Business MODEL
  - 11 Manufacturing Business
  - 12 Distribution Business
  - 13 Business Foundation
- Global Network
- Path Towards Innovation: Digital MODEL Shift
- Digital Services Innovation
- 17 Digital MODEL Strategy
  - 17 Message from the CIO
  - 19 meviy
  - 21 Economy Series
  - 22 D-JIT
  - 24 NEWTON
  - 26 Use of Manufacturing Al
  - 27 MISUMI's DX Organization and Digital Talent

- 29 HR Strategy
  - 29 MISUMI's Human Capital Management: "Best Place To Grow"
  - 31 Next Challenge Scheme
  - 32 Interview with Next Challenge Scheme Participants
  - 33 D&I (Diversity & Inclusion)
  - 34 Monitoring of Engagement and Challenge Motivation
  - 35 Creating an Environment Promoting Model Innovation
- **36** Financial Strategy
  - 36 Message from the CFO

# Sustainability -

- 38 MISUMI's Sustainability
  - 39 Basic Policy of Sustainability
  - 40 Our Key Issues in Sustainability
  - 41 Sustainability Committee
- **42** Environmental Initiatives
  - 42 MISUMI Group's Basic Environmental Policy
  - 42 Climate Change Initiatives
  - 49 Initiatives in Procurement of Products / Parts
  - 49 MISUMI Group's Environmental Activities
- 51 Social Initiatives
  - 51 Supply Chain Management
  - 52 Manufacturing Support Activities
  - 52 Dialogue and Co-creation with Our Stakeholders

## Governance -

- 53 SPECIAL DIALOGUE (Governance Dialogue)
- 57 Corporate Governance Structure
- 59 Outside Directors and Outside Corporate Auditors
- 60 Board of Directors' Effectiveness Evaluation
- **60** Officers' Compensation
- 61 Risk management
- 62 Status of Internal Control System Development
- 64 Ethics and Compliance
- 67 Members of the Management Team

#### Data

- 70 Ten-Year Summary of Financial Data (Consolidated)
- 71 Overview by Segment
- 72 Employee-related Information
- 73 Corporate Information / Stock Information

#### **Editorial Policy**

The MISUMI Integrated Report 2024 was prepared with the key objectives to 1) help our diverse stakeholders, both domestic and international, gain a deeper understanding of MISUMI's value creation process and its unique strength and 2) be transparent in presenting our initiatives aimed at enhancing long-term and sustainable corporate value, enabling stakeholders to grasp the potential of these

Additionally, the report outlines MISUMI's initiatives to accelerate the advancement of the MISUMI MODEL, which has been central to improving Customer's Time Value since our founding. These initiatives include growth strategies driven by the Digital MODEL Shift as well as efforts to strengthen our Business Foundation, human capital strategy, and corporate governance.

The report concisely presents MISUMI's Growth Chainreaction Aspired Management and its historical business trajectory in the "At a Glance" section, followed by a "Value Creation" section, which highlights the strengths of the MISUMI MODEL, Digital MODEL Strategy and organizational strategies. Furthermore, the "Sustainability" section outlines our ESG initiatives and describes efforts to enhance the corporate governance structure.

Finally, the report includes MISUMI's financial data to clearly communicate the trends in corporate value and our future growth strategies. Comprehensive IR information and ESGrelated data are disclosed on our corporate website, ensuring easy access for stakeholders worldwide. MISUMI leverages its integrated report as a key tool for information dissemination. Moving forward, we remain committed to incorporating stakeholder feedback and continuously improving the quality of the report.

#### Reporting Period

FY2023 (From April 1, 2023 through March 31, 2024) However, the report includes certain disclosure items and details of business activities commenced from April 2024.

#### Scope of this Report

MISUMI Group Inc. and its consolidated subsidiaries/ associates

#### Forward-looking statements

This report contains forward-looking statements regarding MISUMI Group's business performance forecast and business environment projections. These statements are based on information available to MISUMI Group at the time of publication and include inherent uncertainties. There may be potential risks that could cause MISUMI's actual results to materially differ from those projected in this report. Accordingly, please be advised that actual future business performance and business environment may differ from the forecasts and projections presented here.