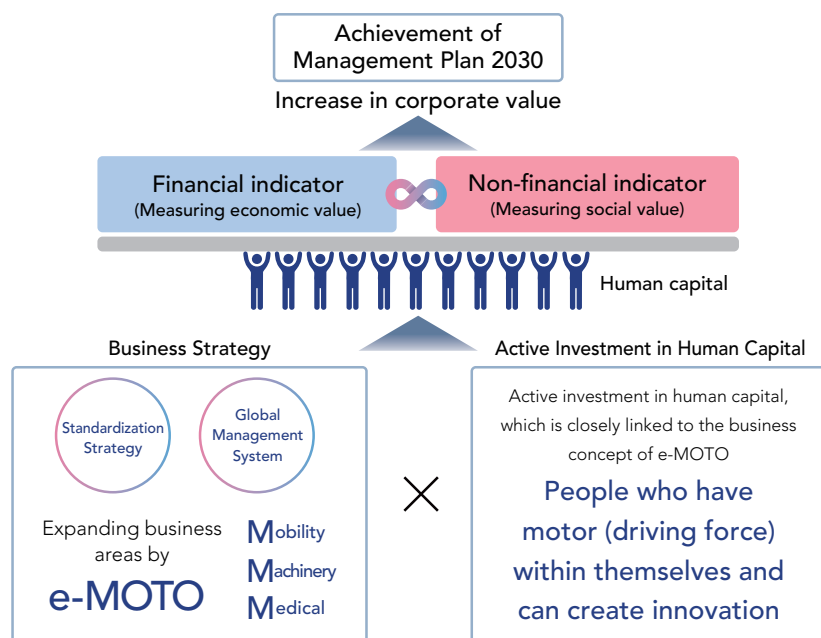


# Human Capital

## Fundamental Approach to Human Capital

In an era where the business environment is constantly changing, it goes without saying that people are the most critical factor for achieving sustainable corporate growth. Our Management Markers, a framework for embodying our Management Principle of "Contributing to International Society and Continuously Increasing Our Contribution," identify people as our most important management resource. By placing the highest value on our people, we empower and encourage them to realize their potential and contribute to society.

To realize our goal of enhancing corporate value under Management Plan 2030, we recognize the need to proactively invest in human capital who are closely aligned with our business strategies. We will continue to strengthen our recruitment and development efforts, and our other human capital initiatives. We also aim to fully harness the diverse values and experiences of our employees by providing career opportunities that enable each individual to demonstrate their individuality and let their own flowers bloom. By cultivating a supportive workplace environment, we will come together as one team to further enhance our corporate value.



Human Resource Development Policy	Recruitment and Promotion	We proactively recruit based on our business strategy. Not bound by conventional frameworks, we hire and promote diverse talent capable of driving global change, whether they are new graduates or in the middle of their careers, making individual potential the top priority.
	Entrenchment of the Management Principle and Strategic Vision	We work to ensure that our Management Principle, the foundation of all of our corporate activities, becomes entrenched through company-wide training programs while ensuring that management directly engages with our workforce to thoroughly communicate our strategic vision and initiatives under Management Plan 2030.
	Talent Development	We continuously develop globally capable leaders and specialists by providing personalized career opportunities, supporting individual growth, and strengthening leadership that embraces diversity. This has enabled us to establish a Group-wide framework for the broad and deep development of knowledge.
	Optimal Talent Placement	Globally, we ensure that we take a true merit-based approach and assign the right talent with the necessary experience and skills to the right roles, regardless of seniority.
	Evaluation and Compensation	We implement a job-based human resources system that accurately recognizes the contributions of each employee and facilitates their evaluation and compensation based on their roles and performance, ensuring fair and equitable treatment.
Workplace Environment Policy	Mental and Physical Health	We promote employee health by establishing the Mabuchi Motor Health Management Declaration and related initiatives.
	Increasing Employee Engagement	We foster workplaces where employees can be fulfilled and grow personally through their work while continuously improving working conditions and the environment as a whole to enhance engagement and productivity.
	Work-Life Balance	We build systems and environments that support vibrant workplaces where employees can maintain a healthy work-life balance and thrive, which are grounded in a clear understanding of evolving social trends and people's values.
	Corporate Culture and Climate	We foster a corporate culture that enhances creativity and drives innovation by facilitating the global collaboration of diverse employees and promoting a shared understanding of D&I and encouraging individual initiative.

# Human Capital

## | The Talent We Seek to Realize Our Business Strategy

### Self-motivated Talent Who are Driven to Innovate

- **Be Proactive (independent thinking and action)**

Demonstrate a broad perspective that goes beyond organizational issues to include social challenges and take the initiative in pushing forward with positive changes

- **Respect for diversity (effective collaboration with others)**

Embrace differing values and viewpoints shaped by diverse backgrounds and work with others to maximize team performance

- **Global perspective**

Stay attuned to global social and economic trends and identify new opportunities that contribute to the growth of our business

- **Commitment to learning, growth and professionalism**

Continuously deepen their expertise in their field through self-directed learning and produce high-quality results

- **Solution-oriented leadership**

Unearth hidden customer needs and internal issues and push forward with collaborations to propose and deliver effective solutions

We are especially focused on acquiring and developing talent with expertise in areas critical to Management Plan 2030 such as control systems development, motor peripheral device development, the 3 M Fields, and digital transformation (DX).

We believe that the interplay of diverse talent fosters the creation of new value. Guided by our e-MOTO concept, we proactively recruit individuals who can drive global change. Not bound by conventional frameworks, we hire and promote people based on their individual potential, regardless of their age, gender, nationality, race, disability, or whether they are new graduates or mid-career professionals. We also stay connected with alumni and provide them with opportunities to return to working with us.

To achieve Management Plan 2030, we must continue to foster a corporate culture that encourages proactive engagement and innovation. We believe that bringing together individuals with different backgrounds and perspectives will spark new ideas, broaden our customer base, and help solve the diverse challenges that society is facing. To this end, we are working to build a corporate culture that promotes creativity and innovation by facilitating the global collaboration of diverse employees across all of the Group companies, both in Japan and overseas.

## | Human Resource Development

To consistently develop globally capable leaders and specialists working not only at our Headquarters but throughout our domestic and international Group companies, we promote cross-border talent exchanges (rotation) and conduct training programs for future executive candidates. Our training programs are conducted using Mabuchi's unique educational framework led by the Mabuchi Learning Institute (MLI), the organization that is responsible for supervising Group-wide training. Leveraging MLI's global online learning platform, we foster a culture of continuous learning and accelerate the development of specialists with advanced knowledge and skills to build a Group-wide framework for the broad and deep development of knowledge.

### Developing the next-generation of leaders

We believe that leaders should take the initiative in the addressing of management challenges from a broad perspective and be capable of facilitating innovation. Based on this belief, we have increased our emphasis on the development of the next generation of leaders. We hold the Management Strategy Course on an ongoing basis. It is designed to develop key talent so that they are proactive leaders possessing managerial insight. Many of our current executives are people who completed this program and who proposed solutions to management challenges to their leadership earlier in their careers. The 2024–2025 course focuses in particular on the development of leaders who will be able to drive the expansion of our business.

We also provide Chairman's Seminars. This is an advanced leadership program for selected senior managers. In this program, the Chairman of Mabuchi Motor provides hands-on instruction in the core principles of management, with the goal of preparing participants to be presidents and executive officers in the future.

## | Global Talent Development for the Mabuchi Global Management System

In our Mabuchi Global Management System, which emphasizes the robust interconnections between the bases and leverages diverse human resources, it is crucial to have an education system in place that promotes the development of local talent and facilitates the departments and bases mutual understanding of their respective responsibilities. We implement a job rotation system and conduct a global executive candidate training program to continuously cultivate management talent capable of playing an active role globally, including employees at our overseas bases. In particular, we promote a trainee system to help young employees acquire on-the-job skills. Employees work overseas as trainees for six months to a year to experience how overseas sites carry out business. We also have a system in place enabling employees from our overseas bases to be transferred to the Headquarters as trainees.

As of 2024, a total of 457 employees had gained international experience by being transferred overseas from our Headquarters in Japan, being transferred from one overseas site to another, or being assigned to an inter-site trainee program. We aim to increase this number to 625 by 2030.

## Human Capital

### [Diversity and Inclusion](#)

The goal of our diversity and inclusion initiatives is to ensure that all of our employees, regardless of nationality, age, gender or other factors, have a global mindset and leverage their individuality to generate new value. Since our first overseas expansion in 1964, our long history of doing business globally has meant that our approach to employment has always been flexible, fair, and equitable. In recent years, we have placed even greater emphasis on this stance, proactively recruiting and promoting individuals who share our Management Principle, regardless of age, gender or nationality. By encouraging diverse talent to compete and collaborate, we aim to stimulate the creation of new value.

Furthermore, we take a proactive approach to the creation of a workplace that respects diverse work styles, enabling each individual to achieve self-actualization, personal growth and fulfillment. We will continue to aim to build a truly global professional environment, where Mabuchi Group employees can further their careers without being constrained by geographic boundaries.



### [Support Systems for Diverse Work Styles](#)

We offer a range of options for work styles, encouraging our employees to choose the one that suits them best. By doing this, we aim to improve overall productivity and create added value throughout the company. We ensure that our policies and work environments accommodate diverse lifestyles and support our employees' balancing of work and their personal lives.

► More information about our programs is available on our [website](#).



The unconscious bias training conducted for Headquarters managerial employees



#### Achievements in 2024

**Average number of childcare leave days taken by male employees**

**107.3 days**

**Percentage of employees returning to work after childcare leave**

**100%**

### [Eliminating the Gender Gap](#)

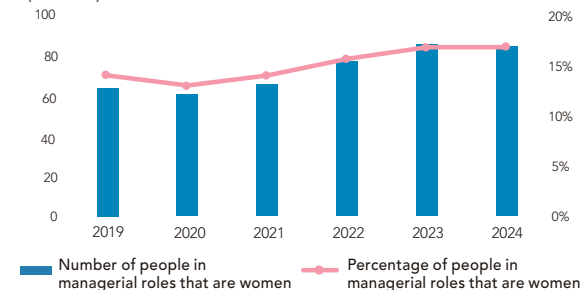
Creating an inclusive work environment where everyone can thrive is an essential part of pushing forward with the healthy growth of the corporation. We believe we must eliminate the gender gap within our organization to achieve our Management Plan 2030, and we strongly emphasize the promotion of the advancement of women. Specifically, we have articulated a Vision for the Genuine Empowerment of Women that lays out a workplace where women take on more important roles with confidence as they move forward on their own career paths. Guided by this vision, we are promoting institutional measures that support the advancement of women, including recruitment, development, and work-life balance programs. Our goal is to increase the percentage of people in managerial roles that are women to 20% globally and 12% in Japan by 2030.

2030 Targets for the Percentage of Managers That Are Women

Global **20%**

Japan **12%**

Change in the Percentage of Managers That Are Women (Global)



### [Fair and Equitable Human Resources Systems](#)

Our performance evaluation and compensation systems are designed to accurately recognize the contributions of each employee in their roles, with the goals of fostering the mutual growth of the company and its people and ensuring our employees are treated fairly and equitably. We have introduced a role- and performance-based compensation system for managers and specialists, in which rewards are determined by the scope of their responsibilities and their achievements, rather than by personal attributes such as age or length of service. Additionally, a job-based human resources system has been introduced for non-managerial employees at our Headquarters and for certain Group company employees. This system enables us to appropriately recognize the contributions of individuals who have diverse responsibilities, and to evaluate and compensate them based on their roles and performance. By clearly communicating these systems and frameworks to employees, we help them understand how their roles align with the company's direction. At the same time, by visualizing the experiences and skills they will need to achieve their desired career paths, we provide a compensation system that supports individual self-fulfillment.

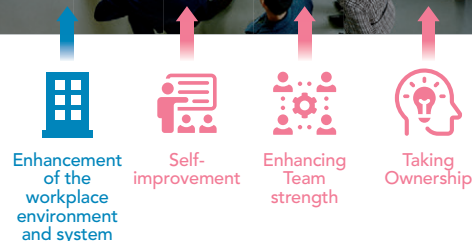
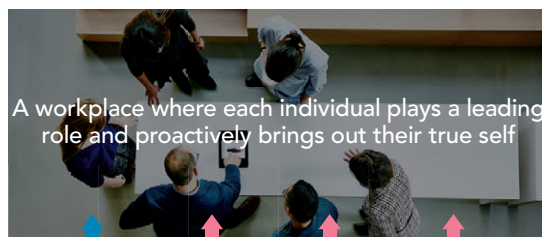
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# Human Capital

## Improving Employee Engagement

Our vision for improving employee engagement is to create a workplace where each individual plays a leading role and proactively brings out their true self. To bring this vision to life, we promote engagement initiatives anchored to four key pillars. Guided by the results of regular engagement surveys, these initiatives encompass both a company-wide cultural transformation and the proactive efforts driven by individual departments and teams.

Beginning in 2025, we will roll out these surveys and initiatives on a global scale with the goal of building a vibrant and energized Group.



These four mutually reinforcing pillars lead to increased employee engagement.

Focus areas of activity		Overview
Extrinsic Motivation	<b>Enhancement of the workplace environment and systems</b>	Improve workplace environment, human resources system, and employee benefits
Intrinsic Motivation	<b>Self-improvement</b>	Support employees' personal growth and self-realization through career support that leverages individual strengths and proactive development assistance
	<b>Enhancing Team strength</b>	Foster an environment of understanding and respecting diverse values, utilize individual strengths, and promote team building and inter-team collaboration that enhances each other
	<b>Taking Ownership</b>	<ul style="list-style-type: none"> <li>Thoroughly share and instill the core vision and mission</li> <li>Motivate each individual to recognize their role and actively participate with a sense of ownership</li> </ul>

## Engagement Survey

We have been implementing employee engagement surveys regularly since 2022. The results of the surveys are reported to the Board of Directors and the Executive Committee, and we analyze the results of the surveys and identify issues. We are also working on developing human resources strategies that reflect our analysis of the survey data (the strengths and challenges identified by the surveys).

In the survey conducted in July 2024, we received responses from 919 out of 954 employees, which is a response rate of 96%. The overall engagement score rose two points compared to our first survey in 2022. Notably, the score for “a culture of taking on challenges,” which was identified as a key area for improvement based on the initial survey, improved five points, indicating significant progress. To foster this culture at even higher level, we have introduced and reinforced various initiatives aimed at helping employees experience accomplishment in their work every day and encouraging them to embrace new challenges. We believe these efforts have contributed directly to the improved engagement scores.

Starting in 2025, we will expand our employee engagement surveys and related initiatives globally, further strengthening our efforts to foster both employee fulfillment and a supportive work environment.

## Employee Engagement Initiatives

We value employee initiative and have established a variety of award programs to recognize individual achievements and courageous efforts. We feature interviews with award recipients in our internal newsletter to foster a culture where colleagues support and encourage each other to take on new challenges.

### Example Awards

**Good Idea Award:** Presented to employees who have innovative ideas and achieve outstanding results.  
**Nice Try Award:** Given to employees who take on extremely challenging tasks, regardless of the outcome.  
**Mabuchi Way Award:** Honors employees who are role models because of their implementation of our Corporate Missions in pursuit of our management vision.

We also proactively create opportunities for management and employees to engage in direct dialogue to ensure that key messages such as management policies and business plans are effectively communicated, fully understood and personally internalized by all employees.



Town hall meeting with local employees and the Headquarters executives held at an overseas site



Lunch meeting with executives and employees at our Headquarters